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

Busy 'AMPELMANN morning'. With the OLYMPIC ELECTRA alongside the Maersk ROAR platform and in the background the HAVILA FORTUNE awaiting her turn. Photo : Jeroen van Elewoud ©

No man succeeds without a good woman behind him. Wife or mother, if it is both, he is twice blessed indeed.

EVENTS, INCIDENTS & OPERATIONS

Royal IHC Puts the New Dredger JUN YANG 1 to the test

The Royal IHC newbuild 21000 m3 TSHD **JUN YANG 1** on trials in the Rotterdam area
Photo: Hans Steenbeek ©

Royal IHC has been busy for the last couple of days performing sea trials for the 21,028m³ trailing suction hopper dredger (TSHD) **JUN YANG 1.** The vessel, being built for CCCC Guangzhou Dredging Co., Ltd (GDC), is scheduled for completion and delivery by the end of July 2016. This is the 19th vessel built by IHC for GDC over the last 40 years.
When delivered, the vessel will be the largest of its kind in China, enabling GDC to carry out capital dredging and land reclamation jobs on the international market in an efficient way. TSHD **JUN YANG 1** is equipped with two suction

tubes, each with a submerged dredge pump, for a highly efficient dredging performance.Both suction tubes have a dredging depth of up to 60m, and the starboard suction tube that can be extended to a dredging depth of 90m.
The TSHD comes with a high level of automation, designed and supplied by IHC, for highly productive dredging operations. **Source: Dredging news online**

DUTCH SHIP-OWNERS ASSOCIATION AWARDED DURING CEREMONY IN MANILA

Maritime Social Partners in the Philippines were awarded during a ceremony organized by the **Department of Labour and Employment (DOLE)** and the **Philippines Overseas Employment Agency (POEA)** at the **Manila hotel** last June 22. Various shipowners associations, labour unions as well as some manning agencies received the awards for offering a future, welfare and protection to Filipino Seafarers and their families. The industry representatives were also thanked for their massive response in the aftermath of the supertyphoon Haiyan ("Yolanda") in November 2013 and their continued support in the recovery.The ceremony was also held to bid farewell to DOLE Secretary **Rosalinda Dimapilis-Baldoz** who after an impressive **40-year career** in government, is expected to step down with the change of government in July. Secretary **Baldoz** started in 1975 as a young lawyer on a contract steadily rising through the ranks before being appointed DOLE Secretary in 2010. Secretary Baldoz represented the Philippines on many international forums like the ILO and was praised for her many achievements and no nonsense attitude during her reign. "What she said – got done" was a common denominator used by attendees. On behalf of Chairwoman **Mrs Tineke Netelenbos** of the **Royal Association of Netherlands Shipowners (KNVR)** **Mr Joost Mes**, Director for **Avior Marine Inc** in Manila, accepted the plague of appreciation from Secretary **Baldoz. About 10,000 out of the 25,000 Seafarers on board Dutch Flag ships come from the Philippines.** In 2001 **KVNR** entered into a partnership with the **Palompon Institute of Technology (PIT)** in Leyte to bring its maritime programs to STCW minimum levels and beyond. The **Dutch maritime education institute STC**

Group were contracted to manage this project whereby all graduates will sit for STC exams which are at par with those of Dutch maritime students (MBO). In 2005 KVNR, PIT and the **STC Group** established the Netherlands Shipping Training Centre (NSTC) in Palompon to further enhance training. In the aftermath of **super typhoon Haiyan** the school was badly damaged and with the help of the **KVNR**, its member companies and the **STC group** the facilities were fully restored within 7 months. In addition to this KVNR members were active in mobilizing and facilitating relief goods to the badly hit areas and in some cases were the first relievers on the ground. Of the European Ship Owners Associations also the German and Norwegian Associations were present to receive a plague of appreciation.

Hyundai Merchant Marine stock surges on news it may join 2M

KOREA's near bankrupt **Hyundai Merchant Marine (HMM)** gained the most in more than 20 years in Seoul trading on news it may join Maersk and MSC in 2M, the world's biggest shipping alliance. HMM has started talks to join a grouping known as 2M, made up of **Maersk** and the **Mediterranean Shipping Co (MSC),** it said in an e-mailed statement. The 2M alliance is positively reviewing the proposition by **Hyundai Merchant**, said Soren Toft, chief operating officer of Maersk Line, in an e-mailed response to Bloomberg News. "The inclusion of Hyundai Merchant Marine in 2M would, for example, provide us with extended coverage and a stronger product in the transpacific trade," he said. Shares of Hyundai Merchant advanced by the daily limit of 30 per cent, the most since October 1995, to close at KRW15,400 (US$13.47) won in Seoul. "The announcement is raising expectations that this will clear a big obstacle and help turn things around for Hyundai Merchant," said Park Moo Hyun, an analyst at Hana Daetoo Securities in Seoul. "But there's still a way to go since talks just started and it remains uncertain how this will help Hyundai Merchant."The company and its bigger fellow Korean rival, Hanjin Shipping, are among unprofitable liners worldwide that are taking steps including debt restructuring and asset sales to improve their balance sheets. **Source: Schednet**

Asia Tankers-VLCC rates to extend climb above 9-mth lows on more charters

By Keith Wallis

Freight rates for very large crude carriers (VLCCs) are set to nudge higher next week after moving above nine-month lows on increased charters this week, ship brokers said on Friday, although gains will be capped by ample tanker availability."The market is still rubbish, but it has turned," a Singapore-based supertanker broker said on Friday. "There is plenty of fixing to come in the rest of the month, but there are still plenty of ships available," the broker said. Around 47 VLCC charters have been concluded to load Middle East crude in the first 20 days of July compared with a monthly average this year of about 120-135, the broker said."I doubt we see rates climb very high. The tonnage list is still well supplied and there are still some newbuilds and ships direct from drydock to fix," a European supertanker shipbroker said on Frida Average VLCC charter rates from the Middle East to Asia were around 47-48 on the Worldscale measure, equivalent to daily earnings of around $27,800, the Singapore shipbroker said. But charter rates for older tonnage or vessels straight from shipbuilding or ship repair docks are around W39-40 because owners offer a discount as they seek urgent employment rather than have ships idle "The market is continually dragged down by a shiny ship or a crusty ship," the Singapore broker added Port congestion, which can push freight rates higher by cutting the number of ships available for charter, was also largely absent. "There are not really any port bottlenecks (to tighten vessel supply)," the broker added. VLCC and Suezmax tankers were facing a 9-12 day delay on Thursday to load at Iraq's Basra oil terminal, according to port data seen by Reuters That compared with an average of 18-20 day delay according to ship agent and tracking data on April 6. Tankers were waiting an average of five days to unload at Chinese ports, the Singapore broker said.VLCC charter rates from West Africa to China were slightly higher which were helping support freight rates for smaller Suezmax tankers, brokers said.VLCC rates from the Middle East to Japan rose to around W45.50 on Thursday, up from W43 last week. Charter rates hit W41 on June 21, the lowest since Sept. 2 and equivalent to earnings of $23,182 per day, according to chartering data on the Reuters Eikon terminal.Rates for VLCCs from West Africa to China climbed to W53 on Thursday, up from about W51.25 the same day last week.Freight rates tumbled to around W49.75 on June 21, the lowest since Sept. 10. Rates for an 80,000-dwt Aframax tanker from Southeast Asia to East Coast Australia edged up to W96 on Thursday, against W94.75 last week on slightly higher cargo volumes, brokers said. **Source; reuters (Reporting by Keith Wallis; Editing by Biju Dwarakanath)**

Spotted in Aalesund (Norway) the 2010 delivered **VOLSTAD SURVEYOR** IMO 9533373 , The 2007 built **VOLSTAD VIKING** IMO 9363728 and 2007 built **VOLSTAD SUPPLIER** **Photo : Huib Lievense ©**

Dry bulk market in stagnation mode

Shipbrokers and shipping analysts have long talked about the state of the dry bulk market. These past few weeks though, what seems to be emerging as the norm, is a sense of stillness, as the market has been unable to move forwards, as momentum seems to be lost. In its latest weekly report, shipbroker Intermodal noted that with the Baltic Dry Index (BDI) stuck in the low 600 points for almost a month now, if we had to choose a word to describe the state of the Dry Bulk freight market at the moment, stagnation is the one that pretty much sums it up.

According to Intermodal's SnP broker, Mr. Nassos Soulakis, "it seems that at this point of time the dry bulk market has found some sort of balance around OPEX levels for all segments, but even in these cases where a small profit margin is achieved, this is usually too insignificant to allow owners to meet the additional obligations arising from the financing cost that burdens most vessels. The question that naturally arises is what will be this decisive event that will create the momentum to help drag the market outs if this current stagnation and what sorts of levels can it push the market to".

