

Blue Visby Solution The contractual architecture

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The elephant in the room



Problem of split incentives

- Split financial incentives
- Pains and gains unequally distributed



Train vs. flight



NS International



Royal Dutch Airlines

CO2:	0,02 tonnes	0,18 tonnes
Total amount:	€ 223,80	€ 334,68
Travel time (1 way):	12 hours	6h incl. train, security, etc.

“Sail Fast, Then Wait”





Blue Visby Solution™

- Multilateral across the supply chain
- Deploying a sharing mechanism to remove split incentives
- Applicable to the existing fleet, as well as the future fleet powered by carbon neutral fuels
- Complementary to individual vessels' voyage

Ever since the Age of Sail, cargo ships have followed the same operational practice: "Sail Fast, Then Wait" (SFTW).

Eradicating SFTW will allow ships to reduce speed, thereby reducing the carbon footprint of the maritime industry by about 15% or overall 45 million tonnes of CO₂ across the tanker fleet and bulkier fleets, based on figures for 2019.

These reductions in emissions are available today, from the world's current fleet.

Blue Visby Solution

- Technical solution: algorithm for route optimization
- Contractual solution: overcome split incentives

SFTW



Technical solution

- ➔ Data analysis on 150 ports and 150,000 bulk ship voyages
- ➔ 87% of the voyages reduction possible without reduction in market capacity
- ➔ Typical savings potential of all analysed voyages is 16%

Gains and pains BVS

Gains

Less CO2

Lower bunker costs

Carbon credits

All

Charterers

Cargo interests

Pains

Forfeited demurrage

Shipowner/sellers

Blue Visby Solution

➔ Contractual Architecture – threefold:

1. Blue Visby Protocol
2. Blue GA Rules
3. Blue Visby Mutual Association

Blue Visby Protocol

- ➔ Various versions to be incorporated in CP's, b/l's and sales contracts
- ➔ Obligations for participants, incl.:
 - ➔ Parties are to become members of BVMA
 - ➔ Vessels to be equipped to receive instructions from BVS software
 - ➔ Contractual arrival provisions extended to Blue Line area
 - ➔ ETA to be provided by BVS software
 - ➔ Vessel's speed adjusted accordingly
 - ➔ B/l's are to incorporate the Blue Visby framework

Blue GA Rules

- ➔ Maritime burden sharing mechanism inspired by general average
- ➔ GA act: when an extraordinary sacrifice or expenditure is intentionally and reasonably made or incurred for the common safety for the purpose of preserving from peril the property involved in a common maritime adventure.
(Rule A YAR)

Blue GA Rules

→ Unlike GA:

- Financial pains and gains are shared (not just pains)
 - Fuel savings, forfeited demurrage, carbon credits
 - Other: insurance, ETS?
- Equal shares and market rates (not actual values)
 - Prevents commercial and competition law issues

Blue Visby Mutual Association

- Association for pooling and allocating pains and gains
 - Per voyage and between voyages
- Members bound by contractual force of the association's rules
- BVMA Rules include:
 - Membership rules, compliance with BVS, administration and management and financing, dispute resolution mechanism

The Blue Visby Consortium

In collaboration with the Consortium participants, we are conducting real-time pilot programs, aiming to launch in 2023. The Consortium One Members are:



Get involved

A shipowner, a charterer, a trader, a shipper, or receiver of cargo on board ships

Contact us for a free assessment of the GHG savings you can achieve through applying the Blue Visby Solution to your owned or chartered fleet or to the ships involved in your supply chain.

consortium@bluevisby.com

A port or terminal

Contact us for a free assessment of the local air pollution reduction and reduced anchorage congestion that you can achieve through the operation of the Blue Visby Solution, as well as its integration with your shore-side optimisation systems.

ports@bluevisby.com

A provider of voyage planning, weather routing, or other vessel optimization service

Contact us to discuss the inter-operability between your systems and the Blue Visby Solution.

optimisers@bluevisby.com

A maritime or supply chain association or organization

Contact us to discuss ways in which the Blue Visby Solution can help your members.

ngo@bluevisby.com

Academia

If you are an academic and you'd like to learn more, provide input or get involved in the Blue Visby Advisory Group.

academia@bluevisby.com

Join the Blue Visby Team!

jobs@bluevisby.com

Blue Visby Solution™ Supports the UN's Sustainable Development Goals

[Get involved](#)

Hartelijk dank



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