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SHIPBUILDING COMMITTEE**

## **Policy and market developments in non-Shipbuilding Committee economies**

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## 1. Executive summary

The share of non-Shipbuilding Committee (SBC) economies in global ship deliveries has been growing steadily over recent years and in 2023 reached a record level of 56% and is expected to continue to grow. This is, in particular, driven by the growth of the shipbuilding industry in the People's Republic of China (hereafter 'China'). Support measures by non-SBC economies have more than doubled since 2022, with the largest number of support measures provided in China.

As agreed in its Programme of Work and Budget (PWB) for 2023 and 2024, this report provides an overview of the measures supporting the shipbuilding industry and of the development of the shipbuilding market in selected non-SBC economies. The increase in the global shipbuilding market share of non-SBC economies continued in 2023.

This rise was mostly driven by the growth of the Chinese shipbuilding industry. In 2023, China remained the largest shipbuilding economy in terms of both ship completions and new contracts (Table 1). China represented 49.7% of all Compensated Gross Tonnes (CGT) delivered worldwide and 59.7% of all CGT contracted in 2023, an increase from 46.6% and 49.5%, respectively, in 2022. Among non-SBC economies, China accounted for 88.8% of all ship deliveries in 2023, up from 52.2% in 2020.

This is attributable to the large-scale expansion of facilities by China's shipbuilders from 2003 to 2008 and the Chinese government's policy efforts to promote the shipbuilding industry as a major strategic export industry. China has invested in the shipbuilding industry in line with the "Made in China 2025" policy announced in 2015 and recently, released an action plan to promote green development in the shipbuilding industry, the "Green Development of Shipbuilding Manufacturing Industry (2024-2030)".

Bulkers, containerships and tankers constitute half of all completions by Chinese shipbuilders. However, the total proportion of the three major ship types decreased from 70.2% in 2014 to 50.6% in 2023. Instead, the proportion of other ship types such as gas carriers and car carriers has increased. The shift to diversification of ship types is reflecting efforts to strengthen competitiveness through accumulation of shipbuilding experience.

Nine non-SBC economies ranked in the top economies in terms of ship completions and new orders in CGT. The Secretariat analysed the shipbuilding market developments in these selected 9 economies including China, Viet Nam, Indonesia, the Philippines, Chinese Taipei, United States, Bangladesh, Malaysia and India.

During the mid-2010s, the Philippines, Indonesia, Chinese Taipei and Malaysia have experienced a substantial decline in their production of seagoing vessels in response to the downturn of the global shipbuilding market. By contrast, Viet Nam, Bangladesh and India's shipyards production remained relatively stable.

In particular, after 2020, the growth of the shipbuilding industry in India and the Philippines stands out. In India, completion doubled and new contracts tripled in 2023 compared to 2020. In the Philippines, production increased 130% and new contracts doubled in 2023 compared to 2020.

**Table 1. Total completions and new contracts of seagoing vessels by selected non-SBC economies in the period between 2019 and 2023**

Completions			Contracts		
	Economy	Million CGT		Economy	Million CGT
1	China	72.28	1	China	106.32
2	Viet Nam	2.19	2	Viet Nam	2.49
3	Indonesia	1.89	3	Philippines	2.07
4	Philippines	1.68	4	Indonesia	1.37
5	Chinese Taipei	0.61	5	India	0.61
6	United States	0.57	6	United States	0.46
7	Bangladesh	0.51	7	Malaysia	0.43
8	Malaysia	0.51	8	Spain	0.30
9	India	0.41	9	Bangladesh	0.26
	Others (28 economies)	3.53		Others (27 economies)	3.41
	Total (37 economies)	84.17		Total (36 economies)	117.73

Note: CGT means Compensated Gross Tonnes, an indicator of shipbuilding workload to build a given ship.  
Source: OECD calculations based on Clarksons (2024, World Fleet Register, <https://www.clarksons.net/wfr>).

The report lists support measures taken by selected non-SBC economies. The Secretariat identified 40 measures in this report (Table 2) compared to 31 last year. Research of support measures is difficult given the lack of official information in most economies. The Secretariat needs to rely on indirect sources, often press articles. This means that there is a high risk that many support measures taken by non-SBC economies are not mentioned in this report given the fact that information on them is not publicly available or has not been found by the Secretariat.

The largest number of support measures is found in China (12), followed by United States (6) as it was the case last year. Looking at previous and current editions of the Inventory of support measures taken by non-SBC members, it seems that economies can use all types of support measures depending on their needs. Many of the support measures to protect the domestic market (category M) have been announced by China.

In terms of categories, the most frequent type of support measures, found 8 times each, are the Protection of the domestic market (category M) and Direct transfer of funds by Governments (Category A) followed by the category H (Government revenue that is foregone or not collected), the category K (Support for Research and Development) and the category O (Other official regulations and practices). All these measures can potentially be very distorting for the international shipbuilding markets.

**Table 2. Number of support measures found in non-SBC members\***

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	<b>Total (new)</b>
Argentina	1				1											<b>2 (1)</b>
Australia													1			<b>1 (1)</b>
Bangladesh	1		1	1												<b>3 (1)</b>
Brazil	1															<b>1 (1)</b>
Canada		1											1			<b>2 (1)</b>
China			1						1		2		5		3	<b>12 (3)</b>
India	1													1	1	<b>3 (1)</b>
Malaysia								1								<b>1 (1)</b>
New Zealand	1	1										2				<b>4 (2)</b>
Philippines								3								<b>3 (1)</b>
Spain	1															<b>1 (1)</b>
United States	2			1				2					1			<b>6</b>
Viet Nam								1								<b>1 (1)</b>
<b>Total</b>	<b>8</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>1</b>			<b>7</b>	<b>1</b>		<b>2</b>	<b>2</b>	<b>8</b>	<b>1</b>	<b>4</b>	<b>40 (15)</b>

\* In alphabetical order

Source: OECD calculations

Note: the numbers written in brackets refer to the number of new policies found for each economy, compared to last year's report

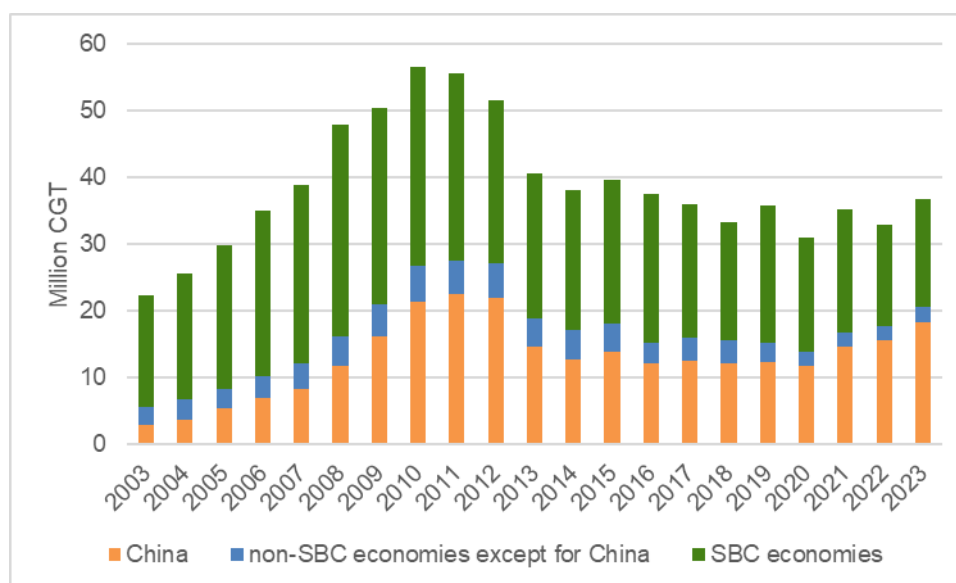
## 2. Shipbuilding market developments in non-SBC economies

### 2.1. Overview

Over the last twenty years, the global market share of non-SBC economies has been steadily increasing from 24.9% in 2003 to 52.6% in 2012 and has fluctuated between 40 and 50% between 2012 and 2019. Since 2019, it has been increasing continuously. In 2022, the share of non-SBC economies in global ship deliveries amounted to 53.8% and continued to increase, reaching 56% in 2023.

The increase in the share of non-SBC economies in global ship completions is largely due to the rapid growth of China's ship production since the early 2000s (Figure 1). This is attributable to the large-scale expansion of facilities by China's shipbuilders during the historic boom period from 2003 to 2008 and the Chinese government's policy efforts to promote the shipbuilding industry as a major strategic export industry since 2001. Accordingly, China's share of ship completions in non-SBC economies also increased considerably from 52.2% in 2003 to 88.8% in 2023. In 2023, China remained the largest shipbuilding economy with seagoing vessel completions amounting to 18.2 million CGT, representing 49.7% of the world total. China's share of non-SBC economies reached 88.8% in 2023.

**Figure 1. Completions in CGT and global market shares, 2003-2023**



Note: This Figure includes all seagoing vessels from 100 GT. SBC economies include SBC members at the end of 2023.

Source: OECD calculations based on Clarkson Research Services Limited (February 2024), World Fleet Register, <https://www.clarksons.net/wfr>.

At the end of 2023, the orderbook of non-SBC economies' shipyards included 3657 vessels on order, amounting to 66.3 million CGT and representing 54% of the world total (Table 3). China accounted for 48.5% of the global orderbook in terms of CGT. Viet Nam

and the Philippines followed China with 1.0% and 0.9% of the global orderbook, respectively.

**Table 3. Orderbook of selected non-SBC economies, December 2023**

Economy	Number of ships	Million CGT	% of total CGT
Global	5514	123.00	100%
SBC economies	1857	56.63	46.0%
Non-SBC economies	3657	66.36	54.0%
China	2616	59.69	48.5%
Viet Nam	118	1.29	1.0%
Philippines	63	1.13	0.9%
India	66	0.37	0.3%
Indonesia	164	0.35	0.3%
United States	59	0.31	0.3%
Bangladesh	71	0.22	0.2%
Spain	56	0.21	0.2%
Singapore	30	0.19	0.2%
Malaysia	97	0.17	0.1%
Chinese Taipei	3	0.04	0.0%
Unknown	39	0.18	0.1%

Source: OECD calculations based on Clarkson Research Services Limited (February 2024), World Fleet Register, <https://www.clarksons.net/wfr>.

## 2.2. Recent market developments in selected shipbuilding economies

According to Clarksons' World Fleet Register, during the last five years (2019-2023), 37 non-SBC economies have built more than one seagoing vessel (100 GT or more) and 36 economies have received more than one new order.

Nine of these economies ranked in the top economies for ship completions and new orders in terms of CGT (Table 4). The Secretariat analysed the shipbuilding market developments in these economies including China, Viet Nam, Indonesia, the Philippines, Chinese Taipei, United States, Bangladesh, Malaysia and India.

**Table 4. Completions and new contracts of seagoing vessels in terms of CGT by selected non-SBC economies, 2019-2023**

Completions			Contracts		
	Economy	Million CGT		Economy	Million CGT
1	China	72.28	1	China	106.32
2	Viet Nam	2.19	2	Viet Nam	2.49
3	Indonesia	1.89	3	Philippines	2.07
4	Philippines	1.68	4	Indonesia	1.37
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Note: This table includes all seagoing vessels from 100 GT.

Source: OECD calculations based on Clarkson Research Services Limited (February 2024, World Fleet Register, <https://www.clarksons.net/wfr>).

### 2.2.1. China

China's shipbuilding companies can be classified into three broad categories according to ownership structure: state-owned enterprises (SOEs), private domestic shipbuilding enterprises, and joint ventures of foreign and domestic companies (OECD, 2021<sup>[1]</sup>). In 2020, in terms of completions in CGT, 46 of the largest 100 Chinese shipyards are owned by the central and local governments and thus are SOEs. 54 shipyards are private companies including domestic owners and foreign owners (OECD, 2021<sup>[1]</sup>).

The largest Chinese shipbuilding conglomerate is the China State Shipbuilding Corporation (CSSC), which was created in 2019 by the merger of the two largest state-owned shipbuilders, China Shipbuilding Industry Corporation (CSIC) and CSSC. As of 2023, the shipyards owned by CSSC accounted for 31.8% of all CGT delivered in China. (Table 5)

The Yangzijiang Shipbuilding Group, established in 1956, is China's largest private shipbuilder. The group owns four shipyards, which are located along the Yangtze River in the province of Jiangsu. These yards are Jiangsu New Yangzi Shipbuilding, Jiangsu Yangzi Xinfu Shipbuilding, Jiangsu Yangzijiang Offshore Engineering, and Jiangsu Yangzijiang shipbuilding. As of 2023, the shipyards of Yangzijiang Holdings accounted for 10.0% of all CGT delivered in China.

Another major shipbuilding conglomerate is COSCO Shipping Heavy Industry, which is a subsidiary of the COSCO shipping group (*i.e.* the largest state-owned shipping operator in China). COSCO Shipping Heavy Industry owns nine shipyards. Major shipyards under its direction are COSCO HI (Zhoushan), COSCO HI (Yangzhou), COSCO HI (Guangdong), COSCO HI (Dalian), Nantong COSCO KHI, and Dalian COSCO KHI. As of 2023, the shipyards of COSCO shipping HI accounted for 7.9% of all CGT delivered in China.

**Table 5. Ship completions of major shipbuilding groups of China in 2023**

Group	Ownership	Completions	
		CGT('000)	% of total
CSSC	State-owned	5797	31.8%
Yangzijiang Holdings	private	1831	10.0%
COSCO shipping HI	State-owned	1445	7.9%
China Merchants	State-owned	1085	6.0%
New Century Shipbuilding	private	857	4.7%
Others		7207	39.6%
Total		18222	100.0%

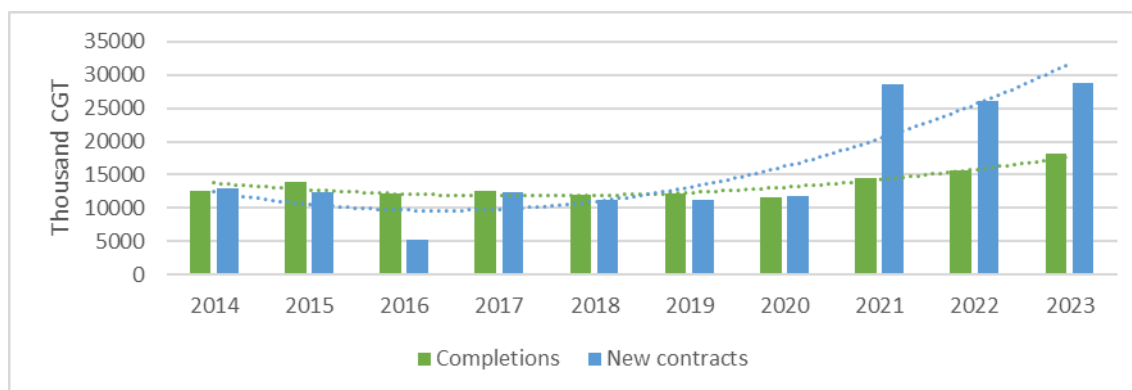
Note: This table includes all seagoing vessels from 100 GT.

Source: OECD calculations based on Clarkson Research Services Limited (February 2024), World Fleet Register, <https://www.clarksons.net/wfr>.

Over the last ten years, despite the weak demand in the global shipbuilding market and the restructuring of the Chinese shipbuilding industry, China's seagoing vessel production has been fluctuating. Since 2021, completions and new contracts have shown a continuous increase, and in particular, the number of new contracts has increased significantly over

the past three years (Figure 2) In 2023, China remained the largest shipbuilding economy in both ship completions and new contracts. China represented 49.7% of all CGT delivered worldwide and 59.7% of all CGT contracted in 2023, an increase from 46.6% and 49.5% in 2022.

**Figure 2. Completions and new contracts of seagoing vessels by Chinese shipyards, 2014-2023**

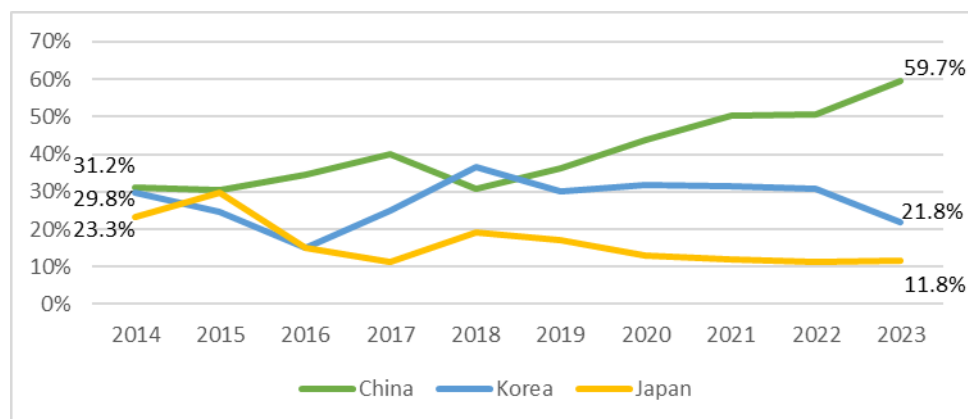


Note: This table includes all seagoing vessels from 100 GT.

Source: OECD calculations based on Clarkson Research Services Limited (February 2024), World Fleet Register, <https://www.clarksons.net/wfr>.

Over the ten years, the shares of the three global shipbuilding economies including China, Korea and Japan have been changing (Figure 3). While Korea and Japan's share decreased by approximately 8% point and 12% point respectively, China's share nearly doubled from 31.2% in 2014 to 59.7% in 2023.

**Figure 3. The global share of new contracts in Chinese, Korean and Japanese shipyards, 2014-2023**



Note: This table includes all seagoing vessels from 100 GT.

Source: OECD calculations based on Clarkson Research Services Limited (February 2024), World Fleet Register, <https://www.clarksons.net/wfr>.

China's shipyards have been producing almost all kinds of vessel types in the past ten years (Table 6). Bulk carriers, container ships and tankers are the main ship types manufactured by Chinese shipbuilders, accounting for 76% of total CGT delivered in China for the past ten years.

**Table 6. Completions of seagoing vessels by ship type in China, 2014-2023**

Type	CGT('000)	% of share
Bulk Carrier	52,358	38.6%
FCC	28,019	20.7%
Tanker	22,872	16.9%
Offshore Service	9,633	7.1%
Other Dry Cargo	6,932	5.1%
Gas Carrier	5,828	4.3%
Cruise/Passenger	3,716	2.7%
PCC (Pure Car Carrier)	1,622	1.2%
Ro-Ro	1,198	0.9%
Reefer	441	0.3%
Others	2,973	2.2%
Total	135,593	100.0%

Note: This table includes all seagoing vessels from 100 GT.

Source: OECD calculations based on Clarkson Research Services Limited (February 2024), World Fleet Register, <https://www.clarksons.net/wfr>.

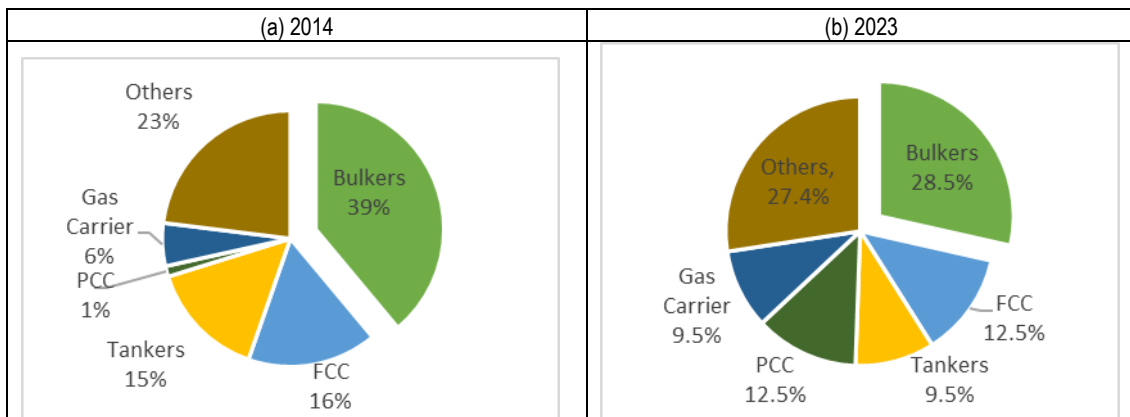
Over the past ten years, new orders to Chinese shipbuilders have been concentrated in three major ship types; bulk carriers, containerships and tankers. However, the total share of the three major ship types decreased from 70.2% in 2014 to 50.6% in 2023.

Especially, the proportion of bulk carriers accounted for around 40% in 2014, but gradually decreased to under 30% in 2023 (Figure 4). Instead, the proportion of other ship types such as gas carrier (LNG, LPG) and Pure Car Carrier (PCC) has increased. During the same period, the ratio of gas carrier increased from 6% to 9.5% and that of PCC increased from 1% to 12.5%.

The shift from focusing on bulk carriers in the past to diversified ship types following market trends may have been influenced to some extent by a reduction in the number of orders for bulk carriers in the global market, but overall efforts, including government support, and strengthening competitiveness through accumulation of shipbuilding experience may have had a greater impact ( Yang, KEXIM, 2023<sup>[2]</sup>).

This is attributable to the large-scale expansion of facilities by China's shipbuilders from 2003 to 2008 and the Chinese government's policy efforts to promote the shipbuilding industry as a major strategic export industry since 2001 (OECD, 2023<sup>[3]</sup>). China has been strengthening the competency of domestic shipbuilding industry based on the "Made in China 2025" policy announced in 2015. Shipbuilding industry was included as one the 10 strategic manufacturing industries and supported by various measures.

Recently, China has released an action plan to promote green development in the shipbuilding industry, "Green Development of Shipbuilding Manufacturing Industry (2024-2030)". It is focusing of a construction of a modern, industrial shipbuilding system to accelerate the green and low-carbon transformation of the maritime sector (Xinhua News, 2023<sup>[4]</sup>).

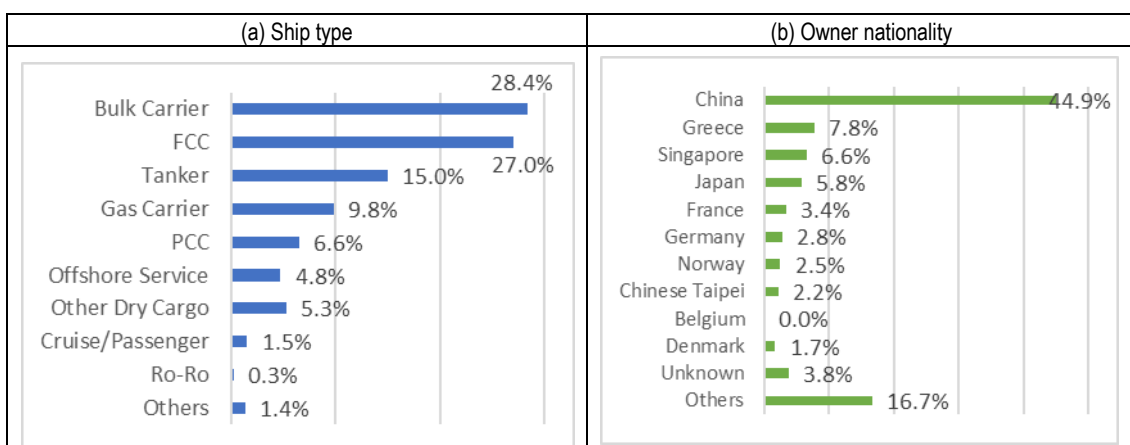
**Figure 4. New contracts in Chinese shipyards by ship type between 2014 and 2023**

Note: This table includes all seagoing vessels from 100 GT.

Source: OECD calculations based on Clarkson Research Services Limited (February 2024), World Fleet Register, <https://www.clarksons.net/wfr>.

