Number 338 * COLLECTION OF MARITIME PRESS CLIPPINGS *** Thursday 03-12-2015**

News reports received from readers and Internet News articles copied from various news sites.

CALL – MEASURE – DETECT - SOLVE

last Tuesday morning the Workboat show 2015 opened her doors in the convention centre in New Orleans above seen the ON SITE ALIGNMENT booth with Lennard Okkerse president of ON SITE ALIGNMENT, Martin van Leest –ROTTERDAM OFFSHORE GROUP, Ruud Muis en Gerben Donselaar of AEGIR MARINE

EVENTS, INCIDENTS & OPERATIONS

The LNG tanker **TANGGUM HIRI** navigating the Makassar Straits
Photo : Capt Maarten C Spruit Master HTV Fjord ©

Philippines official confident in S.China Sea arbitration case

The Philippines on Monday wrapped up a week of arguments before judges in its case against China over the hotly disputed South China Sea, at a hearing boycotted by Beijing. The Philippines has asked the Permanent Court of Arbitration in The Hague to affirm its right to areas within 200 nautical miles of its coastline, under the terms of a U.N. convention. China rejects the court's jurisdiction. It claims an area inside what it calls the "nine-dash line" which stretches south and east of mainland China and covers hundreds of disputed islands and reefs also claimed by the Philippines, Japan, Vietnam, Thailand and Malaysia.The line was first defined in public by Beijing in 1947. China has never formally sought a legal right to the territory. It has been transforming low-lying reefs in the South China Sea into islands and building airfields and other military facilities on them."We have been able to present all of our arguments ... to support the main thrust of our case that the nine-dash line has no basis in international law," said the Philippines' deputy presidential spokeswoman Abigail Valte. "We have a good case and we are hoping that after this round we will be able to secure a decision from the tribunal in about six months' time," she told Reuters.China's assertiveness in the South China Sea has raised tensions with its neighbours and with the United States, which is a dominant security partner and objects to Beijing's claims. China's Foreign Ministry said on Tuesday that it would not accept any decision imposed on China with regards to its maritime sovereignty and territorial rights."The Philippines unilaterally raising and insisting on promoting the South China Sea arbitration is a political provocation in the guise of law," said ministry spokeswoman Hua Chunying The arbitration court's rulings are supposed to be binding on its member countries, which include China. But the tribunal has no powers of enforcement and its verdicts have sometimes been ignored "It's not about the territory itself, but really for standing up for what is right in the proper forum," Philippine official Valte said. The Philippines cannot go up against a giant military power like China, but "it is important for us to have something legal in terms of a resolution". The court has yet to set a date for a ruling. **Source: Reuters (Reporting by Anthony Deutsch, additional reporting by Megha Rajagopalan in BEIJING; editing by Andrew Roche and Sanjeev Miglani)**

ALBA B3 COMPRESSION PLATFORM SETS SAIL FOR EQUATORIAL GUINEA

Photo: Hans van der Linden.....www.aerolin.nl......©AerolinPhoto

With the Alba B3 compression platform leaving for its final destination in Equatorial Guinea, the project reaches a major milestone. The Alba project is managed by Heerema Fabrication Group (HFG) as main contractor and the EPC scope was jointly executed with Iv-Oil & Gas (Iv). In addition to the EPC, HFG was also awarded the contract for the installation, commissioning and hook-up.In March 2014 the construction of the Alba B3 platform for operator Marathon E.G. Production Limited (MEGPL) started and was executed at multiple sites across the world. Iv carried out the engineering work at Iv's head office in Papendrecht as well as in Houston, USA.

The 5,800-tonne topside, built at HFG's Zwijndrecht yard, will compress the gas from the existing Alba field to the processing facilities on Bioko Island. The topside measures 40 x 40 meters and 35 meters in height. The jacket was constructed in Vlissingen, weighing 2,600 tonnes and with a height of 91 meters. The 33-meter-long bridge to connect the Alba B3 platform to the existing Alba B2 platform, and the 73-meter-tall flare were built by the local subcontractor ECG in Malabo.The barge carrying the Alba B3 topside, jacket and pile sleeves will meet Heerema Marine Contractors' crane vessel Thialf early next year at its final offshore destination in the Gulf of Guinea.Koos-Jan van Brouwershaven, CEO of Heerema Fabrication Group: "We are proud that after being involved in the FEED study to also have executed the EPCI scope for Alba B3. Working on such a complex scope, executed at many different locations worldwide requires intensive communication and project management skills". Wim Bal, Managing Director of Iv-Oil & Gas adds: "With our experienced and dedicated project team of Marathon Oil, Iv-Oil & Gas, HFG and other partners involved, we can conclude that we successfully completed the onshore portion of the Alba B3 construction and commissioning. Thanks to all the efforts and hard work of the project team, the Alba platform is on schedule to be installed in the Alba field in 2016".The Alba B3 compression platform is destined for the Alba gas and condensate field. This is located approximately 32 kilometres offshore from the capital Malabo, located on the island of Bioko in Equatorial Guinea. MEGPL, a wholly owned subsidiary of Marathon Oil Corporation (NYSE:MRO) operates the Alba Field on behalf of itself and working interest partners Samedan of North Africa, LLC a wholly owned subsidiary of Noble Energy, Inc. (NYSE: NBL) and Compania Nacional de Petroleos de Guinea Ecuatorial (GEPetrol).

WORKBOAT SHOW 2015 OPENED

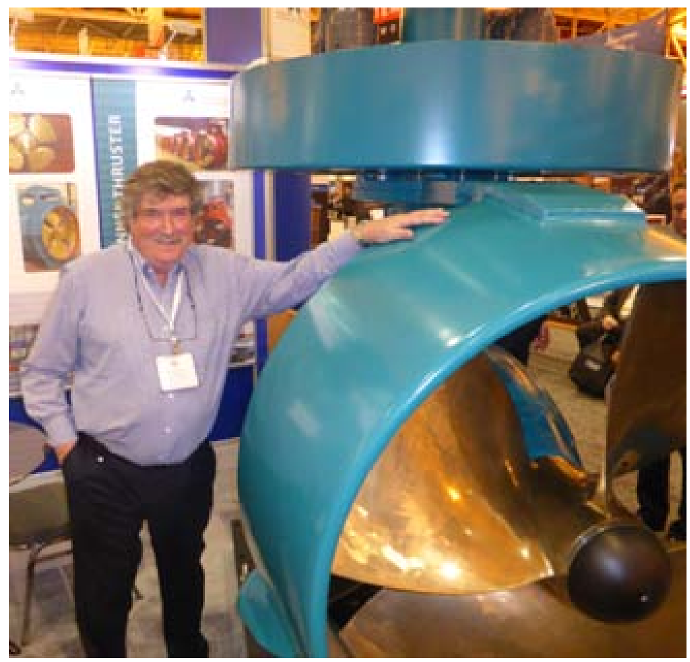
The International WorkBoat Show, North America's Largest Commercial Marine Trade Show, is held from Set for Tuesday, Dec. 1 through Thursday, Dec. 3 in New Orleans

The opening speech was held by former NFL Star Quarterback **Joe Theismann,** oil and gas policy expert Dr. **Kent Moors** and OCEARCH Founding

Chairman and National Geographic Expedition Leader **Chris Fischer** highlight Show The **2015 International WorkBoat Show**, North America's largest commercial marine trade show, with more than 1,100 exhibitors showcasing the latest products and services.

This year's WorkBoat Show is expected to attract more than 14,000 visitors from 45 states and 26 countries and is projected by the New Orleans Convention and Visitors Bureau to have an economic impact of $16.5 million.The WorkBoat Show and Annual Conference has been held in New Orleans for 36 years. "Tradeshow Week" ranks the WorkBoat Show as one of the Top 200 largest U.S. trade shows.

The **WorkBoat Annual Conference** provides important information on current rules and regulations, technology and issues that affect the commercial marine industry.



Right : **Jan Verhaar** of **VERHAAR OMEGA Bow & Stern thrusters** seen with one of his latest development

The Annual Conference features tiered programming that focuses on business management, legal and regulatory issues, safety and security, technical issues/advancements, and maritime industry workforce challenges and opportunities.

Left the **EddyTug / Holland Shipyards team** in their booth with in front seen the latest **EDDY TUG** model as ordered by **ISKES tugs & Towage**

With approximately 15% of the over 1,100 exhibitors new to the Show, this year's WorkBoat Show promises to be the place to be to see the latest products and services for the commercial marine industry. **photo's : Piet Sinke (c)**

Due to travellingin the USA this week the newsclippings may reach you irregularly

Spanish Tug Owner banks on reliability of Voith Schneider Propellers for new Voith Water Tractors with Robert Allan design

The Spanish Astilleros Zamakona shipyard, well-versed in the construction of Voith Water Tractors, is currently building two powerful multi-purpose tugs. The new Voith Water Tractors are based on a design by Robert Allan Ltd.

