

Panama

RIGHTSHIP



Looking Ahead . . .



Capt. Anuj Chopra

24th June 2016



... In a sentence!

RightShip is an **innovative** organization with a **social conscience**, best known for our work on **maritime safety**.

We also have a growing reputation for our work in **environmental sustainability**.

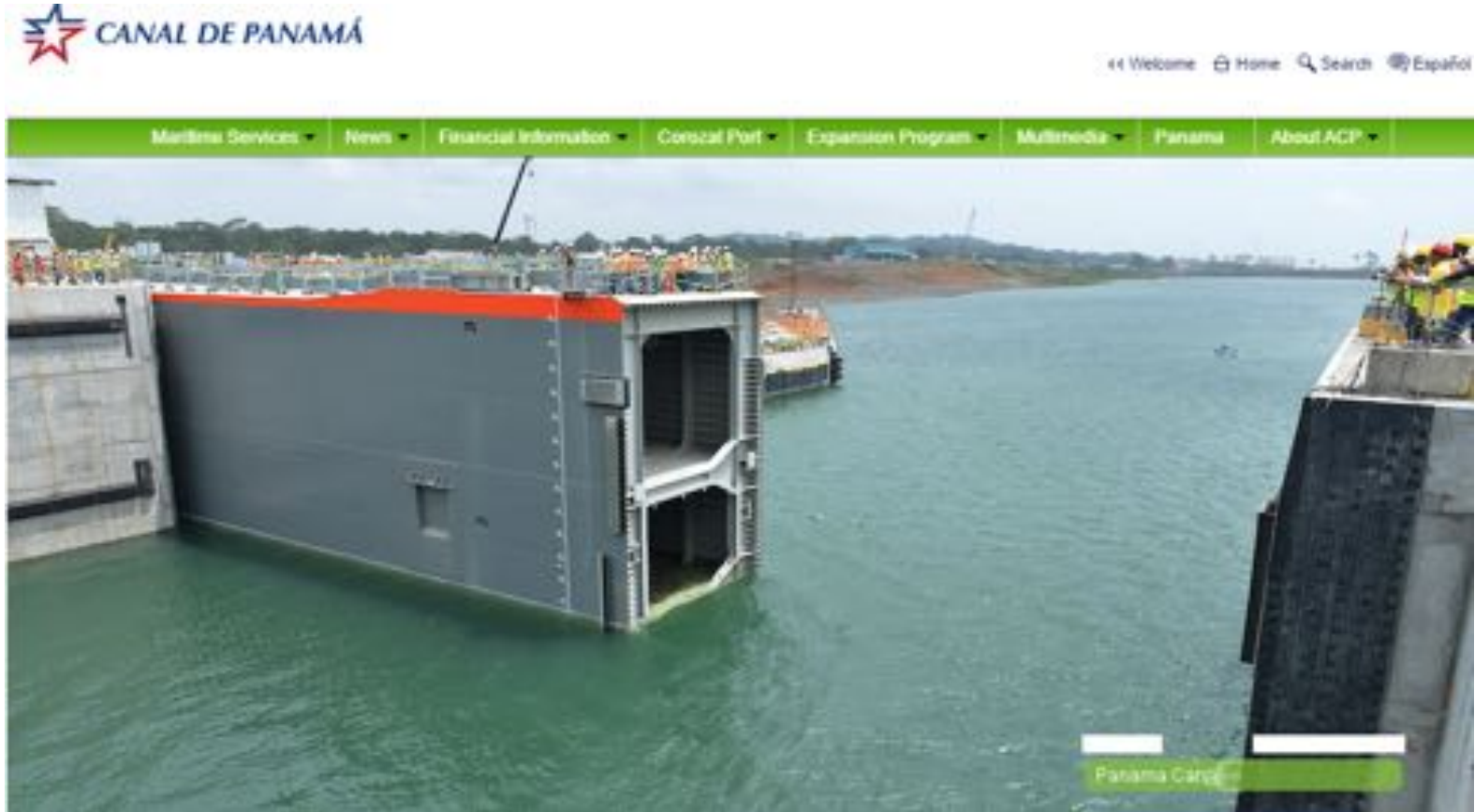




- ***Congratulation to ACP! New Horizons . . .***
- ***Limitless Infrastructure or Optimization***
- ***Does Efficiency Pay? Big Data & The first movers***
- ***What can we do!***

Today's Discussion

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- Vessel Running cost – OPEX + CAPEX
- Rates in recent past
- Is this Sustainable?