Soulakis said that "irrespective of where the market is, the last two quarters of the year are typically stronger due to the boost of trade volumes of a number of dry cargo commodities at this time of the year. This means that we could well see the index nearing 700 points before the end of the year. Saying that, last year comes as a reminder that history doesn't always repeat itself. While bold predictions were made for the end of 2015, the market not only didn't move upwards but it actually marked historical , up to that point, lows in many cases, which brings us to the negative scenario for this year end". According to Intermodal's broker, "the prolonged uncertainty caused by long term stagnation with minimum profits even for vessels without any CAPEX, has been certainly affecting psychology. Even though there has certainly been an improvement when compared to the first quarter of the year, when lay-up talk had heated up, the fact that a ceiling seems to have been reached for now is definitely removing sentiment support to a degree. The third scenario is for the index to keep moving around the same levels for an even longer period of time, with the opposing market forces cancelling each other out, allowing the BDI to achieve only minimal adjusting movements around current levels".He went on to note that "depending on which scenario market players believe in most, a different view is being shaped in regards to second hand market strategy. From the one side the most optimistic players, taking advantage of the very attractive prices that are still close to all time historical lows, move

aggressively, inspecting vessels and choosing their investments strategically. A very distinctive example of players who seem to trust the market's dynamics, taking a position in favor of an upcoming improvement are names like these of Oldendorff, Laskaridis and Marmaras who have recently acquired larger tonnage vessels. The same tendency can be found in vessels of smaller tonnage as modern Handy's attract firm interest from perspective buyers. On the other side many owners choose the opposite strategy selling their vessels or making them available for sale", said Soulakis.
"It is indisputable that 2016 has so far proven to be a great window for shopping in all dry bulk sizes. The key question is how long this window will remain open for. Even if the BDI further advances during the upcoming months, it is hard to believe that asset values will increase to last year's levels anytime soon, which in turn probably offers additional time to prospective buyers to carefully monitor available market candidates and even adjust their buying strategy", Intermodal's broker concluded. **Source; Nikos Roussanoglou, Hellenic Shipping News Worldwide**

Sovcomflot's **SCF BALTICA** moored at the MOT in Rotterdam-Europoort – **Photo : Rolf Theunissen ©**

Maersk Line chief Soren Skou replaces Nils S Andersen as group CEO

DENMARK's **AP Moller-Maersk**, owner of the world's biggest container line, has appointed its container chief Soren Skou, aged 51, as the new group chief executive from July 1, replacing Nils S Andersen, 57, who leaves the company."The board acknowledges Nils S Andersen's contribution since 2005, first as member of the board and as chief executive since December 2007, where he has been a driving force in building a focused and lean global conglomerate of five core businesses," said the Maersk statement. Said group chairman Michael Pram Rasmussen: "I thank Nils S Andersen for considerable results in fronting the group's international growth, strengthening the customer focus and competitiveness of the businesses, as well as simplifying governance and increasing transparency and communication with our stakeholders."Said Mr Andersen: "I am proud of the results we as a team have achieved in the Maersk Group during my leadership and after eight years as CEO of the Group and 15 years as CEO altogether, I find it is the right time for both me and AP Moller-Maersk to make a change." His replacement, Mr Skou has been employed with the company since 1983 and member of the executive board of AP Moller-Maersk since 2006. In 2012 he was appointed CEO of Maersk Line container unit. Mr Skou will remain in this position in addition to his position as CEO for the Maersk Group.Said Mr Rasmussen: "Soren has strong business acumen and thorough knowledge of the group's various businesses and has successfully restructured the businesses he has led." Before heading Maersk Line, Mr Skou was CEO of Maersk Tankers 2001 to 2011. Besides a long experience as a board member, he is a graduate of business administration from Copenhagen Business School, and further accomplished an MBA with honours from IMD, Switzerland. Maersk made no mention of the heart surgery that took Mr Andersen away from his post in 2011 for four months to replace a cardiac valve. He had been hospitalised during a skiing holiday in Switzerland.He was initially expected to resume work at the beginning of February, but suffered a setback and further surgery in late March. During this period the then CEO Maersk Line, Evinid Kolding, resigned to run Danske Bank while Mr Skou moved from the tanker division to take over from Mr Kolding's container operation. **Source : Schednet**

The **BOW SAILOR** inbound for Antwerp – **Photo : Willem Kruit ©**

International Fusion Centre tackles ship hijackings

When pirates hijack a ship in Asian waters, an international maritime security outfit known as the Information Fusion Centre (IFC) will be among the first to get a full picture on what's happening. From the control room of the IFC hosted at the Changi naval base here, navy and maritime security personnel from 15 countries, including Malaysia, work together to monitor the movement of 177,000 ships from the Gulf of Aden to the South China Sea in real time.

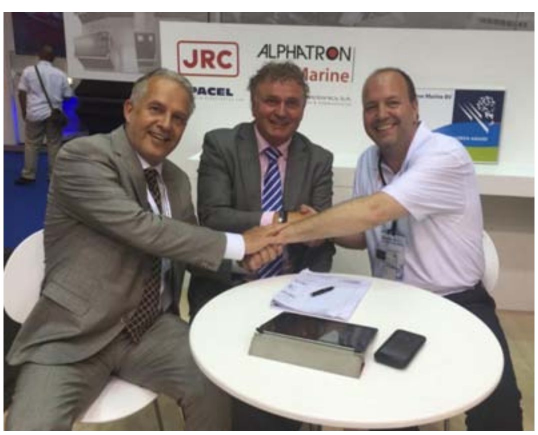
Its personnel can track any hijacked ship, its location and heading. They can also communicate with maritime agencies and navies in 35 countries. "We feed all this information to ships at sea, the forces at sea, so they are able to deal best in the situation," said Senior Lieutenant Colonel Nicholas Lim (pix), Commander of the Combined Maritime Awareness Group in the Singapore navy. The IFC shows that the region's waters become safer when Asian countries share information and work more closely with each other. It was set up in 2009 after the navies of 24 countries in the Western Pacific including in Southeast Asia agreed to have such a centre. Twelve Singapore navy personnel and 16 international liaison officers from 15 countries, including Malaysia, run the IFC. It's also linked to 69 navies and maritime security bodies in 37 countries. In November 2012, the IFC's realtime updates helped Vietnam maritime bodies to pinpoint the location of a hijacked Malaysian tanker, **MV ZAFIRAH,** in the South China Sea and arrest the perpetrators. Lim says there has also been no successful hijacking of ships in the Gulf of Aden for the past two years, thanks in part to IFC's work to improve information sharing. Information shared by the IFC also helped in the initial search and locate operation for MH370 in the South China Sea and Malacca Straits.

When the search shifted to the Indian Ocean, the IFC contacted all ships transiting in the area with a request to report any sightings. With Southeast Asia dependent on maritime trade, it is vital to keeping the region's waters safe and secure. As Lim noted, nearly half the world's oil supply is shipped through the Straits of Malacca and the South China Sea. "You can imagine the devastating impact on all of us if there is a disruption of navigation in that area." In terms of traffic, Lim said the number of ships passing through the Straits of Malacca has been holding steady at between 70,000 to 80,000 ships in the past few years. However, many of the newer ships that ply the straits are getting bigger. This means that the amount of cargo and oil being transported in the busy strait continues to see a steady rise.

The IFC is one of three cooperative measures under the Malacca Straits Patrol (MSP) programme involving Malaysia, Indonesia, Thailand and Singapore to protect the busy shipping line. The other two components are sea patrols and the "Eyes-in-the-Sky" combined maritime air patrols, the latter mooted by Datuk Seri Najib Tun Razak during his tenure as Defence Minister. The IFC also keeps an eye on the waters between Sabah and Philippines due to several cross border kidnap-for-ransom cases by criminal groups based in the southern Philippines. The waters of the Sulu Sea, Lim explained, are a typical transit route for ships from Indonesia on route to other parts of Asia. Ships, including from South Korea, also pass the area heading to countries such as Indonesia and Australia. Lim said the Malaysian navy conducts active patrols in the area, and the IFC works with agencies in Malaysia as well as the Philippines to share its analysis of criminal groups which operate in the waters. "Ultimately if you want to solve the problem it needs to be solved on land because that is where they do their planning. “You can go to the sea to solve them but there’s going to be more challenges,” said Lim. **Source: The Star**

Bulkcarrier “**TANGERINE ISLAND** ” waiting for her berth at the silo in Seattle. **Photo: Aart van Essen ©**

Alphatron Marine and Setel Powerline sign agreement



Alphatron Marine and **Setel PowerLine** are pleased to announce the formalization of there seller and installation partner agreement, signed at the recent Posidonia exhibition in Athens, Greece. This exciting cooperation will enable Alphatron Marine to wirelessly use the innovative AlphaEye with integrated CCTV camera system on Setel PowerLine’s IP network, allowing to virtually go anywhere on the vessel without losing your connection. The IP network is established over the existing electrical infrastructure of the vessels, thereby removing the need for time consuming, risky, complex and expensive industrial ethernet re-cabling. Owners and charterers are increasingly requiring WiFinetworks and extended LAN’s throughout their vessels to improve internal connectivity, ultimately to enhance ship operational efficiency and to provide crew, among numerous other capabilities with a higher quality internet connectivity. With the launch of the AlphaEye, Alphatron Marinehastaken this technology to a new level to provide mobile audiovisual remote support to its customers. With the AlphaEye, the crew on-board can connect through a dedicated (VSAT, 3G or 4G) communication link, directly with the expert in the **Alphatron Marine** office or helpdesk from business partners. This link provides onshore engineers with live audio and visual contact, to experience and better understand the issues the on-board crew are facing. Even in such a specialized and customized environment on-board, error analysis and problem solving can now be achieved in a matter of minutes. This unique remote support makes adjusting or replacing components incredibly simple. Plus, with the fault finding completed, necessary parts can be ordered and dispatched to be ready in the next port of call.