DNV GL Approval for DSIC's LNG-fuelled VLCC Design

DNV GL has presented Dalian Shipbuilding Industry Company Limited (DSIC) with an Approval in Principle (AiP) certificate for a new LNG-fuelled very large crude carrier (VLCC) design at the first day of the Marintec China trade fair. The new, innovative design has been found to comply with the Gas Fuelled notation as given in the DNV GL rules for the classification of ships and the recently adopted IGF Code.“This AIP is another step toward the more widespread adoption of LNG as a fuel for shipping,” says Torgeir Sterri, DNV GL Vice President and Regional Manager in Greater China. “The emissions and efficiency benefits of LNG mean it is almost sure to become an important part of the fuel mix over the next few years. We have seen its adoption in many sectors already and now with this AIP, the world’s first for a VLCC, this major shipping sector could see its first LNG-fuelled vessel soon.”“At DSIC we adhere to the principles of innovation, security, environmental protection and economic product concepts,” said Guan Yinghua, Deputy Technical Director of DSIC. “DSIC will continuously concentrate on the innovation research of clean energy, ship efficiency and emission reduction, keeping ahead of green ships development in the future.”The shipping industry is being challenged to reduce its emissions of SOx, NOx, CO2 and particulates, both by current and incoming regulations and society as a whole. As a result, shipowners and operators are increasingly looking into the use of alternative fuels to ensure compliance for their fleet, now and in the future.To meet these challenges DSIC developed this new LNG-fuelled VLCC design. It has several advantages over traditionally fuelled vessels. The design uses type C fuel tanks located on the open deck which minimizes the impact on the overall layout and results in cargo capacity being unchanged from the conventional design. The LNG fuel tanks give the vessel the capability of performing a round trip from the Middle East to the US without refuelling.The dual fuel design gives greater flexibility in bunkering options and with duel fuel engines, the vessel meets IMO NOx Tier III requirements in gas fuel mode. Using LNG also results in the complete elimination of particulates and SOx and a significant benefit to CO2 emissions. In gas fuel mode the design achieves a 30 per cent reduction factor to comply with Phase 3 of the EEDI regulations.“In 2010, DNV GL developed the LNG-fuelled VLCC concept Triality,” noted Deng Ling, DNV GL project manager and ship type expert for LNG as fuel. “With DSIC’s design and the Approval in Principle we have now seen the next step, a version which can now be put into the market. We are very proud to have been selected to work with DSIC on this project and look forward to seeing this eco-friendly design being welcomed by the industry.” **Source : maritimepropulsion**

The **FJELLSTRAUM** and **RT EVOLUTION** inbound for Rotterdam – **Photo : Kees Torn (c)**
CLICK on the photo! And hyperlink in the text !

CORRECTION

In yesterdays newsclipping a photo of the **CMA CGM JULES VERNE** could be found, due to circumstance the wrong caption went with the photo , the photo was made November 29th in Hamburg by **Claudia Torn , sorry for the error/inconvenience** ☺

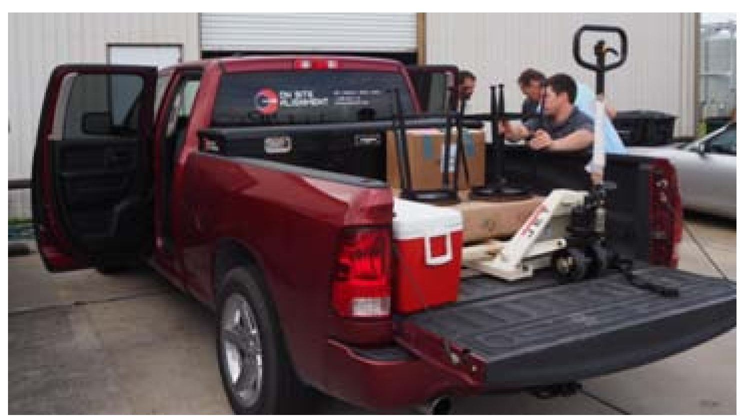
Wärtsilä Strengthens Its Position in China with New Propulsion Orders

Two new marine geological research vessels under construction in China will feature a broad scope of Wärtsilä engines and propulsion equipment. Wärtsilä has maintained a leading position in China for supplying propulsion solutions to research vessels. Since 2011, more than 70% of the research vessels built in Chinese yards have been fitted with Wärtsilä products. These latest contracts were placed with Wärtsilä in September.The new vessels are being built at the Shanghai shipyard of CSSC (China State Shipbuilding Corporation) and the COSCO shipyard in Guangdong, on behalf of the Qingdao Institute of Marine Geology and the Guangzhou Marine Geological Survey respectively. Wärtsilä's strong track record and extensive experience in providing propulsion solutions to these types of ships were cited as being key considerations in the award of these contracts.The first vessel for the Qingdao Institute of Marine Geology has a length of 79.8 metres and a deadweight of 4400 tons. For this ship Wärtsilä will supply four 9-cylinder and one 4-cylinder in-line Wärtsilä 20 engines, two transverse thrusters and two sets of Wärtsilä Enviroguard Seals and Bearings. Delivery to the yard is scheduled for July 2016. The second vessel for Guangzhou Marine Geological Survey has a length of 75.8 metres and its deadweight is 3300 tons. This ship will be powered by three 6-cylinder in-line Wärtsilä 26 engines, one 4-cylinder in-line Wärtsilä 20 engine, two WST-21 thrusters and two WTT-11 transverse thrusters. Equipment deliveries will commence in spring 2016. The Wärtsilä WTT-11 and WST-21 thrusters ordered for this vessel represent the latest developments in this technology.
Research vessels typically have different operating modes, thus requiring the propulsion machinery to have sufficient operational flexibility. Wärtsilä has been able to demonstrate that its solutions meet this requirement. Furthermore, in order to make optimal use of the propulsion, Wärtsilä also supports the research Institutes by providing hydrodynamic model testing. "We at Wärtsilä are proud to have once again been selected to provide the propulsion equipment for these important research vessels. Our reputation for providing reliable and efficient propulsion solutions that are compact in size, fuel efficient, and environmentally friendly has given us a leading position in this market in China. We also give added value through having the industry's most complete global service network to provide fast and efficient support wherever the vessels may be," says Hans Laheij, Sales Director, Middle East & Asia, Wärtsilä Marine Solutions Both vessels are expected to be delivered to the owners in 2017. **Source : maritimepropulsion**

Greenpeace condemns departure of Japanese whaling fleet

Greenpeace calls on the government of Japan to cancel the whaling fleet heading to the Southern Ocean under the guise of "research whaling", and condemned the expedition as both unnecessary and in violation of the findings of the International Court of Justice (ICJ). The Japanese government released a statement announcing the fleet would depart for the Antarctic today."It is completely unacceptable for the Japanese government to ignore the International Court of Justice. It's time to cut the charade. This is not 'scientific research', this is straight up commercial whaling, " said Junichi Sato, Executive Director of Greenpeace Japan. "In 2014 the fleet was able to conduct scientific research that didn't cause any whales to be killed, and there is no reason that this should not be the case this year. Greenpeace Japan and 15 other Japanese NGOs are demanding that the government of Japan reverse this decision, and abide by international law."In 2014, the ICJ ruled that Japan's research whaling program was not, in fact, designed for scientific research and refused the government a permit to go ahead. Japan, however, proposed a new program called "NEWREP-A" which will target 3,996 minke whales over next 12 years.In May 2015, the Scientific Committee of the International Whaling Commission stated that the new programme "contained insufficient information" and demanded that the Japanese government provide more information to prove the new programme is serving scientific purposes. However, in October the Japanese government announced to the United Nations that they will not accept the jurisdiction of the ICJ, and said that that they will not accept any finding or lawsuit pertaining to any dispute over use of ocean resources. This is a significant reversal of the Japanese government's previous position, which had accepted and endorsed the need to abide by international law and legal findings. **Source: greenpeace**

ALIGNMENT IS OUR NATURE. IT IS WHAT SETS US ASIDE FROM THE REST.



Our working area is the maritime industry. Our company offers all the assistance you may need when faced with questions around alignment, engineering, mounting or troubleshooting of critical machinery. Alignment is in our nature. We are innovative thinkers, have in-depth knowledge and over 25 years of field experience. We do not just know how to align machines, we also know why we align them the way we do. We are fully familiar with the alternatives and the consequences. Our engineers are carefully selected. They do not just do the trick. They know what they are talking about and are supported by the best experts in this field. With over 25 years of extensive field experience worldwide, On Site Alignment is the expert when it comes to any alignment problem. The correct alignment of all elements of a propulsion system is vital. Preventing a breakdown of machinery is always the better option.Alignment checks whether measurements can be performed during different states of operational conditions so that thermal growth and hull deformation are measured too. This is also true for the actual alignment.

THE OSA ALIGNMENT MEASURING TECHNIQUES

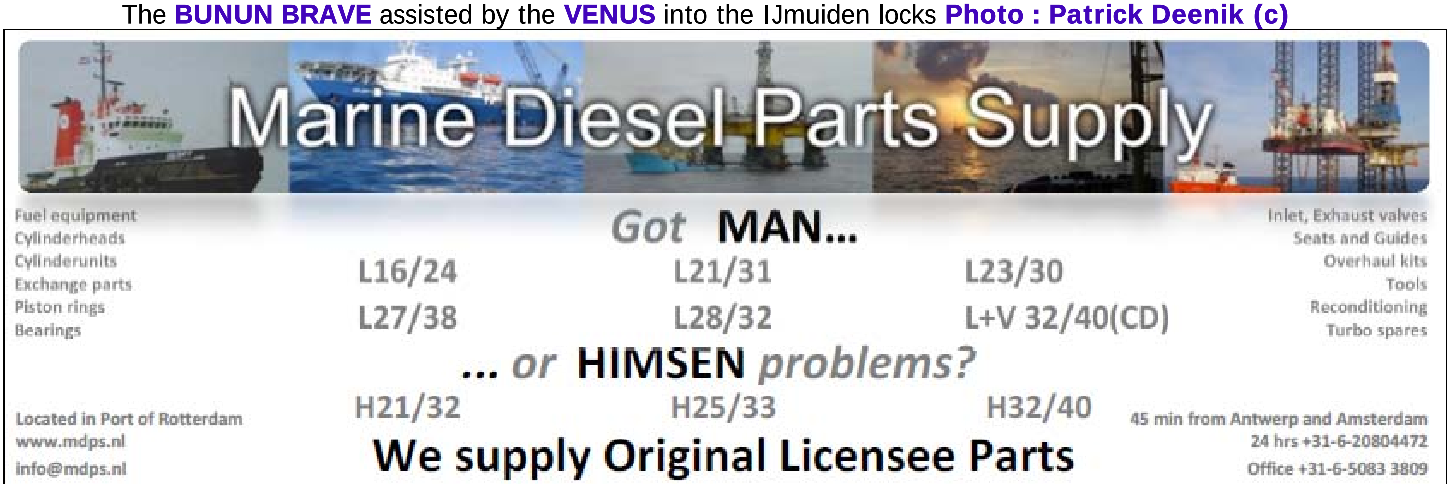
Torpoint Ferry will be suspended for second nuclear submarine

