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The Kotug Smit operated tug RT EVOLUTION operating in Rotterdam Europoort
Photo: Piet Sinke www.maasmondmaritime.com (c) CLICK at the photo!
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EVENTS, INCIDENTS & OPERATIONS

The FEDERAL I MABARI in Vancouver    Photo: Ernst Lohmann  www.ernstlohmann.nl ©

Vereniging Volle Kracht viert Jaarfeest
Zaterdag 10 november viert Volle Kracht, de vereniging van oud-studenten van het maritiem onderwijs Rotterdam & omstreken, het 42ste Jaarfeest in de Sleepboothaven Maassluis. Het programma begint om 15.00 uur met ontvangst op Zeesleper **ELBE**, Govert van Wijnkade 44. Voorafgaand aan het programma kan, vanaf de Elbe, een maritiem historische wandeling van een uur worden gemaakt, onder leiding van een gids. Na de ontvangst om 15.00 uur met koffie/thee en een Maassluise lekkernij kunnen de aanwezigen, op eigen gelegenheid en voorkeur, het Nationale Sleepvaartmuseum en/of de in de haven aanwezige sleep- en bergingsvaartuigen bezoeken. Vanaf 17.30 uur wordt iedereen verwacht in restaurant Smaak & Meer voor een drankje met toebehoren, gevolgd door een diner in de Achterruimte van het restaurant. Het drie gangenmenu biedt keuzemogelijkheid uit vlees of vis, vooraf op te geven bij de organisatie. Introducés of oud-studenten die overwegen lid te worden zijn van harte welkom. Voor meer details en kosten van deelname zie de website **www.volle-kracht.com**.

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The **MSC YASHI B** navigating the Westerschelde  
**Photo : Marian de Groot ©**

**USPA updates the fleet of pilot boats**

The Branch office “Delta-pilot” of SE “Ukrainian sea ports Authority” at the end of October 2018 announced a tender for the purchase of three pilot boats “During 2018, by the branch office of USPA “Delta-Pilot” more than 18 thousand pilotage
of vessels was carried out. In this case, accidents, the cause of which could be done by incorrect actions of pilots, not fixed. The zero level of accidents indicates a high level of training of pilots of the state enterprise and confirms the effectiveness of the unified pilotage service existing in Ukraine and the tactics chosen by the EU as the basis for navigation safety. For the further safe pilotage of vessels, it is necessary to update the fleet of pilot boats”, said the head of the USPA, Raivis Veckagans. In accordance with technical requirements, specialized vessels must have a length of 17 meters and a maximum draft of 2 meters, the maximum speed at full displacement – of 15 knots. Also, the technical characteristics of the pilot boats should take into account the peculiarities of work in the Ukrainian ports in the winter period. The expected cost of three boats including VAT is 274,644,000 UAH. All information about the tender are in open access on the resource “Prozorro”. In accordance with the Program for the renewal of the fleet of the USPA for the period 2017–2021, that was presented on July 21, 2017 at the Fleet Development Day (Ukrainian ShipYard Day - 2017), during 2018–2021 It is planned build/purchase six pilot boats Source: USPA

Containership **MSC VIDHI** is approaching Rotterdam Maasvlakte. **Photo: Patrick Deenik ©**

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**Eurozone Economy Falls Further Behind U.S.**