"With the AlphaEye capability operated on the **Setel PowerLine** IP backbone, we are able to provide fast and effective remote diagnosis to our clients and ship owners. With a coverage through the entire ship,we enable also other subcontractors on-board with the same functionality" says **Jeroen Kortsmit**, Global Business Development of **Alphatron Marine.** "We already see significant cost savingsarising from the reduced on-board engineering deployments and travel time, usually associated with conventional technical and mechanical support. In some cases this may even be up to 20% of the yearly support and maintenance budget."

"**Setel PowerLine** are delighted to be working with **Alphatron Marine** on these new and exciting technologies. We are proud to be associated with such an internationally recognised and respected organisation such as Alphatron." Says Sebastian Moore, Director of **Setel Powerline.** "The momentum for owners requiring ever increasing bandwidth to their vessels is irreversible, matched only by their need to bring their ships up to speed with modern technology. As the market waits for improved charter rates, controlling costs is a critical component of every ship owner and/or operator. We see this technology, providing almost instant ship-wide networks as an essential proponent to enable such solutions as Alphatron have developed to this trend."As the winner of The Seatrade Award for Innovation in Ship Operations 2015, Setel PowerLine's revolutionary introduction of PowerLine technology into the maritime sector, allows owners to implement a vessel wide IP network in a matter of hours, not days, and removes the need for time consuming and expensive re-cabling. As the ONLY provider of this industrial grade PowerLine technology to the shipping industry, Setel PowerLine is seeing unprecedented demand for the technology from fleets and owners, of multiple vessel types. The ever increasing number of owners to benefit from the rapid implementation of these high speed, customisable and fully optimisable on-board networks has enabled the deployment of multiple services, ranging from the provision of ship-wide IP Networks, CCTV systems, LAN extensions, real time vessel monitoring and anti-piracy solutions. Setel Powerline are enabling without cabling. **Alphatron Marine** is a world renowned supplier of integrated bridge solutions, represents major industry brands and is manufacturer of unique complementary products to the JRC portfolio. Together with JRC and support of the Centers of Excellence in Tokyo, Rotterdam, Singapore and Houston, the combined synergies bring quality and innovation to owners, operators and shipyards. **www.alphatronmarine.com**

Due to travelling this week the newsclippings may reach you irregularly

Japan spooked by naval mystery in East China Sea

BY: ROBIN HARDING

At about 9.50pm on the evening of June 8, a Russian destroyer and its support vessels sailed north into the 24-nautical-mile contiguous zone around the disputed island chain that Japan calls the Senkaku and China the Diaoyu. So began an international incident that touches half of the world, from Beijing to Moscow, Delhi to Washington. Warships are free to navigate the contiguous zones of other nations and Russian ships had passed this way before. But at about 12.50am on the morning of June 9, a Chinese frigate for the first time ever entered the contiguous zone sailing south. A tremor went up the Japanese chain of command until China's ambassador to Tokyo was summoned from his bed.

At one point the Chinese vessel sailed directly towards an island, prompting fears in Tokyo of a landing. But then it curved round to intercept and match the Russian vessel's course, with the ships departing to the north-east at 3.10am. Japan complained. China rejected the complaint, saying it has every right to sail in its own waters. It was all over before the people of Japan and China awoke to find no dispute about what happened, but a vigorous debate about why. The facts admit to at least three different interpretations. None is fully satisfactory; each is disquieting for Tokyo but in a subtly different way.

To start with, naval observers and Japanese officials reject the idea that the simultaneous presence of Russian and Chinese vessels was a coincidence. But one possibility is a misunderstanding: What if the Chinese frigate detected ships approaching the islands from the other side, thought they were Japanese and came in to investigate?

If that is what happened, it shows the risk of a new Gulf of Tonkin incident — a maritime skirmish that escalated the Vietnam war in 1964 — as heavily-armed aircraft and ships from several countries confronted each other in the disputed waters of east Asia. Officials in Tokyo argue against this interpretation, however. Japanese ships regularly sail in the territorial waters and contiguous zone close to the islands without their Chinese adversaries entering in response. A second possibility, therefore, is that the Chinese frigate took advantage of the Russian navigation as an excuse to enter the Senkaku contiguous zone, but their action was not co-ordinated. In that case the incident was a unilateral move by China — upsetting for Tokyo but merely the latest step in a steady escalation of activity around the disputed islands. During the day on June 9, Russia's embassy in Tokyo tweeted that its ships were returning from a regular exercise, it had "nothing to do with China", and there was "no need to worry". The embassy then promptly deleted its own tweet. The no co-ordination theory implies Beijing would antagonise Moscow by interfering in its relationship with Japan. That leaves the third and most worrying possibility for Tokyo: That Russia and China acted together in some way. It is Japan's geopolitical nightmare: Its two giant neighbours united.

A link seems almost as unlikely as the absence of one. Who would make such a decision? Moscow and Beijing are hardly allies. Mr Shinzo Abe, Japan's Prime Minister, has been on a charm offensive with Mr Vladimir Putin, visiting Russia for a summit and promising all kinds of economic help in return for negotiations about another disputed island chain, the Kurils.

China's motivation is also unclear. An international court is due to rule soon on a case brought by the Philippines against its territorial claims in the South China Sea. Japanese officials, however, point to a series of different and potentially connected events. Later on June 9, thousands of kilometres away from the islands, a company of Chinese soldiers marched up a Himalayan mountain and on to disputed territory controlled by India. The next day American, Japanese and Indian vessels began joint naval exercises in the western Pacific, with a Chinese intelligence vessel intruding on Japan's territorial waters in its efforts at keeping watch. The only certain answers lie with officials in Moscow and Beijing, who are not explaining. Left with uncertainty, the effect has been to knock Japan off balance, heightening its unease about island disputes to both north and south, but also pushing it towards stronger ties with Washington and Delhi. The Senkaku/Diaoyu dispute is combustible already. Add a third navy — creating an extra layer of uncertainty for decision-makers on all sides — and you have the ingredients of a serious international incident. **Source: Todayonline - Robin Harding is the Tokyo Bureau Chief at Financial Times.**

The **LA SILLONAIS** departing from Lyttelton (New Zealand) **Photo : Bryan Shankland ©**

Loodswezen verstrekt opdracht voor twee loodstenders in Friesland

loodstenders afgemeerd in de haven van Hoek van Holland

Photo : Kees Torn © CLICK op de foto !

Het Nederlands Loodswezen heeft de Friese scheepswerf **Barkmeijer** opdracht gegeven voor de bouw van nog eens twee aluminium tenders. De nieuwe tenders worden voor de Nederlandse- en Vlaamse Scheldehavens gebruikt. Deze jetgedreven aluminium tenders zijn de negende en tiende van dit type. Het ontwerp van de tenders is afkomstig van het Schotse ontwerpbureau 'Camarc'. Bij het bouwprogramma zijn zo'n 25 toeleveranciers uit Friesland, Groningen en Drenthe betrokken. De opdracht maakt deel uit van het totale vlootvervangingsprogramma van het Loodswezen. Acht van deze jetgedreven tenders van de 'Aquila'- en 'L'-klasse (zie foto van de tender **Lesat** links **Photo : Kees Torn © CLICK op de foto !**) zijn reeds in de vaart. Het opnieuw kiezen voor dit ontwerp is een consolidatie van een sinds 2010 ingezet en beproefd concept. "Dit type tender is uitermate geschikt voor de veelal zware omstandigheden op de Noordzee. De tenders hebben in de afgelopen jaren bewezen het perfecte middel te zijn om de loodsen van en naar de schepen te brengen. Zo zorgt het Loodswezen voor een 24/7 service. De samenwerking met Barkmeijer is vanaf 2007 constructief, coöperatief en gebaseerd op vertrouwen", aldus Willem Bentinck, directeur van Nederlands Loodswezen B.V.Het Nederlands Loodswezen zorgt ervoor dat elk jaar zo'n 90.000 zeeschepen veilig en vlot ván en naar de Nederlandse havens en Vlaamse scheldehavens worden geloodst. Meer informatie is te vinden op **www.loodswezen.nl**

Canada won't lift ban on LNG tankers in Head Harbour Passage, Dominic LeBlanc says

Fisheries Minister Dominic LeBlanc makes clear tankers cannot use Head Harbour Passage

By Connell Smith,

Fisheries and Oceans Minister Dominic LeBlanc has affirmed the federal government will stick to the former government's policy to deny LNG tankers permission to navigate through Head Harbour Passage. The narrow Canadian waterway between New Brunswick's Deer and Campobello islands is the only access for large ships attempting to reach Passamaquoddy Bay, which is shared between the province and the state of Maine. Passage through the waterway is critical if Downeast LNG, a New York-based energy company, is to move forward with a proposed liquefied natural gas terminal in Robbinston, Me. LeBlanc was asked about his government's position at a press conference concluding the Canadian Council of Fisheries and Aquaculture Ministers held in St. Andrews. "We don't plan to change any of those policies," said LeBlanc. "It was certainly something in Opposition we had urged the previous government to do. We were lucky enough to form the government so we wouldn't change what we thought was a good decision."