THE TORPOINT Ferry will be suspended today to make way for a Trident submarine. **HMS Vengeance** is due to depart this Thursday, between 8.20am and 9.40am, after spending the past three-and-a-half years undergoing repairs and maintenance at Devonport Naval Base.The final service for commuters planning on travelling today will be at 8.10am from Torpoint and 8.15am from Devonport. David List, general manager of the Torpoint Ferry, said: "As a result of the Port of Plymouth being closed by the Queen's Harbour Master for a shipping movement, the Torpoint Ferry service will be suspended, with no ferries operating between 8.20am and 9.40am on Thursday, December 3. **Source: Plymouth Herald**

China's first giants – DNV GL to class SWS built ULCS

DNV GL signed a newbuilding classification agreement with Shanghai Waigaoqiao Shipbuilding Co., Ltd. (SWS) for the classification of three **20,000 TEU** ultra large container ships (ULCS) for COSCO Container Lines Co., Ltd. (COSCON). Scheduled for delivery beginning in January 2018, the vessels will be dual classed by DNV GL and China Classification Society (CCS) and will be deployed in the Far East–Europe trade.“This contract is another milestone in China's evolution into one of the world's leading shipbuilding nations,” said Jan-Olaf Probst, Head of Business Development Hamburg. “SWS has been on a very strong development path and has consistently been one of the top Chinese yards in terms of efficiency and innovation, so it is only fitting that they are the first yard to top the 20,000 TEU mark in China. We are very proud that SWS have recognized our unmatched expertise in the boxship sector by awarding us this contract, and look forward to supporting them through to a successful delivery.”Front, left to right: Torgeir Sterri, DNV GL Vice President and Regional Manager in Greater China, Tao Ying, Technical Director of SWS, Shi Yongxin, Deputy General Manager of COSCON's Safety & Technology Management Division, and Xu Li, Vice President of CCS' Shanghai Branch, signed a newbuilding classification agreement at Marintec China.Designed by the Marine Design & Research Institute of China (MARIC), this next generation ULCS represents the first 20,000 TEU plus container ship contracted to be built in China. Developed around the concept of "safe, green and economic", the design also takes into consideration COSCON's operational requirements with a focus on efficiencies in both fuel consumption and cargo load.The vessels will have DNV GL's Gas Ready notation, which will give COSCON a much easier pathway for a future conversion to operation with LNG as fuel if so desired. They will also have DNV GL's Route Specific Container Stowage (RSCS) notation, which offers further efficiency gains in the vessel's cargo capacity. The RSCS notation was developed by DNV GL to provide an even more efficient usage of cargo capacity by giving more flexibility for laden containers on board on specific routes. Additionally, the vessels will be constructed to the highest environmental requirements, meeting the highest EEDI standard and ECA requirements. They also have double-hull protection of fuel tanks and ballast water treatment systems in anticipation of upcoming regulations.DNV GL will provide comprehensive multidiscipline advisory services to the customers, leveraging DNV GL's long experience in the analysis and verification of container ships. Together with the customers they will work to realize an optimized and advanced design with high operational reliability in terms of motion, global strength, whipping and springing, noise & vibration and the shafting system. **Source: DNV GL**

The **BUNUN BRAVE** assisted by the **VENUS** into the IJmuiden locks **Photo : Patrick Deenik (c)**



Anti-piracy vessel crew re-trial resumes

The principal sessions court in Tuticorin will start from December 1 cross-examination of witnesses in the case related to **Seaman Guard Ohio,** the anti-piracy ship held on charges of entering the country's territorial waters with arms and ammunition. In the last two months, principal sessions judge Rajasekar heard the witnesses, including Tuticorin collector M Ravikumar. Sources from the Q branch said the cross-examination of witnesses and counter arguments between defense and government counsel will begin on December 1. On October 11, 2013, Coast Guard Region Headquarters (East) relayed information about the presence of a suspicious vessel 'MV Seaman Guard' carrying arms and guards in Indian waters off the Kanayakumari coast. Coast Guard Ship Naiki Devi intercepted the vessel and brought it to the Tuticorin port. The 35 people on board - crew comprising 2 Ukrainians and 8 Indians; 25 security guards (6 Britons, 14 Estonians, 1 Ukrainian and 2 Indians) - were taken into custody and charged under various sections, including the Arms Act and the Essential Commodities Act. Officials seized 35 firearms, 5,682 pieces of ammunition, 102 magazines and travel documents from the ship. **Source: Indiatimes**

Barge Master launches new gangway

The model 3.0 compensates vessel motions in significant wave heights (Hs) up to 3m by actively telescoping, slewing and luffing the bridge. Tip compensation allows for landing on an offshore facility, without modification of the landing area. The standard pedestal interface is able to be mobilized on multiple vessel types. It is designed to be compact with a small, lightweight footprint and low power consumption. In addition, it has built-in safety features like redundancy of all critical components and intuitive operator control. The model 4.5 is based on the model 3.0 with the motion compensated pedestal module added, offering an increased workability to an extraordinary 4.5m Hs. Another feature for both models is the integrated lifting winch for cargo transfer up to 1,000kg that has Barge Master's onboard lifting mode built in. More modules are available like a height adjustable pedestal, two bridge lengths and several access options."We are now able to offer a Walk to Work package that matches each customer's need," said Martijn Koppert, CEO of Barge Master. "By combining the gangway and a crane on one vessel for example, the hydraulic power unit, motion sensors, operators, spare parts and maintenance services can be shared, leading to lower costs. Besides that, the systems function as a backup of each other as well: the gangway is able to lift cargo and the crane is able to transfer people." **Source : oedigital**

Helpless Tug Without Fuel and Water Enters Vizhinjam Port

The Vizhinjam port on Tuesday allowed a tug which had run out of fuel and water to enter the port. The tug, sighted in mysterious circumstances off Vizhinjam, had been checked out by the police on Monday. ''Although the police had inspected the vessel on Monday, we did not allow it to enter the port as they had not submitted the relevant documents,'' Mohandas, bursar of the minor port at Vizhinjam, said. The tug, **Brahmeswara,** was on its way from Maldives to Gujarat when it ran out of diesel and drinking water near Vizhinjam. Its appearance in mysterious circumstances had prompted the police to send out a police party. The tug was allowed to enter by Tuesday afternoon after the shipping agent presented the documents, Mohandas said. **Source: newindianexpress**

Experts warn of pirate attacks as Indian Ocean security level is reduced

By Sarah Townsend

International maritime groups on Tuesday amended the boundaries of a high-risk security zone in the Indian Ocean, in a move expected to streamline trade between India and the Gulf but increase the risk of attacks by Somali pirates.

The reduction of the BMP4 High Risk Area (HRA) – which has been in place since 2012 to indicate piracy-prone waters in response to an increasing number of attacks on trade vessels at that time – came into force on December 1, following intense lobbying by the Indian government.India had claimed the zone had the effect of diverting ships along the Indian coast, complicating trade routes and causing congestion and collisions.In a statement issued in October, India's Ministry of Shipping said: "The extended HRA came almost near the Indian coastline up to as close as about 35 nautical miles from the baseline. This was an unwarranted encroachment into India's Exclusive Economic Zone (EEZ).

"International maritime traffic density came hugging the Indian coastline to avoid the HRA. This led to maritime congestion culminating in three reported instances of collisions between merchant ships and fishing vessels and the fatalities of five Indian fishermen."It also led to the proliferation of armed security guards on board merchant vessels to deter piracy attacks and hijackings. There have been cases of firing by guards on Indian fishing boats and a couple of Indian fishermen have lost their lives."This has further led to an increase in the presence of unregulated foreign owned and operated floating armouries near India's coastline, potentially jeopardising Indian maritime security interests."India argued that the Indian Navy and Coast Guard had provided escorting facilities to ships in the Arabian Sea, as well as 24-hour security to foil any potential attack. As a result, no pirate attack or hijacking had occurred in the last three years, it claimed.In October, an agreement was reached with the Contact Group for Piracy off the Coast of Somalia (GCPCS) and other international maritime authorities to shrink the HRA away from India.The move is expected to speed up trade between India and the Gulf as ships take a more direct route, however, security experts have warned it could make them vulnerable to attack by "opportunistic" Somali pirates.It could also either push up insurance costs for ships passing through the HRA or prompt some to continue sailing close to India to avoid any higher insurance costs.Gerry Northwood, COO of UK-based maritime security company MAST and a former Royal Navy counter-piracy commander, told Arabian Business: "With the new HRA in place, ship owners may start to take a more direct route between the Gulf of Oman and the southern tip of India. Previously, many vessels were routing along the Indian coast to avoid the HRA and this was disrupting Indian coastal traffic and fisheries."On the other hand, should vessels see this reduction as a green light to take a more direct route between the Gulf of Oman and India, I believe they should continue to think very carefully about the level of risk to their vessel."Somali pirates have previously demonstrated that they can operate in the centre and northern reaches of the Indian Ocean, and vessels that are high risk with a low freeboard and slow speed should continue to take armed security in that area."He added that the HRA reduction will be watched closely by the insurance industry and wider business community, as "any return to the level of piracy seen in the western Indian Ocean in 2011 and 2012 would have a very detrimental effect on insurance rates and some companies' revenues."Somali piracy cost the global economy a reported $6 billion in 2012. The Joint War Committee at global insurer Lloyd's of London is due to meet later in December to discuss the likely financial impact of the redrawn HRA in the Indian Ocean. **Source : arabianbusiness**

Tanker vessel newbuilding market heats up

The newbuilding market for tankers seems to be heating up as the overall prospects for the tanker freight market appear to be more than positive for the foreseeable future, while prices remain attractive. As such, ship owners have flocked to shipyards with yet another inflow of new contracts emerging this week. In its latest report, shipbroker Allied Shipbroking noted that "prices are still on a slow downward course, though it still seems that the current trend in price discounts, brought about by shipbuilders, is too slow and while tankers have managed to see secondhand asset prices keep fairly stable over the past couple of months, for the remaining of the sectors such as dry bulkers and containerships, the low price range noted in the secondhand market is still a major deterrent in attracting any sort of fresh interest from potential buyers".