The eurozone economy slowed sharply this summer, posting the weakest quarter in five years, as the region begins to suffer from a slowdown in China and turmoil in Italy takes a toll. Tuesday’s figures also suggest that the outlook for the bloc remains uncertain. With China’s economy slowing, the global economy seems set to cool this year, even as the U.S. enjoys a spurt of activity driven by robust consumer and government spending. While the eurozone economy kept pace with the U.S. in 2016 and 2017, it has fallen behind it this year. The European Union’s statistics agency Tuesday reported that gross domestic product in the currency area’s 19 members rose at an annualized rate of 0.6% in the three months through September, a slowdown from the 1.8% in the second quarter and well below the 3.5% registered in the U.S. during the same period. It was the slowest expansion since the first three months of 2013, when output contracted as the eurozone remained in the grip of its government debt and banking crisis. Economists surveyed by The Wall Street Journal last week had expected growth to continue at the same pace as in the second quarter. Some of the lost growth may be recovered in the final months of the year, since output was temporarily suppressed by German delays in testing
automobiles for compliance with new emissions standards. Germany didn’t publish growth figures Tuesday, and won’t until mid-November, but the country’s central bank last week said GDP may have flat lined in the third quarter. Volkswagen AG, Germany’s largest automobile manufacturer, Tuesday said emissions testing contributed to a drop in sales during the quarter. That comes as European auto makers are tackling a shift in demand from gasoline-fueled vehicles toward battery-powered alternatives. France released figures, which showed its economy picked up after a weak first six months, but Italy’s economy flat lined for the first time since the end of 2014. The eurozone economy faces plenty of challenges in the months to come, including the possibility that one of its largest export markets — the U.K. — will sever its ties with the EU without having agreed new trading arrangements. Italy’s standoff with the rest of the bloc over a rules-busting budget has already raised borrowing costs in the eurozone’s third-largest economy. The other big worry is that a series of trade disputes with the U.S. will hit demand for the eurozone’s exports, which are already under pressure from slowing demand in some large developing countries. The currency area’s economy recorded its strongest year in a decade last year, largely down to a surge in manufacturing output as overseas sales jumped. But that has reversed in 2018, with China playing a key role. While eurozone exports to China in the first eight months of 2017 were up 19.2% from the same period in the previous year, they were up just 3.3% in 2018. Some businesses see a link between that cooling and the uncertainty created by unresolved trade tensions between the U.S. and China. Volkswagen on Tuesday said a “significant” drop in its Chinese sales during the third quarter was attributable to the trade dispute between China and the U.S. having dampened business and consumer confidence. Other German manufacturers are also feeling the chill. “Chinese demand has slowed noticeably since this summer,” said Andreas Möller, a spokesman for German machine-tool maker Trumpf GmbH + Co. “If the U.S. and China are feuding over trade rules, then that’s of course going to leave a mark on our business.” In the financial year that ended June, China was the second-largest market for Trumpf, after Germany but ahead of the U.S. While businesses elsewhere in the eurozone haven’t seen a similar hit, it is a key worry for many. “Looking ahead we are worried about China,” said Maurizio Casasco, chairman of Confapi, an association representing small and midsize Italian companies. “We are watching closely the U.S.-China [tariff] discussions and are aware that if the standoff continues we could be collateral damage. Italy risks paying the consequences for something that is completely out of our control.” For now, the eurozone’s slowdown is unlikely to derail the European Central Bank’s plans to withdraw some of the stimulus it has provided since mid-2014. Last week, ECB President Mario Draghi said there had been a loss of momentum, but no sign as yet of “a downturn.” “It’s not simple here to distinguish what is transitory from what is going to be permanent, what is country specific from what is extended to the whole of the euro area,” he said. Most economists expect to see a small rebound in eurozone growth during the final quarter of the year as Germany’s automobile industry returns to normal and falling unemployment continues to support household spending. But there are few signs that growth will get anywhere near its 2017 peak next year, and reasons to fear it will be even softer than what looks almost certain to be a disappointing 2018. A survey released by the European Commission on Tuesday found consumer and business confidence slipped to its weakest level since May 2017 in October, an indication that household spending and investment by companies is unlikely to rally significantly over coming months. Source: Dow Jones
Japanese carrier expects $600 million loss in fiscal year ending March 31, 2019, as liftings disappoint, especially on backhaul legs.