The phone number listed for Downeast LNG's Maine office is no longer connected. George Petrides, the chair of the company's board of directors, declined comment when reached by CBC News on Wednesday. Two other U.S.-based LNG projects planned for Passamaquoddy Bay have been abandoned over the past several years.Last month, Petrides

announced plans to put Downeast LNG up for sale on July 1.Bob Godfrey, an activist with Save Passamaquoddy Bay in Eastport, Me., said the Canadian government's position is an "insurmountable problem" for any potential buyer.
"It's obvious that the government of Canada is holding it's ground," said Godfrey. "It doesn't look like they have much prospect whatsoever and it's really puzzling how this project has kept alive so long." **Source: CBC**

Ulstein delivers flexible vessel for the offshore wind service industry to BS Offshore

When **Bernhard Schulte Offshore** (BS Offshore) and their client **Siemens** ordered a service operation vessel from **Ulstein Verft** in 2015, they saw the benefit of having the ship designer and the yard in one place. The vessel is now completed, and was delivered on 23 June 2016.

“We considered several yards worldwide, but Ulstein Verft was our final choice. We saw the benefit of having the designer and the yard in one place. Ulstein has the same approach as us – always going the extra mile to delight the final customer,” says Matthias Müller, Managing Director at Bernhard Schulte Offshore GmbH.
“Together, we have developed a flexible and effective ship solution for the offshore wind service market,” says Tore Ulstein, deputy CEO and Head of Market & Innovations in Ulstein Group. “The project process has been very smooth, and the combination of expertise in our companies has led to fruitful discussions. We are happy to deliver, on schedule, this state-of-the-art SOV vessel, and are certain that she will serve BS Offshore and Siemens in a most satisfactorily way.”

Silent

During sea trial, the bridge crew noted the vessel’s smooth motions and the very low levels of noise and vibrations, all these being important factors in a vessel in which one of the main tasks is to transport service technicians to the Gemini Offshore Wind Park, 85 kilometres north of the Dutch province of Groningen and a five-hour trip from shore.

Flexible

The new-developed X-STERN aft hull design has an importance when it comes to the flexibility of the vessel. At sea trial, she managed to keep up high speed forwards and also when backing, and she is easily manoeuvred both ways.
Safe transferralThe vessel is equipped with two varieties of transferral to the wind turbines, an integrated Uptime heave-compensated gangway system and a daughter craft with a capacity of 10 people.

Capacity

The load capacity is well exploited. Spare parts and equipment can be transported in containers, of which 6 can be placed on deck and 6 under deck. The vessel provides excellent workshop facilities. The SOV has accommodation for 60 in single cabins, of which 40 cabins are dedicated to the technicians.

Electric propulsion system

The BLUEDRIVE PlusC™ electric propulsion system from Siemens lowers the operational costs by cutting the engine time at the rated speed and reducing the number of electrical components required. Emissions are reduced by optimizing combustion.

X-effect

The X-STERN and the X-BOW are hull design features which increase the operability through positive effects on station keeping, wave response, comfort and safety, and with reduced power and fuel consumption while on DP.
The ULSTEIN SX175 is a design developed to meet future demands within the servicing and maintenance of offshore wind installations. Significant effort has gone into the optimisation of the vessel’s movements in order to ensure the safe transfer of technicians and equipment in connection with the operations, maintenance and servicing of wind turbines. There has been a major focus on the welfare of the technicians who will live on board. While developing the cabins and facilities, the aim has been to position these where the vessel’s movements are lowest.The X-BOW, the X-

STERN and the integrated DC-based common main drive system, with variable rpm control of the diesel engines for power and propulsion system, are essential design features. In addition to the catalyst, these will fulfil the highest international environmental requirement (IMO-Tier3).

FACTS:

Vessel type: Service Operation Vessel (SOV) for offshore wind turbines
Design type: ULSTEIN SX175
Construction yard: Ulstein Verft AS
Design company: Ulstein Design & Solutions AS
Length: 88 m
Beam: 18 m
Deadweight: 3,150 t
Draught (max): 6.4 m
Speed: 13.9 knots (bow first), 12.1 knots (stern first)
Accommodation: 60 persons
Cargo deck area: 380 m2
Dynamic positioning: IMO Class II (DYNPOS AUTR)
Main propulsion system: Two azimuth thrusters, each driven by a frequency controlled variable speed electric motor.
Additional thrusters: One retractable azimuth thruster, two side thrusters forward

Marlins and ISWAN collaborate to help seafarers prevent and prepare for piracy attacks

Marking IMO's Day of the Seafarer, Marlins, part of V.Group and the charity, International Seafarers Welfare and Assistance Network (ISWAN) have created a new elearning course to help seafarers prevent and prepare for piracy attacks. Although there have been no successful attacks off Somalia for some time, piracy, armed robbery and kidnapping of seafarers in West Africa and Asia are a current concern. Indonesia recently released advice to vessels in the area to avoid certain danger areas, such as the South Philippine waters of the Sulu Sea, fearing piracy could rise to Somali levels. In some countries, training on piracy has become compulsory for seafarers prior to departure. Over the past four years, ISWAN's Maritime Piracy Humanitarian Response Programme has become a leading provider of piracy awareness training for seafarers. Based on industry best practice guides, ISWAN's training courses give companies and manning agents a template for helping seafarers and their families deal with cases of armed robbery and piracy attack. This interactive new elearning course on piracy, which draws on ISWAN's expertise, provides seafarers with an understanding of anti-piracy measures and promotes strategies for dealing with an attack. The course focuses on ensuring seafarers have the mental resilience to remain strong during their ordeal. It also addresses the issue of post-traumatic stress, explaining what it is, how seafarers and their families can cope with the condition and where they can get help. Roger Harris, executive director of ISWAN, said: "The experience of seafarers who have been attacked shows the benefit of preparation, training and drills. This new e-learning course will be a valuable addition for seafarers to learn about the issues of attack and capture without having to be in a classroom setting." Catherine Logie, manager of Marlins said: "With insight into how devastating a pirate attack can be for seafarers and their families, ISWAN and Marlins have combined their knowledge to provide practical guidance to all seafarers who may be at risk of piracy. This new elearning course brings piracy issues right up-to-date and makes industry best practice available to seafarers in any location." The new course will be available later next month (July) via the Marlins online shop and will be included in the next update for all subscribers to Marlins eLearning Suite for Seafarers. **Source: V.Group**

Weak US demand triggers redeployment of 13,000 TEU ships

The **MSC LONDON** outbound from th Pasir Panjang Container terminal in Singappre

photo : Piet Sinke © CLICK at the photo !

NUMEROUS 13,000 TEU ships are gradually being phased out of the Far-East-Europe trade, after being displaced by 19,000 TEUers. Some of the ships have since joined the transpacific trade, while others are successively re-assigned to the north-south trades. Simultaneously, several shipping companies have decided to downscale their transpacific capacity provision in June. Already in May for example, CMA CGM had abandoned plans to deploy 17,800-TEU ships on the Asia-US west coast route. MSC has assigned this month two 12,552-TEU vessels to its standalone Asia-South Africa-West Africa Africa Express service and the carrier furthermore intends to shift several 13,000-TEU ships to both this Africa Express and to the Far East - WCSA Andes Express in the coming weeks, reported Alphaliner. These ships are freed and cascaded down as ever-larger newbuildings enter the top-tier trades: The 19,224-TEU **MSC JADE** joined at the end of May the 2M's Far East Europe AE-2/Swan loop and MSC will soon receive the 19,224-TEU **MSC DITTE** and the 19,154-TEU sisters **MSC DIANA** and **MSC INGY**. The three jumbo ships will all join the AE 2/Swan service before the end of July.

The **MSC MARIA SAVERIA** anchored off Singapore awaiting berthing at the Pasir Panjang Container terminal

photo : Piet Sinke © CLICK at the photo !

Deliveries of these units trigger a cascading effect within the MSC fleet. A first step in that direction was taken in April with the 13,102-TEU **MSC CRISTINA** and the 13,000-TEU **MSC MARIA SAVERIA**, which MSC sent on the Europe-Indian subcontinent Himalaya Express/ISE joint service of MSC and Shipping Corporation of India (SCI). A new vessel record was set on the Asia-West Africa route after the 12,552-TEU **MSC FABIOLA** and **MSC FILIPPA**, which joined the Africa Express last week and this week, are the largest vessels ever deployed on Africa trades, dethroning the 11,660 **MSC FRANCESCA** as the previous record ship on this route. The 13,000-TEU **MSC BERYL** is expected to follow in July. On the Far East-west coast South America Andes service, the 13,000-TEU **MSC FLAVIA** is earmarked to join on July 8, with the 13,102-TEU **MSC REGULUS** and **MSC CAPELLA** scheduled to join in the following weeks. **Source : Schednet**

UK Urged to Form New Free Trade Commission Due to Brexit

As the British people made a decision to leave the European Union, the UK should consider establishing a new Free Trade Commission in an effort to sign free trade deals with trading partners around the world, according to the UK Chamber of Shipping.The UK may now be beginning the process of leaving the European Union, but the country is still an island nation that has to make its way in the world through buying and selling, and the shipping industry, which moves 95% of the UK's international trade, will continue playing a great role. "We believe that government should establish a new Free Trade Commission, working across the Department for Business and the Foreign Office, to train trade negotiators and begin the process of establishing new trading ties around the world and be ready for the negotiations with the remaining members of the EU," the association said.The UK Chamber of Shipping added that the rest of the world beyond Europe has experienced significant economic growth, and a key argument by the Vote Leave campaign was that the UK would be able to quickly sign free trade deals with trading partners around the world.