According to the shipbroker, "it is worth noting however that even these few orders that do surface in the market are still often subject to issuance of refund guarantees and sometimes financing, both of which could essentially mean that some of these deals still face risk of falling through due to lack of financial backing for some of these shipbuilders. As such it will take a lot more then a couple of orders for tanker vessels in order to pre-vent any further closures or consolidation and without the rest of the sectors attracting interest for new orders, there isn't enough interest to go around and keep all the current shipbuilders happy".

Meanwhile, in a separate newbuilding market report, shipbroker Clarkson Platou Hellas noted that "starting with the tanker market, Stena Bulk AB are understood to have placed an order for three firm plus two optional 50,000 DWT

IMO-II MRs at CSSC Offshore Marine (ex. GSI). The three firm units are due to be delivered in 2017 and 2018, with the two optional units 2018 if declared. Rederiet Stenersen are also understood to have signed contracts for two firm plus two optional 17,500 DWT IMO-II Chemical Tankers with Taizhou Kouan, with deliveries of the firm vessels set for 1H 2018. Only one order to report in Dry, with ESL Shipping (Finland) announcing an order for two firm 25,600 DWT Bulk Carriers at Qingshan. These Ice Class 1A vessels will be LNG-fueled and are due for delivery in 1Q 2018", Clarkson Platou Hellas concluded.

In the S&P market, Allied said that "with three big enbloc deals emerging this week, it was a seemingly active week though overall if one looks more closely the number of buyers with keen interest in the dry bulk sector has already started to wind down. The main anticipation is of further price drops to be noted over the next couple of weeks, something that has led several parties to hold back in hope of getting a better bargain down the line.

On the tanker side, activity started to wain slightly while the main bulk of deals that emerged were for the smaller sizes. The main issue here is that most buyers believe that prices are still far beyond what most are looking to pay under the current market conditions, while with hire rates still being what they are, there are few realistic sellers at the moment even at these price levels", said the shipbroker.Finally, in the demolition market, Allied noted that "with the difficulties still present in much of the Indian Sub- Continent, it wasn't long before the previous ramp up in prices once again evaporated and the few buyers in the market left the market lingering interest. It now looks as though we will be going through a series of small waves of interest which will be characterized by limited increases in offered prices, while faced with the increased pressure from the dollar strength, December could be home to even lower prices then what was on offer during the past two months. The big issue however will continue to be the lack in competing end buyers, which in other cases could have helped in keeping prices more buoy-ant, while in return the slower flow of demo candidates entering the market has helped keep the market fairly balanced for the time being. One most consider however that given the current freight market conditions faced by dry bulk vessels the tide may well turn in the case that a large influx of overage units hit the market as candidates, something that would obviously give the few remaining active buyers the upper hand in pushing for ever lower prices", Allied concluded. **Source: Nikos Roussanoglou, Hellenic Shipping News Worldwide**

The **SANDNESS** moored in Amsterdam – **Photo : Piet Luijk (c)**

Torm returns to the newbuilding market

Copenhagen, Denmark, headquartered tanker operator Torm is back in the newbuilding market for the first time since 2008Today it entered into an agreement to purchase four fuel-efficient LR2 newbuildings from Chinese shipbuilder Guangzhou Shipyard International (GSI) with expected delivery in the period between the fourth quarter of 2017 and the second quarter of 2018. The agreement includes the option to purchase up to six additional vessels within the LR2, LR1 or MR segment with expected delivery in 2018 and 2019.Torm expects to have a total CAPEX relating to the four firm vessels of approximately $200 million, including extra costs related to Torm's design requirements and supervision. It says it is in advanced dialogue with potential lenders obtain financing for the newbuildings.With today's agreement, Torm has CAPEX commitments of $273 million, covering the remaining CAPEX on its remaining three MR newbuildings, one second-hand MR vessel and the four new LR2 vessels. Torm has a liquidity position of approximately $280 million including available debt facilities of $97 million.

Torm says it has utilized its long-term relationship with GSI and China State Shipbuilding Corporation to source today's contract. Torm already has 16 GSI vessels in the current fleet and has good technical and commercial experience with them. The new vessels will be constructed according to Torm's specifications in order to optimize trading. **Source : Marinelog**

£2.1 lifeboat goes back to workshop after developing glitch in first week at sea

Cornwall's first state-of-the-art Shannon class lifeboat has been returned to the workshop after developing in a technical glitch in its first week of operations.The £2.1 million lifeboat at St Ives officially went into service last week after a gala event to welcome the vessel to the town. However, the RNLI have said that the Nora Stachura has been returned to the charity's headquarter's in Poole, Dorset, for repair after suffering a "minor technical problem."A relief Shannon class lifeboat is currently in her place at St Ives. Source: **westernmorningnews**

TK'S **HISPANIA SPIRIT** at anchor off Algeciras port. **Photo: Capt Alex (c)**

EU shipowners want IMO leadership in efforts to reduce GHG emissions from shipping

As world leaders from 147 countries gather in Paris for the long-awaited UNFCCC COP 21, European shipowners reiterate their support for the EU Member States' negotiating position adopted in September."We fully support the idea that shipping has to contribute to global efforts to reduce greenhouse gas emissions" commented Patrick Verhoeven, ECSA Secretary General, adding: "EU Member States gave a vote of confidence to the International Maritime Organisation (IMO) in its ability to address as soon as possible and in an effective manner greenhouse gas emissions from international shipping. We believe this is the right approach as it would be the logical continuation of steps already taken at EU level. After all, the IMO is the shipping industry's global regulator."

The EU made headway towards contributing to the IMO process following the adoption of the EU MRV Regulation (Regulation (EU) 2015/757) on the monitoring, reporting and verification of CO_2 emissions from maritime transport. The Regulation is intended to be the first step of a strategy geared towards a global solution, by helping ascertain the real contribution of shipping to global CO_2 emissions, starting in 2018.The IMO has for its part a noteworthy track record in developing technical CO2 energy efficiency measures for the maritime sector. Two such measures, the Energy Efficiency Design Index (EEDI) and the Ship Energy Efficiency Management Plan (SEEMP), both adopted in 2011, made shipping the first industrial sector to have a binding global regime in place to reduce its CO2 emissions. Entered into force in 2013, these measures require a gradual improvement of energy efficiency for newly built ships through intermediary targets, culminating in the requirement that all ships constructed after 2025 be 30% more efficient that those built in the 2000s. These measures also require shipowners to develop best practices and energy efficient operations. The shipping industry has strongly supported these standards, as they can provide meaningful and lasting improvements in energy efficiency and reduce the amount of fuel required for operation.

The IMO is also making good progress towards the development of global CO2 reporting system for individual ships, mirroring the EU MRV system. The issue of CO2 emissions reduction actually remains firmly on the IMO agenda and will be considered again at the next meeting of the IMO Marine Environment Protection Committee in April 2016. The shipping industry supports the establishment, as soon as possible, of a mandatory system of data collection from individual ships, understanding that the possibility of further market based measures might be revisited after an IMO analysis of the data submitted by ships.“With the EU MRV Regulation and the efforts at IMO level, a clear course has been plotted for the shipping industry, ultimately leading to the reduction of its Green House Gas emissions” said Benoit Loicq, Director of Maritime Safety and Environment at ECSA.“When combined with the industry technical and operational measures, as well as new technology, shipowners are very confident that the world fleet will be considerably more efficient by 2050” he added, referring to a recent commitment made by the International Chamber of Shipping, representing the global shipping industry, to a 50%reduction in CO2 by 2050.“We therefore hope that discussions in Paris will take full account of the progress made so far and will build on the work done at industry, regional and global level” concluded Mr Loicq. **Source: European Community Shipowners’ Associations**

Tsakos Energy Navigation Announces New Long-Term Employment for Suezmax Tanker

Tsakos Energy Navigation Ltd., a leading crude, product and LNG tanker operator, today announced a long-term suezmax charter to a major oil concern. This fixture, scheduled to commence in December 2015 upon completion of the vessel’s current voyage, is expected to generate approximately $18.5 million in total gross revenues. This employment brings the number of time charter fixtures since the beginning of the year to fifteen with total gross revenues of about $280 million. Adding the contracts attached on twelve vessels under construction that will enter the fleet from early 2016, the total minimum secured revenue of the Company amount to approximately $1.5 billion. As a result, so far to-date and including the newbuildings that will enter the fleet in 2016, the days under secured coverage (for 2016) exceed 55%, up from 35% earlier in the year. “This accretive charter highlights oil majors’ appetite for long term fixtures and reaffirms our belief that the health of the crude oil market remains strong,” Mr. George Saroglou, Chief Operating Officer of TEN commented. “With $1.5 billion in minimum secured revenues, TEN will continue to adjust its employment strategy so to enhance cash flow visibility, irrespective of market conditions, while continuing to take advantage of firm spot rates. With a large part of our fleet in secured and flexible contracts, including many under profit sharing provisions, to be complimented by selective vessel sales, we remain confident that TEN will continue to provide attractive returns to shareholders through share price appreciation and the payment of steady, growing dividends,” Mr. Saroglou concluded.To date, TEN’s fleet, including two VLCCs, an LNG carrier, nine Aframax crude oil tankers, a Suezmax DP2 shuttle tanker and two LR1 tankers all under construction, consists of 65 double-hull vessels, a mix of crude tankers, product tankers and LNG carriers, totaling 7.2 million dwt. Of these, 47 vessels trade in crude, 13 in products, three are shuttle tankers and two are LNG carriers. In addition, TEN has an option to construct another Suezmax DP2 shuttle tanker. All of TEN's tanker newbuildings except the two VLCCs and the LNG carrier Maria Energy are fixed on long-term project businesses**Source: Tsakos Energy Navigation**