Chinese shipbuilders won new orders from 67 countries in the last five years. About half of the new orders came from Chinese ship-owners. As of February 2024, China's shipowners owned the first largest fleet in the world, followed by Greece, representing 250.6 million GT, and accounting for about 16.1% of the world total (Clarksons, 2024<sup>[5]</sup>).

The recent rapid expansion of Chinese owned fleets is an important element of the national strategy of the Belt and Road Initiative (BRI) of China (Yang, KEXIM, 2023<sup>[2]</sup>). This is because the expansion of domestic ships is essential for establishing a maritime silk road across the globe. In fact, since 2015 when the BRI was announced, China has been rapidly increasing its investment in the shipbuilding industry and it has been investing the most in the world every year since 2019 (Yang, KEXIM, 2023<sup>[2]</sup>). Chinese owners invested USD 19.9 billion and USD 23.3 billion in 2021 and 2022, respectively (Clarksons, 2024<sup>[6]</sup>).

**Figure 5. New contracts in Chinese shipyards by ship types and by ship owner nationalities, 2019-2023, in terms of CGT**

Note: This figure includes all seagoing vessels from 100 GT. The percent share is based on CGT and China includes Hong Kong

Source: OECD calculations based on Clarkson Research Services Limited (February 2024), World Fleet Register, <https://www.clarksons.net/wfr>.

### 2.2.2. Viet Nam

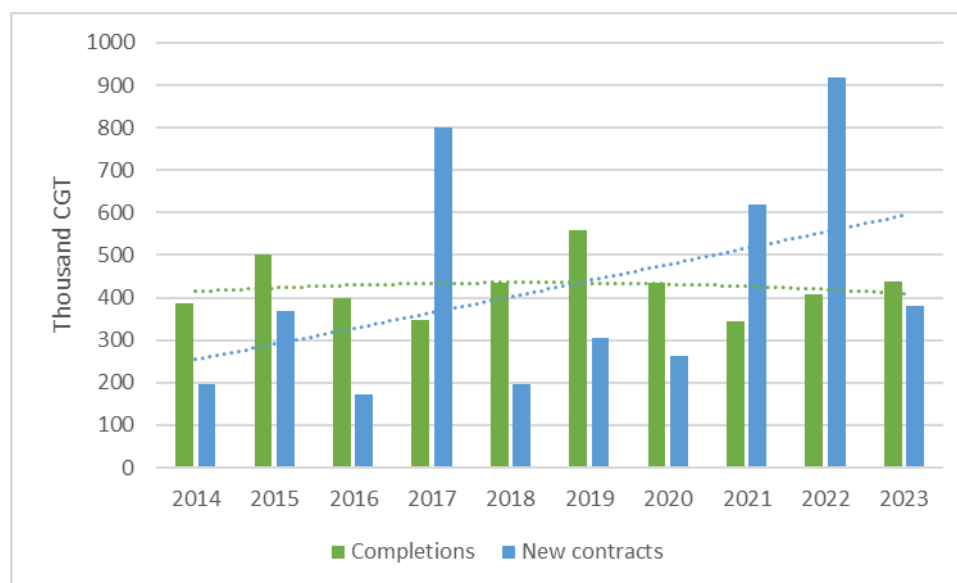
Viet Nam’s shipyards can be divided into two categories: subsidiaries of the Shipbuilding Industry Cooperation (SBIC) and other shipyards (Table 7). Among other shipyards, there are state-owned shipyards and foreign invested shipyards. The SBIC is the largest state-owned shipbuilding corporation in Viet Nam, which produces various types of vessels, including tankers, bulk carriers, container ships, car carriers and passenger ships. However, SBIC is facing bankruptcy with its seven subsidiaries, and the government has initiated plans to overhaul the corporation (Maritime Executive, 2024<sup>[7]</sup>). According to the article, SBIC’s shipbuilding operations have been unable to make any profit, hence the difficulty in meeting financial obligations inherited from Vinashin, the former state shipbuilder restructured into SBIC in 2013 and the alleged mismanagement and cost overruns.

**Table 7. Major shipyards in Viet Nam**

	Name of Shipyard	
Shipyards of SBIC	Ha Long Shipbuilding Pha Rung Shipyard Bach Dang Shipbuilding Industry Song Cam Ship	Cam Ranh Shipyard, Saigon Shipbuilding Industry Saigon Shipmarine shipyard Thinh Long Shipyard,
Other shipyards	Hyundai Viet Nam Shipyard Song Thu Shipyard Hong Ha Shipyard Vard shipyard SEAS shipyard Strategic Marine Triyard shipyards Vuot Song shipyard An Phu shipyard Dai Tay shipyard	Dai Duong shipyard PTSC shipyard Lisemco shipyard X46 shipyard Vung Tau shipyard PV shipyard Ba Son Shipyard Ben Kien shipyard Dung Quat shipyard Damen Song Cam

Source: [VIETNAM SHIPBUILDING NEWS](#)

Over the past ten years, despite the downturn in the global shipbuilding market, the production of seagoing vessels in Viet Nam has remained rather stable around 0.4 million CGT per year since 2014 (Figure 6) New orders to Vietnamese shipyards show an increasing pattern between 2018 and 2022, but decreased in 2023.

**Figure 6. Completions and new contracts of seagoing vessels by Vietnamese shipyards, 2014-2023**

Note: This table includes all seagoing vessels from 100 GT.

Source: OECD calculations based on Clarkson Research Services Limited (February 2024), World Fleet Register, <https://www.clarksons.net/wfr>.

Vietnamese shipyards have been producing a variety of vessel types over the past ten years, including tankers, bulk carriers, other dry cargo ships, offshore service vessels and cruise/passenger ships. Tankers made up the largest category in ship completions in Viet Nam for the past ten years, accounting for 60.9% of total CGT. 93% of tank production of the same period is made by Hyundai Vietnam Shipbuilding Corporation. Hyundai Viet Nam Shipbuilding was established in 1996 as a joint venture between SBIC and Hyundai Mipo Dockyard (HMD) of Korea and has become the leading shipyard in Viet Nam.

**Table 8. Completions of seagoing vessels by ship type in Viet Nam, 2014-2023**

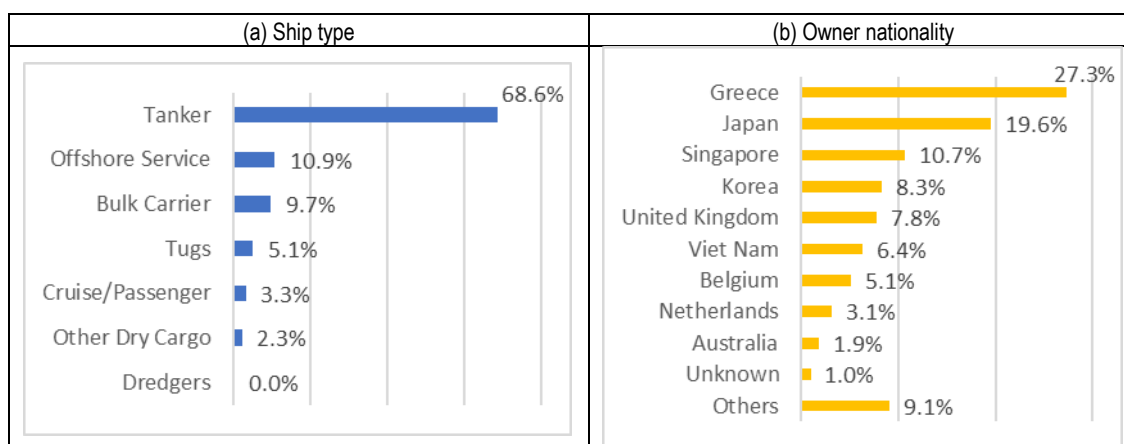
Type	CGT('000)	% of total
Tanker	2593	60.9%
Bulk Carrier	544	12.8%
Other Dry Cargo	197	4.6%
Offshore Service	378	8.9%
Cruise/Passenger	215	5.1%
Others	333	7.8%
Total	4259	100.0%

Note: This table includes all seagoing vessels from 100 GT.

Source: OECD calculations based on Clarkson Research Services Limited (February 2024), World Fleet Register, <https://www.clarksons.net/wfr>.

In the last five years, Vietnamese shipyards received new orders from 30 countries; about 57.6% of the total CGT contracted was from ship owners in Greece, Japan, and Singapore (Figure 7). The share of domestic orders was only 6.4%. Also, tankers have been the main ship type in recent new contracts, accounting for 68.6%.

**Figure 7. New contracts in Vietnamese shipyards by ship types and by ship owner nationalities, 2019-2023, in terms of CGT**



Note: This table includes all seagoing vessels from 100 GT.

Source: OECD calculations based on Clarkson Research Services Limited (February 2024), World Fleet Register, <https://www.clarksons.net/wfr>.

### 2.2.3. Indonesia

According to the Ministry of Transportation, 199 shipyards are operating in Indonesia. There are over 300 registered shipyards in Indonesia, but utilisation was found to be around 45%. Total annual production capacity of Indonesian Shipyards is about 1 million DWT for newbuilding (Ministry of Transport, 2023<sup>[8]</sup>). Furthermore, in Indonesia, there are 250 dockyards for ship repair. Total annual capacity is about 12 million DWT for ship repair and the utilisation rate is 85%.

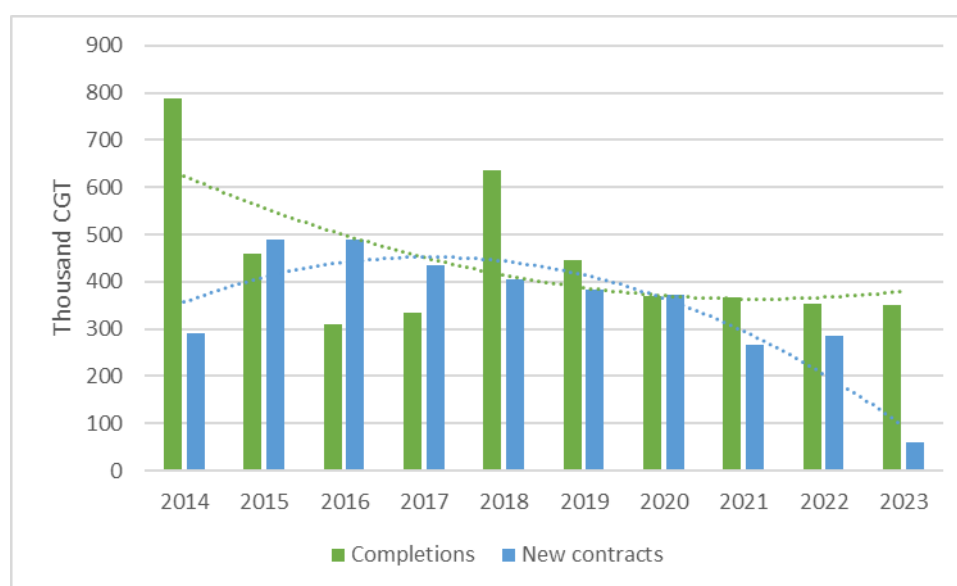
The two largest shipbuilders are PT PAL and PT Dok & Dan Perkapalan Kodja Bahari (Persero), both of which are state-owned and build ships for commercial and military purposes.

**Table 9. Overview of the two major shipyards in Indonesia**

Name	Ownership	Facilities
PT PAL Indonesia ( <a href="https://www.pal.co.id/">https://www.pal.co.id/</a> )	State-owned	- Naval shipbuilding, commercial shipbuilding and ship repair - Bulk Carrier up to 50,000 DWT, Container ship up to 1,600 TEUS, tankers up to 30,000 DWT, Passenger ships up to 500 PAX, etc.
PT Dok & Dan Perkapalan Kodja Bahari (Persero) ( <a href="https://dkb.co.id/">https://dkb.co.id/</a> )	State-owned	- Commercial shipbuilding and ship repair, naval shipbuilding - Shipbuilding up to 17,500DWT and ship repair up to 30,000DWT

Source: Websites of each company

Over the last ten years, production of seagoing vessels in Indonesia has been fluctuating, but remained rather stable around 0.38 million CGT per year since 2019 (Figure 8). New contracts have shown a downward trend since 2015.

**Figure 8. Completions and new contracts of seagoing vessels by Indonesian shipyards, 2014-2023**

Note: This table includes all seagoing vessels from 100 GT.

Source: OECD calculations based on Clarkson Research Services Limited (February 2024), World Fleet Register, <https://www.clarksons.net/wfr>.

Indonesian shipyards have been producing a variety of vessel types over the last ten years, including tugboats, passenger ships, offshore service vessels, tankers and dry cargo ships (Table 10). Tugboats accounted for 49.9% of total CGT delivered in Indonesia. These tugs are typically used in smaller ports where regular sized vessels cannot access.

Indonesia was the largest tugboat producer worldwide in the past ten years, accounting 34% of global production in CGT terms, followed by China (26%) and Malaysia (11%). The high domestic demand for tugboats as inter-land transportation seems to have contributed significantly to the growth of Indonesian tugboat builders (OECD, 2023<sup>[3]</sup>).

**Table 10. Completions of seagoing vessels by ship type in Indonesia, 2014-2023**

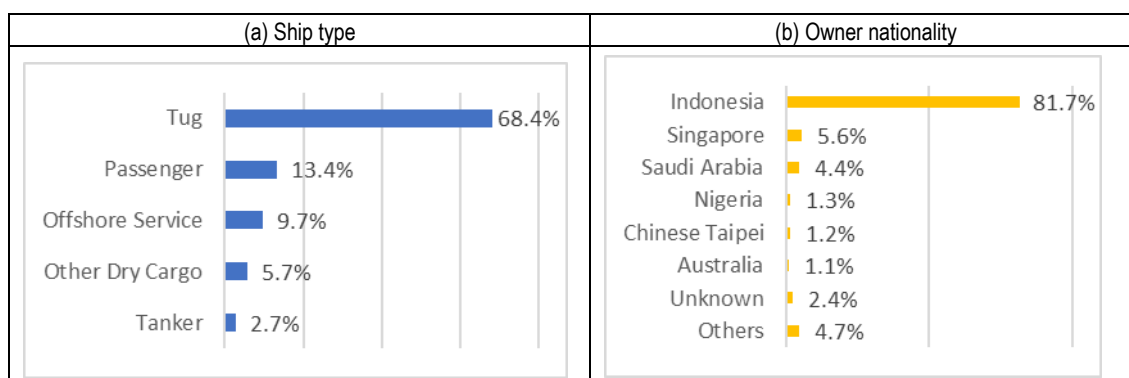
Type	CGT('000)	% of total
Tug	2202	49.9%
Cruise/Passenger	927	21.0%
Offshore Service	371	8.4%
Tanker	406	9.2%
Other Dry Cargo	448	10.1%
FCC(Fully Cellular Container)	47	1.1%
Others	15	0.3%
Total	4416	100.0%

Note: This table includes all seagoing vessels from 100 GT.

Source: OECD calculations based on Clarkson Research Services Limited (February 2024), World Fleet Register, <https://www.clarksons.net/wfr>.

More than half of the new orders at Indonesian shipyards in the past five years were for tugboats (Figure 9). In addition, unlike neighbouring countries such as the Philippines and Viet Nam, about 82% of all new orders to Indonesian shipyards were from domestic ship owners.

**Figure 9. New contracts in Indonesian shipyards by ship types and by ship owner nationalities, 2019-2023, in terms of CGT**



Note: This table includes all seagoing vessels from 100 GT.

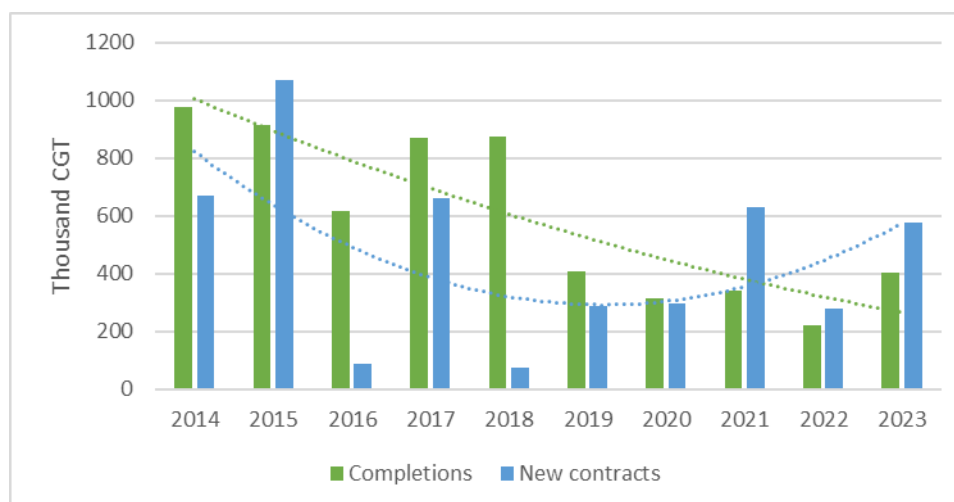
Source: OECD calculations based on Clarkson Research Services Limited (February 2024), World Fleet Register, <https://www.clarksons.net/wfr>.

#### 2.2.4. Philippines

According to the Maritime Industry Authority (MARINA) of the Philippines, there are 124 registered and licensed shipbuilding and ship repair entities in the Philippines as of 2022: 7 large, 19 medium and 98 small shipyards. 95% of shipyards primarily engaged in ship repair activities of domestic ships and 50% of shipyards engaged in small and medium size ship construction for local market. Also, 5% of shipyards, mostly large shipyards, engaged in shipbuilding activities for export market (MARINA, 2023<sup>[9]</sup>).

The largest shipyard is Keppel Subic Shipyard, a subsidiary of the leading shipyard group in the Philippines, Keppel Philippines Marine (KPMI). KPMI also operates Keppel Batangas Shipyard. According to the MARINA, Keppel Subic Shipyard accounts for 41.11% and Keppel Batangas Shipyard accounts for 3.44% in terms of DWT capacity in the Philippines (MARINA, 2023<sup>[9]</sup>).

Over the last ten years, production of seagoing vessels in the Philippines and new orders to Philippine shipyards have been fluctuating in response to the developments in the global shipbuilding market (Figure 10). In terms of ship completions in CGT, a sharp decrease in 2019 was due to the bankruptcy of one of the major shipyards, Hanjin Subic shipyard. New orders have been oriented upwards since 2018. Furthermore, both completions and new contracts in 2023 increased compared to 2022.

**Figure 10. Completions and new contracts of seagoing vessels by Philippines' shipyards, 2014-2023**

Note: This table includes all seagoing vessels from 100 GT.

Source: OECD calculations based on Clarkson Research Services Limited (February 2024), World Fleet Register, <https://www.clarksons.net/wfr>.

Philippines' shipyards have been producing a variety of vessel types over the last ten years, including bulk carriers, container ships, tankers, gas carriers, passenger ships, reefer vessels and offshore service vessels (Table 11). Bulk carriers and container ships have been the main ship types made by Philippine shipyards, accounting for nearly 90% of total CGT delivered for the past ten years.

**Table 11. Completions of seagoing vessels by ship type in the Philippines, 2014-2023**

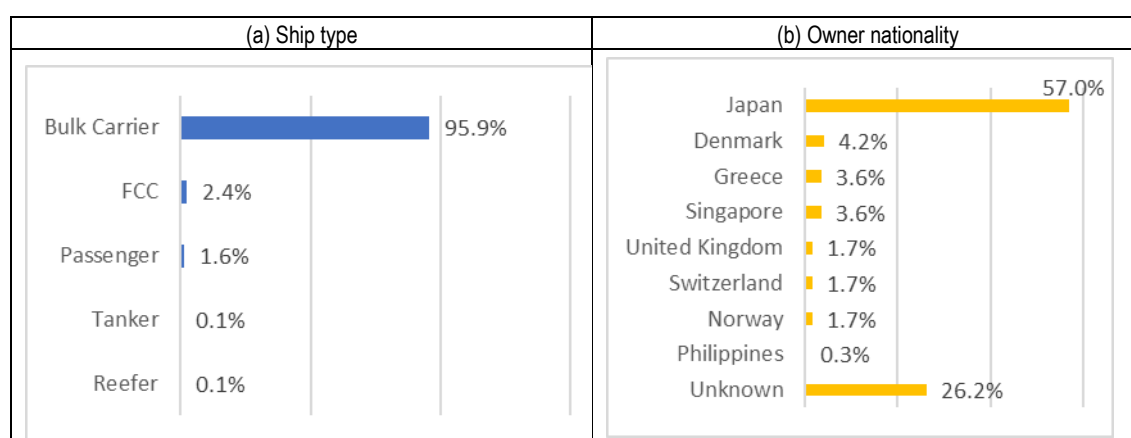
Type	CGT('000)	% of total
Bulk Carrier	2945	49.6%
FCC(Fully Cellular Container)	2339	39.4%
Tanker	311	5.2%
Gas Carrier	163	2.8%
Passenger	127	2.1%
Reefer	22	0.4%
Offshore	13	0.2%
Other Dry Cargo	7	0.1%
Tug	5	0.1%
Total	5932	100.0%

Note: This table includes all seagoing vessels from 100 GT.

Source: OECD calculations based on Clarkson Research Services Limited (February 2024), World Fleet Register, <https://www.clarksons.net/wfr>.

During the last five years (2019-2023), more than 90% of these new contracts were concentrated in bulk carriers. Japanese ship owners accounted for 57% of the new contracts in terms of CGT in the same period (Figure 11).

**Figure 11. New contracts in Philippines' shipyards by ship types and by ship owner nationalities, 2019-2023, in terms of CGT**



Note: This table includes all seagoing vessels from 100 GT.

Source: OECD calculations based on Clarkson Research Services Limited (February 2024), World Fleet Register, <https://www.clarksons.net/wfr>.

### 2.2.5. Chinese Taipei

According to the Factory Operation Census conducted by the Ministry of Economic affairs of Chinese Taipei, as of 2020, Chinese Taipei has 183 shipbuilding establishments such as shipbuilders, boat builders and floating structure manufactures, employing 7,603 employees<sup>1</sup>. The Taiwan International Shipbuilding Corporation (CSBC) is the largest shipbuilder in Chinese Taipei with two large shipyards in Keelung and Kaohsiung and a government-owned company.

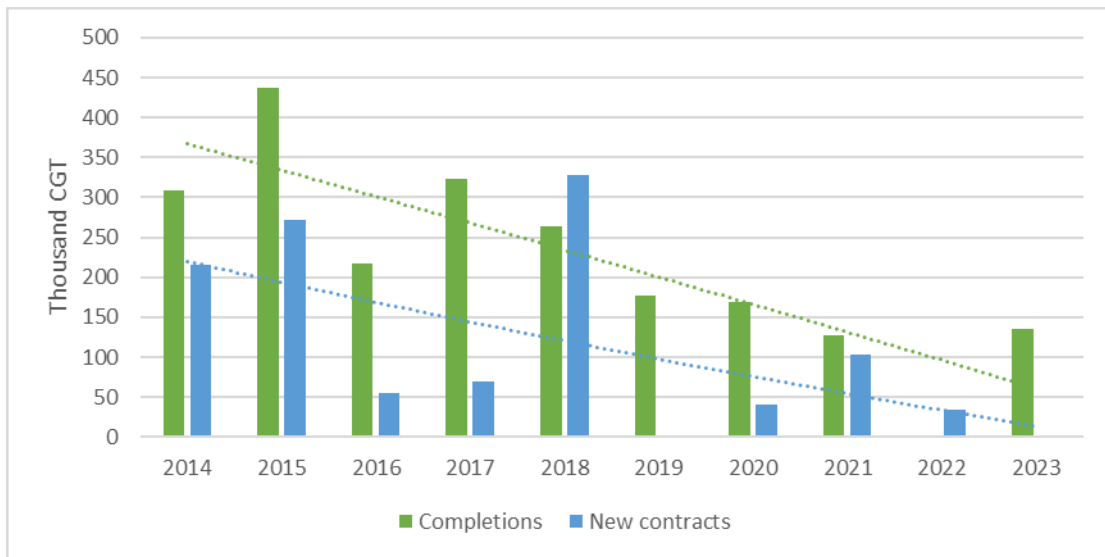
**Table 12. Classification of Chinese Taipei shipbuilding industry**

Classification	Shipyards	Business items
Large	Kaohsiung and Keelung of CSBC	Building container ships, bulk carriers, oil tankers, military and police ships.
Medium-sized	CITIC, CPMC, Longde, Sanyang, Xinshengfa, Jiahong, and Unilai	Building official ships, bulk carriers, transportation ships, port service ships, work ships, yachts and fishing boats.
Small	-	Engaged in the production of fishing boats and ship repairs.