"Government now has to act quickly to ensure that happens," according to the association. **Source: worldmaritimenews**

Disney's **DISNEY WONDER** moored at the Rock Dump dock, while HAL's **VOLENDAM** enters Juneau port on the right **photo: James Plosay - Compliance Section Juneau ©**

EU: Free Passage Through South China Sea Is Paramount

Due to the large volume of international maritime trade passing through the South China Sea, the European Commission said that freedom of navigation and overflight must remain in the area. As China continues constructing islands in the area, the EU expressed its concerns about the situation in the East and South China Seas, and added that the EU should "continue to emphasise the importance of peaceful settlement of disputes and to oppose unilateral actions that could alter the status quo and increase tensions."The European Commission said that the EU wants to see free passage and overflight upheld in the East and South China Seas as it aims to set out a policy framework for EU engagement with China for the next five years The announcement follows China's latest plans to launch cruise lines which would operate in the disputed area starting from July. Namely, the country's shipping major China COSCO Shipping Corporation (COSCOCS) said that its first route would depart from China's Sanya to the Yongle Island, part of the disputed Xisha Islands, which are also claimed by Vietnam and Taiwan. The company reportedly also plans to launch other routes in the South China Sea and Taiwan Straits. **Source: World Maritime News Staff**

Moody's downgrades shipping sector outlook from stable to negative

MOODY's Investors Service says the financial troubles of the world's shipping sector are about to get worse, reports the Wall Street Journal. The rating agency downgraded its outlook on rated shipping that combined earnings would likely decline this year by seven to 10 per cent. Moody's, which shifted its outlook on the sector from stable to negative, had said in March it expected shipping earnings to fall by a low-single digit percentage. Two out of the three largest shipping categories - container shipping and dry-bulk shipping - continue to suffer from the problems that have ailed them since the beginning of last year: too many ships and too-slow growth in demand. While tankers remain stable, the global container shipping fleet grew by 8.6 per cent in 2015 to 19.7 million TEU,Moody's said. Capacity is already high, and we expect supply growth will continue to outpace demand growth by more than two per cent in 2016, supporting the negative outlook on the segment,?the report said. The existing supply-demand imbalance will persist over the coming 12 to 18 months.Moody's predicts that demand for finished and semi-finished goods, which grew by around one per cent in 2015, will remain subdued in 2016, expanding by 1.5 per cent to 2.5 per cent another headwind for the container shipping industry. **Source; Schednet**

NCL's **NORWEGIAN SUN** moored in Juneau, Alaska.
photo: James Plosay - Compliance Section Juneau ©

Japan is moving up again as newbuilding country.

Japanese yards recovering share in NB completions

Japan's shipbuilding industry is recovering its global share in newbuilding completion volume. According to statistics from IHS Inc. (formerly Lloyd's Register), Japan's newbuilding completion volume in January-March 2016 totaled 165 ships of 5.22 million grt, carving a 25% share in global total. Also, figures compiled by the Japan Ship Exporters' Association (JSEA) show that Japan's export ships customs-cleared in January-May 2016 surpassed results in 2015, exhibiting a pace to reach annual volume of 15 million grt for the first time in four years.

Shipyards in Japan are not necessarily raising operational levels of their yards widely, but due to increasing construction of large-size ships such as mega-containerships as well as tankers, their construction tonnage appears to be on the rise compared to 2015. According to IHS' statistics on newbuilding completion volume in January-March 2016, South Korea accounted for the largest with a 37.9% share, followed by China with 31.6% and Japan with 25.0%.

Japan had long retained a global share exceeding 30%. Yet, since China and Korea rapidly expanded their construction volume during the shipbuilding boom, Japan's share tended to be on a decline relatively, and in 2011, its share slipped below the 20% level for the first time. In 2013-2014, Japan recovered the 20% level but remained at 19% in 2015, affected by delivery postponements for bulkers and so on. In order receipt volume in 2015, Japan recovered its share close to 30%, and its share in construction volume will likely expand in the future as many shipyards in Korea and China are facing financial trouble. **Source : Kaiji Press News via Justus SCHOEMAKER DUJAM Desk K.K. www.dujamdesk.com**

New York Times says new Panama Canal crumbling before it opens

SHODDY construction and weak economics has condemned the prospects of the expanded Panama Canal before it opens on June 26, says the New York Times. To be successful, said the report, the new canal needs enough water, durable concrete and locks big enough to safely accommodate the larger ships. On all three counts it has failed to meet expectations, according to dozens of interviews with contractors, canal workers, maritime experts and diplomats, as well as a review of public and internal records. The low winning bid, a billion dollars less than the nearest competitor's, made "a technically complex mega-project, precarious from the outset, according to a confidential analysis commissioned by the consortium's insurer. "There is little room in the budget for execution errors or significant inefficiencies. "This is a high-risk situation," said Hill International analysts in 2010. Among the biggest risks is the concrete that lines the walls of the six mammoth locks punctuating the path between the seas. Last summer, water began gushing through concrete that was supposed to last 100 years but could not make it to the first ship. Hill analysts had warned that the consortium's budget for concrete was 71 per cent smaller than that of the next lowest bidder. The budget also allotted roughly 25 per cent less for steel to reinforce that concrete.On the lock design, tugboat captains say they cannot safely escort the larger ships because the locks are too small with too little margin for error, especially in windy conditions and tricky currents. In fact, in a feasibility study obtained by The New York Times, the Panama Canal Authority had earlier concluded that the tugs needed significantly more room.The tugboats themselves are a problem, especially the 14 new boats purchased from a Spanish company, mostly for the expanded locks. To manoeuvre safely, they must be precisely controlled, but according to captains, they are so unstable that they operate best going backward, something that cannot be done while towing ships through the canal."The Spanish tugs are perfectly awful," said Ivan de la Guardia, the head of the tugboat captains' union. The new locks exist for one reason: so that huge neopanamax ships can move far greater quantities of cargo through the canal. For them to do that, the waterway must remain deep enough so that fully laden ships do not hit bottom. But canal officials discounted warnings that they needed new sources of water, and during a recent drought, ship had to significantly lighten their loads.The consequences will be wide-ranging if the canal does not deliver as promised. American grain and soybean farmers and producers of liquefied natural gas, for example, may find it harder to sell to Asian customers. Asian manufacturers may forsake the struggling ports on America's east coast for those in the west. Or they, and ultimately consumers, will shoulder the added cost of going the long way around, through the Suez Canal.The Panama Canal Authority, which oversaw the design of the new locks and chose the winning bidder, says that while any large, complex project is bound to encounter unexpected problems, the new locks are sound and safe.Eldon Gath, a geologist based in the United States, discovered quickly just how sensitive some Panamanians are about the canal. After Mr Gath prepared a report for the canal authority noting the earthquake risk from faults under the canal, he recalled, Panama's president at the time, Ricardo Martinelli, went on the attack. "President Martinelli told us we had insulted the republic," Mr Gath said. **Source: Schednet**

Maersk: Brexit to hinder EU and UK growth ambitions

World's biggest container line and member of the **2M alliance** expects a limited immediate impact on the group's businesses in the UKBREXIT will hamper European Union and UK growth opportunities and ambitions, Maersk Group has warned.The owner of world's biggest container line and member of the 2M alliance expects a limited immediate impact on the group's businesses in the UK as a consequence of the referendum, Maersk Group Head of Group Public Affairs Anders Würtzen told Lloyd's List. However, the move will reduce the size of the internal market over time and potentially make trading more complicated, Würtzen said."Any long-term impact will depend on factors such as trade patterns, consumption habits and growth in the UK, Europe and other regions," he said."We do however consider it a loss that the UK has decided to leave the EU as it reduces the size of the internal market and over time potentially makes trading more complicated. This is likely to be a disadvantage to EU and UK growth opportunities and ambitions." Maersk and MSC are currently in talks with HMM about joining the 2M alliance. That could become a prelude to a takeover of the ailing South Korean line by Maersk, Lloyd's List reported on Friday. Separately, Mitsui OSK Lines confirmed to Lloyd's List that it has "no plans to review its UK office" in the wake of the Brexit vote.**source : Lloydslist**

