

The 39,000-dwt Cielo di Ulsan (built 2015) is one of five ships that D'Amico International Shipping (DIS) is refinancing through a string of new bank loans. Photo: d'Amico International Shipping

D'Amico clinches bank deals to roll over its entire 2022 debt

New term loan facilities include company's first 'sustainability-linked' loan

31 December 2021 9:49 GMT *UPDATED 31 December 2021 10:25 GMT*

By [Harry Papachristou](#)  in **Athens**

D'Amico International Shipping (DIS) said late on Thursday that it has borrowed \$78.5m in new loans that will help it refinance its entire debt falling due in 2022.

The three separate financing deals, all signed in December by DIS unit d'Amico Tankers, include a \$43m, five-year loan facility with ABN Amro that marks the Italian company's first sustainability-linked loan.

DIS, a Milan-listed owner and operator of product tankers, said in a statement that the loan's margin will be adjusted to reflect changes in the company's CO₂ emissions and annual efficiency ratio (AER) readings.



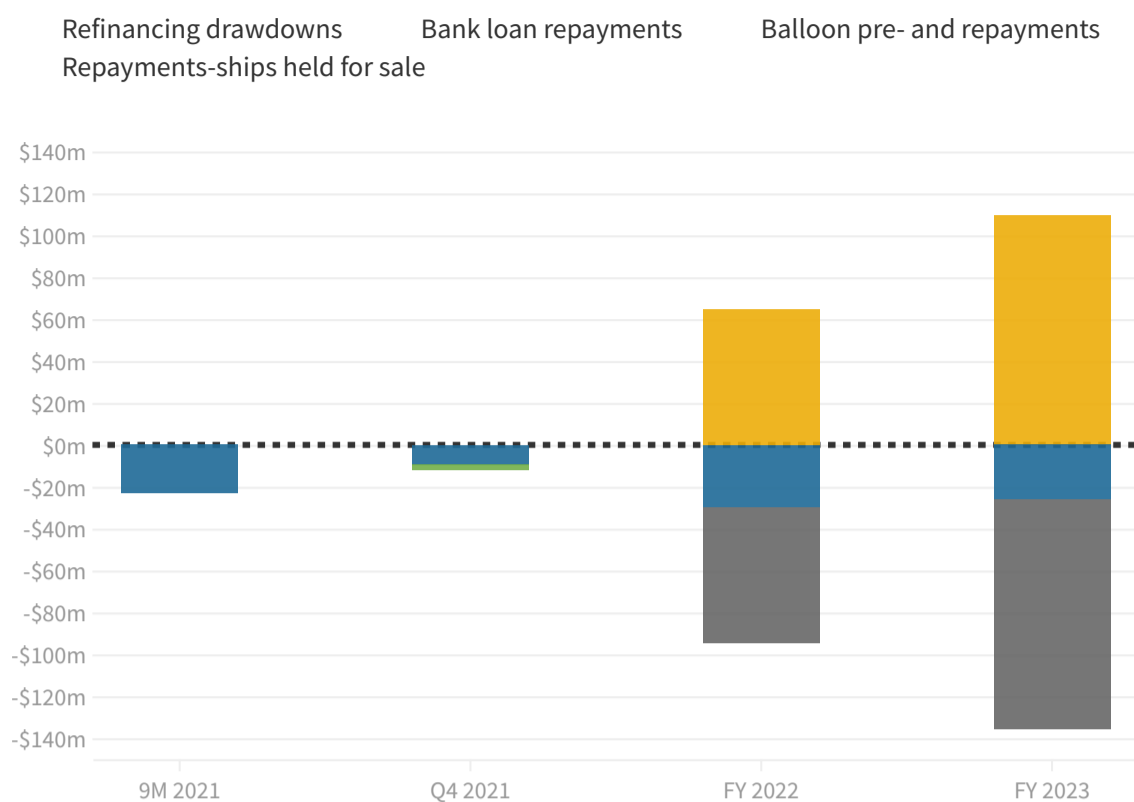
Safe Bulkers seals second sustainability-linked loan of \$100m

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Several public shipping companies have jumped on such green financing structures recently to highlight and polish their environmental credentials.