Source: Taiwan Shipbuilding Industry Association (<https://www.tsba.org.tw>)

Over the last ten years, completions of seagoing vessels in Chinese Taipei and new orders to Chinese Taipei's shipyards have been declining in terms of CGT (Figure 12). Completion was very low in 2022, but it returned to 2021 levels in 2023. However, new contracts are still fluctuated over the last ten years<sup>2</sup>.

**Figure 12. Completions and new contracts of seagoing vessels by Chinese Taipei shipyards, 2014-2023**



Note: This table includes all seagoing vessels from 100 GT.

Source: OECD calculations based on Clarkson Research Services Limited (February 2024), World Fleet Register, <https://www.clarksons.net/wfr>.

The ship types produced in Chinese Taipei between 2014 and 2023 were container ships, offshore service vessels, bulk carriers, tankers, tugboats, reefer vessels, and passenger ships (Table 13). While Chinese Taipei's shipbuilders have been producing a variety of ship types, the Chinese Taipei shipbuilding industry is particularly known for the CSBC's ability to build large-capacity cellular container ships at comparative prices. The CSBC has built 64 container ships (1.7 million CGT) over the last ten years, which has led Chinese Taipei to become the world's fourth largest containership building economy, after China, Korea and Japan (Table 14).

**Table 13. Completions of seagoing vessels by ship type in Chinese Taipei, 2014-2023**

Type	CGT('000)	% of total
FCC(Fully Cellular Container)	1685	78.0%
Offshore Service	190	8.8%
Bulk Carrier	160	7.4%
Tankers	34	1.6%
Tug	33	1.5%
Reefers	23	1.0%
Ferries	18	0.8%
Other Dry Cargo	9	0.4%
Dredgers	6	0.3%
Total	2160	100.0%

Note: This table includes all seagoing vessels from 100 GT.

Source: OECD calculations based on Clarkson Research Services Limited (February 2024), World Fleet Register, <https://www.clarksons.net/wfr>.

**Table 14. Completions of FCCs by building economies, 2019-2023**

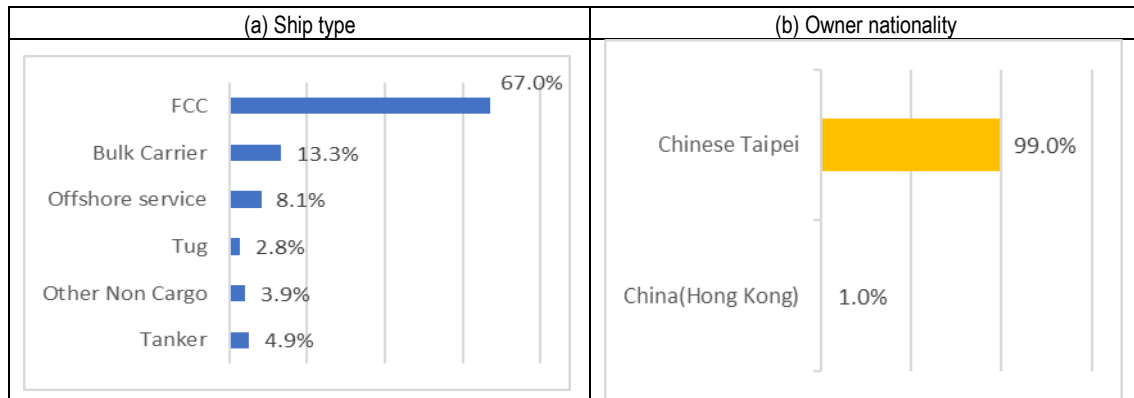
Country	CGT('000)	% of total
China	15796	50.4%
Korea	10741	34.3%
Japan	4241	13.5%
Chinese Taipei	340	1.1%
Philippines	111	0.4%
United States	83	0.3%
Others(3 economies)	45	0.1%
Total	31356	100.0%

Note: This table includes all seagoing vessels from 100 GT.

Source: OECD calculations based on Clarkson Research Services Limited (February 2024), World Fleet Register, <https://www.clarksons.net/wfr>.

Recent orders to Chinese Taipei shipyards were concentrated in container ships, bulk carriers, and offshore service vessels (Figure 13). In particular, the CSBC received all the contracts of containerships and bulk carriers in the period. 99% of the orders was from Chinese Taipei ship owners. As of February 2024, Taipei owned the 10<sup>th</sup> largest fleet in the world, representing 42.2 million GT (Clarksons, 2024<sub>[5]</sub>).

**Figure 13. New contracts in Chinese Taipei’s shipyards by ship types and by ship owner nationalities, 2018-2022, in term of CGT**



Note: This table includes all seagoing vessels from 100 GT.

Source: OECD calculations based on Clarkson Research Services Limited (February 2024), World Fleet Register, <https://www.clarksons.net/wfr>.

**2.2.6. United States**

According to the U.S. Maritime administration’s 2021 report, there were 154 active shipyards across 29 states and more than 300 shipyards engaged in ship repair or capable of building ships but not actively engaged in shipbuilding (MARAD, 2021<sub>[10]</sub>). There are many more U.S. shipyards that build smaller vessels such as tugs and barges than build large vessels; supply vessels for offshore oil, gas, and wind development; and tour boats and ferries (CRS, 2023<sub>[11]</sub>). In 2019, total revenues of the U.S. shipbuilding and repair industry amounted to USD 27.9 billion and 78.7% of the revenues came from military shipbuilding and repairs and 21.3% from commercial shipbuilding and repairs (MARAD, 2021<sub>[10]</sub>).

Over the last ten years, completions of seagoing vessels in the United States have been declining. New orders to U.S. shipyards have also been oriented downwards at the same period (Figure 14) Historically, in the 1970s, U.S. shipyards were building about 5% of the world's tonnage, equating to 15-25 new ships per year. In the 1980s, this fell to around five ships per year, which is the current rate of U.S. shipbuilding (CRS, 2023<sup>[11]</sup>).

**Figure 14. Completions and new contracts of seagoing vessels by American shipyards, 2014-2023**



Note: This table includes all seagoing vessels from 100 GT.

Source: OECD calculations based on Clarkson Research Services Limited (February 2024), World Fleet Register, <https://www.clarksons.net/wfr>.

The main ship types produced in the U.S. over the last ten years were offshore service vessels, tankers, tugboats and cruise/passenger ships.

**Table 15. Completions of seagoing vessels by ship type in United States, 2014-2023**

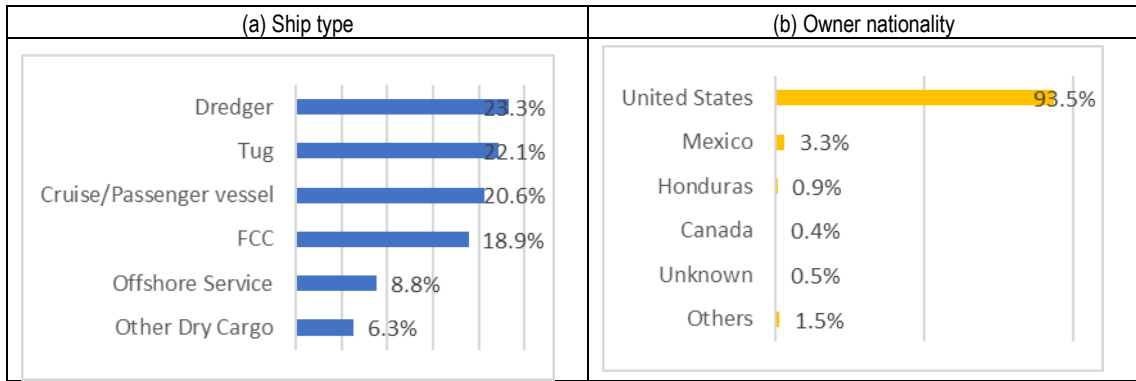
Type	CGT('000)	% of total
Offshore Service	832	33.3%
Tankers	462	18.5%
Tug	457	18.3%
Cruise/Passenger	307	12.3%
FCC(Fully Cellular Container)	158	6.3%
Ro-Ro	140	5.6%
Dredger	91	3.6%
Other Dry Cargo	54	2.2%
Total	2500	100.0%

Note: This table includes all seagoing vessels from 100 GT.

Source: OECD calculations based on Clarkson Research Services Limited (February 2024), World Fleet Register, <https://www.clarksons.net/wfr>.

Recent orders to American shipyards were concentrated in dredgers, tug boats, passenger ships and container ships. These ship types accounted for 84.9% of total CGT ordered between 2019 and 2023. Most of the orders were from American ship owners (Figure 15).

**Figure 15. New contracts at American shipyards by ship types and by ship owner nationalities, 2019-2023, in term of CGT**



Note: This table includes all seagoing vessels from 100 GT.

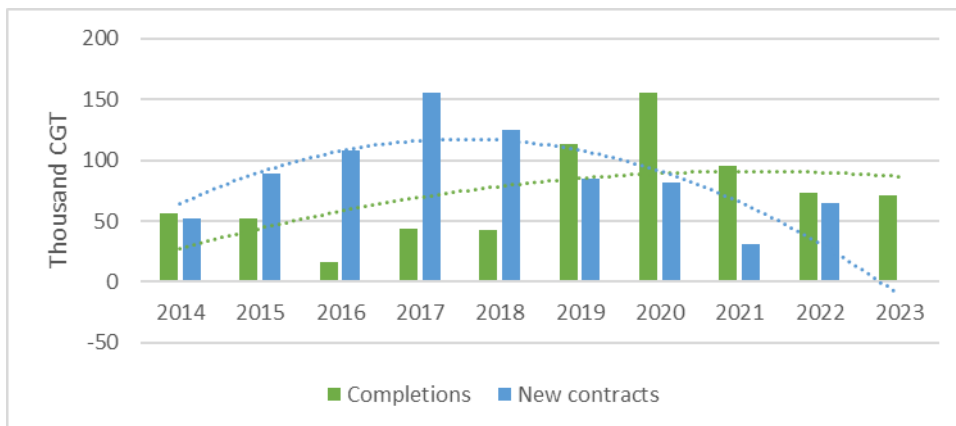
Source: OECD calculations based on Clarkson Research Services Limited (February 2024), World Fleet Register, <https://www.clarksons.net/wfr>.

### 2.2.7. Bangladesh

According to the Bangladesh Investment Development Authority (BIDA), there are more than 100 shipbuilders and over 120 registered shipyards<sup>3</sup>. The two largest shipbuilders in Bangladesh are Western Marine Shipyard (WMS) and Ananda Shipyard and Shipways Limited (ASSL), both being state-owned and producing various types of vessels.

Over the past ten years, completions of seagoing vessels in Bangladesh and new orders to Bangladeshi shipyards have fluctuated significantly (Figure 16). Completions in Bangladesh have been growing between 2016 and 2020, although they decreased by 54% in 2022. New contracts of seagoing vessels in Bangladesh have been declining since 2017, however, in 2022, they increased 2.1 times compared to 2021<sup>4</sup>.

**Figure 16. Completions and new contracts of seagoing vessels by Bangladeshi shipyards, 2014-2023**



Note: This table includes all seagoing vessels from 100 GT.

Source: OECD calculations based on Clarkson Research Services Limited (February 2024), World Fleet Register, <https://www.clarksons.net/wfr>.

The Bangladeshi shipyards have been producing a variety of vessel types over the last ten years including dry cargo vessels, tankers, gas carriers, dredgers and container ships. Of these, dry cargo vessels and tankers are the main ship types, accounting for 89.2% of total CGT delivered in Bangladesh between 2014 and 2023.

**Table 16. Completions of seagoing vessels by ship type in Bangladesh, 2014-2023**

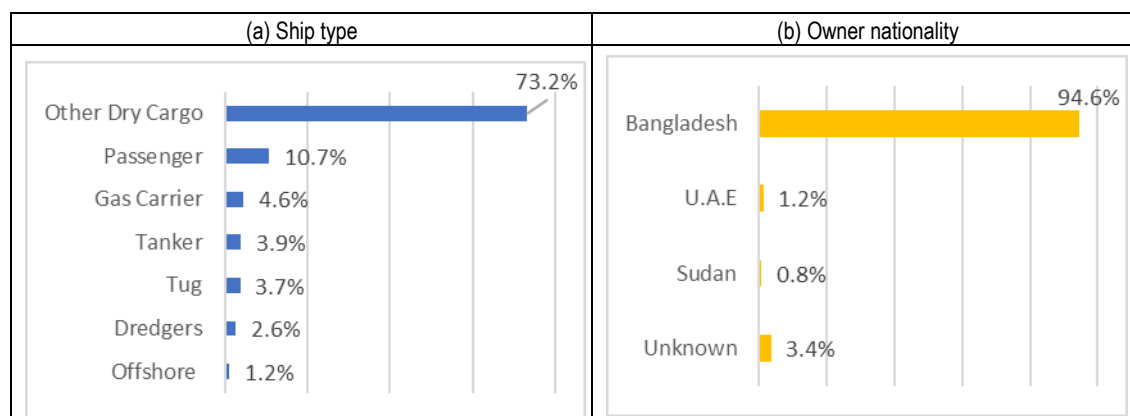
Type	CGT('000)	% of total
Other Dry Cargo	433	60.2%
Tankers	208	29.0%
Gas carrier	42	5.9%
Dredgers	18	2.5%
Containerships	7	1.0%
Tugs	7	1.0%
Ferries	3	0.4%
Total	719	100.0%

Note: This table includes all seagoing vessels from 100 GT.

Source: OECD calculations based on Clarkson Research Services Limited (February 2024), World Fleet Register, <https://www.clarksons.net/wfr>.

Recent orders to Bangladeshi shipyards were concentrated in dry cargo vessels, accounting for about 73.2% of total CGT contracted between 2018 and 2022. About 95% of recent orders were by domestic ship owners.

**Figure 17. New contracts in Bangladeshi shipyards by ship types and by ship owner nationalities, 2018-2022, in term of CGT**



Note: This table includes all seagoing vessels from 100 GT.

Source: OECD calculations based on Clarkson Research Services Limited (February 2024), World Fleet Register, <https://www.clarksons.net/wfr>.

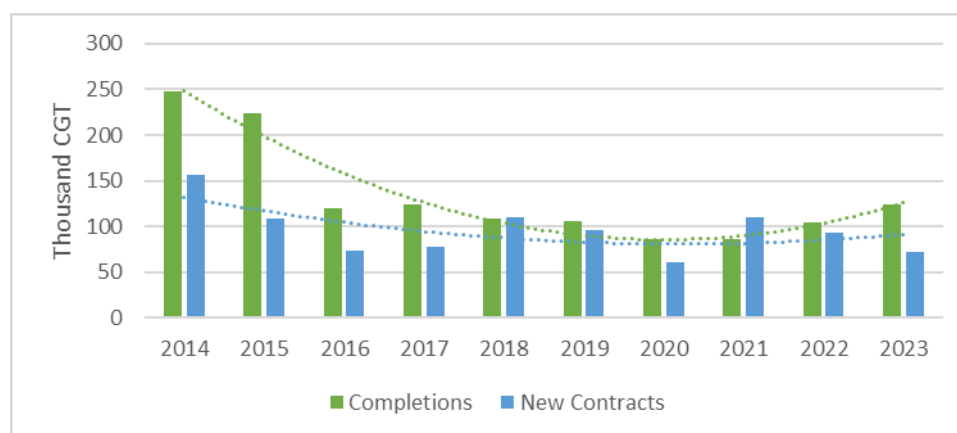
### 2.2.8. Malaysia

According to the Malaysian Investment Development Authority<sup>5</sup>, there are 99 registered shipyards undertaking shipbuilding and ship repair activities in Malaysia. Among them, 31 shipyards are located in Peninsular Malaysia and 68 shipyards are located in the states of Sabah and Sarawak. The largest shipbuilding company in Malaysia is Malaysia Marine

and Heavy Engineering (MMHE), a state-owned enterprise. MMHE belongs to Petronas Group, a Malaysian oil and gas company owned by the government of Malaysia.

Production of seagoing vessels in Malaysia and new orders to Malaysian shipyards declined in terms of CGT between 2014 and 2020 (Figure 18). Since 2020, completions have been oriented upward and the new contracts has been fluctuated. In 2023, completion increased, while the new contracts decreased, compared to 2022.

**Figure 18. Completions and new contracts of seagoing vessels by Malaysian shipyards, 2014-2023**



Note: This table includes all seagoing vessels from 100 GT.

Source: OECD calculations based on Clarkson Research Services Limited (February 2024), World Fleet Register, <https://www.clarksons.net/wfr>.

Tugs, offshore vessels and dry cargo vessels are the main ship types produced in Malaysia over the last ten years. Of these, tugs ranked the first, accounting for 51.7% of total CGT delivered in Malaysia between 2014 and 2023 (Table 17). Malaysia is the third largest tugs shipbuilder worldwide, accounting 11% of the completion, after China (34%) and Indonesia (26%) over the last ten years.

**Table 17. Completions of seagoing vessels by ship type in Malaysia, 2014-2023**

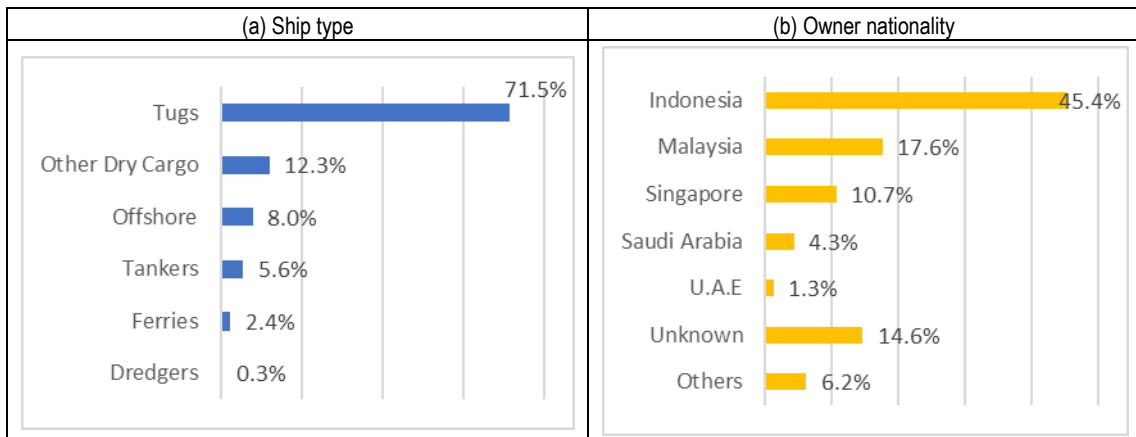
Type	CGT('000)	% of total
Tug	688	51.7%
Offshore	257	19.3%
Other Dry Cargo	243	18.3%
Passenger	61	4.6%
Tankers	38	2.8%
Dredger	29	2.2%
Ro-Ro	9	0.7%
Bulkers	7	0.5%
Total	1331	100.0%

Note: This table includes all seagoing vessels from 100 GT.

Source: OECD calculations based on Clarkson Research Services Limited (February 2024), World Fleet Register, <https://www.clarksons.net/wfr>.

Recent orders to Malaysian shipyards were concentrated in tugs, accounting for about 71.5% of total CGT contracted between 2019 and 2023. About 73.7% of recent orders were from Indonesia, Malaysia and Singapore ship owners.

**Figure 19. New contracts in Malaysian shipyards by ship types and by ship owner nationalities, 2019-2023, in term of CGT**



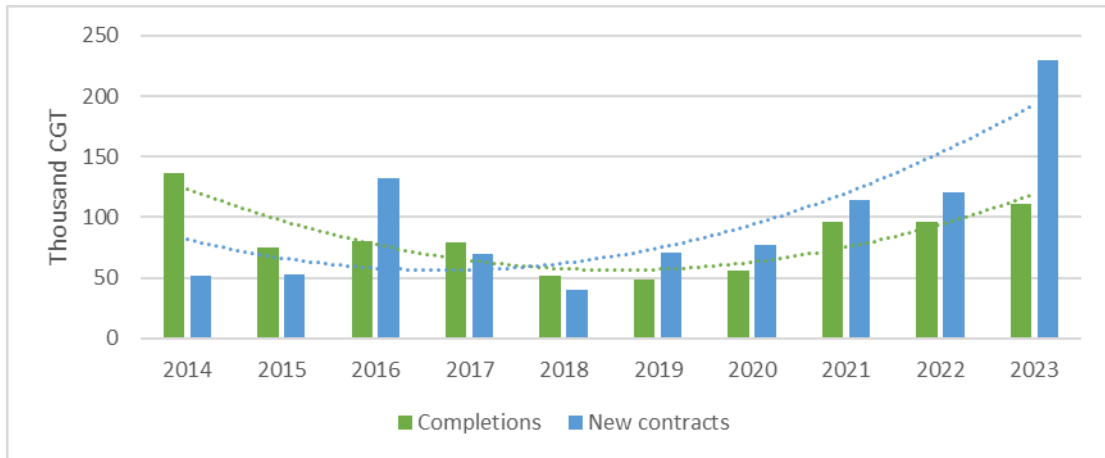
Note: This table includes all seagoing vessels from 100 GT.

Source: OECD calculations based on Clarkson Research Services Limited (February 2024), World Fleet Register, <https://www.clarksons.net/wfr>.

### 2.2.9. India

According to the Ministry of Ports, Shipping and Waterways, India currently has 28 shipyards, 6 under central public sector, 2 under states governments, and 20 in the private sector. As of March 2021, among public sector companies, Cochin Shipyard Ltd. (CSL) has the largest ship building capacity, 110 thousand DWT, followed by Hindustan Shipyard Ltd. (HSL), 80 thousand DWT. CSL is under the administrative control of the Ministry of Shipping and HSL is under the control of Ministry of Defense. Amongst the reporting private companies, Shoft Shipyard Pvt. Ltd. has the largest ship building capacity, 9 thousand DWT (Government of India, 2021<sub>[12]</sub>).

Both completions and new contracts have been trending upward since 2018 (Figure 20). Particularly, in 2023, compared to 2018, completions increased 2.2 times and new contracts increased 5.8 times.

**Figure 20. Completions and new contracts of seagoing vessels by Indian shipyards, 2014-2023**

Note: This table includes all seagoing vessels from 100 GT.

Source: OECD calculations based on Clarkson Research Services Limited (February 2024), World Fleet Register, <https://www.clarksons.net/wfr>.

The main ship types produced in India over the last ten years were dry cargo vessels, passenger ships, offshore vessels and bulk carriers. Those four types accounted for 84.8% of total CGT delivered in India between 2014 and 2023.