- ▶ Average Capesize demolition age at 21.4 years so far in 2016
- ▶ Dry bulk cargo market in 'pure survival mode,' Clarksons says

<http://www.bloomberg.com/quote/BDIY:IND>

Commodity Shipping Costs Tumble Amid Slowing Demand

Baltic Dry Index falls to lowest in three decades

■ Baltic Dry Index

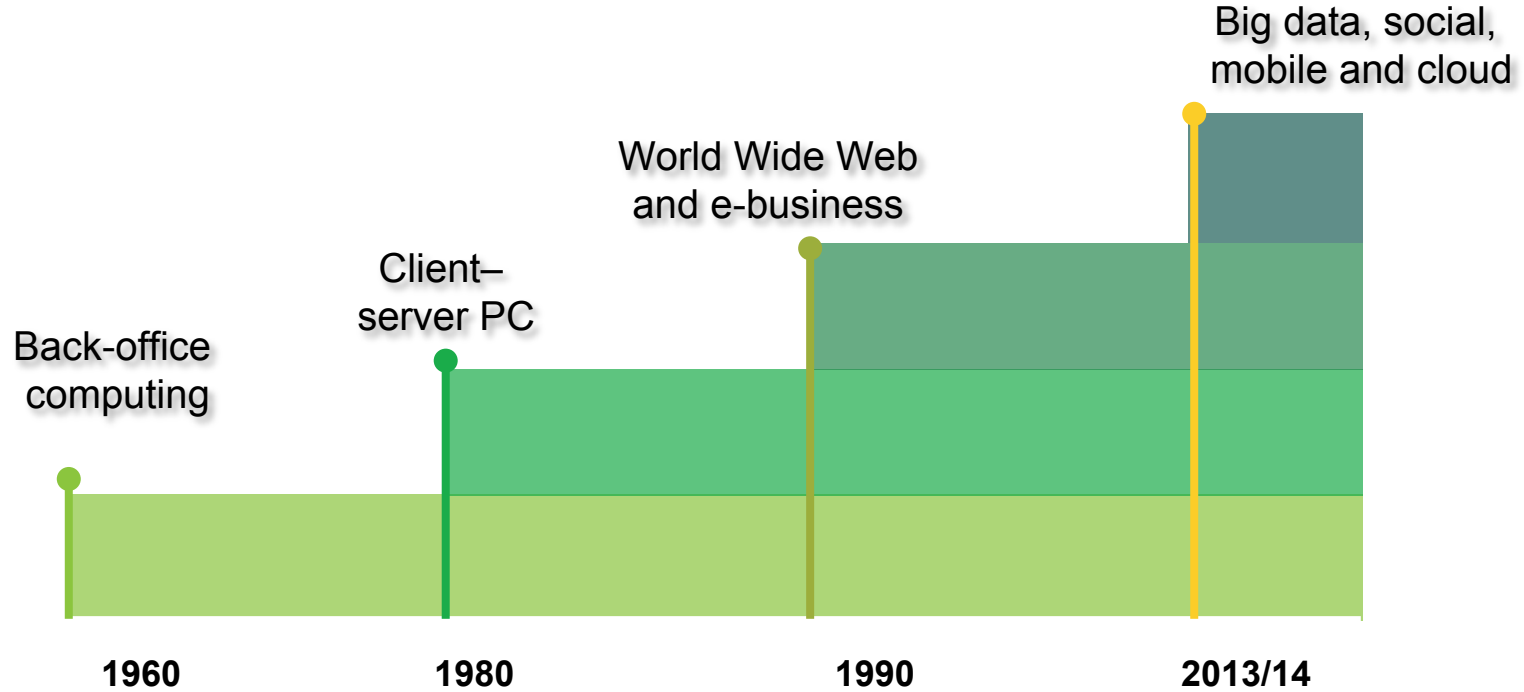




- COP21 – Dec'15 – 177 nations agreed to reduce emissions
- Stakeholders Awareness & Societal Demand
- Geopolitical, Corporate & populace Dialogue
- *Optimization & Sustainability*