WISTA UK looks at how the shipping industry can curtail its emissions

WISTA UK, the Women in Shipping and Trade Association, isn't shy in hosting events that challenge its members to address the major issues affecting the shipping industry, and this was very much the case during the its most recent Forum. With the Paris hosting this week, The 2015 United Nations Climate Change Conference COP 21 meeting, the

Forum looked at the part the maritime sector plays in the climate change agenda.The subject of Thursday's debate (26 November) was the divisive emissions problem, with the panel exploring potential solutions to curtail shipping's emissions. Three different, highly informative speakers set the scene and challenged the audience to look at the issues from a number of perspectives. **phoebe lewis** speaking at wisat uk forum nov 2015 First to stimulate thoughts was David Donnelly, Partner at Mazars, who looked at his experience as an expert in energy efficiency in buildings and how techniques could be transferred across into the maritime sector. Members learned that there has to be a financial justification in undertaking any investment in retrofitting environmental-efficiency technologies to vessels.Where financial gains could be realised fairly quickly after initial

CAPEX, it was explained, as in insulation and lighting systems, then retrofitting could be undertaken with relative ease. Other technologies, however, may not be retrofitted so easily because of the longer return on investment or simply because their commercial benefits cannot be monitored – in the maritime sector this is illustrated by ballast water treatment systems. In such cases in other sectors, said Donnelly, the energy efficient investment is deferred until the normal lifecycle replacement of the particular equipment.There is an element of corporate social responsibility or corporate goodwill which has led to some businesses leading these changes and the UK's National Health Service and developments in social housing are starting to adopt a number of the low risk, quick return energy efficient elements to newbuild programmes. But for real change to happen then there needs to be financial incentives or a legal obligation to drive the change, said Donnelly.Donnelly said that, similar to real estate, it may be difficult for the maritime sector to make a financial case for some energy-efficiency technologies as the shipowner usually has to pay for the retrofit but it is the charterer that makes all the savings. This means that the relationship between the owner and charterer will need to change, with a revision to charter rates and charter party agreements the likely way forward if the industry is to fully embrace clean shipping. WISTA UK member, the Carbon War Room's Phoebe Lewis emphasised the significant energy-efficient technologies available to the shipping industry, which could give real financial savings to both charterers and shipowners. She also explained that adapting the ESCO (Energy Service Company) or MESA (Managed Energy Service Agreement) model could offer an innovative way to finance ship retrofits. Carbon War Room's Self-Financing Fuel-Saving Mechanism (SFFSM) adapts this model such that financiers take on the upfront cost of a group of technologies and are repaid through the fuel savings. One of the key aspects of this financing model is the potential to apply a suite of energy efficient technologies, usually at least three, that are all retrofitted together, meaning only one dry docking but which collectively afford significant benefits of 10-15% fuel savings per vessel. New York-based private equity financier EfficientShip Finance has an attractive finance model for funding ship retrofits in which they cover the upfront cost and are repaid by the charterer through the energy savings.The industry itself has undertaken some great initiatives with the RightShip Greenhouse Gas (GHG) Emissions Rating scheme, a systematic and transparent framework for comparing the relative efficiency of the world's existing shipping fleet. Based on this rating, charterers representing 20% of global shipped tonnage have implemented policies in which they refuse to charter inefficient vessels, commonly F and G rated vessels.Further, as a two-tier market in which efficient vessels garner price premiums, banks are increasingly involving energy efficiency in their lending decisions to reduce the risk of their assets prematurely losing value. In reality retrofitting ships can actually be more attractive financially than retrofitting commercial buildings.Other financial incentives are entering the industry. The Port of Prince Rupert and Port Metro Vancouver became the first ports in the world to offer discounted harbour dues to the most efficient vessels calling on their ports based on various environmental ratings. Port of Rotterdam has also expressed interest in looking at this.Carbon War Room recognises it is challenging to stimulate shipping efficiency investments and in September 2015, released a request for proposal for a $200,000 grant for performance monitoring equipment to be installed when a vessel retrofits with their SFFSM model. Applications for this award have now closed and the winning project will be announced in due course.Krispen Atkinson, Principal Maritime Analyst at IHS then addressed the subject from an industry perspective. The key forces behind the changes, he said, are being driven by the UN on the IMO.Emission Control Areas (ECA) in North America and parts of Europe have seen sulphur levels capped at 0.1% since 1st January 2015 and ECAs will continue to grow in number with China likely to be the next one. This will bring in far more ships that will have to comply, with serious fines for non-compliers. And although to-date only a small number have been fined this will grow, he said.To place this in context, compliant fuel costs $220/250 per ton and a vessel uses 30-40 ton a day. But will emissions regulations push more owners to seek alternatives to using compliant fuel? There is still conjecture as to whether the global sulphur cap of 0.5% will happen in 2020 or if it will be delayed.Looking to the future, Atkinson asked will costs reduce? It is unlikely for retrofits as they need a bespoke solution – with every ship requiring its own answers. However time out of service will be reduced as newbuild designs will incorporate "off the shelf" solutions. Plus new entrants into the market will further competition, forcing prices down or we could see a consolidation of existing manufacturers bringing in cost savings.To end the debate Atkinson asked us to think about future fuels. Methanol fuel, biofuels, hydrogen and batteries are all being talked about, so this is an interesting time for the maritime world, he said. Certainly there are great opportunities for low carbon, energy efficient technology solution providers.Questions from the floor were varied: How can finance models be adapted to help shipowners take up these technologies? Should there be mandatory requirements or incentives and what role does the shipowner play in the greater debate. **Source: Wista UK**

The **BW ZAMBESI** in the port of Amsterdam : **Photo : Piet Luijk (c)**

Svitzer Chooses Cat® Power for First Vessels Built in Brazil

To power four new harbor tugboats under construction in Brazil, global towage and emergency response provider Svitzer turned to Caterpillar—purchasing eight Cat® 3516C marine propulsion engines and eight C4.4 generator sets.
Part of the Maersk Group, the world's largest container shipping company, Svitzer operates a fleet of more than 430 vessels globally. Earlier in 2015, the company acquired a controlling stake in Brazilian harbor towage company Transmar Servicos Maritimos—now known as Svitzer Brazil. The new harbor tugs will join an existing fleet operating along the Brazilian coast."Svitzer is a long-time Cat customer, with many vessels powered by Cat engines," said Rodrigo Feria, marine sales manager for Sotreq, the Cat dealer that led sales efforts on the project. "They turned to Caterpillar and Sotreq because of our previous strong relationship with Transmar Servicos Maritimos, our product support capability and our experience working with the shipyard.""Securing the main engines and propulsion for our Brazil vessels are an important step in growing our presence in Brazil," Martin Helweg, Managing Director for Svitzer Americas noted. "With Caterpillar we have a high quality provider with good aftersales services, which is important to us as the leading towage provider in the world."The four 60-ton bollard pull tugs are being built at INACE shipyard in Fortaleza, Ceará. The first engines will be delivered in February 2016, and the tugs are expected to be operational in 2017.Each vessel will be powered by two 3516C marine propulsion engines, delivering 2500 hp @ 1600 rpm apiece. Designed to meet IMO II regulations without any additional aftertreatment, 3516C engines provide efficient operation with electronic governing, cold mode start strategy and programmable low idle to minimize fuel consumption. In addition, each tug will feature two C4.4 generator sets for on-board power generation. **Source: Caterpillar**

The SEVEN PACIFIC crew raised **£1400** for The **Aila Coull Foundation** during Movember,
photo : Serhiy Lypovanchuk (c)

Billionaire's Australia iron ore mine set to ship first cargo

Australia's Roy Hill iron ore mine is set to ship its first cargo, marking the start up of the last of the mining-boom era mega projects in Australia.The $10 billion development has been led by Gina Rinehart, one of the world's wealthiest women, whose fortune comes from mining the rust-red northwestern Australian outback."This is a truly momentous occasion as we receive the first vessel alongside the Roy Hill wharf and the first of our high grade product is loaded for the steel mills of Asia," Rinehart said in a statement on Tuesday.The project, financed with $7.8 bln in funding from export credit agencies and commercial lenders, has been dogged by concerns over its timing, with a surge in new iron ore mines already waning as the Roy Hill mine took shape.Iron ore prices have slumped more than 75 percent since construction of the mine began four years ago in partnership with South Korean steelmaker POSCO, Japan's Marubeni Corp and Taiwan's China Steel Corp.Australia's fastest-growing iron ore miner Fortescue Metals Group earlier this year put the brakes on further expansion, saying steel production in China had peaked, eliminating the need for more ore. The Roy Hill partners closely guard the project's cost of production, although analysts estimate ore can be mined and shipped for $40 a tonne, slightly above Fortescue and close to today's spot price of $42.80 a tonne.Most of the ore will be shipped to the partners and other buyers under long-term contracts, with less that 10 percent sold into the spot market, according to the company.A Sept. 30 deadline for the first shipment was not met, triggering speculation the project was wrestling with significant logistical and construction problems, and that exports would not start until January.Because million of tonnes of ore had been stockpiled ahead of the official start date at the Roy Hill mine, the two-month delay was unlikely to influence market prices, commodity traders said.The stockpile is designed to provide early cashflow while the project creeps up over the next 15 months to its maximum operating rate of 55 million tonnes per year.Analysts pin a massive rise in production on overestimates of China's appetite for imported ore by sector titans Vale of Brazil and Australians Rio Tinto and BHP BillitonTogether with Fortescue, these companies added 234 million tonnes of iron ore in the past two years – five times yearly U.S. consumption – and intend to inject another 196 million tonnes by 2020.China's still buying Australian iron ore, but with so much around and industrial growth contracting, the outlook is bleak. **Source: Reuters (Additional reporting by Sonali Paul; Editing by Joseph Radford)**

