

German CIRR Ship Financing Programme

Information category	Description
Programme name	German CIRR Ship Financing Programme
Objective(s) and scope	<p>The Commercial Interest Reference Rate (CIRR) ship financing scheme in Germany supports German shipyards in global competition and strengthens the country as a shipbuilding location.</p> <p>Under the CIRR Ship Financing Programme, buyers of ships receive a fixed-rate loan based on the CIRR interest rate (CIRR stands for "Commercial Interest Reference Rate"), which applies for the entire tenor of the loan. This minimum interest rate is prescribed by the OECD for officially supported financings in order to ensure competitive neutrality. To qualify, buyers must order the ships and/or ship components from a German shipyard.</p> <p>Those loans mostly cover sums due at the time of delivery.</p>
Type of finance provider	Public (Governmental Development Bank)
Administering body	KfW IPEX-Bank (on behalf of the German federal government)
Financing product	Loans
Financing value	Interest equalisation guarantees granted in this connection was approximately EUR 5.8 billion at the end of 2014
Eligible countries	Germany
Eligibility criteria (if available)	German shipyards and German shipbuilding industry
Further information on eligibility criteria	-
Application period	Not specified – Contact KfW IPEX-Bank for more information
Technology type	Not specified – Contact KfW IPEX-Bank for more information
Technology readiness level (TRL)	Not specified – Contact KfW IPEX-Bank for more information
Previous projects financed example(s)	-
Additional information	<p>For the financing bank, the CIRR Ship Financing Programme offers the following incentives: First, the interest rate risk of the loan is borne by the Federal Republic for the entire term. Second, this programme enables the bank to access favourable refinancing from KfW without putting a strain on its own liquidity. This possibility to refinance with KfW is considered the usual case by the Federal Government and is exercised by most banks. Interested banks can inquire about the terms and conditions applicable to refinancing solely by contacting the Ship CIRR Desk.</p> <p>The experts staffing KfW IPEX-Bank's Ship CIRR Desk advise shipyards, financing banks and shipping companies already in the pre-financing stage. They review the applications and conclude interest make-up and/or refinancing agreements.</p>
Links	Peer review of the German shipbuilding industry (OECD) German Shipping CIRR Programme (kfw-ipex-bank.de)
Contact(s)	Contact by email: Schiffs-CIRR@kfw.de