2M to shift USEC all-water service from Suez to Panama

Joseph Bonney, Senior Editor

2M Alliance partners **Maersk Line** and **Mediterranean Shipping Co**. plan to shift one of their Asia-to-U.S. East Coast services that use the Suez Canal to the newly expanded Panama Canal, a Maersk executive said. “We anticipate that one of the services that go through the Suez today will be changed to go through Panama in the future, at least in one direction,” Anders Boenaes, Maersk's head of network, told JOC.com.Yet to be determined, Boenaes said, are the timing of the change and which Suez service will be shifted to Panama.The carriers' Suez services to the East Coast are the Maersk TP-11/MSC America, to New York-New Jersey and U.S. South Atlantic ports, and the Maersk TP-12/MSC Empire, which calls on U.S. North Atlantic ports. Maersk and MSC also operate two Panama services between Asia and East and Gulf coast ports. Also undetermined is whether the return trip will be via Suez, Panama or around the Cape of Good Hope at the southern tip of Africa.Currently, one of the 2M carriers' Asia-East Coast services returns via the Suez, but the other sometimes goes around Africa in order to save on canal tolls. “It depends on how on-time the ship is at the last U.S. East Coast port,” Boenaes said. There are multiple moving parts to the backhaul route decision. Besides the need to stay on schedule, there's the issue of tolls. The Suez recently increased its rebates to make it more competitive for Asia-East Coast services. Panama's tolls are based on a formula that combines deadweight capacity and laden volume.Another issue is capacity of the new Panama locks. In recent months, dry weather from the El Niño weather phenomenon has forced the Panama Canal Authority to impose draft restrictions in response to lowered water levels at the reservoirs that feed canal locks.The canal authority recently restored drafts at its existing locks to their maximum 39.5 feet. When the new locks open, they initially will provide drafts of up to only 43 feet (13.11 meters), well below the maximum 50 feet (15.2 meters)Boanaes said these restrictions could reduce effective capacity about 20 percent for a ship designed to carry 8,500 twenty-foot-equivalent units. The reduced draft level is felt most acutely on U.S. export shipments, which tend to carry a high proportion of heavy scrap materials and agricultural commodities.Container lines have been tweaking their schedules to take advantage of the new canal locks, which are scheduled to handle their first commercial passage Sunday.Six vessel strings — four from the CKYHE Alliance and two from the G6 Alliance — have announced enhanced Asia-U.S. East Coast services. These services will replace nine existing services, eight of which use Panamax vessels. In addition, MSC has replaced Panamax ships with 8,000-TEU to 9,000-TEU ships on a Europe-West Coast of South America service through the canal. **Source ; The Journal of Commerce**

AllianceDBS Research has Bumi Armada, Pantech as top buys

KUALA LUMPUR: Alliance DBS Research has advised investors to focus on oversold oil and gas service providers amid dimmed near term earnings prospect. It said on Friday it continues to see earnings pressure lingering among the O&G service providers for 2016. “We advocate investors to continue to cherry pick particularly on companies with bashed down valuations, coupled with long-term income streams which provide more certainty under the current environment. “Our Buy stocks are Bumi Armada and Pantech (which are our big cap and small-cap top Buys). Our fully valued stocks are Petronas Chemical, SapuraKencana, UMW Oil and Gas, MMHE and Dayang,” it said . AllianceDBS Research said the recently concluded results season for the first quarter ended March 2016 reported some earnings hits and misses despite its earlier earnings cut. “To our surprise, most of the companies under our O&G universe continued to underperform consensus expectations which have witnessed a few rounds of drastic earnings cut.“Post earnings result adjustment, we now have CY16/17F earnings growth estimates of -15%/+21%. For starters, among the 10 stocks under our universe, two beat our forecasts, two met our expectations while six came in below,” it said.The research house said Petroliam Nasional Bhd's (Petronas) revenue and core net profit fell by 26% and 3% on-year. For its upstream segment, Petronas continues to suffer from lower average selling prices, coupled with lower LNG volume from its LNG complex in Bintulu, Sarawak, while downward price trends of crude oil, petroleum and petrochemical products continue to hurt its downstream segment. In tandem with the decline in revenue, 1Q16 saw the national oil company's operating cash flow slumped 44% to RM9.8bil, which fell short of its 1Q16’s capital investment of RM11.3bil by RM1.5bil. “Consequently, we are not surprised when Petronas announced last week that it will be seeking to raise US$7.2bil (RM29.5bil) financing for the RAPID project,” it said.AllianceDBS Research said crude prices rebounded but outlook remains challenging. In 2Q16 to-date, it has seen benchmark Brent crude prices increase by 33% on-quarter to USD49 a barrel, while year-to-date prices have appreciated 37%. “This has exceeded our current 2016/2017 forecast of US$35-US$40 a barrle and US$40 to US$45 respectively, which will be reviewed in due course. "Notwithstanding the recent rebound in crude prices, global oil majors continue to be cautious with their capital expenditure spending hence prolonging any sector recovery in sight,” it said. **Source: the Star**

The mysteries of container carriers’ spot market pricing

Why do carriers try to double Asia-Europe spot rates every few months?

Spot container freight rates were recently at all-time lows and had to rise, but it is getting harder to understand why we are seeing huge General Rate Increases every few monthsDrewry calculated that the typical GRIs of carriers on the AsiaNorth Europe route since the beginning of the year to 16th June have totalled about $4,900/40ft container But the actual spot rate on 16th June was $1,077/40ft container – which does not suggest that the GRI mechanism is working. What actually happened is that, according to the weekly spot rates reported by the World Container Index assessed by Drewry, the GRIs pushed rates up only for a very short period. The GRIs were then largely eroded after a few weeks, before another GRI was tried by carriers. On 1st July, carriers are targeting a GRI of about $1,500/40ft box. Even if only 20% of the proposed $1,500 increase remains several weeks after the date of the increase (i.e. a net price rise of $300 “sticks”), the floor of rates will still be lifted from $900 in May to $1,000 in June and $1,300 in July (see chart).

We conclude that, in the current market, rates do not fall back fully to their earlier levels. This appears to be a policy by carriers to increase the floor of spot rates.

Does this make sense?

Starting with 100%+ price increases for one week when carriers must know that the real effect after a few weeks will be much less seems an abnormal see-saw way of pricing. Instead, we would expect to see the price curve trend up until an equilibrium is reached, followed by a downwards trend.

The European Commission has discussed with carriers ways to replace GRI announcements by announcements of absolute prices (not price increases). Some European carriers have started to announce “increased FAK rates” instead of GRIs. This alternative may do nothing to reduce the see-saw effect, though. Overall, the average spot rate for the first six months of 2016 was about $900/40ft. Today, most volume is shipped under annual or half-year contracts, which are largely insulated from these crazy price variations and from the overall rate increases. But the current spot market seems completely dysfunctional and is incomprehensible for shippers. **Source: Drewry**

Oil market rebalancing on the cards, could spell new reality for tanker markets

The Saudis called it this week, while shipbrokers have long suspected it; an oil market rebalancing could be the new reality. In a recent weekly note, Poten & Partners referred at the EIA’s (US Energy Information Administration) analysis, which noted that “unplanned global oil supply disruptions reached 3.6 million barrels per day (mb/d) in May 2016, the highest level since they started tracking this in January 2011”.

According to Poten, “it is not difficult to identify the culprits; we have discussed a number of them in our recent tanker opinions: Canadian forest fires, production and transportation disruptions in Nigeria as well as continued problems in Libya have been some of the most high profile ones. As these disruptions have taken a bite out of global supply, oil demand keeps chugging along, helped by solid growth in most developing economies, in particular in Asia. Last week we discussed the rapid expansion of crude oil demand and imports by independent Chinese refiners, which have provided a boost to the tanker market, in particular the VLCCs. The combination of production outages and continued demand growth have pushed oil prices above $50/bbl, their highest level since the first half of last year”. The shipbroker added that “this, in turn, may have brought the independent shale oil producers in the U.S. back to life. Last week, data showed an unexpected increase in active rigs in the U.S. and oil production rose by 10,000 b/d. A small increase, but nevertheless significant, because it follows a long period of steady declines in U.S. production. The question for tanker owners is: are we at the beginning of the long-awaited market correction or is this just a combination of random factors that does not indicate a new trend? While the problems in Canada are weather related and the production outages have already started to subside, most of the other supply disruptions are due to political disputes or conflicts and are expected to last longer”.According to Poten, “in terms of world crude oil production, the Canadian wildfires have had the biggest impact (average supply disruption of 0.8 Mb/d in May), but the problems in Nigeria have a more profound and (potentially) longer lasting impact on the tanker market. Disruptions resulting from political unrest tend to last much longer and these made up 90% of the unplanned production outages in 2016 to date. The increase in outages at other producers has more than compensated for the reduction in unplanned outages when the Iranian sanctions were lifted earlier this year. It once again shows how quickly the oil markets can change as a result of geopolitical events or factors such as weather, natural disasters or labor conflicts. Most of these factors are highly unpredictable as to timing and duration”.