The **FAIRMOUNT SUMMIT** seen entering the port of Willemstad (Curacao) with in the background seen HAL's **ZUIDERDAM** – **Photo : Aad Kleijn (c)**

Repairs to new Panama Canal locks to be completed by January: ACP

Repairs to reinforce the sills of the Panama Canal's new locks, which were found to be deficient earlier this year, will be completed by January 2016, the Canal Authority of Panama (ACP) said During routine operational testing of locks, valves, maintenance bulkheads and gates, which began in June, leaks were discovered in a confined area located between the middle and lower chambers of the Pacific Locks.In late August, project contractor GUPC acknowledged

the presence of fissures in the lock walls, saying that technical analysis would continue until an adequate solution was determined.GUPC has yet to determine a date for final completion of the new locks project, the group told the Canal Authority in a November 28 meeting.The contractor's decision to hold off on providing an estimated completion date marks a break from September statements indicating that the expansion project would remain on target for completion in April 2016.The expansion of the 50-mile-long canal is being closely watched by developers of LNG export projects along the US Gulf Coast.Asian consumers with offtake from Cheniere's Sabine Pass liquefaction terminal — shipments are expected to begin in January 2016 — will likely use the canal, which can reduce the shipping distance by a third.
The transit distance from the US Gulf Coast to Japan can be reduced to around 9,214 nautical miles from 14,570 nautical miles through the Suez Canal.Upon completion, the Canal Authority expects annual LNG-tanker traffic to reach 25 million mt/year. **Source: Platts**

The **CETUS STAR** outbound from Lyttelton – **Photo : Bryan Shankland ©**

Western ports expand in anticipation of more ships from China

Ports in the west are speeding up the upgrading of infrastructure and building new terminals to catch volume from China amid the "big ship era".As the industry has suffered a significant downturn, building larger ships to improve efficiency has become a priority for shipping lines, and most big ships are used for the vital Asia-Europe route.
Peel Ports, the Liverpool-based second largest port group in the UK, will usher a new deep water container terminal in its core Liverpool port called Liverpool 2 next year, to accommodate the expanded container fleet. The investment is worth over US$510 million to create Europe's first semi-automated container port on reclaimed land.
"The new port will target 13,000 to 14,000 teu (20-foot equivalent unit) ships from China and greater Asia," said Jeremy Masters, Peel Ports' Asia Pacific Regional Director.Masters said people in the UK has seen vibrant demand for goods from China, such as clothes, toys and other household products. As the trade relationship between China and the UK heats up, he expects goods moving between the two countries to increase. The port already built up a good relationship with China as it has signed a £100 million (HK$1.17 billion)deal with Shanghai-based Zhenhua Heavy Industries to buy cranes for Liverpool 2, and the first five China-built giant cranes arrived in Liverpool in November.

Direct shipping from Asia to the northern part of UK has been difficult due to limited port capacity. Liverpool 2 will be able to accept 95 per cent of the global container vessel fleet, and accommodate two 13,500 teu post-Panamax vessels at the same time, according to the company.More than 50 per cent of the UK population lives in the north that is close to ports such as Liverpool, compared to competing ports in the southern UK, Masters said.Carriers can save up to 400 pounds (US$600) per container by bringing ships directly to Liverpool for the north UK market which includes Ireland and Scotland."(Some) 90 per cent of containers enter the UK through the southern ports, we want to take business from them," Masters said.On the other side of the world, ports in the US also actively made infrastructure investments to handle the larger ships from China to boost trade. Port of Miami in Florida just completed its deep dredge project and on-dock intermodal rail in September by spending more than US$1 billion.However, industry experts don't think such expansion will lead to overcapacity in ports."Europe and US ports operators are still very cautious. Most investments were upgrading such as dredging channels and buying bigger cranes, instead of constructing new terminals," said Han Ning, senior consultant at shipping consultancy Drewry.In terms of a carriers' choice of port to call, Ning said the priority would always be the size of the hinterland. "Even though the water depth is poor for ports in Shanghai and Rotterdam (the two busiest ports in the world), no carrier will give up on them."
Source: South China Morning Post

The **EVER DEVOTE** in Melbourne – **Photo : Dale E.Crisp ©**

Norway's offshore shipping sector faces bleak year as oil price pain deepens

By Jonathan Saul and Ole Petter Skonnord

Norwegian companies that provide supply ships and drilling rigs to the global oil industry face a bleak year ahead as contracts disappear and financing options dwindle in the face of weak global crude prices.They could increasingly be forced to sell or write down the value of assets, cut jobs and tap shareholders for cash to weather the downturn, according to industry experts.This would herald more pain for Norway, where the overall oil sector accounts for about a fifth of the economy and unemployment is rising, especially in the oil capital Stavanger and its environs on the west coast.Oil firms like Statoil STL.OL, which offshore shipping companies rely on for business, have slashed costs and projects to cope with a 60-percent plunge in crude prices since June last year.The offshore shipping sector provides complex services and equipment for oil and gas companies such as platform supply vessels and anchor-handling tug supply craft which tow oil rigs and assist in their positioning. It employs around 17,000 people, according to the Norwegian Shipowners' Association.The Norwegian oil services sector stock index has lost more than half its value since Brent reached its peak in June 2014.The effects of the oil price drop have been underlined by supply ship owners in recent weeks. Last month Deep Sea Supply DESSC.OL said it had taken 10 platform supply vessels out of service – out of its total fleet of 39 ships. Days later, World Wide Supply had said it would not be able to make a scheduled debt interest payment. (Full Story) (Full Story)And the industry's predicament could deepen next year, when oil investments in Norway are expected to fall even further (Full Story). Several supply ship companies also have bond debt maturing in 2016, with more cash-raising options limited."We expect rougher weather in the oil and gas sector, especially in OSV (offshore support vessels) and rigs, and we will see the (asset) impairments increasing in 2016," said Terje Turnes, chief risk officer with Norway's top bank DNB DNB.OL."For OSV in 2016, we believe this will be the most challenging year - we see many companies that need to go through restructuring," he said, adding that rig firms would face their toughest times in 2017.Hans Kjelsrud, head of shipping with rival bank Nordea NDA.ST, said it also expected turbulence ahead. "If oil prices remain at this level a few years ahead, there will be some companies who encounter problems," he said.At 4.6 percent, unemployment in Norway is still low by international standards. But any further job cuts are likely to further hit Stavanger and its region, which account for 72 percent of the country's rise in unemployment over the past year as oil firms and their suppliers have cut costs.

FREYJA VIKING IMO 9393852, built 2007, 2,575Grt, Managed by OSM Ship Management A/S Norway. Owned by Viking Supply Ships AA Psv, Norway. She is seen outbound from Aberdeen Scotland**.**
Photo : Iain Forsyth (c)

"Unless there is a political event to disrupt supplies, at least 2016 will be bad for oil and the offshore industry, which will impact negatively the offshore (supply shipping) market," said Basil Karatzas, head of New York ship finance consultancy and brokerage Karatzas Marine Advisors & Co.Sturla Henriksen, head of the Norwegian Shipowners' Association, said 100 offshore vessels - out of a total of 630 - had been taken out of service this year, including 10 rigs. He said an additional 10 rigs could be laid up by next summer."We have the world's largest and most advanced fleet, so when there are big changes, it hits us directly," he said.Deep Sea Supply, one of the leading offshore supply ship firms, has also acknowledged the industry faces tough times ahead and said it was likely to mothball even more vessels."No improvement in the market situation for OSVs is expected in the short to medium term," it said last month. "The contract coverage for 2016 for the company is not satisfactory."Norway's debt capital markets are increasingly tough for offshore shipping companies to tap, given the weak outlook for the industry.The amount of bonds raised by offshore supply shipping firms in the Norwegian market has slid to 1.3 billion Norwegian crowns this year from 32.5 billion crowns in 2014 and 33.5 billion crowns in 2013, according to Nordea."Investors are very cautious, and that is because some investors have lost a lot of money on high-yield bonds in this segment ... and then one is careful to borrow money for new things," Nordea's Kjelsrud said.As a result companies struggling to access the bond market will have to raise money differently."There is a likelihood of further right issues, as it becomes increasingly more challenging for service companies to access debt markets," Goldman Sachs analysts said in a note to clients."Some companies will need to consider further asset disposals/capacity rationalisation if they are to adapt to the new oil order."Henriksen, of the Norwegian Shipowners' Association, said the outlook for the industry was beyond their control."There is little we can do in this situation," he said. "We cannot affect oil prices or offshore investments."**Source : Reuters (Writing by Jonathan Saul in London and Gwladys Fouche in Oslo; Editing by Pravin Char)**

