

Lloyd's List

Greek owners feel the heat from China

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| by [Analyst says China will become largest shipowning nationality 'within a decade', writes Nigel Lowry in Athens](#)

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"It could happen in about a decade," said Ted Petropoulos, managing director of Petrofin SA. "That is in terms of numbers of ships, but in terms of value of the fleet it could be slightly longer as Greeks are still investing in higher value ships."



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According to Mr Petropoulos, the prospect of being dethroned as largest shipowning nationality after many years topping the league was "not all bad for Greeks".

He said, "I think other flags will look a lot worse by comparison. Greeks are still growing and investing, but many other nations are not as committed to grow and may be surpassed in leaps and bounds."

Mr Petropoulos was speaking on the fringes of yesterday's Lloyd's Shipping Economist Greek Ship Finance Conference in Athens where he addressed the subject of whether the growth of Chinese shipping was a threat or opportunity for Greek shipowners.

He concluded that development of the two countries' fleets was "not necessarily mutually exclusive."

Chinese companies held the upper hand for exploiting their own economy's growth and that of the wider Far East region, but Greeks were "well placed to also profit from China," argued Mr Petropoulos.

He cited figures showing that in tanker capacity (dwt), Greeks at present control 21% of the world fleet compared with 5% under Chinese ownership.

The dry bulk sector saw huge Chinese expansion in 2004 but Chinese companies still trail Greeks in their share of world tonnage by 22% to 14%.

Chinese control 7% of container tonnage versus Greek owners' 6%.

Mr Petropoulos saw Chinese fleet advantages as including the country's vast transportation requirements, supportive state policies and availability of Chinese crews.

Disadvantages were said to include limited access to international capital and banks, especially for the smaller Chinese owners.

The country's owners had not been tested by a shipping slump, Mr Petropoulos observed.

Greeks, meanwhile, were generally experienced, and enjoyed access to finance and capital as well as having commitment, timing skills and liquidity.

As cross-traders they were, however, exposed to protectionist policies and were suffering a scarcity of Greek crews and the aging of experienced shore staff.

Mr Petropoulos felt that a new interest among Greeks in taking shipping companies public also had two sides.

On one hand it could assist them in responding to Chinese opportunities. But, he said, there was a risk that Greece's public companies could be vulnerable to takeovers by Chinese buyers.

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