

Weekly Market News

24th - 28th February 2025

Integr8 Research's Steve Christy looks at bunker prices in new report

Bunker prices poised to drop - but watch for the curveballs!

READ
UPDATE



Fratelli tanker delivers its first B100 stem in Singapore

Singapore-based physical bunker supplier Fratelli Cosulich Bunkers delivered a **B100** (100% biofuel) stem to a vessel operated by Danish shipping firm Norden vessel in Singapore this week. Fratelli's IMO Type II tanker Marta Cosulich delivered the stem to the Norden-operated bulk carrier Nord Argentum. The company currently has one IMO Type II tanker in its fleet and another three on order for delivery next year.

The classification as an IMO Type II chemical tanker allows the vessel to carry biofuel blends up to B100, while other bunker tankers are only allowed to carry biofuel blends with a maximum concentration of 25% biofuel, according to IMO rules.

ZEMBA floats tenders for e-fuel bunker offtakes

The Zero Emission Buyers' Alliance (ZEMBA) will accept bids to secure **e-bunker fuels** by mid-2025. ZEMBA members include 40 global companies such as Amazon, Nike, Patagonia, Meta, New Balance and Green Worldwide Shipping. The coalition has invited bids from individual container carriers or consortiums with access to e-fuels capable of achieving "at least a 90% lifecycle emission reduction for primary propulsion of the vessel(s) compared to a high emission fuel baseline," according to ZEMBA.

Through this tender, the coalition aims to collectively abate at least 500,000 mt/year of greenhouse gas emissions across all 40 companies. ZEMBA will sign 3-5-year agreements with e-fuel-powered container ships starting in 2027 and is "open to the potential of multiple winners." ZEMBA is expected to announce the results of the tender by the end of this year.

Enagás to launch bio-LNG supply in Barcelona and Huelva

Madrid-headquartered energy firm Enagás will start **bio-LNG** bunker supply at the firm's regasification terminals in two Spanish ports from March.

Enagás has already been supplying LNG at the Huelva and Barcelona regasification terminals. So far, over 300 LNG bunker refuellings for small-scale vessels have taken place at these two terminals, the firm said. Enagás' bio-LNG is certified by the International Sustainability and Carbon Certification of the European Union (ISCC EU), and it is produced from industrial and domestic organic waste, the company said.

Bio-LNG, also known as liquefied biomethane (LBM), is made from biogas generated through anaerobic digestion of waste feedstocks like organic waste.

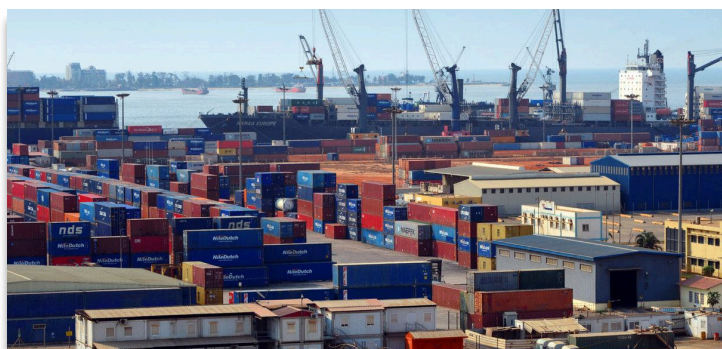
Universal GHG levy gains support at the IMO

Sixty-one of the 109 countries that have ratified MARPOL Annex VI now endorse a universal greenhouse gas (**GHG**) levy. This means that majority support shifted in favour of the levy by the end of the IMO's Intersessional Working Group on the Reduction of Greenhouse Gas Emissions meeting. MARPOL can be amended either through consensus or voting among IMO member states. If no consensus is reached, the amendment process moves to a vote.

In the voting procedure, only the 109 countries that have ratified MARPOL Annex VI - out of 176 IMO member states - are eligible to participate.

This level of support is crucial because a MARPOL amendment requires approval from two-thirds of the ratifying countries, said UCL Shipping and Oceans Research Group. But UCL also said that IMO member states remain divided on key aspects of the GHG levy, particularly its size, which ranges all the way from \$18-150/mtCO₂e.





GFS launches bunker operations in West Africa's Angola

Bunker supplier Global Fuel Supply (GFS) will deploy its newly chartered 5,500-dwt bunker tanker RLO Explorer in Angola's Luanda.

"We see tremendous opportunity for growth and expansion in the West African market," said Bijan Shahbaz, GFS chief operating officer.

Other suppliers in the port include state-owned Sonangol, TFG Marine, Famar and Monjasa.



Eni wants to produce bio-methanol for bunkering

Italian energy firm Eni plans to build an integrated green hydrogen and **bio-methanol** production plant at its refinery in Sannazzaro de' Burgondi in Pavia, Italy. The proposed plant will produce 110,000 mt/year of bio-methanol using 200,000 mt/year of "non-recyclable waste" as a feedstock. The waste will be supplied by Italian utility firm Iren. Renewable methanol is "an innovative alternative for the decarbonization of the maritime sector," Eni said.

Fujairah fuel oil stocks in February

9.86m bbls

Fujairah fuel oil stocks in January

8.31m bbls

Fujairah's fuel oil inventories swell by 19% this month

Fujairah's fuel oil stocks have averaged **19% higher** so far this month than across January, Fujairah Oil Industry Zone (FOIZ) and S&P Global data shows.

Fujairah has imported 316,000 b/d of fuel oil so far this month, an increase of 75,000 b/d from the 241,000 b/d imported in January, according to cargo tracker Vortexa. At the same time, fuel oil exports from the port have risen by 110,000 b/d, reaching 314,000 b/d this month.

Russia has been the source of about 30% of the port's total imports, followed by Iran (25%) and Iraq (15%). Most of Fujairah's fuel oil exports have been shipped to Singapore (27%), Malaysia (15%) and China (9%).

Meanwhile, the port's middle distillate stocks have declined by an average of 12% compared to the previous month.

Despite weak demand, prompt bunker availability remains tight in Fujairah, with lead times for all fuel grades steady at 5-7 days, unchanged from last week.

Weekly Brent developments

Front-month ICE Brent is heading for a **1% fall** on the week amid hopes of easing geopolitical tensions in Europe as peace talks to end the war in Ukraine have gained momentum.

Downward pressure:

Oil investors remain focused on talks between the US and Russia aimed at ending the war in Ukraine. Hopes for a ceasefire deal have increased after Ukraine reportedly agreed to sign an deal with the US to exploit its rare earth minerals. A ceasefire deal between Russia and Ukraine could see the US ending its sanctions on Russian oil exports, analysts said.

"This [deal] would take us a step closer to Russian sanctions being lifted, removing much of the supply uncertainty hanging over the market," two analysts from ING Bank said.

Upward pressure:

Brent found some support after US President Donald Trump revoked a license given to US oil company Chevron to operate in Venezuela. "After imposing additional sanctions on Iran's oil industry, the Trump administration is now eyeing Venezuela, ending Chevron's licence to operate in the South American nation," the analysts from ING Bank said.

Commercial US crude oil stocks decreased by 2.3 million bbls to touch 430 million bbls for the week ending 21 February, according to data from the US Energy Information Administration.

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