2022 debt refinanced

D'Amico Tankers debt repayment schedule before the company's new December loans



Source: DIS (Nov. 2021) • Created by Harry Papachristou

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A Flourish chart

US-listed [Safe Bulkers has signed two sustainability-linked loans](#) since October, worth around \$160m in total.

Seanergy Maritime Holdings, also listed in New York, [unveiled its first green](#) loan earlier this year.

These moves are in line with the Poseidon Principles, an initiative launched in 2019 by a group of major shipping lenders to disclose publicly whether the vessels making up their loan portfolios reduce emissions in line with decarbonisation rules.

However, shipping loan portfolios run by the pioneers of the Poseidon Principles have seen their [carbon emission benchmarks deteriorate sharply](#), due to the unforeseen impact of a change in calculations and the Covid-19 shutdown of the cruise industry.



Paolo d'Amico, chairman and chief executive of d'Amico International Shipping (DIS), has no more debt worries for 2022. Photo: John Galayda/CMA

DIS chairman and chief executive Paolo d'Amico said on 30 December that his company's fleet outperforms the standards set out in the Poseidon Principles.

"DIS is proud today to manage a modern eco fleet whose emissions are well below the Poseidon Principles' AER trajectory," he said in the statement.

Following the [sale of a 15-year-old MR2 in early December](#), the company said it was almost done with a "strategic fleet-renewal plan" of newbuilding orders and the sale of old tonnage.

DIS owns 19 product tankers and has another 18 chartered-in or on bareboat charters. More than 80% of its fleet of LRI, MR and handysize tankers is eco, with an average age of approximately seven years, compared to an industry average of more than 11 years for MRs and LRIs.

"Having such a modern fleet provides us access to more competitive financing terms since the largest banks financing the shipping sector are signatories to the Poseidon Principles and have made commitments to reduce the CO₂ footprint of the vessels they finance," DIS said.

Clear runway

On top of its "sustainability-linked" loan, d'Amico Tankers signed a \$20m, five-year loan with Sweden's SEB Bank, as well as a \$15.5m deal with Banco BPM — also over five years.

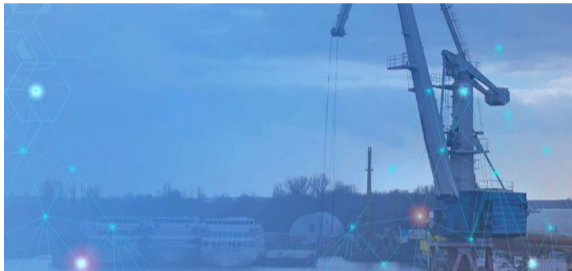
The three loan deals serve the refinancing in 2022 of five vessels — the 39,000-dwt Cielo di Gaeta (built 2014), Cielo di Ulsan (built 2015), Cielo di Hanoi and Cielo di Salerno (both built 2016), and the 75,000-dwt Cielo Bianco (built 2017).

That refinances all DIS loans maturing in 2022, balloons included, at "very competitive terms," d'Amico said.

In its latest results presentation released in early November, DIS said it had \$29.6m of bank loan repayments and \$64.8m in balloon repayments falling due in 2022 (see graph). ([Copyright](#))

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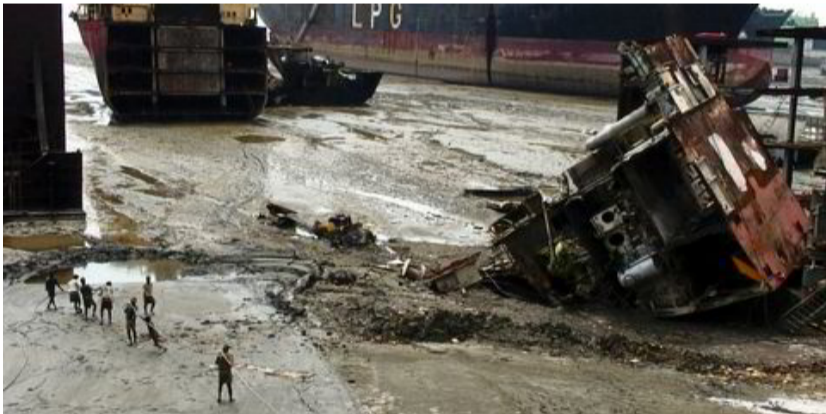
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