



LAURITZEN BULKERS

DENMARK

bridges

BY SYNERGY MEDIA SPECIALISTS

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## Danish Shipping: A long tradition with the Japanese maritime industry

Bridges speaks with Anne H. Steffensen, director-general and CEO of Danish Shipping — the 1884-founded trade and employer organization for more than 90 shipping and offshore companies in Denmark

### Bridges: What is the current state of Denmark's shipping industry?

**Steffensen:** Danish shipping overall is in an excellent condition. Shipping accounts for more than 25% of the total Danish export, and the maritime industry and the industries supporting it employ more than 100,000 people. That's a lot compared to the total Danish population. The years to come will show the industry's ability to adapt to a new normal. Green is the new normal no matter if you represent a shipping company or a shipyard.

### How is Denmark taking a leading role in the reduction of carbon emissions and improvements in vessel efficiency?

The shipping companies are placing orders on new types of ships. Most notable might be Maersk ordering 12 container ships fit to operate on carbon-neutral methanol. But smaller shipping compa-



actual emission reductions. It is not enough to calculate the carbon footprint when a ship is burning the fuel; we must take all GHG (greenhouse gas) emissions across the value chain into consideration. We also need to look at the refining, transport, et cetera. Also, we need to make sure that enough green fuel is available for the shipping companies. If they are to or-

ish vessels are built in Japan. Currently, 336 vessels in the Danish merchant fleet were built in Japan. Japan has a great reputation as a reliable industry nation with high-quality products. This applies to everything from cars to electronics and, of course, ships. A lot of Danish ships are calling ports in Japan. Last year Danish ships made 739 calls in Japanese ports and had total exports to Japan of 3.8 billion Danish krone (¥68.7 billion).

### Within the industry, what opportunities do you see for further collaboration between Japan and Denmark?

Japan is an important partner for Danish shipping, as both nations share the same business culture — and the aspiration of highly liberalized world markets. There is a mutual recognition that free market access and free trade is a cornerstone of how to do business. Danish and Japanese shipowners, as well as authorities, are both active in several shipping forums, such as the IMO (International Maritime Organization), TISA (Trade in Services Agreement) connected to the WTO (World Trade Organization) and the Consultative Shipping Group. We are hoping to continue our strong relationship with Japan to promote free trade and equal market access to global shipping markets. ♦ [www.danishshipping.dk](http://www.danishshipping.dk)



The Hilma Bulker approaching the Great Belt Bridge.

nies are adjusting their fleets as well. We see offshore crew transfer vessels with hybrid technology, that can operate on both electricity or traditional fuel, and more and more ferries are electrified or retrofitted with an additional electric engine.

On a regulatory level we have a few, but very important, goals if we are to succeed with the decarbonization of the shipping industry. We must look at the total footprint of the fuels, to get the full pictures of emissions so we are certain we achieve

der new green ships, they need to be sure that the new fuels are readily available.

### How would you define the importance of Japan as a partner, supplier and customer?

Danish shipping has a long tradition with the Japanese market, whether that be through the trading houses in need of maritime transportation services or through long-standing relations with the Japanese shipyards. Japan is a major player in the shipbuilding industry and many Dan-

## Bringing solid business practices in shipping and a deeper bond with Japan to the next level

The maritime industry plays a vital role within the dynamic Danish economy. One of the key players in this sector is Lauritzen Bulk, a company deeply rooted in Danish maritime history.

With decades of experience in the handysize dry bulk ocean transport market, Lauritzen Bulk is a trusted major operator of bulk carriers engaged in ocean transport of dry bulk cargoes worldwide. Having been in business since 1884, the company has established a solid reputation built on enabling global trade through intelligent seaborne solutions — and a significant chunk of this business is with Japan.

“Our business with Japan has, to a great extent, been the backbone of the devel-

opment of Lauritzen,” Niels Josefsen, CEO of Lauritzen Bulk, shared. “We are almost as old as the trade relationship between Denmark and Japan,” he added, referencing the 155th anniversary of bilateral relations between the countries.

To date, the company's business is intertwined with Japan, both as a supplier for vessels and cargo. “The connection with Japan is not only in vessels — that, of course, is the first thing that comes to mind since Japan is a shipbuilding nation — but we also carry a lot of cargo into Japan. We just signed a three-year contract carrying biofuel into Japan, to the new power plants that are burning biofuel rather than coal,” he added.

Moreover, with headquarters in Copenhagen



After seven years of time charter from Japanese owners, the handysize bulk carrier Eva Bulker, built at Naikai Zosen Corp., was taken over in early March 2022 and is now fully owned by Lauritzen Bulk.



and overseas branch offices in Singapore, the United States, Dubai and Hong Kong, Lauritzen Bulk is poised not only to drive greater business with Japan, but also to continue creating growth for communities around the world.

Owing to their scalability and adaptability, the company was highly successful in 2021. They not only maintained thriving operations, but also opened their Hong Kong office to steer greater business ventures in Asia. Furthermore, the result enables further expan-

sion both in the owning and period-chartering businesses to growing the present fleet size beyond 80 vessels. “Our DNA is about reli-

### Lauritzen Bulk is a trusted major operator of bulk carriers engaged in ocean transport of dry bulk cargoes worldwide.

ability and trustworthiness also through difficult times. We are also known for our craftsmanship, also one reason we are where we are to-

day. We focus on handysize, which is complicated, and craftsmanship is needed. We now also practice a more data-driven type of portfolio management. All these aspects will be the foundation of our future growth,” Josefsen noted. ♦ [www.j-l.com/lauritzen-bulkers](http://www.j-l.com/lauritzen-bulkers)

## Nurturing close ties with Japan's agriculture and food sector since the early 1900s

The agriculture and food-production sector is vital to any country's survival. In Denmark, it's central to the nation's economy, comprising 23% of total exports of goods.

