



## **SHANDONG MARINE POISED TO ORDER LNG CARRIERS BACKED BY SHELL CHARTERS**

Jiangnan Shipyard in line to scoop newbuilding quartet. China's Shandong Marine Group is mulling an order for a series of LNG carriers, which are being lined up against charter contracts with energy major Shell. Sources said state-owned enterprise Shandong Marine is preparing to order four 175,000-cbm vessels to be delivered between 2028 and 2029. Multiple shipbuilding players said the shipping giant is in close discussions with Jiangnan Shipyard over the LNG ships. Shipbuilding players said Shandong Marine is likely to place the order through its subsidiary, Shandong Marine Energy. One gas market follower said Shandong Marine is not ordering the gas carriers on speculation. The specialist said: "We understand the LNG ships will be ordered against charter contracts from Shell. "This will be a breakthrough deal as Shell has never employed Chinese-built LNG ships before." The details on the charter contracts with Shell have yet to emerge. The major declined to comment on the business when contacted. TradeWinds has attempted to contact Shandong Marine. One industry source said Jiangnan has offered an extremely attractive price for the membrane-type LNG carriers. Brokers have said the Chinese yard has been quoting prices substantially below the \$230m mark for LNG carrier newbuildings. In contrast, contracts for LNG vessels are being inked at South Korean shipyards at about the \$250m mark. This week, Hanwha Ocean announced it had secured an order for two LNG carriers, which it priced at KRW 738.3bn (\$502.5m), indicating a per vessel price of more than \$251m. Those following Shell's interest in its next round of LNG carrier newbuildings said the major, which has been tyre-kicking on designs with shipyards for some time now, does not require its vessels until 2029. They suggested that, at the sub-\$230m prices being quoted by Jiangnan, the





























