

## Trade Winds

### Trend on rise for fewer players with more ships

The Greek shipping industry is undergoing a quality revolution, with larger and younger ships entering the fleet, pushing down the average age impressively, according to the latest study published by Athens-based Petrofin Research.

But a massive 82% of Greece's 693 shipping companies control fleets of fewer than 10 ships and the concentration of older vessels still lies among smaller owners, the study found.

Petrofin based its survey only on the Greek-owned and Greek-based fleet, initially using data from the Greek Shipping Directory, which was cross-referenced with other databases and market information.

The study also ignores the substantial number of newbuilding orders placed by Greek companies with delivery dates after the end of 2007.

It notes that newbuilding orders may be susceptible to resales or cancellations and thus may distort the current picture of the size of Greek companies and the age of their fleets.

Petrofin found that the number of Greek-based shipping companies rose marginally from 690 in 2005 to 693 this year, while the number of vessels operated, including any type of ship, any tonnage and any flag, rose to 4,164 from 3,970 last year.

Companies operating one to two ships still dominate, at 288, representing 41.55% of the total number, but these have showed a relatively steady decrease from 52.16% (483 companies) in 1998. At the other end of the scale, companies operating 25 ships or more continue to increase and, at 28, now represent 4.04% of the total, as compared with 2.05% (19 companies) in 1998.

Citing an "impressive fall in average age", the study found that for the whole fleet, this has dropped to 19.14 years, reflecting an influx of newbuilding and the rigorous replacement of older vessels with younger tonnage in the past two years.

However, the analysis found the "usual concentration of older vessels" among the smaller owners.

It pinpoints 645 vessels over the age of 30 and an amazing 209 ships over the age of 40. However, these include tankers, bulkers and ferries operating locally or in more age-relaxed zones, it says.

Perhaps more representative of the wider picture, Petrofin calculates that the average age of vessels over 20,000 dwt has decreased from 19.3 years in 2003 to 15.2 years in 2006. Tankers lead the way, with an average age of 11.6 years, followed by containerships, with an average age of 15.72 years, and bulkers at 16.8 years.

Petrofin says it is inevitable that at some stage the Greek fleet's older vessels will be scrapped. When this happens, the analyst says "the age of the Greek fleet will improve considerably and will render Greek shipping a much more modern fleet, fully in tune with the evolving requirements of world shipping".

The analyst also believes that given the current global trend, it is more than certain that the number of Greek shipping companies will decrease but that their size will grow.

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