

News Release

15 September 2022
Development Bank of Japan Inc.
ClassNK

DBJ and ClassNK establishes “Zero-Emission Accelerating Ship Finance” - First evaluation and financing is provided to Kumiai’s LPG carrier -

Development Bank of Japan Inc. (DBJ) and ClassNK established "Zero-Emission Accelerating Ship Finance (Program)" to support the maritime industry's transition toward decarbonization.

As tightened environmental regulations and the future introduction of carbon pricing are expected in the maritime industry, DBJ and ClassNK have anticipated an increasing need for a system to reasonably evaluate the asset value of environmentally friendly ships and to combine them with investment and financing, and brought together each knowledge and expertise.

Under the established Program, ClassNK evaluates ships based on a comprehensive scoring model jointly developed by DBJ from the perspective of "decarbonization, environmentally friendly performance, and innovativeness," and DBJ provides investment and financing.



Zero-Emission Accelerating Ship Finance

*The logo design represents the transition of the ship toward a decarbonized (green) future.

As the first project under the Program, ClassNK evaluated the LPG dual-fueled large LPG carrier, “CRYSTAL OASIS” (IMO No. 9915806) owned by Kumiai Navigation (Pte) Ltd (Head Office: 1 Raffles Place #27-62 One Raffles Place Tower 2 Singapore 048616; Managing Director: Tomomaru Kuroyanagi), and DBJ provided a loan to Kumiai to finance its acquisition.

Kumiai is a Japanese shipowner based in Singapore and has been taking progressive steps toward the transition to decarbonization, such as placing orders for LPG dual-fueled LPG carriers ahead of other industry players. The ship is a state-of-the-art LPG dual-fueled large LPG carrier built at Sakaide Works of Kawasaki Heavy Industries, Ltd. and delivered to Kumiai in June 2022.

In evaluating the ship, the following factors were taken into account: (1) The dual-fuel main engine using LPG has realized a significant reduction of sulfur oxide (SOx) and carbon dioxide (CO2) in the exhaust gas, and the ship has been certified to be compliant with the Energy Efficiency Design Index (EEDI) Phase 3* requirements achieved prior to the enforcement of the regulation; (2) The installation of an exhaust gas recirculation (EGR) system and a selective catalytic reduction (SCR) system has enabled the ship to meet the nitrogen oxide (NOx) Tier III regulation; and (3) In further consideration of the prevention of air and marine

pollution, the ship is equipped with various environmental technologies not mandated by international conventions, and is assigned ClassNK's "Environmental Awareness (EA)" and "Advanced Environmental Awareness (a-EA)"** notation, which is to be provided to the ships implementing special and advanced environmental measures.

The ship was given with "S" rating, the highest rank in the Program as "the ship with particularly high decarbonization, environmentally friendly performance and innovativeness", recognizing that adequate environment-related investments have been made.

Through the expansion of the Program, DBJ and ClassNK will support shipping companies' efforts to contribute to the transition toward decarbonization and work together to accelerate the transition toward decarbonization in the entire maritime industry.

* The EEDI regulations require new ships to be evaluated in accordance with the uniform fuel efficiency index and to attain the required level. The required level for each ship type will be tightened incrementally; Phase 3 for LPG carriers (15,000 DWT and above) requires a reduction rate of at least 30% compared to the level at the start of the regulation.

** A notation on a ship's classification certificate indicates that special measures have been taken for a specific purpose. The ship has become the first in ClassNK's registry that meets its "Environmental Guidelines" and is granted the "Advanced Environmental Awareness (a-EA)" notation.

<Ship Particulars>



(Courtesy of Kumiai Navigation (Pte) Ltd)

Ship name	CRYSTAL OASIS (IMO No.: 9915806)
Ship type	LPG carrier
Cargo tank capacity	84,000 cbm
Shipbuilder	Kawasaki Heavy Industries, Ltd. Sakaide Works

About DBJ

DBJ will actively support our clients' efforts to realize sustainable management and revitalize regional economies in accordance with our corporate philosophy, "Design the future with financial expertise: Continue to expand financial frontiers; Provide the best solutions for customers and society; Pursue sustainable development for Japan and the world." Under its 5th Mid-Term Management Plan (see the post "About the 5th Mid-Term Management Plan" dated May 20, 2021), DBJ is also promoting its GRIT Strategy,* aimed at fostering a sustainable society through investments and loans. DBJ will continue to contribute to sustainable societies and regional revitalization.

* The "GRIT Strategy" refers to the following: G: Realization of a green society; R: Construction of a flexible, strong, safe and secure regional, social and industrial

infrastructure; I: Initiatives for innovation considered feasible for commercialization; and T: Strategic initiatives for transition based on current business fundamentals. These are the bank's priority areas under the Fifth Medium-Term Management Plan.

About ClassNK

ClassNK is a non-profit, third-party certification body that conducts surveys, certifications, rule development as well as research and development with a mission to contribute to the safety of life and property at sea and the protection of the marine environment.

ClassNK has developed the "ClassNK Zero-Emission Transition Support Services" as a comprehensive service for the customers engaged in the marine transportation business so that they can pursue zero-emission while planning and managing GHG emissions through their daily business operations. As a third-party certification body, ClassNK is striving to contribute to sustainable development.

【Inquiries】

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