**Table 18. Completions of seagoing vessels by ship type in India, 2014-2023**

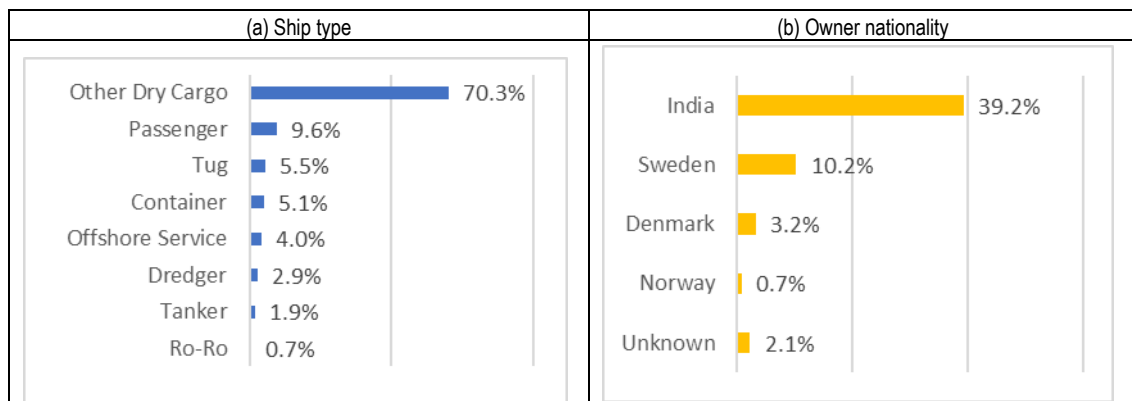
Type	CGT('000)	% of total
Other Dry Cargo	325	39.2%
Passenger	166	20.0%
Offshore Service	138	16.7%
Bulk Carrier	74	8.9%
Tugs	56	6.7%
Tanker	52	6.3%
Dredger	8	1.0%
Containerships	5	0.6%
Ro-ro	5	0.6%
Total	829	100.0%

Note: This table includes all seagoing vessels from 100 GT.

Source: OECD calculations based on Clarkson Research Services Limited (February 2024), World Fleet Register, <https://www.clarksons.net/wfr>.

Recent orders to Indian shipyards were concentrated in dry cargo ships, accounting for about 70.3% of total CGT contracted between 2019 and 2023. About 39.2% of recent orders were from domestic owners.

**Figure 21. New contracts in Indian shipyards by ship types and by ship owner nationalities, 2019-2023, in term of CGT**



Note: This table includes all seagoing vessels from 100 GT.

Source: OECD calculations based on Clarkson Research Services Limited (February 2024), World Fleet Register, <https://www.clarksons.net/wfr>.

### 3. Policy developments in selected non-SBC economies

#### 3.1. Criteria for including support measures in the report

In preparing the list of support measures, the Secretariat used the following criteria:

- The categories of support measures are the same as in the SBC Inventory exercise [C/WP6(2022)18] (see categories in the table below);

**Table 19. Types of support measures covered in the Shipbuilding Committee Inventory**

Type	Description
A	Direct transfer of funds by Governments
B	Indirect transfer of funds by Governments
C	Loans on terms and conditions more favourable than those commercially available
D	Loan guarantees that support loans on terms and conditions more favourable than those commercially available
E	Export or Home Credits
F	Governments taking over, or otherwise absolving the industry from debts
G	Government acquisition of interest in a yard or yards
H	Government revenue that is foregone or not collected
I	Provision by government of infrastructure (other than general infrastructure), goods or services on non-commercial conditions
J	The purchase of goods or services from the industry by government at above market rates
K	Support for Research and Development
L	Any form of income or price support
M	Protection of the domestic market
N	Domestic build or domestic content requirements
O	Other official regulations and practices

Source: Shipbuilding Committee Inventory questionnaire. [C/WP6(2022)18]

- Information on support measures is derived from public sources only. This most likely means that not all measures are reported in this document;
- The focus is on support measures that came into force from April 2023 to April 2024;
  - In case no information is found on the actual date at which the support measures were taken, the Secretariat included support measures that are likely to be taken in the considered time period;
  - In case it is expected that certain support measures are terminated, the Secretariat did not include these support measures in this report;
- In case no information is found on the amount of support provided or the authority/agency responsible for the support measures, the relevant fields are left blank;
- The Secretariat made efforts to include selected barriers to trade that may affect the shipbuilding sector (e.g. measures which could lead to the protection of the domestic market) either directly or indirectly, but did not include general and horizontal trade barriers (e.g. foreign direct investment limitations and customs procedures);

- Strategies, objectives or plans for the domestic shipbuilding industry without concrete measures are not included in this report;
- The Secretariat has contacted economies for which support measures have been included in this report and requested comments to the extent possible. The Secretariat is waiting for possible comments, which could be addressed in a revised version of this report.

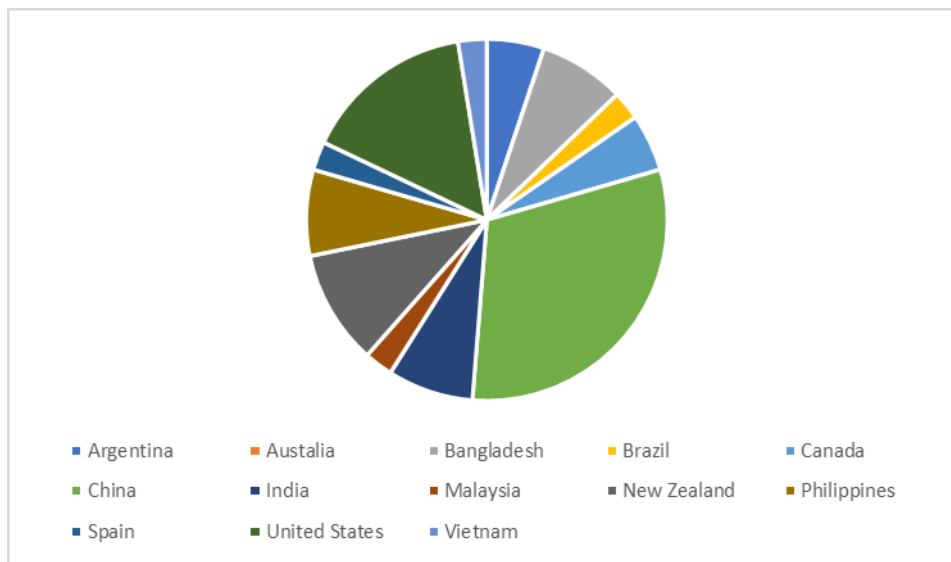
## 3.2. Measures by categories and economies

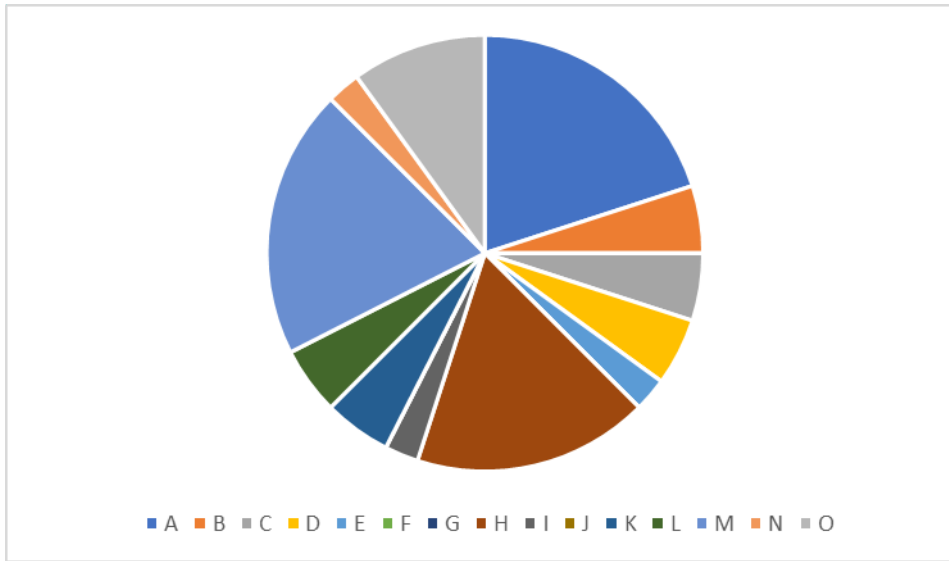
### 3.2.1. Summary

The report lists support measures taken by selected non-SBC economies. The Secretariat found 40 measures in this report (see Table 19 below) compared to 31 last year (15 new support measures were found, while some previous support measures were removed as they were no longer active). Research of support measures is difficult given the lack of official information in most economies. The Secretariat needs to rely on indirect sources, often press articles. This means that there is a high risk that many support measures taken by non-SBC economies are not mentioned in this report given the fact that information on them is not publicly available or has not been found by the Secretariat.

As can be seen in Figure 22, China was the country for which the largest number of support measures was found (12), this being more than one quarter of measures found. China is followed by United States (6), as was the case last year. The most common support measure type reported was direct transfer of funds by Governments (category A) and protection of the domestic market (category M), each with 8 support measures recorded, followed by government revenue that is foregone or not collected (category H), with 7 support measures recorded (see Figure 23). All these measures can be very distorting for the international shipbuilding markets.

**Figure 22: Support measures by country**



**Figure 23: Support measures per type**

Looking at previous editions of the Inventory of support measures taken by non-SBC members, as well as Table 19, it seems that economies use all types of support measures depending on their needs and are not using one specific type of support for a given economy. However, it is noticeable that many of the support measures to protect the domestic market (category M) have been announced by China, and that all support measures found from the Philippines are government revenue that is foregone or not collected (category H).

**Table 20. Number of support measures reported in the Inventory of non-SBC economies\***

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	Total
Argentina	1				1											<b>2 (1)</b>
Australia													1			<b>1 (1)</b>
Bangladesh	1		1	1												<b>3 (1)</b>
Brazil	1															<b>1 (1)</b>
Canada		1											1			<b>2 (1)</b>
China			1						1		2		5		3	<b>12 (3)</b>
India	1													1	1	<b>3 (1)</b>
Malaysia								1								<b>1 (1)</b>
New Zealand	1	1										2				<b>4 (2)</b>
Philippines								3								<b>3 (1)</b>
Spain	1															<b>1 (1)</b>
United States	2			1				2					1			<b>6</b>
Viet Nam								1								<b>1 (1)</b>
<b>Total</b>	<b>8</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>1</b>			<b>7</b>	<b>1</b>		<b>2</b>	<b>2</b>	<b>8</b>	<b>1</b>	<b>4</b>	<b>40 (15)</b>

\* In alphabetical order

Source: OECD calculations

Note: the numbers written in brackets refer to the number of new policies found for each economy, compared to last year's report

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	Total (new)
China			1						1		2		5		3	12 (3)
United States	2			1				2					1			6
New Zealand	1	1										2				4 (2)
Bangladesh	1		1	1												3 (1)
India	1													1	1	3 (1)
Philippines								3								3 (1)
Argentina	1				1											2 (1)
Canada		1											1			2 (1)
Brazil	1															1 (1)
Malaysia								1								1 (1)
Spain	1															1 (1)
Viet Nam								1								1 (1)
Australia													1			1 (1)
<b>Total</b>	<b>8</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>1</b>			<b>7</b>	<b>1</b>		<b>2</b>	<b>2</b>	<b>8</b>	<b>1</b>	<b>4</b>	<b>40 (15)</b>

\* Sorted by total number of measures in descending order

Source: OECD calculations

Note: the numbers written in brackets refer to the number of new policies found for each economy, compared to last year's report

### 3.2.2. Measures by categories

**Category A** (Direct transfer of funds by Governments) includes eight support measures. They aim to directly protect or improve the economic health of the domestic shipbuilding industry.

- National Supplier Development Program (PRODEPRO) (Argentina)
- Shipbuilding Industry Development Policy 2021 (Bangladesh)
- Merchant Marine Fund (Brazil)
- Shipbuilding Financial Assistance Policy (SBFAP) (India)
- Fisheries Industry Transformation Plan (ITP) (New Zealand)
- Strategic Project for Economic Recovery and Transformation (PERTE) for the Shipbuilding Industry (NAVAL) (Spain)
- Small Shipyard Grants (United States)
- Inflation Reduction Act (IRA) of 2022 (United States)

**Category B** (Indirect transfer of funds by Governments) includes two support measures.

- Government equity investment and loan to support purchase of shipyard (Canada)
- Low Emission Transport Fund (New Zealand)

**Category C** (Loans on terms and conditions more favourable than those commercially available) includes two support measures.

- Refinance scheme to support the shipbuilding sector (Bangladesh)
- China Merchant Bank Loan program for vessels (China)

**Category D** (Loan guarantees that support loans on terms and conditions more favourable than those commercially available) includes two support measures.

- Loan Rescheduling for the Shipbuilding Industry (Bangladesh)
- The Federal Ship Financing Program (Title XI) promotes U.S. Merchant Marine fleet and U.S. shipyard growth and modernization. (United States)

**Category E** (Export or Home Credits) includes one support measure.

- Ship financing programme (Argentina)

**Category H** (Government revenue that is foregone or not collected) includes seven support measures.

- Shipbuilding and Ship Repair incentives (Malaysia)
- Tax incentives for operations of Trans-Asia Shipping Lines Inc. shipping vessel (Philippines)
- Financial incentives to develop and operate Hanjin commercial shipyard (Philippines)
- Investment incentives for the shipbuilding sector under the Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act (Philippines)
- Construction Reserve Fund (United States)
- Capital Construction Fund (United States)
- Project on the development of Viet Nam's shipping fleet until 2030 (Viet Nam)

**Category I** (Provision by government of infrastructure (other than general infrastructure), goods or services on non-commercial conditions) includes one support measure.

- Expansion plan of the pilot Free Trade Zone (FTZ) Ningbo (China)

**Category K** (Support for Research and Development) includes two support measures.

- Strategic cooperation between China's Maritime Safety Administration and CSSC (China)
- Action Plan for Green Development in the Shipbuilding Industry (China)

**Category L** (Any form of income or price support) includes two support measures.

- The New Zealand Customs Service granted general import tariff concessions on the importation of certain goods (New Zealand)
- The New Zealand Customs Service granted general import tariff concessions on the importation of spare and service parts of the vessel Takutai Chief (New Zealand)

**Category M** (Protection of the domestic market) and **N** (Domestic build or domestic content requirements) share many common points. They aim to increase or protect the domestic shipbuilding industry. There are seven support measures included in these two categories.

- Strategic Fleet Taskforce recommendations (Australia)
- National Shipbuilding Strategy (Canada)
- Possible order for six LNG carriers for China National Offshore Oil Corp (CNOOC) (China)

- China Development Bank Financial Leasing (CDB Leasing) has a total of 42 ships on order (China)
- China Development Bank Financial Leasing (CDB Leasing) to be sold to financial entity or government development company (China)
- Joint venture by COSCO and CNPC and its PetroChina (China)
- Ordering 7 containerships by OOCL at domestic shipyards (China)
- Make in India order for a high-capacity dredger (India)
- Executive order on public procurement to maximize the use of goods produced in, and services offered in, the U.S. – Update (United States)

*Category O* (Other official regulations and practices) includes four measures.

- Legal guidelines limiting liabilities of shipyards and shipping companies (China)
- Strategic cooperation between Guangdong Province Government, CSSC and CNOOC (China)
- Decarbonisation deal between China Classification Society (CCS) and China COSCO Shipping Group (China)
- Green Tug Transition Programme (GTTP) (India)

### 3.3. Measures taken by selected non-SBC economies

#### 3.3.1. Argentina

<b>1. Type of the measure of support and its title</b>	
E Export or Home Credits <i>Ship financing programme</i>	
<b>2. Authority/agency responsible for the measure and legal authority</b>	
The Ministry of Productive Development, together with the National Bank	
<b>3. Outline/explanation of the measure</b>	
<p>In October 2021, the government of Argentina announced the establishment of a new credit line to support the shipping sector. The Ministry of Productive Development, together with the Banco de la Nación Argentina, and through the National Fund for Productive Development (FONDEP), launched a new line of financing for the acquisition or construction of new ships and naval artifacts built in shipyards located in the national territory.</p> <p>With an initial amount of USD 10 billion in financing available, the funding program contemplates financing up to 75% of the total value of the vessel. The loans will have a term of 120 months and with the possibility of obtaining up to 24 months of grace period applied to the capital in the case of construction. The National Fund for Productive Development (FONDEP) will contribute to the financing by subsidizing the rate provided by the financial institution (with a rate of subsidy of 29.5% during the first 36 months). In addition, a greater rebate will be offered if the vessels planned for construction are fuelled by LNG, aiming to encourage the development of a fleet driven by alternative energy sources.</p> <p><i>Update:</i></p> <p>In the second edition of the program, two other public banks will participate and provide financing for the construction of ships in the country: Banco de la Provincia de Buenos Aires (BAPRO) and Banco de Inversión y Comercio Exterior (BICE).</p> <p>Calls are closed for the first edition of the financing program. During the first edition of the program, 28 certificates of eligibility were awarded.</p>	
<b>4. Estimated value</b>	USD 10 billion
<b>5. Start and end date</b>	Start date: October 2021
<b>6. Decarbonisation</b>	This measure does not have an explicit aim to support decarbonisation, but includes a clause to encourage the development of a fleet driven by alternative energy sources.
<b>7. References</b>	

Global Trade Alert (2021): “Argentina: New long-term credit line in favour of the shipping sector”, <https://www.globaltradealert.org/state-act/61221/argentina-new-long-term-credit-line-in-favour-of-the-shipping-sector> , accessed on 31 March 2023

Official website of the Argentina State (2021): “\$10 billion to finance the purchase and construction of ships in the country”, <https://www.argentina.gob.ar/noticias/10000-millones-para-financiar-la-compra-y-construccion-de-buques-en-el-pais> , accessed on 31 March 2023

<b>1. Type of the measure of support and its title</b>	
A Direct transfer of funds by Governments <i>National Supplier Development Program (PRODEPRO)</i>	
<b>2. Authority/agency responsible for the measure and legal authority</b>	
Secretariat of Industry and Productive Development of the Ministry of Economy	
<b>3. Outline/explanation of the measure</b>	
<p>The National Supplier Development Program (<i>Programa Nacional de Desarrollo de Proveedores, PRODEPRO</i>) was launched in July 2020 with the objective to develop national suppliers in strategic sectors, of which the shipbuilding strategy is one of the main sectors included, to contribute to the promotion of industry, the diversification of the national productive matrix, the promotion of competitiveness and productive transformation.</p> <p>Concerning the shipbuilding sector more specifically, the program provides “technical and financial assistance for shipyards and the entire value chain, for investment in capital goods, certification of standards, laboratory equipment, molds and dies, and infrastructure”.</p> <p>The program involves Non-refundable Contributions (NRAs) of up to USD 30 million (while companies will be able to receive up to 70% of the total cost of the project), tax rebates (loans implemented through Banco Inversión Y Comercio Exterior S.A. (BICE) and Banco de la Nación Argentina (BNA), with an interest rate subsidy between 10-14 percentage points), and technical assistance provided by the National Institute of Industrial Technology (Institute Nacional de Tecnología Industrial, INTI), or another technical agency.</p> <p>In February 2023, a new call for PRODEPRO 2023 was launched, currently under the supervision of the Secretariat of Industry and Productive Development of the Ministry of Economy (former Secretariat of Industry of the former Ministry of Production). The amount corresponding to the Rail and Naval Transport, Sustainable Mobility and Aerospace was extended to the total sum ARS 505 million as Non-refundable Contributions (NRAs) and ARS 108 million as tax rebates, for the largest number of Projects presented in legal time and form.</p>	
<b>4. Estimated value</b>	ARS 613 million in 2023
<b>5. Start and end date</b>	Start date: July 2020
<b>6. Decarbonisation</b>	This measure does not have an explicit aim to support decarbonisation.
<b>7. References</b>	
<p>Boletín Oficial de la República Argentina (2020): Resolution 112/220 of the Ministry of Productive Development Secretariat for Industry, Knowledge Economy and Foreign Trade Management, <a href="https://www.boletinoficial.gob.ar/detalleAviso/primera/232460/20200723">https://www.boletinoficial.gob.ar/detalleAviso/primera/232460/20200723</a> , accessed on 12 March 2024</p> <p>Centro Industrial las Parejas (2020): “Launching of the National Supplier Development Programme (PRODEPRO)”, <a href="http://centroindustrial.org/lanzamiento-del-programa-nacional-de-desarrollo-de-proveedores-prodepro/">http://centroindustrial.org/lanzamiento-del-programa-nacional-de-desarrollo-de-proveedores-prodepro/</a> , accessed on 12 March 2024</p>	

Boletín Oficial de la República Argentina (2020): Provision 77/2023 Ministry of Economy Undersecretariat of Industry, <https://www.boletinoficial.gob.ar/detalleAviso/primera/281730/20230227> , accessed on 12 March 2024

Parte de Pesca (2023): “Shipbuilding industry financing programme launched”, <https://partedepesca.com.ar/d/ponen-en-marcha-un-programa-de-impulso-a-la-industria-naval/> , accessed on 12 March 2024

Official website of the Argentina State (2023): “Government launches a programme to boost the shipbuilding industry”, <https://www.argentina.gob.ar/noticias/el-gobierno-pone-en-marcha-un-programa-de-impulso-la-industria-naval> , accessed on 12 March 2024

## 3.3.2. Australia

<b>1. Type of the measure of support and its title</b>	
M Protection of domestic market <i>Commitment to Domestically Owned Strategic Fleet</i>	
<b>2. Authority/agency responsible for the measure and legal authority</b>	
Minister for Infrastructure, Transport, Regional Development and Local Government	
<b>3. Outline/explanation of the measure</b>	
<p>Appointed by the Minister for Infrastructure, Transport, Regional Development and Local Government, the Strategic Fleet Taskforce was tasked with advising the Australian government on the creation of a strategic fleet. In June 2023, the taskforce submitted its report, with 16 recommendations to the Australian Government.</p> <p>In November, the Australian Government responded and committed to forming a “strategic fleet” of vessels to ensure resilience in the country’s maritime industry. The fleet would consist of 12 vessels that could be requisitioned in times of national crisis.</p> <p>Out of the 16 recommendations of the report from the Strategic fleet, the Australian Government agreed with 12. Notably, it agreed to consider options to address the cost gap between Australian and foreign vessels. Other recommendations included reviewing the Shipping Registration Act in 1981 and the Coastal Trading (Revitalising Australian Shipping) Act 2012, increasing funding for compliance activities of the Fair Work Ombudsman, develop non-legislative contractual mechanisms to requisition strategic fleet vessels and providing funding for training berths, among others.</p>	
<b>4. Estimated value</b>	
<b>5. Start and end date</b>	Start date: November 2023
<b>6. Decarbonisation</b>	This measure does not have an explicit aim to support decarbonisation.
<b>7. References</b>	
<p>Ship Technology (2023): “Australia to move forward with domestically owned ‘strategic fleet’”, <a href="https://www.ship-technology.com/news/australia-domestically-owned-strategic-fleet/">https://www.ship-technology.com/news/australia-domestically-owned-strategic-fleet/</a> , accessed on 12 March 2024</p> <p>Marine Link (2023): “Australian Government Supportive of Strategic Fleet Development Proposals”, <a href="https://www.marinelink.com/news/australian-government-supportive-509334">https://www.marinelink.com/news/australian-government-supportive-509334</a> , accessed on 12 March 2024</p> <p>Australian Government, Department of Infrastructure, Transport, Regional Development, Communication and the Arts (2023): “Australian Government Response to the Strategic Fleet Taskforce Final Report”, <a href="https://www.aimpe.asn.au/files/australian-government-response-to-the-strategic-fleet-taskforce-final-report.pdf">https://www.aimpe.asn.au/files/australian-government-response-to-the-strategic-fleet-taskforce-final-report.pdf</a> , accessed on 12 March 2024</p> <p>Australian Government, Department of Infrastructure, Transport, Regional Development, Communication</p>	

and the Arts (2022): “Maritime Strategic Fleet Taskforce”, <https://www.infrastructure.gov.au/infrastructure-transport-vehicles/maritime/maritime-strategic-fleet/maritime-strategic-fleet-taskforce> , accessed on 12 March 2024