Ronald Lugthart Havenman van het Jaar 2015

De Stichting Havenman/-vrouw van het Jaar in Rotterdam heeft managing director **Ronald Lugthart** van Rotterdam World Gateway (RWG) unaniem gekozen tot Havenman van het Jaar 2015. Ronald Lugthart is verkozen tot Havenman van het Jaar 2015 omdat de opbouw en inrichting van RWG op de Tweede Maasvlakte onder zijn leiding succesvol is afgerond. Met RWG beschikt de haven van Rotterdam over een van de meest geavanceerde, innovatieve en duurzame containerterminals ter wereld. Ronald Lugthart heeft dit technologisch en organisatorisch uiterst complexe project – mede gelet op het grote aantal stakeholders - in goede banen geleid.Ronald Lugthart is de 35e havenondernemer op rij die de sinds 1981 bestaande onderscheiding, destijds ingesteld door de voormalige Rotterdamse havenpersclub Kyoto, krijgt uitgereikt. Hij wordt de opvolger van Harold Linssen van Keppel Verolme, de nog fungerende Havenman van het Jaar 2014.Geboren Rotterdammer Ronald Lugthart studeerde accountancy en na een loopbaan in de consultancy belandde hij begin jaren negentig in de Rotterdamse haven. Na werkzaam te zijn geweest voor de Matrans Group, Steinweg en Uniport, werd hij in 2011 benaderd door DP World om namens de groep van aandeelhouders RWG op de kaart te zetten. De onderscheiding zal de heer Lugthart, geheel naar traditie, worden uitgereikt op de tweede maandagavond van het nieuwe jaar, 11 januari 2016, tijdens een feestelijke bijeenkomst aan boord van de Smaragd 2. Op die avond zal voorzitter Frank de Kruif van de Stichting Havenman/-vrouw van het Jaar bij de uitreiking van penning en oorkonde uitgebreid ingaan op de overwegingen om Ronald Lugthart te benoemen tot Havenman van het Jaar 2015.De Stichting Havenman/-vrouw van het Jaar bestaat uit een bestuur van vier voormalige leden van Havenpersclub Kyoto, zijnde onafhankelijke journalisten, de drie laatst gekozen Havenmannen, het laatst gekozen Jong Haventalent en drie sponsoren van de Stichting Havenman/vrouw van het Jaar.

The **PELAGOS** outbound from Rotterdam – **Photo : Krijn Hamelink (c)**

NAVY NEWS

Russian ship-Turkish submarine encounter purely casual

Reports claiming that a Turkish submarine appeared near a Russian ship in the Dardanelles Strait on Tuesday on purpose are far-fetched, because shipping in this area is very busy and the submarine's encounter with a Russian naval ship was purely accidental, a military-diplomatic source told TASS.Earlier, Turkey's daily Milliyet said that a Turkish submarine earlier in the day encountered a large cargo and passenger transport ship of the Russian Navy - The Yauza - when it was passing through the Dardanelles Strait from the Aegean Sea to the Sea of Marmara. The Russian ship was escorted by a Turkish coast guard boat, just as the protocols require. The Turkish submarine appeared near it at the exit to the Sea of Marmara. The submarine was on the move in a surface position. It passed by the Russian transport ship several hundred meters away in the opposite direction, towards the Aegean Sea, the daily said."This is an absolutely far-fetched speculation. The strait is a two-way street. It was sheer coincidence that a submarine sailed past a Russian transport ship. Naval ships and ships of other fleets pass through the strait in either direction, too. According to the law of the sea any submarines are obliged to move in the surface position. And it is only natural that various civilian ships may be coming their way," the source said.The ships move past each other in accordance with the international convention regarding the regime of the straits (the Montreux Convention). In such complex situations for navigation submarines will never accompany other ships."Any encounter of two ships in the Dardanelles Strait is not a reason for speculating about tensions in the region. Traffic there looks pretty much like round-the-clock flow of vehicles on a busy road. Of course, there are certain nuances. Weather may get bad and then the movement of all ships is restricted to avoid collisions or any other incidents. Some ships may be asked to pause for a while on either side, and those ships may not necessarily be Russian," the source said.The Montreux Convention of 1936 set the rules of shipping in the Bosphorus and Dardanelles straits. It was signed in Montreux, Switzerland, on July 20, 1936 to take effect on November 9 of the same year. On the original list of its signatories there were eleven countries - the Soviet Union, Australia, Bulgaria, Greece, Romania, Britain, Cyprus (starting from 1969), Turkey, Yugoslavia, Japan and France. If Turkey is involved in combat operations or if it decides a war threat to it is real, it is empowered to grant or deny permission to any naval ships to move through the straits. When a war Turkey is not involved in is in progress the straits should be closed to the naval ships of all warring countries. **Source; TASS**

Trident submarine arrives in Plymouth ahead of £120million refit

THE UK's oldest nuclear submarine has arrived at Devonport Naval Base ahead of a four-year, £120million refit. **HMS Vanguard**, one of four submarines that provide the UK's nuclear deterrent, arrived in Plymouth.The vessel will be fitted with a new nuclear core during its stay after low levels of radioactivity were discovered in the cooling waters of a test reactor facility at Dounreay, north Scotland, in 2012.The problem was not revealed to the public, however, until last year. **Source : plymouthherald**

Revealed: Russian-Built Kilo Submarine 'Kills' American Nuclear Sub

The Indian media is claiming that one of New Delhi's Russian-built Kilo-class diesel-electric attack submarines managed to "sink" a nuclear-powered U.S. Navy Los Angeles-class attack submarine during exercises in October. The Indian submarine **INS Sindhudhvaj (S56)** allegedly "killed" **USS City of Corpus Christi (SSN 705)** during an exercise called Malabar that is held annually between India, Japan and the United States. According to the Indians, the submarines were assigned to track each other down in the Bay of Bengal. "The way it happens is that the Sindhudhvaj recorded the Hydrophonic Effect (HE) - simply put, underwater noise - of the nuclear powered submarine and managed to positively identify it before locking on to it. Being an exercise what did not happen was the firing," an Indian naval officer told India Today. The Indian vessel then "sank" **USS City of Corpus Christi** using 533mm torpedoes.If the Indian description of the events is correct, it would be a bright spot in an otherwise dismal record for New Delhi's undersea force. In recent years, the woefully neglected Indian submarine fleet has suffered numerous calamities. Submarines have run aground, caught fire and even sunk due to a combination of underinvestment, negligence and corruption. Perhaps the worst incident was when **INS Sindhurakshak** sank when at harbor in Mumbai after a series of explosions in the forward torpedo bay, killing eighteen sailors.Nonetheless, it's not a huge surprise that a Russian-built Kilo would be able to defeat a Los Angeles-class attack boat. The Los Angeles-class is a dated design that is slowly being replaced by the newer and exponentially quieter Virginia-class submarine. However, it must be noted that we do not know the rules of engagement or parameters that the sides had agreed to. Furthermore, it must be noted there is the possibility of exaggeration.But the basic facts are that the Kilo is an extremely quiet and very capable submarine owing to its diesel-electric propulsion system. Running on electrical power while submerged, diesel-electric boats have been described as “a hole in the water” and are a vexing problem for the U.S. Navy. Developing ways to counter such vessels is a high-priority for Washington as many potential adversaries like China and Iran operate such submarines. **Source : nationalinterest**

SHIPYARD NEWS

Fincantieri Bay Shipbuilding delivers ATB

Fincantieri Bay Shipbuilding (FBS), Sturgeon Bay, WI, has delivered the Articulated Tug Barge Unit (ATB), tug Leigh Ann Moran and tank barge Mississippi, to Moran Towing Corporation.It is the first complete ATB unit delivered to Moran under a 2014 contract, although another ATB barge was previously delivered by the shipyard in May. One more ATB unit — a 5,300-HP tug and 120,000-barrel barge — is scheduled for delivery in the second quarter of 2016. A model of a similar unit is on display at the Fincantieri Marine Group booth at the International WorkBoat Show. The Leigh Ann Moran is a 6,000-HP tug and the Mississippi is a 160,000-barrel barge. Its full load displacement, including lightship weight and cargo weight, is 24,259 long tons.The ATB unit will work the East coast of the United States and in the Gulf of Mexico."We are extremely pleased to deliver these vessels on time and within contracted costs," said Fincantieri Bay Shipbuilding President and CEO Francesco Valente. "The quality delivered on this workhorse ATB is a testament to the hard work and craftsmanship of the seasoned professionals of Fincantieri Bay Shipbuilding, America's premier shipbuilding team." **Source : Marinelog**

Vancouver’s Seaspan loses out as government goes ahead with $587 million deal for navy ship at Quebec shipyard

After putting the project on hold, the federal government announced Monday the Chantier Davie Shipyard in Quebec will be granted the sole-source contract to provide a temporary supply ship for the navy. Procurement Minister Judy Foote said the contract, which is valued at up to $587 million, will be given to the shipyard to upgrade a civilian tanker to act as a military replenishment ship while the navy’s long-delayed joint support ships are built as part of the national shipbuilding program.“After amassing the facts and carefully deliberating, the Government of Canada determined that proceeding with (Davie) is the most viable course of action to provide the navy’s (temporary) at-sea oil replenishment capacity,” she said in a statement.The Conservative government had arranged for Davie to retrofit the ship through a sole-source process rather than a competitive one after it was forced to retire its two, 45-year-old replenishment vessels.At the time the Harper government’s move was unprecedented. Documents obtained by The Canadian Press revealed a line was added to contracting regulations giving cabinet authority to award a deal to a single company if there are urgent “operational reasons” and it fulfils an interim requirement. Defence sources had told The Canadian Press that Prime Minister Justin Trudeau put the plan on hold because his government was uncomfortable with the sole-source nature of the arrangement.The Liberals also faced pressure from the two companies that received contracts in the national shipbuilding program — Irving Shipbuilding, in Halifax, and Seaspan, in Vancouver. Both wrote letters protesting the deal with Davie.Trudeau's decision sparked a strong rebuke from Quebec politicians who pointed out the ship was already purchased and in the Davie yard and that hundreds of workers had already been hired.Foote noted in her statement that the agreement signed by the Conservatives required the government to pay Davie $89 million should the project not proceed.The minister said the government will "undertake a review of the process" for sole-source contracts for military procurement.Davie's work should be completed within two years and the ship is contracted to serve the navy for a period of five years, with an option to renew for up to another five.The Quebec shipyard estimated the government contract will create 1,100 jobs with the yard, and another 400 with sub-contractors.Opposition Parti Quebecois member Martine Ouellet said Davie deserved the contract because the yard was left out of the national shipbuilding program.Without replenishment ships, the navy's frigates are forced to rely on other nations for ammunition, fuel and food while on long overseas deployments. It also affects the navy's ability to deploy more than one warship at a time. Davie is located in Levis, across the St. Lawrence River from Quebec City.