Ocean Network Express or ONE, the container carrier owned by Japan’s three largest shipping companies, has reported a net after tax loss of $192 million in the second quarter of its current fiscal year. Combined with a $120 million loss for the first quarter and an additional $289 million loss forecast for the second half, ONE now expects to lose about $600 million for the full fiscal year compared to an initial forecast of $110 million profit. Owned by NYK, MOL and “K” Line, ONE currently has a fleet of 228 ships with 1.55 million-TEU capacity, making it the world’s sixth-largest container carrier. Like its three owners, ONE’s current fiscal year runs through March 31, 2019. ONE said revenue also has been below expectations — $2.96 billion in the second quarter compared to $3.38 billion forecast in July. ONE now forecasts revenue of $11 billion for the year as opposed to the $12.25 billion forecast in July. Customer service issues in the first three months of operation have been resolved, ONE said, but it added liftings have been lower than targeted. It also is experiencing higher costs for returning empty containers to Asia “as the result of a larger impact due to a slower recovery on the nondominant leg.” ONE carried 761,000 TEUs in the second fiscal quarter from Asia to North America for a 90 percent utilization, compared to 530,000 TEUs and 73 percent utilization in the first quarter. However, in the backhaul direction, from North America to Asia, it carried only 285,000 TEUs with a 33 percent utilization in the second quarter and 218,000 TEUs, also 33 percent utilization, in the first quarter. ONE said, “We are maintaining the utilization by reducing frequencies as necessary during the lower demand periods in H2,” said ONE. “Freight has been maintained on the high side after the summer season as a result of rush demand towards the calendar year end.” A similar imbalance exists in the Asia-Europe trade. ONE moved 478,000 TEUs from Asia to Europe in the second quarter (90 percent utilization), an improvement from the 312,000 TEUs (73 percent utilization) in the first quarter. Backhauls from Europe to Asia were 263,000 in the second quarter (47 percent utilization) and 194,000 (46 percent utilization) in the first quarter. While freight recovered in the second quarter, ONE said there has been a downward trend in the Asia-Europe trade after volumes peaked in August. It said, “Flexible planning of blank sailing based on the demand trend is now under way.” MONE said it is achieving synergies from combining the container liner operations of NYK, MOL and “K” Line. “Annual integration synergy of $1.05 billion are steadily emerging. As of FY 2018, it will reach 75 percent against originally budgeted 60 percent.” ONE said the timing to transfer the container terminal operations outside of Japan of NYK, MOL and “K” Line is unchanged and still planned for the fourth quarter of the current fiscal year — the first three months of 2019. The loss at ONE was reflected in the result of the three major Japanese carriers, which also reported their second-quarter results on Wednesday. MOL had a profit while NYK and “K” Line recorded losses.

NYK

NYK said its loss for the second quarter ending Sept. 30 attributable to the owners of the parent company was 5.2 billion yen ($46 million) compared to a profit of 892 million yen in the same period the prior year. Revenue was 451 billion yen in the second quarter of the current fiscal year, compared with 542.6 billion yen in the same period last year. While ONE and NYK’s air cargo business, Nippon Cargo Airlines, had losses, the dry bulk shipping and logistics businesses were profitable. Nippon Cargo Airlines grounded all 11 of its aircraft — eight 747-8Fs and three 747-400Fs — in the middle of June in order to confirm the soundness of the aircraft. The company said it took this step because of improper handling of maintenance work conducted in the past. The company has decided to eliminate the 747-400Fs and recorded an impairment loss on the planes and spare engines as a result. The 747-400Fs are being brought back into service once their soundness has been confirmed. As of early October, five aircraft were back in service. NYK’s logistics business is “progressing steadily with both forwarding business and contract logistics business improving.” It reported an increased profit versus the same period last year. The company said its bulk shipping business improved on the back of market recovery, but that “automobile transport volume to resource-rich countries is slow to recover.”

MOL

MOL said it had a profit in the second quarter ending Sept. 30 attributable to the owners of the parent company of 7.4 billion yen ($65.5 million) compared to a profit of 7.9 billion yen in the same period the prior year. Revenue was 315 billion yen in the second quarter of the current fiscal year, compared with 416 billion yen in the same period last year. In addition to a loss in the container business, MOL said its car carrier segment had a decrease in ordinary profit. Both MOL and NYK said that the car carrier business saw a temporary decrease in shipment volume due to heavy rains in Western Japan. The United States is not the only country that is experiencing issues with an aging cadre of truck drivers. That has been a plus for MOL’s ferry and coastal roll-on, roll-off business, which “observed a firm cargo volume having continued since the previous fiscal year amid a trend of accelerated modal shift, which reflects shortage and aging of the truck drivers and tighter labor controls in Japan.”