3.3.3. *Bangladesh*

<b>1. Type of the measure of support and its title</b>	C Loans on terms and conditions more favourable than those commercially available <i>Refinance scheme to support the shipbuilding sector</i>
<b>2. Authority/agency responsible for the measure and legal authority</b>	Bangladesh Bank (BB)
<b>3. Outline/explanation of the measure</b>	<p>Bangladesh Bank has formed a BDT 2000 crore (about USD 250 million) refinance scheme to support the shipbuilding sector. The scheme aims at developing the sector, which has been harshly affected by the Covid-19 pandemic and consequent economic slowdown, and reduce the country's import dependence.</p> <p>Banks will enter into a participation agreement with the Bangladesh Bank for refinancing in the sector, and will disburse loans at the customer level (ship builders) in a minimum of three phases (instead of disbursing them in one go). Under the scheme, the ship builders can get loans at 4.5% interest for a maximum of 12 years period, with three years grace period.</p> <p>The deadline for submitting applications for the loan is June 30, 2024. However, no loan will be given for the construction of dockyards, land purchases or for taking lease and the loan taken from this scheme cannot be used to repay any other loan.</p> <p>The scheme is taken under the 'Shipbuilding Industry Development Policy 2021' to help recoup the promising sector which first exported an ocean-going vessel to a Danish company back in 2008. Amid repeated calls from the shipbuilders, the government now came forward to help the sector and set a target to fetch USD 4 billion through ship exports by 2025.</p> <p>The government also plans to lower taxes to support the shipbuilding industry.</p>
<b>4. Estimated value</b>	BDT 20 billion (USD 250 million)
<b>5. Start and end date</b>	Start date: May 2022 End date: applications being accepted under the scheme until 30 June 2024.
<b>6. Decarbonisation</b>	This measure does not have an explicit aim to support decarbonisation.
<b>7. References</b>	<p>Newspaper Container News (2022): "Bangladesh forms USD 250 million refinance scheme for shipbuilding industry", <a href="https://container-news.com/bangladesh-forms-us250-million-refinance-scheme-for-shipbuilding-industry/">https://container-news.com/bangladesh-forms-us250-million-refinance-scheme-for-shipbuilding-industry/</a>, accessed on 29 March 2023</p> <p>Global Trade Alert (2022): "Bangladesh: Refinance scheme for the shipbuilding industry", <a href="https://www.globaltradealert.org/intervention/104158/state-loan/bangladesh-refinance-scheme-for-the-shipbuilding-industry">https://www.globaltradealert.org/intervention/104158/state-loan/bangladesh-refinance-scheme-for-the-shipbuilding-industry</a>, accessed on 29 March 2023</p>

Newspaper The Daily Star (2022): “Tk 2,000cr refinance scheme for shipbuilding”, <https://www.thedailystar.net/business/economy/news/tk-2000cr-refinance-scheme-shipbuilding-3032896> , accessed on 31 March 2023

Newspaper The Business Standard (2022): “No fresh refinance scheme loan for shipbuilders with overdue export bills: BB”, <https://www.tbsnews.net/bangladesh/no-fresh-refinance-scheme-loan-shipbuilders-overdue-export-bills-bb-445050> , accessed on 12 March 2024

<b>1. Type of the measure of support and its title</b>	
A Direct transfer of funds by Governments <i>Shipbuilding Industry Development Policy 2021</i>	
<b>2. Authority/agency responsible for the measure and legal authority</b>	
Ministry of Industries	
<b>3. Outline/explanation of the measure</b>	
<p>Ministry of Industries, government of the People’s Republic of Bangladesh, announced “Shipbuilding Industry Development Policy 2021” which contains 13 projects to accelerate industrialization for private sector in order to accomplish economic growth. The following action plan will be adopted through united participation of the public and private sectors:</p> <ol style="list-style-type: none"> <li>1. Various shipbuilding materials including ships</li> <li>2. Engineering and logistics supports to the mega development projects</li> <li>3. Investment facilities/incentives for export oriented and local shipbuilding industries</li> <li>4. Duty reforms on imported raw materials/machinery/equipment</li> <li>5. Linkage Industries/Sub-sectors</li> <li>6. Identifying appropriate areas</li> <li>7. Ultra-modern and Modernization</li> </ol>	
<b>4. Estimated value</b>	
<b>5. Start and end date</b>	Start date: January 2021 End date: 2026
<b>6. Decarbonisation</b>	This measure does not have an explicit aim to support decarbonisation.
<b>7. References</b>	
<p>Ministry of Industries: “Shipbuilding Industry Development Policy 2021”,  <a href="https://moind.portal.gov.bd/sites/default/files/files/moind.portal.gov.bd/page/66b4934c_1ad2_4ab3_a9f8_329331d9b054/12.%20Ship%20building%20Industry%20Development%20Policy%202021.pdf">https://moind.portal.gov.bd/sites/default/files/files/moind.portal.gov.bd/page/66b4934c_1ad2_4ab3_a9f8_329331d9b054/12.%20Ship%20building%20Industry%20Development%20Policy%202021.pdf</a> , accessed on 10 April 2023</p>	

<b>1. Type of the measure of support and its title</b>	
D	Loan guarantees that support loans on terms and conditions more favourable than those commercially available <i>Loan Rescheduling for the Shipbuilding Industry</i>
<b>2. Authority/agency responsible for the measure and legal authority</b>	
Bangladesh Bank (BB), Department of Financial Institutions and Markets	
<b>3. Outline/explanation of the measure</b>	
<p>The Department of Financial Institutions and Markets of the Bangladesh Bank (BB) launched in August 2023 a loan rescheduling initiative for the Shipbuilding Industry, in order to alleviate the burden of classified loans in the industry. Under the initiative, non-bank financial institutions are now allowed to restructure defaulted loans for borrowers in the shipbuilding industry for a duration of 10 years, with a two-year grace period included. To be able to take advantage of the initiative, financial institutions must gather a down payment equal to 2.50% of the defaulted loan amount.</p> <p>In September, the 90-day deadline set by the central bank for shipbuilders to reschedule their defaulted loans was extended another two and a half months, with two subsequent extensions being released in October and then November, being extended the deadline until 21 December of 2023.</p>	
<b>4. Estimated value</b>	
<b>5. Start and end date</b>	Start date: August 2023
<b>6. Decarbonisation</b>	This measure does not have an explicit aim to support decarbonisation.
<b>7. References</b>	
<p>Legal and Tax Advisory Firm, VDB Loi (2023): “Circular No. 10 dated 20 August 2023 issued by the Department of Financial Institutions and Markets of the Bangladesh Bank on ‘Loan Rescheduling for the Shipbuilding Industry’”, <a href="https://www.vdb-loi.com/bd_publications/circular-no-10-dated-20-august-2023-issued-by-the-department-of-financial-institutions-and-markets-of-the-bangladesh-bank-on-loan-rescheduling-for-the-shipbuilding-industry/#:~:text=This%20initiative%20is%20aimed%20at,a%20two%2Dyear%20grace%20period.">https://www.vdb-loi.com/bd_publications/circular-no-10-dated-20-august-2023-issued-by-the-department-of-financial-institutions-and-markets-of-the-bangladesh-bank-on-loan-rescheduling-for-the-shipbuilding-industry/#:~:text=This%20initiative%20is%20aimed%20at,a%20two%2Dyear%20grace%20period.</a> , accessed on 12 March 2024</p> <p>Newspaper The Daily Star (2023): “Shipbuilders get more time to regularise defaulted loans”, <a href="https://www.thedailystar.net/business/economy/news/shipbuilders-get-more-time-regularise-defaulted-loans-3417446">https://www.thedailystar.net/business/economy/news/shipbuilders-get-more-time-regularise-defaulted-loans-3417446</a> , accessed on 12 March 2024</p> <p>Newspaper The Daily Star (2023): “Shipbuilders get more time to reschedule loans”, <a href="https://www.thedailystar.net/business/news/shipbuilders-get-more-time-reschedule-loans-3480431">https://www.thedailystar.net/business/news/shipbuilders-get-more-time-reschedule-loans-3480431</a> , accessed on 12 March 2024</p>	

### 3.3.4. Brazil

<b>1. Type of the measure of support and its title</b>	
A Direct transfer of funds by Governments <i>Merchant Marine Fund</i>	
<b>2. Authority/agency responsible for the measure and legal authority</b>	
Ministry of Transport	
<b>3. Outline/explanation of the measure</b>	
<p>The Merchant Marine Fund (<i>Fundo da Marinha Mercante, FMM</i>), managed by the Ministry of Transport, finances projects like the construction and modernization of ships and boats, and the restoration of docks since 2004. The Fund reached its peak in 2010 when it provided funding to several industries' development. Since 2020, the Board of Directors of the Merchant Marine Fund has significantly increased shipbuilding subsidies and priority has been given to offshore support vessels.</p> <p>The Fund can finance up to 90% of the value of the projects, depending on the percentage of the project that is national and the type of vessel. The companies will be able to access to the financing through the National Bank for Economic and Social Development (BNDES), Bank of Brasil, <i>Caixa Econômica Federal</i> and <i>BASA</i>.</p> <p>In September 2023, the Board of Directors of the Merchant Marine Fund approved BRL 2.89 billion for 19 projects to the shipbuilding industry. According to the Minister of Ports and Airports, the funding provided in 2023 was the largest approval of inland navigation priorities in years. The 19 projects approved involve building, modernizing, converting docking and repair of vessels, and acquisition and installation of marine equipment.</p> <p>In January 2024, the Board of Directors of the Merchant Marine Fund approved approximately BRL 6.5 billion (USD 1.3 billion) to support local shipyards on delivering new orders and other waterways infrastructure. The amount approved includes more than BRL 4 billion (USD 930 million) for the construction of maritime vessels and vessel repair, and more than BRL 900 million for repairs, docking and modernization.</p>	
<b>4. Estimated value</b>	BRL 6.5 billion (USD 1.3 billion) in January 2024
<b>5. Start and end date</b>	Start date: 2004
<b>6. Decarbonisation</b>	This measure does not have an explicit aim to support decarbonisation.
<b>7. References</b>	

Official website of Brazil's Government (2023): "Council approves R\$2.89 billion to support the shipbuilding industry with FMM resources", <https://www.gov.br/portos-e-aeroportos/pt-br/assuntos/noticias/2023/09/conselho-aprova-r-2-89-bilhoes-para-apoio-a-industria-naval-com-recursos-do-fmm> , accessed on 12 March 2024

National Development Bank, BNDES (n.a.): "Merchant Marine Fund – FMM", <https://www.bndes.gov.br/wps/portal/site/home/transparencia/fundos-governamentais/fmm>, accessed on 12 March 2024

Industry Association SINAVAL (2024): "CDFMM prioritises R\$6.5 billion for naval sector and waterway infrastructure projects", <http://sinaval.org.br/2024/01/cdfmm-prioriza-r-65-bilhoes-para-setor-naval-e-projeto-de-infraestrutura-aquaviaria/>, accessed on 12 March 2024

## 3.3.5. Canada

<b>1. Type of the measure of support and its title</b>	
M Protection of domestic market <i>National Shipbuilding Strategy (NSS)</i>	
<b>2. Authority/agency responsible for the measure and legal authority</b>	
Government of Canada, Interdepartmental Deputy Minister Committee chaired by the Deputy Minister of Public Services and Procurement	
<b>3. Outline/explanation of the measure</b>	
<p>The National Shipbuilding Strategy, launched in 2010 by the government of Canada, is a long-term, multi-billion-dollar project to revitalize and support the domestic marine and shipbuilding industry and to renew and modernize the Royal Canadian Navy and the Canadian Coast Guard.</p> <p>The strategy is focused on 3 pillars: construction of large vessels, construction of small vessels and vessel repair, refit and maintenance projects.</p> <p>Concerning the construction of large vessels, the government launched a competitive process and consequently signed umbrella agreements with Vancouver Shipyards Co. Ltd. of Vancouver, British Columbia, for a non-combat package (including icebreakers, offshore science vessels, and support ships), and with Irving Shipbuilding Inc., of Halifax, Nova Scotia for a combat package that includes 18 to 21 vessels for the Navy. In April 2023, a third strategic partnership was signed with Chantier Davie Canada Inc. in Lévis, Quebec. The latter marked the start of negotiations for the construction of six program ice breakers and one polar icebreaker for the Coast Guard.</p> <p>Concerning small vessels and vessel repair, refit and maintenance projects, opportunities are available for Canadian shipyards and businesses across the country.</p> <p>Since 2012, the government has awarded more than CAD 21 billion in shipbuilding-related contracts.</p> <p>From 2013 to the end of 2022, more than 325 organizations throughout Canada were involved in the National Shipbuilding Strategy, and more than CAD 5.2 billion were invested. It is projected that between 2023 and the end of 2025, an additional CAD 4.3 billion will be spent. Davie Shipbuilding, Canada’s largest shipbuilder, has been named an official partner in the country’s National Shipbuilding Strategy (NSS).</p>	
<b>4. Estimated value</b>	CAD 21 billion
<b>5. Start and end date</b>	Start date: June 2010
<b>6. Decarbonisation</b>	This measure does not have an explicit aim to support decarbonisation.
<b>7. References</b>	
Official website of the Government of Canada (n.a.): “National Shipbuilding Strategy”, <a href="https://www.tpsgc-">https://www.tpsgc-</a>	

[pwgsc.gc.ca/app-acq/amd-dp/mer-sea/sncn-nss/apropos-about-eng.html](http://pwgsc.gc.ca/app-acq/amd-dp/mer-sea/sncn-nss/apropos-about-eng.html) , accessed on 12 March 2024  
Newspaper Cision (2023): “Value for Money 2023: The Conference Board of Canada Assesses the National Shipbuilding Strategy's Impact”, <https://www.newswire.ca/news-releases/value-for-money-2023-the-conference-board-of-canada-assesses-the-national-shipbuilding-strategy-s-impact-834969479.html> , accessed on 12 March 2024

<b>1. Type of the measure of support and its title</b>	
B Indirect transfer of funds by Governments <i>Government equity investment and loan to support purchase of shipyard</i>	
<b>2. Authority/agency responsible for the measure and legal authority</b>	
Government of Canada	
<b>3. Outline/explanation of the measure</b>	
In November 2023, Davie, the owner of Davie Shipbuilding in Quebec, Canada, acquired Finland's Helsinki Shipyard Oy (HSO). This strategic move was facilitated by a combination of Davie's internal resources and EUR 77 million (USD 110 million) in financing from the Canadian government. The funding included an equity investment of EUR 30 million (approximately USD 43 million) and a loan of EUR 47 million (about USD 67 million). Davie has outlined that a substantial portion of these funds will be allocated to fortifying the shipyard's working capital as it initiates operations, establishes a foothold, and pursues new business opportunities.	
<b>4. Estimated value</b>	EUR 77 million (USD 110 million)
<b>5. Start and end date</b>	Start date: November 2023
<b>6. Decarbonisation</b>	This measure does not have an explicit aim to support decarbonisation.
<b>7. References</b>	
Davie Shipyard (2023): "Davie completes purchase of the assets of Helsinki Shipyard", <a href="https://www.davie.ca/news/davie-completes-purchase-of-the-assets-of-helsinki-shipyard/">https://www.davie.ca/news/davie-completes-purchase-of-the-assets-of-helsinki-shipyard/</a> , accessed on 12 March 2024	
News Agency Reuters (2023): "Canada's Davie completes purchase of Helsinki Shipyard from Russia's Algador", <a href="https://www.reuters.com/markets/deals/canadas-davie-completes-purchase-helsinki-shipyard-russias-algador-2023-11-03/#:~:text=Canada%27s%20Davie%20completes%20purchase%20of%20Helsinki%20Shipyard%20from%20Russia%27s%20Algador,-By%20Maiya%20Keidan&amp;text=TORONTO%2C%20Nov%203%20(Reuters),approval%2C%20Davie%20said%20on%20Friday">https://www.reuters.com/markets/deals/canadas-davie-completes-purchase-helsinki-shipyard-russias-algador-2023-11-03/#:~:text=Canada%27s%20Davie%20completes%20purchase%20of%20Helsinki%20Shipyard%20from%20Russia%27s%20Algador,-By%20Maiya%20Keidan&amp;text=TORONTO%2C%20Nov%203%20(Reuters),approval%2C%20Davie%20said%20on%20Friday</a> , accessed on 12 March 2024	
Newspaper Trade Winds (2023): "Davie acquires Helsinki Shipyard from Russia's Algador with help from Canadian government", <a href="https://www.tradewindsnews.com/shipyards/davie-acquires-helsinki-shipyard-from-russia-s-algador-with-help-from-canadian-government/2-1-1548788">https://www.tradewindsnews.com/shipyards/davie-acquires-helsinki-shipyard-from-russia-s-algador-with-help-from-canadian-government/2-1-1548788</a>	

### 3.3.6. China

<b>1. Type of the measure of support and its title</b>	
M Protection of the domestic market <i>Possible order for six LNG carriers for China National Offshore Oil Corp (CNOOC)</i>	
<b>2. Authority/agency responsible for the measure and legal authority</b>	
Not applicable	
<b>3. Outline/explanation of the measure</b>	
<p>China is looking for ways to boost its building capacity for LNG carriers and there are two shipbuilders in China that are set to do this. It is expected that the contracts will be signed soon, and the ships delivered in 2025 and 2026.</p> <p>In June 2021, two Chinese LNG giants ordered jointly three LNG carrier newbuildings for USD 620 million with the aim to charter to CNOOC. These LNG carriers are expected in 2024 and 2025.</p> <p><i>Update:</i></p> <p>TOKYO-Mitsui O.S.K. Lines, Ltd (MOL) announced on January 2022 that, earlier that month, it had signed a long-term charter contract for six newbuilding LNG carriers with CNOOC Gas &amp; Power Singapore Trading &amp; Marketing Pte. Ltd. The vessels will be built at Hudong-Zhonghua Shipbuilding (Group) Co., Ltd. in China, and are slated for delivery from 2024 through 2026.</p> <p>In April 2022, CNOOC signed an agreement for six more LNG ships, making it the largest LNG ship construction project with the greatest investment in China (the building cost of the 12 LNG ships will amount to 16 billion yuan (\$2.39 billion)).</p>	
<b>4. Estimated value</b>	Unknown
<b>5. Start and end date</b>	Start date: June 2021 End date: 2026
<b>6. Decarbonisation</b>	This measure has an explicit aim to support decarbonisation, as it concerns the development of LNG carriers capacity.
<b>7. References</b>	
<p>Newspaper Trade Winds (2022): “Chinese yards to snare more domestic LNG carrier orders”, <a href="https://www.tradewindsnews.com/gas/chinese-yards-to-snare-more-domestic-lng-carrier-orders/2-1-1180391">https://www.tradewindsnews.com/gas/chinese-yards-to-snare-more-domestic-lng-carrier-orders/2-1-1180391</a>, accessed on 22 March 2022.</p> <p>Newspaper Trade Winds (2021): “Chinese LNG giants order newbuilding trio for CNOOC”, <a href="https://www.tradewindsnews.com/gas/chinese-lng-giants-order-newbuilding-trio-for-cnooc/2-1-1028121">https://www.tradewindsnews.com/gas/chinese-lng-giants-order-newbuilding-trio-for-cnooc/2-1-1028121</a>, accessed on 23 March 2022.</p> <p>Marine logistics firm Mitsui O.S.K. Lines (2022): “MOL and CNOOC Sign Long-term Charter Deal for Six</p>	

Newbuilding LNG Carriers”, <https://www.mol.co.jp/en/pr/2022/22004.html> , accessed on 12 March 2024.

State-owned Assets Supervision and Administration Commission of the State Council (2022): “ CNOOC Inks Building of 6 Largest LNG Ships in China”, [http://en.sasac.gov.cn/2022/05/16/c\\_13586.htm](http://en.sasac.gov.cn/2022/05/16/c_13586.htm), accessed on 12 March 2024

<b>1. Type of the measure of support and its title</b>	
K Support for research and development <i>Strategic cooperation between China's Maritime Safety Administration and CSSC</i>	
<b>2. Authority/agency responsible for the measure and legal authority</b>	
Maritime Safety Administration of the Ministry of Transport	
<b>3. Outline/explanation of the measure</b>	
<p>China's Maritime Safety Administration signed a strategic cooperation with China State Shipbuilding Corporation (CSSC) focusing on sectors of smart ships and maritime environmental protection. Under this agreement, cooperation is foreseen on the development of smart ships, a smart transport management system, smart inspection and monitoring systems, as well as a development plan for the smart shipping industry. Further aspects of the collaboration include research and development of new energy-powered ships and energy saving and environmental protection devices.</p>	
<b>4. Estimated value</b>	
<b>5. Start and end date</b>	Start date: July 2020
<b>6. Decarbonisation</b>	This measure does not have an explicit aim to support decarbonisation, although it identifies maritime environmental protection as one of the key focusses.
<b>7. References</b>	
<p>Newspaper Hellenic Shipping News (2020): "China to promote smart ships development, maritime environmental protection", <a href="https://www.hellenicshippingnews.com/china-to-promote-smart-ship-development-maritime-environmental-protection/">https://www.hellenicshippingnews.com/china-to-promote-smart-ship-development-maritime-environmental-protection/</a>, accessed on 16 March 2021.</p> <p>Newspaper Offshore Energy (2020): "Chinese government teams up with CSSC on smart ships", <a href="https://www.offshore-energy.biz/chinese-government-teams-up-with-cssc-on-smart-ships/">https://www.offshore-energy.biz/chinese-government-teams-up-with-cssc-on-smart-ships/</a>, accessed on 16 March 2021.</p> <p>Newspaper The Maritime Executive (2020): "Chinese Government and CSSC Cooperate to Develop Shipping Technologies", <a href="https://www.maritime-executive.com/article/chinese-government-and-cssc-cooperate-to-develop-shipping-technologies">https://www.maritime-executive.com/article/chinese-government-and-cssc-cooperate-to-develop-shipping-technologies</a>, accessed on 16 March 2021.</p> <p>State-owned Assets Supervision and Administration Commission of the State Council (2020): "CSSC, China MSA Join Hands in Building China's Strength in Transportation, Maritime", <a href="http://en.sasac.gov.cn/2020/07/21/c_12149.htm">http://en.sasac.gov.cn/2020/07/21/c_12149.htm</a>, accessed on 3 April 2023.</p>	

<b>1. Type of the measure of support and its title</b>	
O Other official regulations and practice <i>Legal Guidelines limiting liabilities of shipyards and shipping companies</i>	
<b>2. Authority/agency responsible for the measure and legal authority</b>	
Supreme People's Court of China	
<b>3. Outline/explanation of the measure</b>	
<p>The Supreme People's Court of China has issued legal guidelines that limit the liabilities of shipyards and shipping companies affected by the coronavirus pandemic. According to the supreme court's instruction, carriers and shippers can terminate the transport contracts if vessels cannot arrive at loading or discharge ports due to the pandemic. Furthermore, carriers can be exempted from the liabilities for delayed deliveries that result from COVID-19, if they inform the shippers in time. Shipbuilders and repair yards can delay their deliveries due to a shortage of workers or equipment, but lower courts need to take individual situations into consideration. While English law applies to most shipbuilding and international shipping contracts, the supreme court's instruction is expected to affect legal cases governed by Chinese law.</p>	
<b>4. Estimated value</b>	
<b>5. Start and end date</b>	Start date: 2020
<b>6. Decarbonisation</b>	This measure does not have an explicit aim to support decarbonisation.
<b>7. References</b>	
<p>Newspaper Trade Winds (2020): "China's top court limits coronavirus liabilities for shipping firms and yards", <a href="https://www.tradewindsnews.com/law/chinas-top-court-limits-coronavirus-liabilities-for-shipping-firms-and-yards/2-1-829834">https://www.tradewindsnews.com/law/chinas-top-court-limits-coronavirus-liabilities-for-shipping-firms-and-yards/2-1-829834</a>, accessed on 16 March 2021.</p>	

<b>1. Type of the measure of support and its title</b>	
M Protection of the domestic market <i>China Development Bank Financial Leasing (CDB Leasing) has a total of 42 ships on order</i>	
<b>2. Authority/agency responsible for the measure and legal authority</b>	
Not applicable	
<b>3. Outline/explanation of the measure</b>	
China Development Bank Financial Leasing has in January 2022 the equivalent to 6% of the current orderbook by Chinese shipowners.	
<b>4. Estimated value</b>	
<b>5. Start and end date</b>	Start date: 2022
<b>6. Decarbonisation</b>	This measure does not have an explicit aim to support decarbonisation.
<b>7. References</b>	
Newspaper Trade Winds (2022): “CDB Leasing tops newbuilding league table for Chinese owners”, <a href="https://www.tradewindsnews.com/shipyards/cdb-leasing-tops-newbuilding-league-table-for-chinese-owners/2-1-1165359">https://www.tradewindsnews.com/shipyards/cdb-leasing-tops-newbuilding-league-table-for-chinese-owners/2-1-1165359</a> , accessed on 22 March 202	