The transformative power of computing



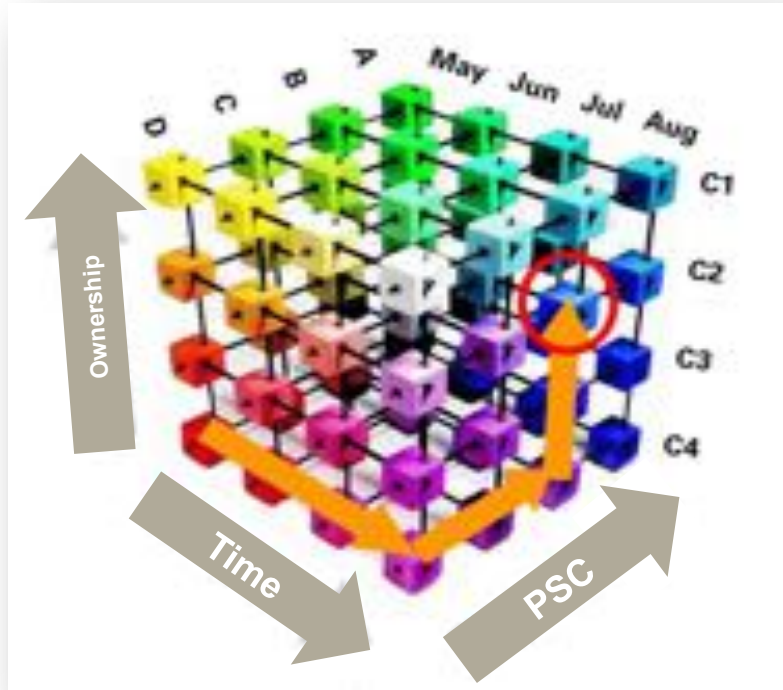


Big data





What to do with big data?



The core of big data programs is business analytics

Business analytics allow us to analyze the data we are collecting

- Look for anomalies
- Look for trends
- Compare intelligently

Cubing allows us to 'slice & dice' our data in multiple ways

Analytics can be linked to forecasting

CASE STUDY: IMPROVING BERTH PRODUCTIVITY

A nighttime photograph of a port berth. In the foreground, a large concrete structure, likely part of a ship's hull or a pier, is visible on the left. In the background, a large ship is docked at a pier, illuminated by numerous lights. The sky is dark blue, and the water reflects the lights from the ship and the pier.



DOES IT PAY TO BE GREEN?





The maritime industry is clearly **outperforming the regulators** in their efforts to mitigate climate change.

“The RightShip **GHG Emissions Rating** and the **Environmental Score** offer a real acknowledgement of the **great work done by the ship owners and operators that go above and beyond compliance requirements** to reduce the environmental impact of their vessels.”

Market moves faster!

RIGHTSHIP



40 charterers factor in energy efficiency

- 2+ billion tons of cargo
- 25+% of global shipments
- 30,000 vessel movement per year
- 7 in 10 vets by RightShip clients have a GHG emission rating review

12+ ship owners publicly endorse GHG emissions rating

Financial Institutions

- ABN Amro, HSH Nordbank, KfW (4+)
- Factor vessels' energy efficiency into underwriting process

Ports incentive programs

- Environmental ratings basis for port fee discounts
- PMV Vancouver, Port Prince Rupert

