

Terms of Reference (ToR)

Project Title: Mapping of Global Financial Support Opportunities for Zero-Emission Ships and Energy Efficiency

Client: Danish Maritime Authority

Consultancy duration: 22 November 2024 – 3 March 2025

1. Background and Context

Many shipping companies (both private and semipublic) are postponing investments in new build dual fuel vessels and energy efficiency improvements, despite technological developments. It appears that securing full financing for these investments from conventional banks is still challenging. Therefore, there seems to be a need for the industry to expand the financing support options beyond these to accelerate green investments. Conventional banks loans will thus not be a part of this study. Furthermore, the business case remains uncertain until there is clarity at the end of 2025 on global regulation from the International Maritime Organization (IMO).

The study should supplement existing mappings and portals, such as the EU Commission's Ship Financing Portal¹, launched in August 2024, which consolidates pan-European financing opportunities for the shipping industry, including grants, loans, and bonds for fleet renewal, efficiency improvements, and environmental enhancements. The study should not duplicate existing efforts and will focus on global financial support opportunities, in particular beyond Europe.

The study aims to make it easier for ship owners on a global scale to choose green solutions for their ships by providing them an easy overview of financial support and guarantee opportunities for investments in new builds, retrofitting and/or energy efficiency improvements.

The project will be a deliverable under the Zero-Emission Shipping Mission², which is an international public-private partnership led by Denmark, the United States, Norway, Global Maritime Forum and Mærsk Mc-Kinney Møller Center. The Mission's main goal is to demonstrate commercially-viable Zero-Emission ships by 2030, making vessels that operate on Zero-Emission fuels the natural choice for ship owners when they renew their fleet.

Within the Mission, the project is anticipated to make a direct contribution to achieving the Mission's goal for ships: *“600 large ships in international shipping are running on well-wake Zero-Emission fuel by 2030.”*

2. Purpose of the study

The purpose is to identify financial support opportunities for new builds and retrofitting of existing ships to enable them to operate on Zero-Emission fuels (based on well to wake), as well as for measures to improve energy efficiency.

¹ Link to the EU Commission's Ship Financing Portal: https://transport.ec.europa.eu/transport-modes/maritime/ship-financing-portal_en

² Link to the Zero Emission Shipping Mission website: <https://mission-innovation.net/missions/shipping/>

The financial support and guarantees may come from public or private funds, as well as multilateral development banks, etc. Conventional banks loans should not be a part of the study. There is no GT limit on the ships included in the study. The financial support depends on the project's business case and its relevance to a green transition.

The primary target group of the study are global ship owners, in particular beyond Europe.

3. Scope of Work

The mapping study should fulfill the purpose outlined in Section 2 and serve as a supplement to existing mapping and portals, such as the EU Commission's Ship Financing Portal. The goal is not to duplicate existing work but to complement and enhance it. Therefore, the Consultant should familiarize themselves with this existing work.

The mapping study should answer the following questions:

1. On a global scale, what are the financial support opportunities for new builds and retrofits of ships that can operate on Zero-Emission fuels (based on well to wake)?
 - 1.1. What are the criteria for a shipping company/ship owner to apply/obtain these?
2. On a global scale, what are the financial support opportunities for energy efficiency measures for existing ships?
 - 1.2. What are the criteria for a shipping company/ship owner to apply/obtain these?

The intent of the mapping study is to make it easier for the ship owners on a global scale to choose green solutions for their ships by providing them an easy overview of financial support opportunities for investments in new builds, retrofitting and/or energy efficiency improvements.

4. Methodology

The mapping study should be based on

- Desk study and mapping of relevant public or private funds, as well as multilateral development banks, etc., offering financial support to green shipping.
- Interviews with experts, fund managers and other relevant stakeholders.

5. Deliverables

The consultant is expected to produce the following deliverables:

- **The bid for the consultancy job must include:**
 - *A plan* that explains the methodology, sources, process, content, structure, and main elements of the mapping study.

- *A process action plan* that provides a step-by-step outline for conducting the consultancy, including research methods, data collection strategies, stakeholder engagement, and any other relevant activities.
 - *Description of Inputs/CV's of Consultants* of all team members, highlighting their qualifications, relevant experience, and expertise in areas related to the consultancy.
 - *Budget proposal*
- **Deliverable 1: Draft Report**
 - *Draft Report:* The consultant must provide a draft report covering the key findings.
 - **Deliverable 2: Final Report and PowerPoint**
 - *Final report:* The consultant must provide a final report with an easy accessible overview on funding opportunities incl. hyperlinks. The report must include adjustments based on feedback received.
 - *PowerPoint Presentation:* A PowerPoint presentation complementing the final report. This presentation will be designed for effective communication of the findings. The final version of the PowerPoint presentation should reflect any adjustments based on feedback received.

6. Timeline

28 October 2024: Material and ToR tenders are sent to udbud.dk

17 November 2024: Deadline for submitting tenders

22 November 2024: DMA selects consultant

25 November 2024: Contract is signed by both parties

26 November 2024: Start up meeting between consultants and DMA at 13.00 (CET)

18 December 2024: Consultant sends the first draft of the report to DMA (deliverable 1)

First week of January 2025: Payment of 1. rate

17 January 2025: DMA sends comments on the first draft incl. a meeting if deemed necessary.

17 February 2025: Consultant sends final draft of the report and draft of PowerPoint to DMA (deliverable 2)

24 February 2025: DMA sends comments to final report and PowerPoint

3 March 2025: Consultant sends final report and final PowerPoint to DMA

10 March 2025: Payment of 2. rate

7. Reporting and Communication

The consultant shall communicate and report progress, especially around set deadlines, with Mr. Jakob Haugaard (jha@dma.dk) and Ms. Trine Berg Hansen (trgh@dma.dk).

8. Budget and Payment Terms

Offers exceeding the amount of DKK 250.000 incl. VAT will not be considered. The price must include all expenses that the consultant may have in connection with the task.

9. Qualification and Experience

It is essential that the consultancy have expert(s) knowledge about how to conduct well researched mapping studies on financial support opportunities, preferable within green solutions for global shipping.

10. Evaluation Criteria

The tenders will be evaluated based on fulfilment of the scope of work incl. the suggested analysis, methodology, sources and structure (50 %), experience of the consultant(s) (30 %) and the price (20 %).

11. Conflict of Interest

In consideration of the independence, credibility, and reliability in the execution of the task, the supplier must ensure that neither the supplier, nor the supplier's employees or subcontractors, carry out or have carried out tasks for other customers which could lead to doubts about the suppliers competence and ability to act as a neutral party.

Similarly, the supplier must ensure that ownership interests in companies or enterprises of the supplier and its employees will not be able to cast doubt on the supplier's competence.

The supplier must immediately notify the Danish Maritime Authority if circumstances arise which may give rise to doubts about the suppliers competence and independence.

12. Termination Clause

In the event of termination of the agreement the consultant will deliver a report on the work so far, including the results achieved in the deliverables described in point 5 above. Both Parties can terminate the agreement with a three days' notice.

13. Copy rights

The Danish Maritime Authority has rights to all material produced in connection with this task.