<b>1. Type of the measure of support and its title</b>	
M Protection of the domestic market <i>China Development Bank Financial Leasing (CDB Leasing) to be sold to financial entity or government development company</i>	
<b>2. Authority/agency responsible for the measure and legal authority</b>	
Not applicable	
<b>3. Outline/explanation of the measure</b>	
<p>In June 2023, China Development Bank was reported to be considering offloading its ship leasing arm, the China Development Bank Financial Leasing. The reason given for the sale was said to be a “shift in policy bank direction after years of focusing on state-owned commercial enterprises”. CDB Leasing is said to likely be sold to a Shenzhen-based financial entity or government development company, Airfinance Journal reported quoting unnamed sources.</p> <p>The Hong-Kong listed company owned the equivalent to 6% of the current orderbook by Chinese shipowners and possessed a fleet of 222 ships as of the end of 2022.</p>	
<b>4. Estimated value</b>	
<b>5. Start and end date</b>	Start date: June 2023
<b>6. Decarbonisation</b>	This measure does not have an explicit aim to support decarbonisation.
<b>7. References</b>	
<p>Newspaper Trade Winds (2023): “China Development Bank linked to sale of ship leasing arm”, <a href="https://www.tradewindsnews.com/finance/china-development-bank-linked-to-sale-of-ship-leasing-arm/2-1-1475855">https://www.tradewindsnews.com/finance/china-development-bank-linked-to-sale-of-ship-leasing-arm/2-1-1475855</a>, accessed on 12 March 2024.</p>	

<b>1. Type of the measure of support and its title</b>	
O Other official regulations and practice <i>Strategic Cooperation between Guangdong Province Government, CSSC and CNOOC – Update</i>	
<b>2. Authority/agency responsible for the measure and legal authority</b>	
Guangdong province government	
<b>3. Outline/explanation of the measure</b>	
<p>Guangdong province government has signed a framework cooperation with China State Shipbuilding Corporation (CSSC) and China National Offshore Oil Corporation (CNOOC), which is aimed at reducing the emission from the shipping industry. Under the project, the plan is to retrofit approximately 1,500 ships and build 19 LNG fuelling stations in the province by 2025. The project, upon completion, will replace the annual consumption of 390 000 tonnes of fuel products with demand for 400 000 tonnes of LNG.</p> <p><i>Update:</i></p> <p>Before the end of 2021, China’s Guangdong province plans to begin the construction of six LNG bunkering stations for inland river waterways. Moreover, by 2022 complete the construction of additional eight LNG bunkering stations for the main navigation channels on arterial waterways – including two coastal stations. This was announced November 9, 2021 by the Guangdong Development and Reform Commission.</p>	
<b>4. Estimated value</b>	
<b>5. Start and end date</b>	Start date: 2020 End date: 2025
<b>6. Decarbonisation</b>	This measure has an explicit aim to support decarbonisation, as it is focussed on reducing the emission from the shipping industry.
<b>7. References</b>	
<p>Newspaper Lloyd’s List (2020): “Guangdong to convert 1,500 ships to LNG”, <a href="https://lloydslist.maritimeintelligence.informa.com/LL1132522/Guangdong-to-convert-1500-ships-to-LNG">https://lloydslist.maritimeintelligence.informa.com/LL1132522/Guangdong-to-convert-1500-ships-to-LNG</a>, accessed on 18 March 2021.</p> <p>Newspaper Offshore Energy (2020): “China’s Guangdong plans big inland LNG conversion project”, <a href="https://www.offshore-energy.biz/chinas-guangdong-plans-big-inland-lng-conversion-project/">https://www.offshore-energy.biz/chinas-guangdong-plans-big-inland-lng-conversion-project/</a>, accessed on 18 March 2021.</p> <p>Newspaper S&amp;P Global (2021): “China’s Guangdong to build LNG bunkering stations in inland waterways”, <a href="https://www.spglobal.com/commodity-insights/en/market-insights/latest-news/lng/111021-chinas-guangdong-to-build-lng-bunkering-stations-in-inland-waterways">https://www.spglobal.com/commodity-insights/en/market-insights/latest-news/lng/111021-chinas-guangdong-to-build-lng-bunkering-stations-in-inland-waterways</a>, accessed on 23 March 2022.</p>	

<b>1. Type of the measure of support and its title</b>	
M Protection of the domestic market <i>Joint venture by COSCO, CNPC and its PetroChina – Update</i>	
<b>2. Authority/agency responsible for the measure and legal authority</b>	
Not applicable	
<b>3. Outline/explanation of the measure</b>	
<p>A joint venture shipping project of COSCO and China National Petroleum Corporations (CNPC) ordered in April 2020 three liquefied natural gas carriers at Hudong-Zhonghua Shipbuilding. The vessels would be deployed for LNG shipping services by CNPC’s PetroChina affiliate companies. The price for each of the 174,000 cubic meter vessels was \$185m and COSCO will invest \$600m in total for the vessels including financing costs.</p> <p>In June 2021, CNPC ordered three more 174,000 cbm carriers, and in December, 2021, COSCO orders three LNG carriers for USD 554 million, both at the same shipyard. These will also be chartered by PetroChina and the delivery of these carriers is scheduled between October 2023 and April 2024.</p> <p>On October 2022, PetroChina took delivery of the first of three LNG carriers ordered from China’s Hudong-Zhonghua Shipbuilding Group Ltd. The three carriers ordered in 2020, costed a total of \$600 million by a joint venture between PetroChina International, Shanghai LNG and COSCO Shipping Energy Transport Co. Ltd. The two other carriers, Wu Dang and Kun Lun, were delivered in end of 2022 and March 2023, respectively.</p> <p>In July 2023, COSCO Shipping Energy Transportation and PetroChina signed a shipbuilding deal with Hudong-Zhonghua for the construction of two additional 174,000-cbm LNG carriers. The deal for the two LNG carriers is worth 3.33 billion yuan (\$465.5 million), or about 1.66 billion yuan (\$233 million) per vessel. The delivery of the two vessels is expected to take place in the second half of 2025 and the first half of 2026.</p> <p>The deal is part of the third stage of the COSCO Shipping-PetroChina project.</p>	
<b>4. Estimated value</b>	USD 600 million in April 2020; USD 554 million in December 2021; USD 465.5 million in July 2023
<b>5. Start and end date</b>	Start date: April 2020 End date: 2024
<b>6. Decarbonisation</b>	This measure has an explicit aim to support decarbonisation, as it is part of China’s plan to lead in the LNG carrier shipbuilding.
<b>7. References</b>	

Newspaper Offshore Energy (2020): “Cosco, CNPC to order LNG carrier at Hudong”, <https://www.offshore-energy.biz/cosco-cnpc-to-order-lng-carrier-trio-at-hudong/>, accessed on 18 March 2021.

Newspaper Offshore Energy (2020): “China COSCO Shipping orders LNG tro at Hudong”, <https://www.offshore-energy.biz/china-cosco-shipping-orders-lng-trio-at-hudong/>, accessed on 18 March 2021.

Newspaper Lloyd’s List (2020): “Cosco’s LNG tanker investment linked to US export projects”, <https://loydlist.maritimeintelligence.informa.com/LL1132095/Coscos-LNG-tanker-investment-linked-to-US-export-projects>, accessed on 18 March 2021.

Newspaper Lloyd’s List (2021): “PetroChina to order trio of LNG carriers at Hudong-Zhonghua”, <https://loydlist.maritimeintelligence.informa.com/LL1137250/PetroChina-to-order-trio-of-LNG-carriers-at-Hudong-Zhonghua>, accessed on 23 March 2022.

Newspaper Lloyd’s List (2021): “Cosco adds three LNG carriers to orderbook”, <https://loydlist.maritimeintelligence.informa.com/LL1139196/Cosco-adds-three-LNG-carriers-to-orderbook>, accessed on 23 March 2022.

News Agency Splash 247 (2020): “Cosco and PetroChina order LNG carrier trio at Hudong-Zhonghua”, <https://splash247.com/cosco-and-petrochina-order-lng-carrier-trio-at-hudong-zhonghua/>, accessed on 12 March 2024.

Newspaper Seatrade Maritime (2020): “Cosco Shipping Energy Transportation to set up LNG joint venture”, <https://www.seatrade-maritime.com/tankers/cosco-shipping-energy-transportation-set-lng-joint-venture>, accessed on 12 March 2024.

News Agency Reuters (2022): “PetroChina takes delivery of large LNG carrier from CSSC shipyard”, <https://www.reuters.com/business/energy/petrochina-takes-delivery-large-lng-carrier-cssc-shipyard-2022-10-26/>, accessed on 12 March 2024.

LNG Platform LNG Prime (2023): “Cosco and PetroChina ink deal with Hudong-Zhonghua for LNG carrier duo”, <https://lngprime.com/vessels/cosco-and-petrochina-ink-deal-with-hudong-zhonghua-for-lng-carrier-duo/87113/>, Accessed on 12 March 2024.

News Agency Splash 247 (2023): “COSCO and PetroChina back at Hudong-Zhonghua for more LNG carriers”, <https://splash247.com/cosco-and-petrochina-back-at-hudong-zhonghua-for-more-lng-carriers/>, Accessed on 12 March 2024.

News Platform Offshore-Energy (2023): “Hudong-Zhonghua locks in new order to build LNG carrier duo for COSCO, CNPC”, <https://www.offshore-energy.biz/hudong-zhonghua-locks-in-new-order-to-build-lng-carrier-duo-for-cosco-cnpc/#:~:text=At%20the%20end%20of%202021,third%20phase%20of%20this%20project>, accessed on 12 March 2024.

<b>1. Type of the measure of support and its title</b>	
M Protection of the domestic market <i>Ordering 7 containership orders by OOCL at domestic shipyards – Update</i>	
<b>2. Authority/agency responsible for the measure and legal authority</b>	
Not applicable	
<b>3. Outline/explanation of the measure</b>	
<p>Orient Overseas Container Line Limited (OOCL) has ordered seven 23,000-teu containership newbuildings at two Chinese shipyards. Contracts have been signed with Dalian COSCO KHI Ship Engineering Corporation (Dacks), which will build four vessels costing USD 157.71 million each, and Nantong COSCO KHI Ship Engineering Corporation (Nacks), which will construct three ships costing USD 157.68 million each. They are expected for delivery between the third quarter of 2023 and the third quarter of 2024. The latest seven orders bring the number of 23,000-teu containerships ordered by OOCL in 2020, with total capital expenditure amounting to more than USD 1.88 billion.</p> <p><i>Update:</i></p> <p>OOCL has ordered ten eco-friendly 26,000 TEU containerships in September 2021; the newbuildings are worth close to USD 1,575.80 million.</p>	
<b>4. Estimated value</b>	USD 677.88 million
<b>5. Start and end date</b>	Start date: 2020 End date: 2024
<b>6. Decarbonisation</b>	This measure does not have an explicit aim to support decarbonisation.
<b>7. References</b>	
<p>Newspaper Trade Winds (2020): “OOCL ups mega-size containership tally by seven with new order worth \$1.1bn”, <a href="https://www.tradewindsnews.com/containerships/oocl-ups-mega-size-containership-tally-by-seven-with-new-order-worth-1-1bn/2-1-904326">https://www.tradewindsnews.com/containerships/oocl-ups-mega-size-containership-tally-by-seven-with-new-order-worth-1-1bn/2-1-904326</a>, accessed on 18 March 2021.</p> <p>Newspaper Offshore Energy (2020): “OOCL orders 7 more 23,000 TEU boxships in China”, <a href="https://www.offshore-energy.biz/oocl-orders-7-more-23000-teu-boxships-in-china/">https://www.offshore-energy.biz/oocl-orders-7-more-23000-teu-boxships-in-china/</a>, accessed on 18 March 2021.</p> <p>Newspaper Offshore Energy (2021): “OOCL orders ten eco-friendly 16,000 TEU boxships”, <a href="https://www.offshore-energy.biz/oocl-orders-ten-16000-teu-boxships-in-china/">https://www.offshore-energy.biz/oocl-orders-ten-16000-teu-boxships-in-china/</a>, accessed on 23 March 2022.</p> <p>Newspaper Trade Winds (2021): “OOCL strikes \$1.6bn deal for 10 neo-panamax containerships”, <a href="https://www.tradewindsnews.com/containerships/oocl-strikes-1-6bn-deal-for-10-neo-panamax-containerships/2-1-1061762">https://www.tradewindsnews.com/containerships/oocl-strikes-1-6bn-deal-for-10-neo-panamax-containerships/2-1-1061762</a>, accessed on 23 March 2022.</p>	

<b>1. Type of the measure of support and its title</b>	
O Other official regulations and practices <i>Decarbonisation deal between China Classification Society (CCS) and China COSCO Shipping Group</i>	
<b>2. Authority/agency responsible for the measure and legal authority</b>	
Not applicable	
<b>3. Outline/explanation of the measure</b>	
The China Classification Society (CCS) and COSCO Shipping group signed a framework agreement where the aim is to find solutions to reduce greenhouse gas (GHG) emissions in the maritime sector. This is a direct action to assist China's "carbon peak, carbon neutral" development target and both organisations will pool resources to support this. The main commitments of this agreement will be to work together on the development of key core technologies, promoting the establishment of industry standards and build an international cooperation platform.	
<b>4. Estimated value</b>	
<b>5. Start and end date</b>	Start date: 2021 End date: unknown
<b>6. Decarbonisation</b>	This measure does have an explicit aim to support decarbonisation, as the deal signed is aimed at finding solutions to reduce greenhouse gas emission in the maritime sector.
<b>7. References</b>	
<p>Newspaper Trade Winds (2021): "Cosco Shipping Group signs decarbonisation deal with CCS", <a href="https://www.tradewindsnews.com/technology/cosco-shipping-group-signs-decarbonisation-deal-with-ccs/2-1-1028503">https://www.tradewindsnews.com/technology/cosco-shipping-group-signs-decarbonisation-deal-with-ccs/2-1-1028503</a>, accessed on 23 March 2022.</p> <p>Newspaper Offshore Energy (2021): "CCS, COSCO team up to support maritime decarbonization", <a href="https://www.offshore-energy.biz/ccs-cosco-team-up-to-support-maritime-decarbonization/">https://www.offshore-energy.biz/ccs-cosco-team-up-to-support-maritime-decarbonization/</a>, accessed on 23 March 2022.</p> <p>Newspaper Hellenic Shipping News (2021): "China Classification Society and COSCO Shipping Group sign new agreement to support maritime decarbonisation", <a href="https://www.hellenicshippingnews.com/china-classification-society-and-cosco-shipping-group-sign-new-agreement-to-support-maritime-decarbonisation/">https://www.hellenicshippingnews.com/china-classification-society-and-cosco-shipping-group-sign-new-agreement-to-support-maritime-decarbonisation/</a>, accessed on 23 March 2022.</p>	

<b>1. Type of the measure of support and its title</b>	
I Provision by government of infrastructure (other than general infrastructure), goods or services on non-commercial conditions <i>Expansion of pilot FTZ Ningbo</i>	
<b>2. Authority/agency responsible for the measure and legal authority</b>	
State Council of the People’s Republic of China	
<b>3. Outline/explanation of the measure</b>	
<p>In September 2020, the Council of the People’s Republic of China released plans for the establishment of new and the expansion of existing Free Trade Zones (FTZs). According to the plan, Ningbo will be allowed to expand its pilot FTZ. The provincial government has made specific plans to build the zone into a global shipping hub, an influential oil and gas resource allocation center, a supply chain innovation center and a high-quality smart manufacturing demonstration area.</p> <p>With a focus on shipping, Ningbo-Zhoushan Port will strengthen the linkage of the sea port, the airport, the inland port and the information port, improve the port’s intelligent infrastructure construction, and make efforts to develop high-end shipping services including finance and insurance, international marine affairs, and shipping trade and transactions. It will also build the high energy-level shipping service platforms, and construct the globally first-class port with strong radiation and service functions as well as the important hub of the national comprehensive transportation system.</p> <p>The expansion area in Ningbo will be located in Beilun District, which is home of five-state level development zones.</p>	
<b>4. Estimated value</b>	
<b>5. Start and end date</b>	Start date: September 2020
<b>6. Decarbonisation</b>	This measure does not have an explicit aim to support decarbonisation.
<b>7. References</b>	
<p>The State Council of the People’s Republic of China (2020): “Free trade zones rise to 21 with new approvals”, <a href="http://english.www.gov.cn/policies/policywatch/202009/22/content_WS5f693628c6d0f7257693c63a.html">http://english.www.gov.cn/policies/policywatch/202009/22/content_WS5f693628c6d0f7257693c63a.html</a>, accessed on 17 March 2021.</p> <p>Newspaper Hellenic Shipping News (2020): “Ningbo to build expansion area for Zhejiang Pilot Free Trade Zone”, <a href="https://www.hellenicshippingnews.com/ningbo-to-build-expansion-area-for-zhejiang-pilot-free-trade-zone/">https://www.hellenicshippingnews.com/ningbo-to-build-expansion-area-for-zhejiang-pilot-free-trade-zone/</a>, accessed on 17 March 2021.</p>	

<b>1. Type of the measure of support and its title</b>	
K Support for Research and Development <i>Action Plan for Green Development in the Shipbuilding Industry (2024-2030)</i>	
<b>2. Authority/agency responsible for the measure and legal authority</b>	
Ministry of Industry and Information Technology, National Development and Reform Commission, Ministry of Finance, Ministry of Ecology and Environment, Ministry of Transport	
<b>3. Outline/explanation of the measure</b>	
<p>In December 2023, China released an action plan to promote green development in the shipbuilding industry. The plan aims to transition the shipbuilding industry towards green and sustainable practices.</p> <p>It sets as a goal to establish a green development system of the shipbuilding industry and improve supply capacity and green manufacturing levels by 2025, and to complete the green development system with green ships dominating the market and advanced technologies widely adopted by 2030.</p> <p>Regarding the development of green ship production, the plan includes the development of LNG-powered ships, methanol and ammonia-powered ships, fuel cells and new transport ships; researching new energy sources for ships; and developing ship design capabilities. To promote green transformation of the manufacturing system, it aims at digitally upgrading ship assembly, building a global green ship center, developing low-carbon technologies for the construction process, among others. Regarding the supply chain system, it suggests developing carbon footprint management systems and improve green and low-carbon standard systems.</p>	
<b>4. Estimated value</b>	
<b>5. Start and end date</b>	Start date: December 2023 End date: 2030
<b>6. Decarbonisation</b>	This measure has an explicit aim to support decarbonisation.
<b>7. References</b>	
<p>Non-profit initiative China Water Risk (n.a.): “Action Plan for Green Development in the Shipbuilding Industry (2024-2030)”, <a href="https://chinawaterrisk.org/regulation/action-plan-for-green-development-in-the-shipbuilding-industry-2024-2030/">https://chinawaterrisk.org/regulation/action-plan-for-green-development-in-the-shipbuilding-industry-2024-2030/</a>, accessed on 12 March 2024.</p> <p>The Chinese Central Government’s Official website (2023): “Notice of the five ministries and commissions on the issuance of the Action Plan for the Green Development of the Shipbuilding Industry (2024-2030)” <a href="https://www.gov.cn/zhengce/zhengceku/202312/content_6923175.htm">https://www.gov.cn/zhengce/zhengceku/202312/content_6923175.htm</a>, accessed on 12 March 2024.</p>	

<b>1. Type of the measure of support and its title</b>	
C      Loans on terms and conditions more favourable than those commercially available <i>China Merchant Bank Loan program for vessels</i>	
<b>2. Authority/agency responsible for the measure and legal authority</b>	
China Merchant Bank	
<b>3. Outline/explanation of the measure</b>	
China’s Merchant Bank provides a mid- and long-term mortgage loan program for enterprises that have acquired a vessel. The loan program aims at alleviating the repayment burden through manageable instalment payments.  The loan program encompasses vessels (container ships, bulk carriers, oil tankers, and passenger ships, either new or less than a decade old, excluding those currently under construction) with over 1000 tons and a unit price of not more than RMB30 million. Within this arrangement, the vessel is pledged as collateral, with revenues generated from its operations earmarked for loan repayment.  The loan terms mandate a minimum down payment of 30% for new vessels and 50% for second-hand vessels, with a maximum tenure of 10 years and repayment structured into equal monthly instalments.	
<b>4. Estimated value</b>	
<b>5. Start and end date</b>	
<b>6. Decarbonisation</b>	This measure does not have an explicit aim to support decarbonisation.
<b>7. References</b>	
China          Merchants          Bank          (n.a.):          “Loans          for          Vessels”, <a href="https://english.cmbchina.com/corporate/domestic/DetailInfo.aspx?guid=f8bc8755-ec30-450f-8140-a8b0f9997365">https://english.cmbchina.com/corporate/domestic/DetailInfo.aspx?guid=f8bc8755-ec30-450f-8140-a8b0f9997365</a> , accessed on 12 March 2024.	

### 3.3.7. India

<b>1. Type of the measure of support and its title</b>	
A Direct transfer of funds by Governments <i>Shipbuilding Financial Assistance Policy (SBFA)</i>	
<b>2. Authority/agency responsible for the measure and legal authority</b>	
Ministry of Ports, Shipping and Waterways	
<b>3. Outline/explanation of the measure</b>	
<p>In order to promote the shipbuilding industry in India, the Indian Government through the Ministry of Ports, Shipping and Waterways, launched the Shipbuilding Financial Assistance Policy (SBFA).</p> <p>According to the scheme, financial assistance is granted to Indian Shipyards equal to 20% of the lower of “Contract Price” or the “Fair Price” or actual payments received of each vessel built by them for a period of at least 10 years. This rate of 20% will be reduced by 3% every three years, and the aid for building a standard (non-specialised) vessel would be limited to INR 400 million, within three years from the date of contract.</p> <p>The Union Cabinet approved INR 40 billion for the program for a period of 10 years. An official was quoted by Economic Times as saying: “The focus of the policy is to make domestically produced ships competitive with Chinese ones. Till date, we have not rejected any request for financial assistance under the policy.</p> <p>As of March 2022, the Indian Government has sanctioned financial assistance of USD 20.13 million (INR 1.55 billion) for 47 ships under the Shipbuilding Financial Assistance Policy (SBFA). The combined contract value of these vessels stands at USD 110.39 million (INR 8.5 billion).</p> <p><i>Update:</i></p> <p>As local shipyards have been affected by high levels of debt over the last years, with some major shipbuilders such as Pipavav Shipyard, ABG Shipyard, and Bharati Shipyard having to be sold or liquidated, little over INR 2.41 billion (or 6% of the total corpus) has been used so far, with less than 3 years for the scheme to end. Shipbuilders thus petitioned for an ease of eligibility of criteria (reducing length of ship eligible, enlarging list of specialized vessels eligible, higher subsidy limit, customs duty exemption restored) as well as an extension of the shipbuilding aid for ten years beyond 2026.</p> <p>In October 2023, the Ministry of Ports, Shipping &amp; Waterways formulated the Maritime Amrit Kaal Vision 2047 for Logistics, Infrastructure and Shipping, with one of its main goals being to turn India into a global player in shipbuilding, repair and recycling. To achieve such goal, it suggested a mix of fiscal and non-fiscal incentives, including the extension of the Shipbuilding Financial Assistance Policy a period of 5 to 10 years, among others.</p> <p>In December 2023, the guidelines of the Shipbuilding Financial Assistance Policy scheme were amended to include:</p> <ul style="list-style-type: none"> <li>- Financial assistance of 30% for vessels with green fuel propulsion;</li> <li>- Financial assistance of 20% for vessels with electric or hybrid propulsion;</li> </ul>	

- Higher financial assistance for wind farm installation vessels and other sophisticated vessels.