The only certainty seems to be that they will continue to happen, in particular when you least expect them. For example, “although everybody expected U.S. production to recover with rising oil prices, the speed of this turnaround caught many pundits by surprise, but it might still prove to be a false dawn. Also, let’s not forget that U.S. production has declined by approximately 0.9 Mb/d over the last 12 months, so there is a lot of ground to make up. Nevertheless, the change is remarkable and it may have dismayed OPEC members that it already started happening when oil prices barely breached $50/bbl. We will need to look at a few more weeks of data to see if this was a one-off or if we are witnessing a trend. Generally, tanker owners should look at these developments with a smile on their face. The oil continues to flow and the tanker industry is, by its nature, well equipped to deal with changes in tradeflows as a result of supply disruptions in various parts of the world. Disruptions create inefficiencies and bottlenecks, which are generally good for tanker rates. And the early boost in U.S. production? If it continues, it will increase overall world crude oil supply, counter disruptions elsewhere and keep oil prices from rising too quickly or to levels that may choke off demand. Over time it may even stimulate more U.S. crude oil exports”, concluded Poten. **Source: Nikos Roussanoglou, Hellenic Shipping News Worldwide**

Hanjin Shipping sells W60b of operating rights to secure liquidity

Hanjin Shipping sold 60 billion won ($51 million) worth of operating rights on Southeast Asian routes to its affiliate in order to secure liquidity, local news reported Friday. Citing an official from the shipping industry, the shipper sold part of its rights to Hanjin Transportation, which runs the land transport service under Hanjin Group, during an emergency meeting of the board. The move came after the government and creditors, led by the state-run Korea Development Bank, pushed Cho Yang-ho, the chairman of Hanjin Group, to pour more cash into the ailing shipping arm of the company. The creditors asked Cho to secure an extra 1 trillion won for Hanjin Shipping's operation cost. Earlier, Hanjin Shipping also decided to sell shares of its three Chinese affiliates worth 21.1 billion won in a filing Thursday. **Source: Korea Herald**

NAVY NEWS

Navy commodore to be relieved of command over Iran's capture of his sailors

By ; Lucas Tomlinson

The commodore in charge of the two U.S. Navy boats that strayed into Iranian waters leading to the capture of his 10 sailors for 16 hours in January will be relieved of command likely putting an end to his career, Fox News has learned.
Capt. Kyle Moses, commodore of **Commander Task Force (CTF) 56** was responsible for the two riverine boats and Kuwait-based crew. The Chief of Naval Operations, Admiral John Richardson, is set to release a long-awaited report on June 30th about the events surrounding the January incident now that the investigation is complete. Iranian Revolutionary Guard forces captured the two high-speed patrol boats near Farsi Island, a well-known Iranian base, hours after the boats left Kuwait on January 12 with the intended purpose of sailing to Bahrain. Five sailors were aboard each boat.The Navy crew was inexperienced and running late to make a rendezvous at a refueling point in the Persian Gulf when the capture took place, according to officials.The detention of the American crew came the same day as President Obama's State of the Union address and came at a sensitive time for the administration days before formally implementing the nuclear deal between Iran and six world powers led by the United States. Days after the incident, Defense Secretary Ash Carter said the Navy patrol boats had "misnavigated" into Iranian territorial waters. The second in command of the riverine squadron, Cmdr. Eric Rasch, was fired from his job last month Multiple defense officials tell Fox News a "multitude of errors" led to the capture of the U.S. Navy crew. First, there was no navigation brief, a major violation of Navy protocol. When any Navy ship gets underway, even for something as minor as shirting berths from one pier to another, it is standard for a Navy crew to conduct a navigation brief discussing issues such as hazards to navigation or, in this case, an Iranian base near the planned course. Second, the chain of command was not well defined on the two boats. While a young lieutenant was the highest-ranking individual on either of the two 50-foot boats, when the order was given to evade the Iranian forces, the helmsman refused the order. Third, defense officials tell Fox News the Navy had become too complacent with the its treatment by Iranian forces in the months leading up to the January capture. "The story here is these guys had gotten so used to Iranians doing stupid s---, having weapons pointed at them all the time, they didn't know they were being captured until the Iranians boarded their boats," one defense official said describing the lack of situational awareness by the Navy crew. "They messed up pretty bad." **Source; foxnews**

Bon bini Zr.Ms. Groningen!

Photo : Kee Bustraan ©

Na een periode bij de Bovenwindse Eilanden, is het nieuwe stationsschip **Zr.Ms. GRONINGEN** in de West nu aangekomen bij de ABC-eilanden. Het schip werd onder gebruikelijk ceremonieel op Curaçao verwelkomd en voer de haven binnen. Het schip heeft al een onderschepping van drugssmokkelaars uitgevoerd en nam tevens deel aan de orkaannoodhulpoefening HUREX. Deze oefening is afgesloten met een geslaagde VIP-dag aan boord, waarbij verschillende internationale partners met elkaar hebben gesproken over hulpverlening na een (natuur) ramp in het Caribische gebied. **Bron : Amigoe**

Egypt Gets Its First French Mistral-Class Helicopter Carrier

Egypt has received the first of two French-made, Mistral-class helicopter carriers purchased last year in an effort to upgrade its navy.The carrier sailed on Thursday into Egypt's port city of Alexandria, where a ceremony was held. The vessel has been christened **GAMAL ABDEL-NASSER** after Egypt's nationalist president during the 1950s and 1960s.

The second, identical vessel will arrive in September. Cairo is said to be planning to purchase Russian assault helicopters for the ships. Egypt is trying to boost its military, including the navy, and play a more assertive role in the turbulent Middle East. It has purchased 24 French Rafale warplanes, beefing up its air force which has mostly relied on U.S.-made F-16 fighter-jets.Egypt receives an annual $1.3 billion in U.S. aid, primarily used to purchase arms. **Source: ABC news**

Former Navy official becomes 11th person to plead guilty in 'Fat Leonard' bribery scandal

By ; Craig Whitlock

A retired Navy contracting official admitted Thursday in federal court that he took more than $300,000 in bribes from a Singapore company that resupplied U.S. warships in Asia, making him the 11th person to plead guilty in what is emerging as the biggest corruption scandal in the Navy's history.Paul Simpkins, 62, an Air Force veteran who worked as a civilian contracting official for two decades for the Pentagon and the Justice Department, pleaded guilty to two bribery-related charges in U.S. District Court in San Diego. He is scheduled to be sentenced Sept. 9. His attorney has stated previously in court that he faces a likely prison term of between six and seven years. According to federal investigators, Simpkins was working as a supervisor for the Navy's regional contracting office in Singapore in 2006 when he held a series of surreptitious meetings in a hotel bar with Leonard Glenn Francis, the owner of a local maritime firm that provided food, fuel, water, security and other port services to Navy ships. Francis, a charismatic figure known in Navy circles as "Fat Leonard," wanted to cheat to obtain Navy contracts in Thailand and the Philippines for his firm, Glenn Defense Marine Asia. He offered Simpkins $50,000 to rig the bidding, according to an indictment filed in the case. Although Simpkins was willing, he demanded a higher price and ultimately received $450,000 in cash and payments wired to a foreign bank account controlled by his Japanese wife, prosecutors have alleged. In addition, he agreed to serve as a secret fixer for Glenn Defense in other matters, intervening on Francis's behalf when other Navy officials raised flags about his company's excessive billing practices. According to terms of his plea agreement with prosecutors, Simpkins has agreed to pay back $450,000 to the Navy. The Justice Department has already seized $150,000 from a credit union account held by Simpkins, who lives in Haymarket, Va., court records show. Francis, who pleaded guilty in the case last year, has admitted to bribing "scores" of Navy officials over a decade as his firm won contracts from the Navy worth more than $250 million. A federal prosecutor said last year that 200 individuals were under investigation. Of those, about 30 are admirals, Navy officials have said. Fourteen people have been charged so far in federal court, all but three of whom have pleaded guilty. Justice Department officials have said more arrests are likely. Another Navy contracting official who worked in the same office with Simpkins has been arrested in Singapore and faces corruption charges there. Like many other Navy officials who have been charged in the case, Simpkins also had a taste for illicit sex — a weakness that Francis eagerly exploited, according to the plea agreement. In 2012, Simpkins notified Francis about his plans for an upcoming vacation and asked if he could arrange for some prostitutes. “Can u set up some clean, disease free wome[n]?” he asked in an email. “Whats the plan to meet up and maybe do some honey’s?” “Honeys and bunnys,” Francis replied, approvingly. Simpkins was arrested in Virginia in February 2015 and spent nearly a year in jail before he was able to post bail. Prosecutors and his defense attorney, John Lemon, had previously signalled in court that he was likely to plead guilty. Lemon did not respond to emails seeking comment. In a hearing in January, Assistant U.S. Attorney Mark Pletcher noted that a trial would bring to light all sorts of sordid evidence, such as Simpkins’ history with prostitutes and allegations that he kept multiple mistresses in Asia. “All of this is incredibly embarrassing, personally difficult testimony which suggests an unlikelihood that a defendant would want those things publicly aired at trial,” Pletcher said. **Source; washingtonpost**

SHIPYARD NEWS

Damen wins best paper award

Successful presentation at the WODCON 2016 in Miami

At the **WODCON 2016** held last week in Miami, USA, **Damen** has been awarded the “**Best Paper Award**”. The paper on dredge pump design, written and presented by **Mr Klaas Slager,** is about efficient dredge pump design. The WODCON is the annual conference of the **Wester Dredging Association.** At this venue the world’s leading dredging specialist gather to discuss developments in the industry. In total some 120 presentations were held over the 4-days gathering. During the closing ceremony held on the 17th of June the committee, representing the Dredging Contractors of America and Western Dredging Association, rewarded the best paper. **Mr Klaas Slager** and his co-author **Mr Mark Winkelman** were awarded the “Best Paper Award”. Their paper, called “**On the relation of Maximum Ball Passage and Recirculation Losses in Dredge Pumps**” highlighted their research results in the ongoing dredge pump design activity for the Damen dredge pump range. Mr Slager said “It is a honour to receive this award for our paper. We are glad that in this competitive playing field, the paper committee recognized the quality of our work. For Damen - as dredge builder - it is vital to understand the relation between ball passage and efficiency of a dredge pump in order to be able to build an efficient dredger. Of course, Damen will continue to do research on dredging processes. We feel encouraged by this award to share more of our work with the dredging community.”The award ceremony was part of the closing notes of the WEDA committee. The dredging community can look back on a fruitful exchange of ideas, with the promise of a new conference with fresh ideas in three year’s time.

