

Katseli seeks to tap shipping capital

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Louka Katseli

London's Greek shipowners asked to work closely with Greek economy.

GREEK minister of Economy, Competitiveness and Shipping Louka Katseli has embraced the notion of issuing government bonds aimed chiefly at attracting shipping capital to help meet the country's wider needs.

The proposal was reportedly floated to Greek shipping circles in London during Ms Katseli's visit to the UK this week.

Analysts had estimated that before the crisis Greek owners collectively had liquidity of up to \$70bn and, although in

many cases recent investment losses might have eroded that, the consensus was that the industry overall remains cash-rich.

Just last month, financial consultant Ted Petropoulos of Petrofin floated such an idea at a shipping conference in Athens.

Mr Petropoulos said Greek owners had the capacity to offer support to the Greek financial system, and given the change in the world economy could be attracted to safer investments such as state bonds if the coupon was right.

He has suggested, for example, a targeted \$500m issue to test the water.

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Speaking from London, Ms Katseli said she had invited shipping interests there to work more closely with the Greek economy.

On this crisis we are all in the same boat and we need cooperation between the private sector and the state if we are to progress smoothly.

At a working lunch at the Baltic Exchange with members of the Council of the Greek Shipping Co-operation Committee, however, the minister had to face criticism of the new Greek government move to unite the shipping portfolio with the wider ministry of Economy.

The unanimous position on the issue of the Greek shipowners is that it is an absolute necessity for Greek shipping and especially the national register, to be administered by a separate and independent ministry, which operates as a single and comprehensive entity, covering all aspects and operations of the merchant shipping, the committee said.

In particular, London Greeks voiced concern that the country's coastguard, although represented in Ms Katseli's mega-ministry, remains substantially under another department of government.

An undivided and encompassing coast guard was necessary to guarantee the maritime administration's smooth operation and to inspire the necessary trust.

For her part, Ms Katseli assured senior London Greeks the government is committed to the industry, the competitiveness of the Greek registry, as well as improving representation of Greek shipping positions in the EU and internationally.