In addition, the Government is set to be considering the extension of the program.

<b>4. Estimated value</b>	INR 40 billion
<b>5. Start and end date</b>	Start date: 01 April 2016 End date: 31 March 2026
<b>6. Decarbonisation</b>	This measure in its updated version has an explicit aim to support decarbonisation, as it includes special provisions of financing for green vessels.
<b>7. References</b>	

Newspaper Ship technology (2022): “Indian Government approves financial assistance for building 47 vessels”, <https://www.ship-technology.com/news/india-financial-assistance-vessels/> , accessed on 24 March 2023.

Newspaper The Economic Times (2022): “Centre okays Rs 155 crore for building 47 ships”, <https://economictimes.indiatimes.com/industry/transportation/shipping/-transport/centre-okays-rs-155-crore-for-building-47-ships/articleshow/90037808.cms> , accessed on 24 March 2023.

Government of India Ministry of Ports, Shipping and Waterways Transport Research Wing (2022): “STATISTICS OF INDIA’S SHIP BUILDING AND SHIP REPAIRING INDUSTRY 2020-21”, <https://shipmin.gov.in/content/statistics-indias-ship-building-and-ship-repairing-industry-2020-21> , accessed on 24 March 2023.

Ministry of Ports, Shipping and Waterways (2018): “Financial Assistance Policy Shipyards”, <https://pib.gov.in/Pressreleaseshare.aspx?PRID=1523349>, accessed on 22 March 2022.

Press Information Bureau of the Government Of India (2018): “Financial Assistance Policy for Shipyards”, <https://pib.gov.in/Pressreleaseshare.aspx?PRID=1523349>, accessed on 12 March 2024.

Newspaper Economic Times (2023): “Extend shipbuilding aid for 10 years beyond 2026, says Maritime Amrit Kaal Vision”, <https://infra.economictimes.indiatimes.com/news/ports-shipping/extend-shipbuilding-aid-for-10-years-beyond-2026-says-maritime-amrit-kaal-vision/105275687>, accessed on 12 March 2024.

Newspaper Exim India (2023): “Shipbuilding Financial Assistance Policy giving impetus to green-fuelled, hybrid, electric vessels”, [https://www.eximin.net/newsdetails.aspx?news\\_id=9822&frndate=07/12/2023&tondate=07/12/2023&snkeywords=](https://www.eximin.net/newsdetails.aspx?news_id=9822&frndate=07/12/2023&tondate=07/12/2023&snkeywords=), accessed on 12 March 2024.

Ministry of Ports, Shipping and Waterways (2023): “Maritime Amrit Kaal Vision 2047”, [https://shipmin.gov.in/sites/default/files/Maritime%20Amrit%20Kaal%20Vision%202047%20%28MAKV%202047%29\\_compressed\\_0.pdf](https://shipmin.gov.in/sites/default/files/Maritime%20Amrit%20Kaal%20Vision%202047%20%28MAKV%202047%29_compressed_0.pdf), accessed on 12 March 2024.

Newspaper Port News (2023): “Indian government plans to extend shipbuilding aid for 10 years beyond 2026”, <https://en.portnews.ru/news/356621/>, accessed on 12 March 2024.

<b>1. Type of the measure of support and its title</b>	
N Domestic build or domestic content requirements <i>Update: Make in India order for a high-capacity dredger</i>	
<b>2. Authority/agency responsible for the measure and legal authority</b>	
Ministry of Shipping	
<b>3. Outline/explanation of the measure</b>	
Update on previously mentioned support measure “Make in India Order” (2021): Initiated by the Make in India programme, the Dredging Corporation of India has signed a contract with Cochin Shipyard on 17 March 2022 for construction of a high-capacity dredger for EUR 104 million.	
<b>4. Estimated value</b>	
<b>5. Start and end date</b>	Announced 16 of March 2022
<b>6. Decarbonisation</b>	This measure does not have an explicit aim to support decarbonisation.
<b>7. References</b>	
Newspaper Business Standard (2022): “Dredging Corporation of India to sign contract with Cochin Shipyard”, <a href="https://www.business-standard.com/article/news-cm/dredging-corporation-of-india-to-sign-contract-with-cochin-shipyard-122031600187_1.html">https://www.business-standard.com/article/news-cm/dredging-corporation-of-india-to-sign-contract-with-cochin-shipyard-122031600187_1.html</a> , accessed on 22 March 2022.	
Newspaper Marine Insight (2022): “Historic Agreement Inked For Construction Of India’s Largest Dredger To Be “Made In India”, <a href="https://www.marineinsight.com/shipping-news/historic-agreement-inked-for-construction-of-indias-largest-dredger-to-be-made-in-india/">https://www.marineinsight.com/shipping-news/historic-agreement-inked-for-construction-of-indias-largest-dredger-to-be-made-in-india/</a> , accessed on 22 March 2022.	

<b>1. Type of the measure of support and its title</b>	
O Other official regulations and practices <i>Green Tug Transition Programme (GTTP)</i>	
<b>2. Authority/agency responsible for the measure and legal authority</b>	
Ministry of Ports, Shipping & Waterways	
<b>3. Outline/explanation of the measure</b>	
<p>The Ministry of Ports, Shipping, and Waterways launched in March 2023 the Green Tug Transition Programme (GTTP), aiming at making India a global hub for green shipbuilding.</p> <p>In a more recent issue of standard operating procedure, the Ministry set a timeline for India’s 12 state-owned ports to have a fully green tug fleet until 2047. The timeline involves 5 phases, which involve the gradual replacement of the tug fleet and the adoption of alternative and green fuels such as methanol, hydrogen and battery electric propulsion. To help identify tugboats compliant with the GTTP, the Ministry will also publish Specifications for Approved Standard Tug Design Specifications for the Green Transition Programme (ASTDS-GTTP) prior to the start of each phase.</p> <p>The public ports can either purchase the tugs or charter them for not less than 15 years, and tugs complying with the specifications must be built in Indian shipyards.</p>	
<b>4. Estimated value</b>	
<b>5. Start and end date</b>	Start date: March 2023 End date: 2047
<b>6. Decarbonisation</b>	This measure has an explicit aim to support decarbonisation.
<b>7. References</b>	
<p><a href="https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1909599">pib.gov.in/PressReleaseIframePage.aspx?PRID=1909599</a></p> <p><a href="https://www.livemint.com/industry/infrastructure/india-aims-to-become-global-hub-for-green-shipbuilding-by-2030-sonowal-11679488734992.html">India aims to become global hub for green shipbuilding by 2030: Sonowal   Mint (livemint.com)</a></p> <p><a href="https://www.indiatimes.com/infrastructure/govt-issues-sop-for-deploying-green-tugs-at-major-ports-11679488734992.html">Govt issues SOP for deploying green tugs at major ports, Infra News, ET Infra (indiatimes.com)</a></p> <p>Ministry of Ports, Shipping and Waterways (2023): “India aims at becoming ‘Global Hub for Green Ship’ building by 2030 with launch of Green Tug Transition Programme(GTTP): Shri Sarbananda Sonowal”, <a href="https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1909599">https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1909599</a>, accessed on 12 March 2024.</p> <p>Newspaper Mint (2023): “India aims to become global hub for green shipbuilding by 2030: Sonowal”, <a href="https://www.livemint.com/industry/infrastructure/india-aims-to-become-global-hub-for-green-shipbuilding-by-2030-sonowal-11679488734992.html">https://www.livemint.com/industry/infrastructure/india-aims-to-become-global-hub-for-green-shipbuilding-by-2030-sonowal-11679488734992.html</a>, accessed on 12 March 2024.</p>	



3.3.8. *Malaysia*

<b>1. Type of the measure of support and its title</b>	
H Government revenue that Is foregone or not collected <i>Shipbuilding and Ship Repair incentives</i>	
<b>2. Authority/agency responsible for the measure and legal authority</b>	
Malaysian Investment Development Authority	
<b>3. Outline/explanation of the measure</b>	
<p>In 2016, Malaysia introduced, through the Malaysian Investment Development Authority, incentives for the Shipbuilding and Ship Repairing industry. This incentive was aimed at stimulating the industry to grow and promote and attract investment in emerging technologies.</p> <p>The incentive consisted in the following: new companies could choose between a 70% income tax exemption for 5 years or a 60% investment tax allowance on qualifying expenditures within 5 years, while already existing companies could apply for a 60% investment tax allowance on additional qualifying capital expenditures within 5 years.</p> <p>Initially extended until the end of 2022, it was further extended until end of 2027. The extension comes in line with Malaysia’s goal to become a shipbuilding and ship repair hub in Asia, particularly in light of the changing demand of seaborne trade and environmental concerns.</p>	
<b>4. Estimated value</b>	
<b>5. Start and end date</b>	Start date: 2016 End date: December 2027
<b>6. Decarbonisation</b>	This measure does not have an explicit aim to support decarbonisation.
<b>7. References</b>	
<p>Newspaper Hellenic Shipping News Worldwide (2023): “Malaysia aims to become Asia’s shipbuilding, ship repair hub”, <a href="https://www.hellenicshippingnews.com/malaysia-aims-to-become-asias-shipbuilding-ship-repair-hub/">https://www.hellenicshippingnews.com/malaysia-aims-to-become-asias-shipbuilding-ship-repair-hub/</a>, accessed on 13 March 2024.</p> <p>Malaysia Institute of Accountants member firm CCS (2023): “Guideline for Shipbuilding and Ship Repairing (SBSR) Incentive”, <a href="https://www.ccs-co.com/post/guideline-for-shipbuilding-and-ship-repairing-sbsr-incentive">https://www.ccs-co.com/post/guideline-for-shipbuilding-and-ship-repairing-sbsr-incentive</a>, accessed on 12 March 2024.</p> <p>Malaysian Investment Development Authority (n.a.): “Shipbuilding &amp; Ship Repair”, <a href="https://www.mida.gov.my/industries/manufacturing/transport/transport-industry-shipbuilding-ship-repair/">https://www.mida.gov.my/industries/manufacturing/transport/transport-industry-shipbuilding-ship-repair/</a>, accessed on 12 March 2024.</p>	

3.3.9. *New Zealand*

<b>1. Type of the measure of support and its title</b>	
L Any form of income or price support <i>The New Zealand Customs Service granted general import tariff concessions on the importation of certain goods</i>	
<b>2. Authority/agency responsible for the measure and legal authority</b>	
New Zealand Customs Service	
<b>3. Outline/explanation of the measure</b>	
On 14 April 2022, the New Zealand Customs Service granted general tariff concessions on spare and service parts of certain vessels. They also granted certain firm-specific tariff concessions.  More specifically, the Tariff Concession Approvals, Withdrawals and Declines Notice (No. 14) 2022 granted a general tariff concession on spare and service parts of the following vessels: Valentine [IMO 9166625], Kaitaki [IMO 9107942], Aratere [IMO 9174828], and Kaiarahi [IMO 9147291], (regardless of tariff classification), excluding consumable items (e.g., those items which are not permanently fixed to, or which form part of, the vessel).	
<b>4. Estimated value</b>	
<b>5. Start and end date</b>	Start date: April 2022
<b>6. Decarbonisation</b>	This measure does not have an explicit aim to support decarbonisation.
<b>7. References</b>	
Global Trade Alert (2022): “New Zealand: Introduction of Tax Concessions on 14 April 2021”, <a href="https://www.globaltradealert.org/state-act/65927/new-zealand-introduction-of-tax-concessions-on-14-april-2021">https://www.globaltradealert.org/state-act/65927/new-zealand-introduction-of-tax-concessions-on-14-april-2021</a> , accessed on 31 March 2023.  New Zealand Customs Service (2022): “Tariff Concession Approval Notice No. 2020/14.”, <a href="https://www.customs.govt.nz/globalassets/documents/tariff-concession-notices/tariff-concession-approval-notice-14-2022-.pdf">https://www.customs.govt.nz/globalassets/documents/tariff-concession-notices/tariff-concession-approval-notice-14-2022-.pdf</a> , accessed on 31 March 2023.	

<b>1. Type of the measure of support and its title</b>	
L Any form of income or price support <i>The New Zealand Customs Service granted general import tariff concessions on the importation of certain goods</i>	
<b>2. Authority/agency responsible for the measure and legal authority</b>	
New Zealand Customs Service	
<b>3. Outline/explanation of the measure</b>	
On 1 December 2022, the New Zealand Customs Service granted general import tariff concessions on the importation of certain goods.  More specifically, the Tariff Concession Approvals, Withdrawals and Declines Notice (No. 50) 2022 granted general tariff concession on spare and service parts of the vessel Takutai Chief (IMO 951932) (regardless of tariff classification), excluding consumable items (e.g. those items which are not permanently fixed to, or which form part of, the vessel).	
<b>4. Estimated value</b>	
<b>5. Start and end date</b>	Start date: December 2022
<b>6. Decarbonisation</b>	This measure does not have an explicit aim to support decarbonisation.
<b>7. References</b>	
Global Trade Alert (2022): “New Zealand: Introduction of Tariff Concessions on 1 December 2022”, <a href="https://www.globaltradealert.org/state-act/70875/new-zealand-introduction-of-tariff-concessions-on-1-december-2022">https://www.globaltradealert.org/state-act/70875/new-zealand-introduction-of-tariff-concessions-on-1-december-2022</a> , accessed on 31 March 2023.  New Zealand Customs Service (2022): “Tariff Concession Approval Notice No. 2022/50”, <a href="https://www.customs.govt.nz/globalassets/documents/tariff-concession-notices/tariff-concession-approval-notice-50-2022.pdf">https://www.customs.govt.nz/globalassets/documents/tariff-concession-notices/tariff-concession-approval-notice-50-2022.pdf</a> , accessed on 31 March 2023.	

<b>1. Type of the measure of support and its title</b>	
B Indirect transfer of funds by Governments <i>Low Emission Transport Fund</i>	
<b>2. Authority/agency responsible for the measure and legal authority</b>	
Energy Efficiency & Conservation Authority	
<b>3. Outline/explanation of the measure</b>	
<p>The Low Emission Transport Fund of the Energy Efficiency &amp; Conservation Authority focusses on the support of activities in the transport sector to reduce greenhouse gas emissions. In one of the latest completed rounds (Round 8), targeted at proposals in the marine transport sector, up to AUD 2.5 million was available.</p> <p>The projects in Round 8 concerning the marine sector, and approved in May 2023, included an electric outboard propulsion system, an electric tender craft, hydrofoiling electric passenger vessels, electric work boat, data intelligence platform, shore power to ships, electric marine charging infrastructure, and an electric hydrofoiling boat.</p> <p>A further Round 11 will be focused on the marine sector.</p>	
<b>4. Estimated value</b>	AUD 2.5 million
<b>5. Start and end date</b>	Start date: October 2021
<b>6. Decarbonisation</b>	This measure has an explicit aim to support decarbonisation.
<b>7. References</b>	
<p>Official website of the New Zealand Government (2023): “Latest transport funding invests in clean marine and off-road vehicles”, <a href="https://www.beehive.govt.nz/release/latest-transport-funding-invests-clean-marine-and-road-vehicles">https://www.beehive.govt.nz/release/latest-transport-funding-invests-clean-marine-and-road-vehicles</a>, accessed on 12 March 2024.</p> <p>Energy Efficiency &amp; Conservation Authority (n.a.): “About the Low Emission Transport Fund – Co-funded transport projects”, <a href="https://www.eeca.govt.nz/strategic-focus-areas/efficient-and-low-emissions-transport/about-the-low-emission-transport-fund/co-funded-transport-projects/">https://www.eeca.govt.nz/strategic-focus-areas/efficient-and-low-emissions-transport/about-the-low-emission-transport-fund/co-funded-transport-projects/</a>, accessed on 12 March 2024.</p> <p>Energy Efficiency &amp; Conservation Authority (2023): “Low Emission Transport Fund Request for Proposal – Marine”, <a href="https://www.eeca.govt.nz/assets/EECA-Resources/Co-funding/LETF-files/Round-8-Files/LETF-Round-8-Marine-Request-for-Proposal.pdf">https://www.eeca.govt.nz/assets/EECA-Resources/Co-funding/LETF-files/Round-8-Files/LETF-Round-8-Marine-Request-for-Proposal.pdf</a>, accessed on 12 March 2024.</p>	

<b>1. Type of the measure of support and its title</b>	
A Direct transfer of funds by Governments <i>Fisheries Industry Transformation Plan (ITP)</i>	
<b>2. Authority/agency responsible for the measure and legal authority</b>	
New Zealand Government	
<b>3. Outline/explanation of the measure</b>	
<p>In April 2023, the New Zealand government launched a draft fishing industry transformation plan. The project, among other things, suggests investment in the construction of environmentally sustainable fishing vessels, notably through the innovation of the fishing fleet. More specifically, it proposes replacing more than 150 vessels with new vessels built in New Zealand and supported by public funding.</p> <p>According to the plan, the government would commit to purchasing the first three vessels (estimated around AUD 18 million), establish a facility to provide training and skills, and introduce a vessel buy-back scheme to facilitate ship owners with old vessels to either invest in a new vessel or exit the industry.</p> <p>The plan was officially launched in August 2023.</p>	
<b>4. Estimated value</b>	Estimated AUD 18 million
<b>5. Start and end date</b>	Start date: August 2023
<b>6. Decarbonisation</b>	This measure has an explicit aim to support decarbonisation, as it concerns environmentally sustainable fishing vessels.
<b>7. References</b>	
<p>Official website of the New Zealand Government (2023): “Fisheries Industry Transformation Plan – Draft for consultation”, <a href="https://www.mpi.govt.nz/dmsdocument/56572-Draft-Fisheries-Industry-Transformation-Plan">https://www.mpi.govt.nz/dmsdocument/56572-Draft-Fisheries-Industry-Transformation-Plan</a>, accessed on 12 March 2024.</p> <p>Official website of the Ministry for Primary Industries, New Zealand Government (2023): “Draft Fisheries Industry Transformation Plan”, <a href="https://www.mpi.govt.nz/consultations/draft-fisheries-industry-transformation-plan">https://www.mpi.govt.nz/consultations/draft-fisheries-industry-transformation-plan</a>, accessed on 12 March 2024.</p>	

### 3.3.10. Philippines

<b>1. Type of the measure of support and its title</b>	
H Government revenue that is foregone or not collected <i>Tax incentives for operations of Trans-Asia Shipping Lines Inc. shipping vessel</i>	
<b>2. Authority/agency responsible for the measure and legal authority</b>	
The Fiscal Incentives Review Board (FIRB)	
<b>3. Outline/explanation of the measure</b>	
<p>The Fiscal Incentives Review Board (FIRB) has granted tax incentives to Trans-Asia Shipping Lines Inc. (a subsidiary of Chelsea Logistics and Infrastructure Holdings Corp.) for the operations of a new shipping vessel. The vessel will sail the Cebu-Cagayan de Oro inter-island route and will specialize in roll-on-roll-off (passenger) and cargo operations.</p> <p>The grant of PHP 1.5 billion includes four years of income tax holiday, five years of enhanced deductions, and 11 years of duty exemption on importations.</p> <p>The project is expected to stimulate higher flow of goods and services between the two cities Finance Secretary and FIRB Chairman Carlos Dominguez III emphasized that the tax incentive approval for the transportation player “aligns with the national government’s aim to modernize transportation and to increase competition in the shipping industry in the Philippines.”</p>	
<b>4. Estimated value</b>	PHP 1.5 billion
<b>5. Start and end date</b>	Start date: March 2022 End date: four years of income tax holiday, five years of enhanced deductions, and eleven years of duty exemption on importations
<b>6. Decarbonisation</b>	This measure does not have an explicit aim to support decarbonisation.
<b>7. References</b>	
<p>Global Trade Alert (2022): “ Philippines: Import duty exemptions provided for shipping vessel companies in Cebu City”, <a href="https://www.globaltradealert.org/state-act/62576/philippines-import-duty-exemptions-provided-for-shipping-vessel-companies-in-cebu-city">https://www.globaltradealert.org/state-act/62576/philippines-import-duty-exemptions-provided-for-shipping-vessel-companies-in-cebu-city</a> , accessed on 31 March 2023.</p> <p>Department of Finance(2022): “FIRB approves tax incentives for Cebu City-based RoRo shipping vessel”, <a href="https://www.dof.gov.ph/firb-approves-tax-incentives-for-cebu-city-based-ro-ro-shipping-vessel/">https://www.dof.gov.ph/firb-approves-tax-incentives-for-cebu-city-based-ro-ro-shipping-vessel/</a> , accessed on 31 March 2023.</p> <p>Fiscal Incentives Review Board(2022): “FIRB approves tax incentives for Cebu City-based RoRo shipping vessel”, <a href="https://firb.gov.ph/firb-approves-tax-incentives-for-cebu-city-based-ro-ro-shipping-vessel/">https://firb.gov.ph/firb-approves-tax-incentives-for-cebu-city-based-ro-ro-shipping-vessel/</a> , accessed on 3 April 2023.</p>	

<b>1. Type of the measure of support and its title</b>	
H Government revenue that is foregone or not collected <i>Financial incentives to develop and operate Hanjin commercial shipyard</i>	
<b>2. Authority/agency responsible for the measure and legal authority</b>	
The Fiscal Incentives Review Board (FIRB)	
<b>3. Outline/explanation of the measure</b>	
<p>In May 2022, the Fiscal Incentives Review Board of the Philippines (FIRB) provided financial incentives for Cerberus Capital Management on its Project AGILA to redevelop and operate the Hanjin commercial shipyard in the Subic Bay. The Project, funded by the US-based private equity company Cerberus Capital Management, aimed at rehabilitating the Hanjin shipyard which had been abandoned in 2019.</p> <p>More specifically, the financial incentives entailed granting special corporate income tax (SCIT), value-added tax (VAT) exemption from importation, VAT zero-rating on local purchases, and duty exemption on importation.</p> <p>Finance Secretary and FIRB Chairman Carlos Dominguez III supported the approval of the tax perks for Project AGILA with a total project cost of PHP 17 billion as the rehabilitation of the Hanjin shipyard presents economic potential, given its strategic location near the West Philippine Sea (WPS). He said, “The resumption of operations in the shipyard will also prompt development and productivity in the area, which can attract more investment opportunities into the country.”</p> <p>Furthermore, the project will cater to both the Philippine Navy (PN) and potential export locators. It will be beneficial, specifically to the Navy, as it will involve the safety and efficiency of the Philippine government ships’ performance and, consequently, strengthen national security.</p>	
<b>4. Estimated value</b>	PHP 17 billion
<b>5. Start and end date</b>	Start date: May 2022
<b>6. Decarbonisation</b>	This measure does not have an explicit aim to support decarbonisation.
<b>7. References</b>	
<p>Global Trade Alert (2022): “ Philippines: FIRB provided special financial incentives to Cerberus Capital Management”, <a href="https://www.globaltradealert.org/state-act/63743/philippines-firb-provided-special-financial-incentives-to-cerberus-capital-management">https://www.globaltradealert.org/state-act/63743/philippines-firb-provided-special-financial-incentives-to-cerberus-capital-management</a> , accessed on 31 March 2023.</p> <p>Fiscal Incentives Review Board (2022): “ FIRB approves tax perks for Project Agila, supports Hanjin shipyard rehabilitation”, <a href="https://firb.gov.ph/firb-approves-tax-perks-for-project-agila-supports-hanjin-shipyard-rehabilitation/">https://firb.gov.ph/firb-approves-tax-perks-for-project-agila-supports-hanjin-shipyard-rehabilitation/</a> , accessed on 31 March 2023.</p> <p>News Agency Inquirer Business (2022): “P17-billion Subic shipyard rehab snags tax perks”, <a href="https://business.inquirer.net/347563/p17-billion-subic-shipyard-rehab-snags-tax-perks">https://business.inquirer.net/347563/p17-billion-subic-shipyard-rehab-snags-tax-perks</a>, accessed on 12 March 2024.</p>	

<b>1. Type of the measure of support and its title</b>	
H Government revenue that is foregone or not collected <i>Investment incentives for the shipbuilding sector under the Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act</i>	
<b>2. Authority/agency responsible for the measure and legal authority</b>	
The Fiscal Incentives Review Board (FIRB)	
<b>3. Outline/explanation of the measure</b>	
<p>In an effort to develop and attract investment to the industry, the Philippines 2020 Investment Priorities Plan (IPP) identified the shipbuilding sector as one of the key areas for investment amid the initial outbreak of Covid-19. In March 2021, the Philippine government announced it would add the shipbuilding sector among the industries to enjoy tax incentives under the newly created Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act, a fiscal stimulus legislation intended to help Philippines' recovery from Covid-19- related disruptions. More recently, the Philippines' 2022 Strategic Investment Priority Plan, built on the 2020 Investment Priority Plan, was approved in May 2022 and identified industries needing further investment and reiterated the shipbuilding sector as a sector with prioritized economic activities that qualify for fiscal incentives.</p> <p>Under the CREATE Act, both domestic and foreign shipbuilding companies located in the Philippines will be entitled to incentives such as income tax holidays, enhanced deductions, a preferential 5% corporate income tax (25% instead of 30% corporate income tax rate), duty exemptions (for capital equipment, raw materials, spare parts and accessories) and value-added tax exemptions.</p> <p>According to the new SIPP, typically, an incentive entails a 4 to 7-year of income tax holidays, followed by a 5 to 10 years of either enhanced deductions or a preferential corporate income tax rate. The duration of the incentive depends on several factors, such as the tier of the relevant activity, whether it is domestic or export-oriented, and the investment's location.</p> <p>In addition, one of the areas included in the SIPP is the promotion of a Green Ecosystem, encompassing the manufacture of energy efficient maritime vessels and equipment.</p>	
<b>4. Estimated value</b>	
<b>5. Start and end date</b>	Start date: March 2021
<b>6. Decarbonisation</b>	This measure does not have an explicit aim to support decarbonisation; however, one of the areas included is the promotion of a green ecosystem, encompassing the building of energy efficient maritime vessels.
<b>7. References</b>	
<p>Newspaper the Maritime Executive (2021): "Philippines Creates Tax Incentives to Attract Shipbuilding Investors", <a href="https://maritime-executive.com/article/philippines-to-attract-shipbuilding-investors-with-new-incentives">https://maritime-executive.com/article/philippines-to-attract-shipbuilding-investors-with-new-incentives</a>, accessed on 12 March 2024.</p>	

News Agency Global Compliance News (2021): “Philippines: Corporate Recover and Tax Incentives for Entreprises (CREATE) Act passed into law”, <https://www.globalcompliance.com/2021/05/07/philippines-corporate-recovery-and-tax-incentives-for-enterprises-create-act-passed-into-law-08042020/>, accessed on 12 March 2024.