In the dry bulk cargo business MOL said it saw a 6.8 percent increase in revenue and 9.6 percent increase in ordinary profit in the first half of the current fiscal year. Rates for “capsize” bulkers rose to the $24,000 range per day from July through August amid a recovery in iron ore shipments from Brazil. Then the rate remained roughly in the range of $17,000 per day in September “amid a weakening market brought about by deteriorating sentiment with respect to trade
friction between the U.S. and China. “The Panamax dry bulk market “briefly endured deteriorating sentiment, but improved gradually and trended in $13,000 to $14,000 range per day from the middle of September onward as volumes of mainstay cargoes such as coal and grain shipments from South America remained steady. Facing such market conditions, the dry bulk business recorded positive earnings amid a slight year-on-year increase in ordinary profit. “The company’s energy transport segment — crude and product tankers, liquid natural gas (LNG) and liquid petroleum gas (LPG) tankers — saw revenues climb 5.6 percent and ordinary profit increase 60.6 percent in the first half of the fiscal year. MOL said, “The LNG carrier division maintained robust performance, in part due to new vessel deliveries for a European customer, in addition to vessels operating under existing long-term contracts. The offshore business division also recorded stable ordinary profit, brought about by steady operations of existing projects including those that started operation in June.” It said the LPG carrier market (LPG carriers transport heavier hydrocarbons like butane and propane, as opposed to LNG carriers that carry methane) “followed a downward trend in the first quarter due to declining vessel demand in the U.S. region amid a situation where LPG trades slowed down as rising prices of U.S. LPG resulted in a diminishing price difference in comparison with the Asia region. However, the market has since shifted to a trajectory of recovery amid increasing vessel demand in the U.S. region as a result of that price difference once again widening at the outset of the second quarter.”

“K” Line
“K” Line said it had a loss attributable to the owners of the parent company in the second fiscal quarter ending September 30 of 5.3 billion yen ($47 million) compared with a profit of 4.7 billion in the second quarter the prior fiscal year. Revenue was 204 billion yen in the second quarter of the current fiscal year, compared with 291.6 billion yen in the same period last year. “K” Line saw improved earnings in the second quarter of the current fiscal year over the first quarter in both its dry bulk and energy resource transport segments. In its car carrier business, “K” Line said “cargo movements for finished vehicles continued to gradually increase as a trend except for shipments to the Middle East, whose economic recovery is lagging, and within Europe, whose sales decline affected by implementation of worldwide harmonized light vehicles test procedure It said overall volume of finished vehicles shipped by the Group increased, but “as a result of factors such as a rise in fuel costs and the deterioration of operation efficiency, revenue declined year-on-year and a loss was recorded.” “K” Line said its logistics business in Japan continued to have robust cargo movements. “Although the operating rate declined and costs increased due to earthquakes and rough weather, the impact was limited.” “In the international logistics sector, the growth of cargo movements related to semiconductors and e-commerce in air cargo transportation continued solidly. Likewise, the business scale of localized logistics services in such countries as Thailand, Indonesia and the Philippines steadily expanded,” said “K” Line. “On the other hand, cost increasing for enhancing business capabilities in the logistics business occurred after the integration of the containership business. As a result, the logistics business overall recorded a year-on-year increase in revenue, but profit declined year-on-year.”

Source: American Shipper

The EDT LEDA inbound at Haifa Photo: Peter Szamosi ©

First Saudi oil tanker arrives in port of Aden
The first Saudi ship arrived on Monday at the port of Aden, carrying the first batch of Saudi Arabia’s oil derivatives grant worth $60 million per month to supply power stations in all liberated Yemeni provinces as part of the Saudi program for
the development and reconstruction of Yemen, Saudi Arabia’s Al-Arabiya television channel said. Over 60,000 tons of fuel was distributed to 10 governorates to operate 64 power stations. The $60 million grant will enable the government of Yemen to manage market stability, prevent extreme inflation, and increase public access to critical goods. This support comes in tandem with the Saudi Reconstruction Project in Yemen (SRPY), a Saudi initiative to support long-term development and growth in Yemen. Source: ArabNews