Denmark's food export history dates to the 1800s,



Flemming Nor-Pedersen, CEO of the Danish Agriculture and Food Council

with Danish farmers organizing and developing skills in the export of animal products, establishing a foothold in the industry that has gained solid ground to date.

“The advancement of Denmark's economy is built on exports and a high level of innovation, and the agriculture and food sector has been part of this development from the beginning,” shared Flemming Nor-Pedersen, CEO of the Danish Agriculture and Food Council.

Over decades, the sector has grown even stronger, with the constant addition of new knowledge and technologies to further bolster Denmark's capacity and reputation as a top agriculture and food exporter. Japan is among the primary markets for Danish food exports, a trade- and knowledge-exchange relationship that began in 1923, when Danish farmers went to Japan to help develop the dairy production sector. Since then, Denmark has steadily



The Danish pig industry is among the world leaders in areas such as breeding, quality, food safety, animal welfare and traceability.

exported meat, dairy and fish to the country, establishing an office in Tokyo in 1967. From 1973, Denmark has been a major supplier of fresh frozen pork to Japan.

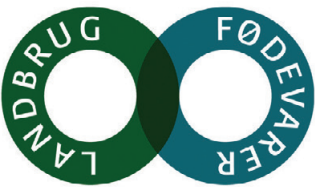
“Our position in the Japanese market has helped us build our position as global leaders in food safety and quality. When we

started exporting pork to Japan almost 50 years ago, we approached the relationship as a partnership. Japanese food importers are the most demanding in the world, and their demands have helped us build a value chain that guarantees food safety and transparency,” Nor-Pedersen noted.

With the signing of the Japan-EU economic partnership agreement in 2019, the trade ties between the two nations have grown even more robust and will continue to thrive well into the future.

As Nor-Pedersen pointed out: “This is a milestone in the development of trade relations. When the deal is fully implemented, 82% of the tariffs will be eliminated. Already, tariffs are significantly reduced; we see significant potential for developing Denmark's exports of food products to Japan.”

Nor-Pedersen concluded that future cooperation must also focus on sustainable development goals. “Japan is a knowledge-based economy and thus in a good position to increase domestic food supply without impacting the climate. I believe Denmark can play an important role in this development.” ♦ [www.agricultureandfood.dk](http://www.agricultureandfood.dk)



## Wencon brings expert ship repair and rebuilding solutions to Japan

It's no secret that the Danes have aced the maritime industry. Maritime organizations comprise about a fourth of Denmark's total exports, with gross value pegged at 96 billion Danish krone in 2017 (¥1.75 trillion). Wencon is a significant industry contributor, with over 37 years of experience and a global reputation in the protection, rebuilding and repair of vessels for the maritime and offshore industries.

The Danish company manufactures epoxy products designed to repair or protect surfaces exposed to galvanic corrosion, cavitation, wear or breakage — basically any surface where seawater meets metal.



Wencon owner, founder and board member Erik Wendelin with Area Sales Manager Praewarn Suwansawai

“Historically, ship owners were inclined to replace parts rather than repair them. We've seen a shift, where engineers ask if a part

can be repaired instead of replaced. Our repair methods save up to 98% of carbon emissions and 90% of expenses, and turnaround is

10 times quicker than other methods. Over decades, we've helped customers with our solutions and products,” Erik Wendelin, board member, founder and owner of Wencon noted.

The company first focused largely on Europe, but has since expanded to Asia and the Middle East and is currently widening its market in Japan. “The Japanese market is quite new for us. We've been working through a distributor in Singapore, supplying to NYK and Japanese shipowners. We would like to actually cooperate with local distributors in Japan; there's a lot of opportunity there,” Wendelin said.

Wencon is not only known for its superior products, but

also for providing customers with comprehensive, workable solutions. The brand's website is an in-depth, step-by-step problem-solving guide, with search functions that enable easy access.

“We try to enlighten our customers on possibilities and solutions for technical problems that they experience aboard ships. We sell our ability to help our customers, rather than the product itself. This philosophy, our way of business, we hope lines up with the Japanese way of thinking and would be understood by a Japanese partner very quickly.” ♦ [www.wencon.com](http://www.wencon.com)



### Tradition, Tankers and Technology

#### DENMARK-JAPAN FAST FACTS

- 1867:** 155th anniversary of Treaty of Friendship, Commerce and Navigation signed with Japan.
- 1,504:** Danish companies exporting to Japan.
- No. 5:** Japan's rank among Denmark's trade partners outside EU.
- \$1.75 billion:** Denmark's trade surplus with Japan in 2020.
- \$2.26 billion:** Danish exports to Japan in 2020.
- Major exports to Japan:** Agriculture, pharmaceuticals.



#### AGRICULTURE



**1973:** Pork exports begin to Japan.

**Agriculture exports:** Pork, dairy and seafood.



#### MARITIME



- The Danish merchant fleet boasts 336 vessels built in Japan.
- Danish ships made 739 Japanese port calls in 2021 and total exports reached \$564 million.



“Our organization has been around since 1919, and some of our larger members have had strong cooperation with the Japanese for many years now. Education and innovations are integral for our industry and there is now a focus on climate-neutral technology which I believe Japan is also focused on. These are all areas of opportunity for both our countries to cooperate in.”

**Jenny Braat, CEO, Danish Maritime**

SOURCES: EU commission, Danish Agriculture and Food Council, Japanese Foreign Ministry, Danish Maritime