Independent Audit organisation Mazars (2022): “The 2022 Strategic Investment Priority Plan (SIPP), economic acceleration activities begin implementation”, <https://www.mazars.ph/Home/Insights/Tax-Alerts/Strategic-Investment-Priority-Plan-takes-effect>, accessed on 12 March 2024.

News Agency ASEAN Briefing (2022): “The Philippines’ 2022 Strategic Investment Priority Plan”, <https://www.aseanbriefing.com/news/the-philippines-2022-strategic-investment-priority-plan/#:~:text=The%20Philippines%20extended%20and%20expanded,intelligence%2C%20and%20high%20technical%20manufacturing>, accessed on 12 March 2024.

## 3.3.11. Spain

<b>1. Type of the measure of support and its title</b>	
A Direct transfer of funds by Governments <i>Strategic Project for Economic Recovery and Transformation (PERTE) for the Shipbuilding Industry</i>	
<b>2. Authority/agency responsible for the measure and legal authority</b>	
Ministry of Industry, Trade and Tourism	
<b>3. Outline/explanation of the measure</b>	
<p>In March 2022, the Spanish Government launched the Strategic Project for Economic Recovery and Transformation (PERTE) for the Shipbuilding Industry (<i>Proyecto Estratégico para la Recuperación y Transformación Económica</i> (“PERTE”) <i>para la Industria Naval</i> (“NAVAL”)).</p> <p>PERTE NAVAL has as its main objective to maintain the competitiveness of the Spanish shipbuilding industry in the medium- and long-term by 1) retaining its contribution to industrial autonomy, 2) developing marine renewable energies, 3) promoting the digitalization of the supply industry, 4) improving the industry’s environmental sustainability and 5) building capacity and skilling employees.</p> <p>Support measures within the program entail:</p> <ul style="list-style-type: none"> <li>- A multiannual aid line to grant loans with a non-repayable tranche (this is, a mixed loan and grant). The financing linked to PERTE NAVAL will consist of EUR 200 million, of which EUR 75 million will be in the form of a grant and the remaining EUR 125 million in the form of a loan.</li> <li>- A special mission/task, within the context of the Science and Innovation Missions program (<i>programa Misiones Ciencia e Innovación</i>) of the Ministry of Science and Innovation, focused on research and development of technologies to be applied in the shipbuilding industry. Regarding this mission/task, public investment is expected to reach close to EUR 30 million.</li> <li>- Other facilitating measures (most of which had already been in place before the launch of PERTE NAVAL), such as regulatory measures for the industry, training measures, financing measures, and research and development, sustainability and digitalization programs.</li> </ul> <p>PERTE NAVAL comprises an overall investment of EUR 1.46 billion, out of which EUR 310 million will consist in public investment, and EUR 1.15 billion private investment. The program will be governed by an inter-ministerial working group led by the Ministry of Industry, Trade and Tourism.</p> <p>In December 2023, the Ministry of Industry and Tourism awarded EUR 80.7 million among 65 projects from 107 companies. The four largescale projects selected were the being the following: Navantia-Pymar (EUR 57.8 million), Marina Barcelona (EUR 8.4 million), Canary Islands Naval Repairs (EUR 6.9 million), and Soermar Medium and Small Shipyard Technology Centre (EUR 7.5 million).</p>	
<b>4. Estimated value</b>	EUR 310 million

<b>5. Start and end date</b>	Start date: March 2022 End date: 2052 (funding over the next 30 years)
<b>6. Decarbonisation</b>	This measure does not have an explicit aim to support decarbonisation, although it includes the development of renewable energies and improving the industry's sustainability.
<b>7. References</b>	
<p>Official website of the PERTE for the Shipbuilding Industry, Government of Spain (n.a.): “PERTE for the Shipbuilding Industry”, <a href="https://planderecuperacion.gob.es/como-acceder-a-los-fondos/pertes/perte-para-la-industria-naval">https://planderecuperacion.gob.es/como-acceder-a-los-fondos/pertes/perte-para-la-industria-naval</a>, accessed on 12 March 2024.</p> <p>Official website of the Ministry of Industry and Tourism (n.a.): “PERTE for the Shipbuilding Industry”, <a href="https://www.mintur.gob.es/en-us/recuperacion-transformacion-resiliencia/paginas/perte-naval.aspx">https://www.mintur.gob.es/en-us/recuperacion-transformacion-resiliencia/paginas/perte-naval.aspx</a>, accessed on 12 March 2024.</p> <p>Official website of the Ministry of Industry and Tourism (2023): “Industry publishes the final resolution of the Naval PERTE that will distribute almost 81 M€ among more than 107 companies”, <a href="https://www.industriaconectada40.gob.es/difusion/noticias/Paginas/PERTE-naval-1.aspx">https://www.industriaconectada40.gob.es/difusion/noticias/Paginas/PERTE-naval-1.aspx</a>, accessed on 12 March 2024.</p>	

## 3.3.12. United States

<b>1. Type of the measure of support and its title</b>	
A Direct transfer of funds by Governments <i>Small Shipyard Grants – Update</i>	
<b>2. Authority/agency responsible for the measure and legal authority</b>	
U.S. Department of Transportation, Maritime Administration (MARAD)	
<b>3. Outline/explanation of the measure</b>	
<p>The Maritime Administration's Small Shipyard Grant Program is designed to support small shipyard projects that make capital and related improvements; or provide training for workers in shipbuilding, ship repair, and associated industries. Supporting these types of projects drives efficiency, competitive operations, and quality ship construction, repair, and reconfiguration across the industry.</p> <p>The Small Shipyard Grant Program was authorized under Consolidated Appropriations Act, 2023 Pub. L. 117-328, December 29, 2022 (Small Shipyard Grant Program Codified at 46 U.S.C. § 54101).</p> <p>USD 20,800,000 is currently available for Small Shipyard Grants to:</p> <p>(1) make capital and related improvements to qualified shipyard facilities that will be effective in fostering efficiency; competitive operations; and quality ship construction, repair, and reconfiguration; and  (2) provide training for workers in shipbuilding, ship repair, and associated industries. Potential applicants are advised the number of applications will likely exceed the funds available and that only a small percentage of applications will be funded. Historically, the program has selected roughly 15 to 30 applications to receive funding and the average grant amount has been approximately \$1 million.</p> <p>In 2022, by following HR 2471, the FY 2022 Consolidated Appropriations Act, the law funds all government operations through the end of this fiscal year and includes USD 20 million for the next round of Small Shipyard Grants. Granting applications would be due around May 16, 2022 and awards should be announced around July 13, 2022.</p>	
<b>4. Estimated value</b>	USD 20.8 million in 2023
<b>5. Start and end date</b>	Start date: 2008; End date: applications must be submitted by 5:00 p.m. E.S.T. on February 27, 2023
<b>6. Decarbonisation</b>	This measure does not have an explicit aim to support decarbonisation.
<b>7. References</b>	

U.S. Department of Transportation Maritime Administration (2023): “Small Shipyard Grants”, <https://www.maritime.dot.gov/grants-finances/small-shipyard-grants> , accessed on 3 April 2023.

Newspaper Lloyd’s List (2023): “US grants \$20m in funding to develop small shipyards”, [https://lloydslist.maritimeintelligence.informa.com/LL1143723/US-grants-\\$20m-in-funding-to-develop-small-shipyards](https://lloydslist.maritimeintelligence.informa.com/LL1143723/US-grants-$20m-in-funding-to-develop-small-shipyards) , accessed on 24 Jan 2023.

Magazine Workboat (2022): “Small Shipyard Grant program gets \$20 million in funding”, <https://www.workboat.com/small-shipyard-grant-program-gets-20-million-in-funding>, accessed on 22 March 2022.

Congress US (2022): “H.R.2471 – Consolidated Appropriations Act, 2022”, <https://www.congress.gov/bill/117th-congress/house-bill/2471/text>, accessed on 22 March 2022.

<b>1. Type of the measure of support and its title</b>	
<p>D Loan guarantees that support loans on terms and conditions more favourable than those commercially available <i>Federal Ship Financing Program (Title XI)</i></p>	
<b>2. Authority/agency responsible for the measure and legal authority</b>	
<p>US Department of Transportation, Maritime Administration (MARAD)</p>	
<b>3. Outline/explanation of the measure</b>	
<p>The Federal Ship Financing Program promotes U.S. Merchant Marine fleet and U.S. shipyard growth and modernization. Through long term debt repayment guarantees, the Program encourages U.S. ship owners to obtain new vessels from U.S. shipyards cost effectively. It also assists U.S. shipyards in modernizing their facilities for building and repairing vessels. The repayment term allowed under the program generally is much longer and the interest rates are lower than those available from the commercial lending market, because the obligations guaranteed by the U.S. Government.</p> <p>The approximate subsidy available in 2022 and in 2023 is to be determined and is currently unknown.</p> <p>Recent Agenda:</p> <ul style="list-style-type: none"> <li>• Pending Applications - as of December 14, 2023</li> <li>• Outstanding Guarantees - as of August 1, 2023</li> <li>• Previously Approved Applications - as of August 1, 2023</li> </ul>	
<b>4. Estimated value</b>	
<b>5. Start and end date</b>	Start date: 1937
<b>6. Decarbonisation</b>	This measure does not have an explicit aim to support decarbonisation.
<b>7. References</b>	
<p>U.S. Department of Transportation, Maritime Administration (2022): “Federal Ship Financing Program (Title XI)”, <a href="https://www.maritime.dot.gov/grants/title-xi/federal-ship-financing-program-title-xi">https://www.maritime.dot.gov/grants/title-xi/federal-ship-financing-program-title-xi</a> , accessed on 3 April 2023.</p> <p>U.S. Department of Transportation Maritime Administration (2021): “Subsidy Availability &amp; History”, <a href="https://www.maritime.dot.gov/grants-finances/title-xi/subsidy-availability-history">https://www.maritime.dot.gov/grants-finances/title-xi/subsidy-availability-history</a>, accessed on 22 March 2022.</p>	

<b>1. Type of the measure of support and its title</b>	
H Government revenue that is foregone or not collected <i>Construction Reserve Fund</i>	
<b>2. Authority/agency responsible for the measure and legal authority</b>	
US Department of Transportation, Maritime Administration (MARAD)	
<b>3. Outline/explanation of the measure</b>	
<p>The Construction Reserve Fund (CRF) is a financial assistance program that provides tax deferral benefits to U.S.-flag operators. Eligible parties can defer the gain attributable to the sale or loss of a vessel, provided the proceeds are used to expand or modernize the U.S. merchant fleet. The primary purpose of the CRF is to promote the construction, reconstruction, reconditioning, or acquisition of merchant vessels that are necessary for national defence and to the development of U.S. commerce.</p> <p>A CRF may be established by any citizen of the United States who owns, in whole or in part, a vessel operating in the foreign or domestic commerce of the United States or in the fisheries. Additionally, a citizen who is operating such vessel or vessels owned by another individual may establish a CRF. The benefits available to the non-owner operator, however, are limited. In the event of sale or actual constructive total loss of a vessel, the CRF allows the non-recognition of gain for purposes of Federal income taxes. Funds deposited in the CRF must be used for the construction, reconstruction, or acquisition of a new vessel constructed or reconstructed in the United States and documented under the laws of the United States.</p>	
<b>4. Estimated value</b>	None performed
<b>5. Start and end date</b>	Start date: 1936
<b>6. Decarbonisation</b>	This measure does not have an explicit aim to support decarbonisation.
<b>7. References</b>	
US Department of Transportation, Maritime Administration (2019): “Construction Reserve Fund”, <a href="https://www.maritime.dot.gov/grants/construction-reserve-fund">https://www.maritime.dot.gov/grants/construction-reserve-fund</a> , accessed on 3 April 2023.	

<b>1. Type of the measure of support and its title</b>	
H Government revenue that is foregone or not collected <i>Capital Construction Fund</i>	
<b>2. Authority/agency responsible for the measure and legal authority</b>	
US Department of Transportation, Maritime Administration (MARAD) and US Department of Commerce, National Oceanic and Atmospheric Administration	
<b>3. Outline/explanation of the measure</b>	
<p>The Capital Construction Fund (CCF) program was created to help owners and operators of United States-flag vessels secure the capital necessary to modernize and expand the U.S. merchant marine. The program encourages construction, reconstruction, or acquisition of vessels through the deferment of Federal income taxes on certain deposits of money or other property placed into a CCF. Participants must meet U.S. citizenship requirements.</p> <p>Vessels built with CCF funding must be built in the United States and documented under the laws of the United States for operation in the nation’s foreign, Great Lakes, short-sea shipping or non-contiguous domestic trade or its fisheries.</p> <p>The CCF Program was significantly expanded in December 2022 with the passage of the National Defense Authorization Act for Fiscal Year 2023. Section 3544 of the Act expanded the use of the program to all U.S. built vessels which are engaged in the domestic or foreign commerce of the United States, doing away with limitations on the availability of the CCF program to certain geographic trades that had been in effect.</p>	
<b>4. Estimated value</b>	
<b>5. Start and end date</b>	Start date: 1970s
<b>6. Decarbonisation</b>	This measure does not have an explicit aim to support decarbonisation.
<b>7. References</b>	
<p>US Department of Transportation, Maritime Administration (2023): “Capital Construction Fund”, <a href="https://www.maritime.dot.gov/grants/capital-construction-fund">https://www.maritime.dot.gov/grants/capital-construction-fund</a>, accessed on 3 April 2023.</p> <p>US Department of Transportation, Maritime Administration (2023): “2023 Capital Construction Fund (CCF) Listing”, <a href="https://www.maritime.dot.gov/grants-finances/2023-capital-construction-fund-ccf-listing">https://www.maritime.dot.gov/grants-finances/2023-capital-construction-fund-ccf-listing</a>, accessed on 3 April 2023.</p>	

<b>1. Type of the measure of support and its title</b>	
M Protection of the Domestic Market <i>Executive order on public procurement to maximize the use of goods produced in, and services offered in, the U.S. – Update</i>	
<b>2. Authority/agency responsible for the measure and legal authority</b>	
Executive Office of the President	
<b>3. Outline/explanation of the measure</b>	
<p>The executive order directs agencies to strengthen requirements about purchasing products and services from U.S. workers and businesses. Consistent with applicable law, the United States should use terms and conditions of Federal financial assistance awards and Federal procurements to maximize the use of goods, products, and materials produced in (and services offered in) the United States. Furthermore, the executive order indicates that the United States Government should, whenever possible, procure goods, products, materials, and services from sources that will help American business compete in strategic industries and help America’s workers thrive. Additionally, to promote an accountable and transparent procurement policy, each agency should vest waiver issuance authority in senior agency leadership, where appropriate and consistent with applicable law.</p> <p>The executive order reiterates the support for the Jones Act, in the way that “Made in America Laws” include laws requiring domestic preference for maritime transport, including the Merchant Marine Act of 1920 (Public Law 66-261), also known as the Jones Act.</p> <p><i>Update:</i></p> <p>In April 2021, the President opened the new Made in America office which reviews proposed waivers of Made-in-America laws and guides agencies on the use of taxpayer dollars to support U.S manufacturing.</p>	
<b>4. Estimated value</b>	
<b>5. Start and end date</b>	Strat date: January 2021 End date: unknown
<b>6. Decarbonisation</b>	This measure does not have an explicit aim to support decarbonisation.
<b>7. References</b>	
<p>The White house (2021): “FACT SHEET: Biden-Harris Administration Issues Proposed Buy American Rule, Advancing the President’s Commitment to Ensuring the Future of America is Made in America by All of America’s Workers”, <a href="https://www.whitehouse.gov/briefing-room/statements-releases/2021/07/28/fact-sheet-biden-harris-administration-issues-proposed-buy-american-rule-advancing-the-presidents-commitment-to-ensuring-the-future-of-america-is-made-in-america-by-all-of-americas/">https://www.whitehouse.gov/briefing-room/statements-releases/2021/07/28/fact-sheet-biden-harris-administration-issues-proposed-buy-american-rule-advancing-the-presidents-commitment-to-ensuring-the-future-of-america-is-made-in-america-by-all-of-americas/</a>, accessed on 22 March 2022.</p>	

<b>1. Type of the measure of support and its title</b>	
A Direct transfer of funds by Governments <i>Inflation Reduction Act (IRA) of 2022</i>	
<b>2. Authority/agency responsible for the measure and legal authority</b>	
U.S. Senate	
<b>3. Outline/explanation of the measure</b>	
<p>On 7 August 2022, the U.S. Senate approved the Inflation Reduction Act (IRA) of 2022, combining the twin objective of reducing the inflationary effects of the global energy crisis whilst tackling the climate change crisis.</p> <p>“The bill’s USD 40 billion investment in domestic clean energy manufacturing and shipbuilding is an important down payment that will unleash the vast potential of offshore wind and localize a supply chain on American shores creating thousands of good-paying jobs.” said Liz Burdock, president and CEO of the Business Network for Offshore Wind.</p> <p>A total of USD 369 billion will be disbursed, dedicated to improving energy security and achieving climate change goals.</p> <p>The IRA includes USD 3 billion in grants and rebates for port authorities and marine terminals to purchase zero-emission cargo-handling equipment until September 2027. The goal is to address air pollution in and around ports.</p>	
<b>4. Estimated value</b>	USD 40 billion
<b>5. Start and end date</b>	Approved on 7 August 2022
<b>6. Decarbonisation</b>	This measure has an explicit aim to support decarbonisation, as it is focused on achieving climate change goals.
<b>7. References</b>	
<p>Newspaper Marinelog (2022): “Inflation Reduction Act: Good news for offshore”, <a href="https://www.marinelog.com/offshore/inflation-reduction-act-good-news-for-offshore/">https://www.marinelog.com/offshore/inflation-reduction-act-good-news-for-offshore/</a> , accessed on 10 April 2023.</p> <p>IEA (2022): “Inflation Reduction Act 2022: Sec. 60113 and Sec. 50263 on Methane Emissions Reductions”, <a href="https://www.iea.org/policies/16317-inflation-reduction-act-2022-sec-60113-and-sec-50263-on-methane-emissions-reductions">https://www.iea.org/policies/16317-inflation-reduction-act-2022-sec-60113-and-sec-50263-on-methane-emissions-reductions</a> , accessed on 10 April 2023.</p> <p>Newspaper Hellenic Shipping News (2022): “4 ways the Inflation Reduction Act could impact supply chains”, <a href="https://www.hellenicshippingnews.com/4-ways-the-inflation-reduction-act-could-impact-supply-chains/">https://www.hellenicshippingnews.com/4-ways-the-inflation-reduction-act-could-impact-supply-chains/</a> , accessed on 10 April 2023.</p>	

## 3.3.13. Viet Nam

<b>1. Type of the measure of support and its title</b>	
H	Government revenue that is foregone or not collected <i>Project on the development of Viet Nam's shipping fleet until 2030</i>
<b>2. Authority/agency responsible for the measure and legal authority</b>	
	Ministry of Transport
<b>3. Outline/explanation of the measure</b>	
	<p>In September 2022, the Ministry of Transport of Viet Nam issued Decision 1254/QD-BGTVT regarding the approval of the development project for Viet Nam's shipping fleet. The project will be divided into two phases: the period from 2022 to 2026, and the period from 2026 to 2030.</p> <p>In the first period, the plans aims to provide financial incentives to develop its fleet. Financial incentives include exemption of VAT for imports of seagoing vessels transporting goods to Vietnamese ship owners, exemption of import tax and 50% reduction of tonnage fees for shipowners buying and operating clean energy power container ships of 1,500 TEUs or more, and exemption from personal income tax for Vietnamese seafarers. In this first period, the plan also includes reforms of administrative procedures, the implementation of projects for maritime safety security and preventing environmental pollution, and the implementation of projects to improve the quality of seafarers.</p> <p>In the second period, the plan includes the promotion of research and development of technologies to be used in the modernization of the fleet, in line with COP26 commitments. It also includes objectives concerning shipping, such as supporting Vietnamese container shipping lines in international markets and developing the management of marine services and shipping.</p>
<b>4. Estimated value</b>	
<b>5. Start and end date</b>	Start date: September 2022 End date: 2030
<b>6. Decarbonisation</b>	This measure has an explicit aim to support decarbonisation, as the second period of the plan involves the promotion and development of technologies in line with COP26 commitments.
<b>7. References</b>	

Newspaper Việt Nam's News (2022): “More room to develop Việt Nam's international shipping fleet”, <https://vietnamnews.vn/economy/1206728/more-room-to-develop-viet-nam-s-international-shipping-fleet.html>, accessed on 12 March 2024.

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## *Endnotes*

<sup>1</sup> It is the result of factory operation census conducted by MOEA. It includes ship builders, boat builders, and floating structure manufactures ([Factory Operation Census \(moea.gov.tw\)](https://moea.gov.tw)).

<sup>2</sup> There is no Clarksons' data on the new contracts in Chinese Taipei in 2023.

<sup>3</sup> [BIDA - Shipbuilding](#)

<sup>4</sup> There is no Clarksons' data on the new contracts in Bangladesh in 2023.

<sup>5</sup> <https://www.mida.gov.my/industries/manufacturing/transport/>