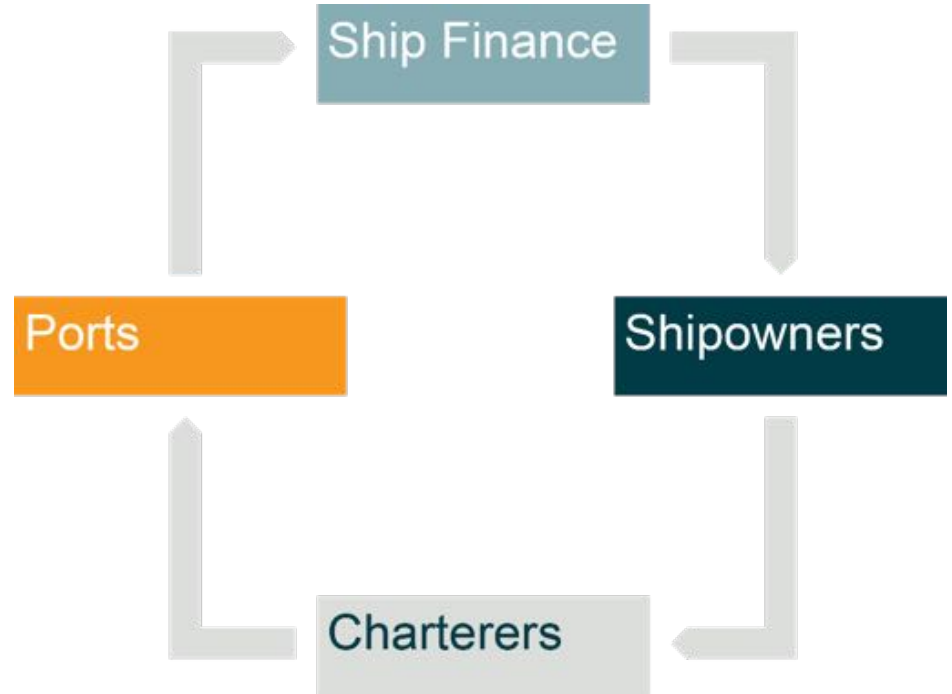


**5 ~ 9 % savings of the
Gross Freight Bill!**



Tyndall Center - Conclusion

“Explicitly considering fuel efficiency in chartering decisions offers significant fuel, financial, and emissions savings”





Reducing Shipping's GHG Emissions Requires a Collaborative Approach





PORT PRINCE RUPERT

First years – 2014/2015

- Discounts \$113,872/\$140,246 to 140/133 vessels
- 116/7/5 calls qualified through RightShip's C/B/A

GHG Emissions Rating – Environmental Star Score

- Enviro Score 1 / 6 / 33 vessels with 5/4/3 Score
- Access to rating provided free to ports



A typical P I P

RIGHTSHIP



GENERAL	SPECIFIC	TIER 1 (10%)	TIER 2 (20%)	TIER 3 (50%)
ENVIRONMENTAL PROGRAM	Green Marine	Level 3 GHG AND min Level 2 overall	Level 4 GHG AND min Level 2 overall	Level 5 GHG AND min Level 2 overall
	RightShip	GHG B,C OR Environmental 3+ (min GHG D)	GHG B AND Environmental 3+	GHG A
	Environmental Ship Index (ESI)	Scores 20-30	Scores >30-50	Scores >50
	Green Award	Award certificate		
	Clean Shipping Index	Score of Yellow	Score of Green	
	Energy Efficiency Design Index	EEDI 5% better than required	EEDI 10% better than required	



A reputed international flag

Apr 2014 – Mar 2015	A Rated Vessels	G Rated Vessels	Full Flag's Fleet	Global Fleet
Vessels	82	25	2,638	73,874
Inspections	128	50	5,744	75,232
Detentions	0	1	64	2,121
Deficiencies	74	98	8,189	172,401
Inspections with Deficiencies	31	23	2,435	39,702
Deficiencies per Inspection	0.58	1.96	1.43	2.29
% Inspections with Deficiencies	24.22%	46.00%	42.39%	52.77%
% Inspections with Detentions	0%	2.00%	1.11%	2.82%

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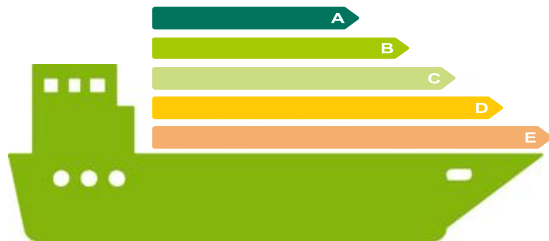


SUMMARY





Sustainable Vessel Selection Pays





DO YOUR PART

- Maritime Supply Chain - be Safe, Secure & Profitable
- Accelerate industry sustainability - *working together*
- Opportunity to *incentivize* energy efficiency, as an

Environmentally Efficient Ship is a Sustainable Ship!

“Eco Vessels = Healthy / Profitable / Safer Vessels = Lower Risk”



¡Muchas Gracias!

THANK YOU!

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 [@RightShip_](https://twitter.com/RightShip_)

 [RightShip](https://www.linkedin.com/company/RightShip)