ROUTE, PORTS & SERVICES

POSH wins support contract for Shell’s Prelude

PACC Offshore Services Holdings (POSH) has won a contract from Technip Oceania to deploy its semi-submersible accommodation vessel **POSH ARCADIA** to support Shell’s floating LNG facility **PRELUDE.**

POSH ARCADIA will provide accommodation support for up to 750 people during the hook-up and commissioning phase of the **Shell Prelude FLNG Project** in the Browse Basin, off the north-west coast of Western Australia. In

January, POSH's joint venture with Singapore's Terasea was appointed to provide towage and positioning services at the Prelude facility **Source ; Splash 24/7**

Specialist dredger hired by Teignmouth harbour commission to encourage more vessels to use the port

THE TEIGNMOUTH Harbour Commission has spent £250,000 in hiring a specialist dredger as part of plans to encourage vessels to use the port. The dredger from Denmark has been in the port for the last five days, and will spend another five days clearing and improving the main navigation channel into Teignmouth. The theory behind the investment is that more and larger vessels will be able to dock in Teignmouth and harbourmaster Cmdr David Vaughan said that they are hopeful that it will be a worthwhile investment in the future of the port. **Source : torquayheraldexpress.**

France's CMA CGM makes Kingston a key hub in wake of widened Panama Canal

French shipping giant **CMA CGM** has made Kingston, Jamaica, its strategic Caribbean hub in anticipation of an expanded Panama Canal, the company announced Friday."A widened canal will bring new opportunities for world trade...modernization works will allow the group to operate all larger vessels sailing in the area, and make Jamaica a transshipment hub for the whole sub region," said CMA CGM director of studies, projects and development Luc Portier. Centrally located in the Caribbean Sea, just one day away from the Panama Canal, Kingston is set to become a transshipment center connecting the US East Coast, the Gulf of Mexico, the Caribbean and northern Brazil, the company said The shipping group secured the Kingston Containers Terminal concession on April 7 last year. The Panama Canal is a strategic route for CMA CGM. The group was the canal's second client for containerized transport last year, with one vessel a day passing through the canal, and more than 835,000 of TEUs (twenty foot equivalent) carried through the canal. CMA CGM has **536 vessels** calling at more than 420 ports. Last year, the shipping group carried 18 million TEUs of cargo. The expanded Panama Canal will be officially inaugurated on June 26. **Source: Platts**

Panama Canal Expansion: Bigger Ships, Bigger Risks

A couple of years after the celebration of the 100th anniversary of the Panama Canal, the country prepares for the opening of the long awaited expanded Canal on 26 June 2016. This event will mark the conclusion of nine years of engineering works at costs in the region of USD 5.25 billion, although the actual cost figure will perhaps never be known. The expanded Panama Canal intends to double the capacity of the existing waterway by adding a third set of locks, giving way to ships that can carry over twice as much cargo. Two new sets of locks have been built, one on the Atlantic and one on the Pacific side. As part of the construction works, the existing water channels have been widened and deepened, and the water of the Gatun Lake has been raised to the maximum operating level. The present locks (Panamax-size) can handle ships up to 106 feet wide, 965 feet long and 39.5 feet of draft. The new locks will be able to fit vessels up to 160 feet wide, 1,200 feet long and 50 feet deep. Container ship capacities will increase from 4,400 twenty-foot units, to about 13,000-14,000 TEU's. It is expected that between 10 to 12 Neo-Panamax size vessels, as long as four football fields, will cross the Canal daily, increasing the overall number of transits to approximately 50 per day.

Panama_Canal-expansion

A report published by insurers Allianz Global Corporate & Specialty, analysing the risk management impact of the new canal, concludes that bigger vessels "automatically pose greater risks, giving a serious incident the potential to lead to a sizable loss and greater disruption. Increasing traffic of bigger ships also adds to the amount of diesel and petroleum being transported, which could raise the pollution risk in an accident". In reaction to the report, the Panama Canal Authority confirms that they have invested thoroughly in personnel training, loss prevention programmes and contingency plans. However, it is not a secret that this institution has been criticised for the reduced budget assigned to the training. It has been said that the amount designated to training is fractional considering the total costs required to build the expanded canal and the risks that a grounding or pollution incident may represent for the maritime industry. Despite the risks and challenges, many ports on the US East and Gulf Coasts are getting ready for bigger ships. These ports have up to now used the Suez Canal for vessels coming from Asia and expect their trade capacity to expand as much as the new canal.It remains to be seen whether the expansion will be successful and which impact it will have on the global economy, shipping and insurance. However, what is clear is that bigger ships and more transits through the Panama Canal will concentrate larger amount of insured goods under a new and untested risk. In any event, we expect members to implement extra security measures during the first transits, thus preventing unforeseen risks. **Source: Skuld**

A New Global Partnership between ANTIPOLLUTION S.A. – VEOLIA FS UK

On the occasion of the International Exhibition "Posidonia 2016" that took place in Athens, Greece, **ANTIPOLLUTION S.A**. announced its partnership with **VEOLIA FIELD SERVICES UK**, member of the international SARPI VEOLIA.

ANTIPOLLUTION S.A., specialized in marine environmental protection services, and VEOLIA FIELD SERVICES UK, a company experienced in the field of waste management, joined forces to create a new global power, able to serve the needs and requirements of the demanding shipping industry. This new scheme shall offer integrated solutions and prompt, safe and environmentally sound emergency response services, as well as shall manage distressed / damaged cargoes on global level. The international shipping community has now a reliable ally and partner in building a sustainable marine environment. Mr. Byron Vassiliades, Chairman of Antipollution S.A., who envisioned this venture, stated that this is the beginning of a long journey which shall alter the way that damaged / distressed cargoes are managed. After all, only a small group of thoughtful and dedicated people is more than enough for making the difference and re-shaping the way the shipping industry is being served globally.**Source: Antipollution**

Danish ships to be issued with digital certificates

As one of the first countries in the world, Denmark has as of 24 June 2016, put an end to the 100 years old tradition of certifying ships by means of old-fashioned certificates on paper. Until now, the certification has been carried out by printing, stamping and signing paper certificates and subsequently sending them around the world to be kept on board ships. Digital certification – or electronic certification which is the term used internationally – will put an end to these cumbersome procedures, reduce administrative workloads and pave the way for further maritime digitalisation. The Minister for Business and Growth, Mr Troels Lund Poulsen: It is important for our businesses to embrace the digital era. Therefore it makes me proud that Denmark is one of the very first countries in the world to use electronic certification, which will reduce the administrative workload and save time and money in the maritime sector." Many years' worth of international negotiations has laid the ground for today's launching of electronic certificates. Denmark has worked in the United Nations' International Maritime Organization, IMO, to keep reduction of administrative burdens on the agenda. And electronic certificates are an excellent example of a simple, digital solution that will make life easier for Danish shipowners and seafarers on board Danish ships.The Director General of the Danish Shipowners' Association, Ms Anne H. Steffensen:

"The Danish Maritime Authority has been working hard in the IMO to gain acceptance of electronic certificates. It is a major step in the right direction that will help reduce administrative burdens and costs imposed on Danish shipowners and ships. Denmark is in the lead here and we hope that other Flag States and classification societies will follow Denmark's initiative." The ships' old paper certificates will be replaced one at a time as they expire. Ship owners will also get online access to their own certificates, which will further reduce the amount of administrative work.

Source: Danish Maritime Authority

Fogo ferry Veteran to continue sea trials into July

There is no return to service date set yet

The provincial government says the first phase of sea trials are over for the **VETERAN**, and another phase will begin June 29 near Fogo and Change Islands. There is no return to service date for the ferry and the **CAPT. EARL W. WINSOR** will continue to run between the islands and Farewell for the time being, the transportation department said in a statement Friday. The second phase of sea trials is expected to take about three days and will begin on June 29 on the northeast coast."Monitoring will take into account the local sea state conditions, wharf factors and shore contour conditions, and the impact these factors have on the repaired propulsion units," said the department. Once sea trial are complete, the **VETERAN** will dock in Lewisporte for an assessment by the government and the builder Damen Shipyards. (CBC) Following the sea trials, the **VETERAN** will dock in Lewisporte for "a post-trial, pre-service entry analysis" by officials from Damen, Rolls Royce and the Department of Transportation and Works. The $50 million ferry has been out of service four times since its launch in 2015. The most recent repairs are to the vessel's port thruster. **Source; CBC**

…. PHOTO OF THE DAY …..

The **KOTUG-SMIT** operated tug **SD REBEL** assisting the **STENA SIRITA** at the MOT in Rotterdam-Europoort
Photo : Rolf Theunissen ©

Click HERE for the LIVE STREAM WEBCAM in Hoek van Holland Berghaven