Source: The Province

ROUTE, PORTS & SERVICES

The **LS EVA** navigating the Westerschelde – **Photo : Henk de Winde ©**

LNG buyers seize upper hand in global gas contract reviews

Global oversupply and sliding prices are pushing big natural gas buyers of LNG from India to China to look at reworking long-term agreements in what was for long a producer-controlled market.Banking on a tide of new liquefied natural gas (LNG) supply from the United States, Australia and Russia hitting markets through 2021, importers are seizing the chance to wring concessions from existing producers wary of losing market share.Top exporter Qatar, traditionally averse to granting concessions, rolled over in a major contract dispute with India's Petronet last month is likely to trigger a sweep of reviews, as buyers rush to exploit the precedent, say industry sources."A year to 18 months ago, sellers could get what they wanted. But now they will do whatever they can within reason to keep those customers," said one LNG industry source, speaking on condition of anonymity.A taste of what could come was seen in 2010-2014 when Russian gas producer Gazprom gave its European pipeline clients, smarting from steep import bills, deep discounts to avert arbitrations and repair ties.This time, global LNG buyers will be seeking changes to the way long-term contracts are structured in the $120 billion annual trade, such as loosening restrictions on cargo diversions and reducing imports below agreed floors. Pricing disputes may take a backseat.

"I think you will see shorter tenures for contracts, 25 years is a long time. You've also got some countries like Japan that traditionally were very much focused on long-term contracts who are more comfortable with spot markets than they were before," said Jason Feer, head of business intelligence at Poten & Partners.Caught out by sinking demand, other buyers likely looking to sweeten deals include Gail India, Chinese state-run energy giants CNOOC and Sinopec and Korea Gas Corp, sources say.A Korea Gas Corp official said the company is closely watching the development of markets where demand is weak.Japanese importers are playing hard ball with Chevron's giant new Gorgon LNG project in Australia, while a string of 10-year Qatari deals with Japan will likely be allowed to expire in the early 2020s, sources have said."The BG Group-Shell LNG supply contracts with China are the elephant in the room," an industry source said, referring to Chinese authorities' moves to extract concessions from the two companies in return for approving their $70 billion merger.China's Sinopec, facing up to slowing domestic demand, may be the most high-profile example of a buyer rowing back from supply commitments.On the hook for 7.5 million tonne/year of LNG from ConocoPhillip's AP LNG project in Australia, starting up this year, Sinopec is looking at reselling large volumes on the open market, straining ties with Conoco.A Sinopec spokesman said the firm is considering both long- and short-term market possibilities.Peer CNOOC, which declined comment, has already begun selling a handful of excess Australian cargoes while also taking sharply less high-cost Qatari LNG than in 2014, stirring talk that CNOOC-Qatar deals are now under review."For the (Chinese) national oil companies (NOCs), reselling internationally at a loss is politically problematic as the government would prefer they sold domestically at a loss," said Michal Meidan, director at consultancy China Matters."So the best option for the NOCs at this point is to try to renegotiate contracts and make them more flexible, or cheaper," she said.With auditors going through their books amid a corruption crackdown, Chinese energy firms may not look at contract sanctity in the same way as foreign players, especially if aggressive tactics help them avoid run-ins with regulators, Meidan said."The oversupply and contract renegotiations will lead to more spot trade. There is a lot of LNG to dispose of and for the next few years at least, the spot market will be critical to clearing the physical markets," Poten's Feer said. **Source : Reuters (Additional reporting by Aizhu Chen in Beijing, Meeyoung Cho in Seoul and Nidhi Verma in New Delhi, Editing by William Hardy)**

Murkowski: Tough Arctic conditions, regulations justify more flexible offshore oil leasing

Decisions by Royal Dutch Shell and by Statoil to pull out of the U.S. Arctic offshore show that the federal government should change its oil and gas leasing program for that remote region, Senator Lisa Murkowski argued at a Senate hearing on Tuesday.Murkowski used an Energy and Natural Resources Committee to reiterate her call for Arctic-specific terms that are longer than the standard 10-year duration that applies to federal offshore oil and gas leases.

And Murkowski, who chairs the committee, also used the hearing to blast the Obama administration for what she said were regulatory hurdles that resulted in Shell's and Statoil's Alaska pullouts.

“We all know that the physical environment in the Arctic is tough. But it was not the environment that prompted these decisions. It was, to a large degree, the regulatory environment, which continues to deteriorate,” Murkowski said in opening remarks at the hearing. “I believe that a new paradigm is in order, one that recognizes the federal offshore areas in the Arctic are a frontier play worthy of a modern, adaptable leasing structure designed to help rather than to block exploration.”Longer lease terms are justified because of the seasonal nature of Arctic outer continental shelf drilling, Murkowski said. “What many people don't understand is the very, very, very limited season that we have within the Arctic,” she said at the hearing. Both Shell and Statoil made similar arguments when they applied in 2014 to

the Bureau of Safety and Environmental Enforcement for five-year “Suspension of Operations” approvals for all of their Arctic offshore leases -- a status that would effectively extend terms of their leases by five years. Beaufort Sea leases are scheduled to expire starting in 2017, and Chukchi leases are scheduled to expire in 2020, according to data from the Bureau of Ocean Energy Management, BSEE's sister agency.BSEE rejected those applications on Oct. 16. Such suspensions are allowable only under specific conditions that result in unanticipated delays, BSEE said in its rejection letters to Shell and to Statoil, such as adverse court rulings and damaging storms. Some suspensions had already been issued in the past after federal courts issued rulings that temporarily halted exploration work, meaning leases had already been extended, BSEE pointed out in its letters. Neither Shell nor Statoil submitted specific plans to resume operations in the future, as is required for lease extensions, BSEE said. And Shell’s argument that Arctic ice conditions justified longer lease terms also failed to meet the test, BSEE said.
Shell “voluntarily chose to enter into 10-year leases (the maximum lease length permitted by statute) knowing of this limitation. If this fact were a basis for suspensions, all Arctic lessees would be arguably entitled to suspensions, despite lessees knowing that ice would limit their operations,” BSEE said in its letter to Shell.Even before this year, Statoil signaled reservations about offshore Arctic drilling. In 2013, a company executive suggested that Statoil might abandon its Chukchi leases. Statoil has also delayed other Arctic projects, and its recent exploration in the Barents Sea yielded disappointing results.Another company with significant interests in the Chukchi, ConocoPhillips, still has its leases and submitted an exploration plan to BOEM in 2012. But ConocoPhillips’ Chukchi program, targeting a prospect called Devils Paw, was put on hold in 2013. The program remains on hold, company spokeswoman Natalie Lowman said on Tuesday. **Source : Alaska Dispatch News**

The **SWEDISH REEFER** arriving in Willemstad-Curacao **Photo : Kees Bustraan (c)**

Anadarko ordered to pay $159.5 million fine for 2010 Gulf spill

A federal judge ordered Anadarko Petroleum Corp to pay a $159.5 million civil fine reflecting its stake in the Gulf of Mexico well where a 2010 blowout caused the largest U.S. offshore oil spill.In a decision on Monday, U.S. District Judge Carl Barbier in New Orleans said Anadarko was not at fault for the spill.But he said the company's 25 percent ownership stake in the Macondo well made it part of the "polluting enterprise" responsible for the April 20, 2010, disaster, which included the explosion of the Deepwater Horizon drilling rig and killed 11 workers. The penalty equates to $50 per barrel of oil spilled, well below the maximum $1,100 per barrel, or $3.51 billion, penalty that Barbier could have imposed under the Clean Water ActA $159.5 million fine "strikes the appropriate balance between Anadarko's lack of culpability and the extreme seriousness of this spill," Barbier wrote in a 34-page decision.

In Tuesday afternoon trading, Anadarko shares were up 29 cents, or 0.5 percent, at $60.19. The payout may resolve the last major legal uncertainty that Anadarko, which is based in The Woodlands, Texas, faced over the spill. BP Plc owned 65 percent of the Macondo well, while Mitsui & Co's MOEX Offshore 2007 LLC owned 10 percent.In 2011, Anadarko agreed to pay BP $4 billion to help cover victim claims and cleanup costs.BP later reached a $20.8 billion settlement with the U.S. government and five Gulf states.The government had sought a penalty for Anadarko below $3.51 billion but "significantly above $1 billion," reflecting the seriousness of the violation. Anadarko said no fine was justified.In a statement, Anadarko said it is pleased that the fine is "far less" than the government sought.It also said it may appeal and maintained that "penalizing a non-operator for events beyond its control is inconsistent with the intent of the Clean Water Act."The U.S. Department of Justice is pleased that Barbier held Anadarko "accountable" for its role in the spill, spokesman Wyn Hornbuckle said.The case is In re: Oil Spill by the Oil Rig "DeepwaterHorizon" in the Gulf of Mexico, on April 20, 2010, U.S. DistrictCourt, Eastern District of Louisiana, No. 10-md-02179. **Source : Reuters (Reporting by Jonathan Stempel in New York; editing by Alden Bentley and Cynthia Osterman)**

…. PHOTO OF THE DAY …..

The **VEBO RUNNER** navigating the Westerschelde enroute the put van Terneuzen **photo : Willem Kruit (c)**