Port of Corpus Christi and Carlyle to partner on Texas VLCC terminal

By Rye Druzin

A very large crude carrier, or VLCC, approaches Occidental Petroleum Corp.’s Ingleside Energy Center Terminal near Corpus Christi. The visit marked the first time a VLCC, which can carry upwards of 2 million barrels of oil, had visited a U.S. port. The Port of Corpus Christi announced Monday that The Carlyle Group will fund the building of a VLCC-capable crude oil export terminal on Harbor Island, which sits just a few miles inland from the Gulf of Mexico. Photo: Courtney Sacco / Associated Press / Corpus Christi Caller-Times

The Port of Corpus Christi and investment firm The Carlyle Group will team up to develop an inland crude oil export terminal for some of the world's largest oil tankers. The project on Harbor Island, just two miles inland from the Gulf of Mexico, would allow Texas' booming oil production to be exported around the world on some of the largest crude oil tankers. The terminal will include two loading docks and allow very large crude carriers, or VLCCs, to dock. The tankers are preferred by exporters because of their ability to export 2 million barrels of oil per ship. A separate storage area would be located somewhere across Redfish Bay, which lies to the west of Harbor Island. The cost of the Harbor Island project could be upwards of $1 billion, according to the port’s CEO Sean Strawbridge. It is expected to be operational in late 2020. Analysts have said the majority of new U.S. crude oil production will be exported as American refineries are unable to process much more of the light, sweet crude produced in areas like the Permian Basin and Eagle Ford Shale. The Carlyle Group, a Washington global asset manager, and the Port of Corpus Christi will pay for the construction of the terminal. The Carlyle Group will secure private funding for dredging along a portion of the Corpus Christi Ship Channel to Harbor Island down to 75 feet, the depth required to allow fully laden VLCCs to leave the Corpus Christi Ship
Channel VLCCs can only partially load inside the ship channel before moving offshore to be fully filled, or lightered, by smaller tankers. An opposition group called the Port Aransas Conservancy formed soon after the plans for Harbor Island were revealed in mid-2018. The Conservancy has been concerned about potential environmental impacts and that the project could damage tourism for Port Aransas, a small town that sits across the Corpus Christi Ship Channel from Harbor Island and relies heavily on visitors for its economy.

Source: mysanantonio

Lovely to see a photo in 31/10/2018 edition of marine engineers from STORM, doing what they do best.

Photo: Piet Sinke www.maasmondtimarine.com (c)

Marine engineers are the “lost” heroes of the mercantile marine industry, and don’t receive the recognition they deserve. This perhaps has come about because they are reluctant to brag about their almost superhuman exploits “down on the plates”. I have found marine engineers to be quiet, modest, retiring, and understated.

Could 2019 be the year of the marine engineer?

Kind regards, Graeme Etheridge, Napier New Zealand

Scorpio Tankers suffers amid prolonged market weakness

SCORPIO Tankers almost doubled its net loss in the third quarter as it grew its fleet amid depressed spot rates. The US-listed company posted a net loss of $72m compared with $37m a year earlier, it said in a statement. Analysts had expected the net loss figure to be in the region of $65m, according to a note by J P Morgan. The company, which now has about 124 operating vessels, saw time charter equivalent earnings decline to $10,519 per day in the third quarter from $12,395 a year earlier. “The spot market for product tankers continues to face adverse market conditions as a result of an unfavourable global supply and demand imbalance resulting primarily from weaker global refining margins, a lack of arbitrage opportunities, and the continued absorption of an influx of prior year newbuilding deliveries,” Scorpio Tankers said. But it has managed to get higher rates so far in the fourth quarter, with long range two vessels operating in a pool at $13,000 per day, long range one ships at $12,750 per day, medium range vessels at $12,000 per day, and ice-class handymax tankers at $11,000 per day. The fixture level is comforting in our view, and shows that product tankers are experiencing signs of improvements,” Arctic Securities said in a note. Scorpio has been involved in several sale and leaseback deals this year. It has also agreed new financing. As of October 30, the company had $648.8m in unrestricted cash and cash equivalents. It had two medium range product tankers in drydock during the third quarter and expects to have four MRs out of service in the remainder of the year.

Source: Lloyd's list

ALSO INTERESTED IN THIS FREE MARITIME NEWSCLIPPINGS ?
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Zeeschepen onder buitenlandse vlag moeten voldoen aan internationale wet en regelgeving, zoals SOLAS, MARPOL, ILO, etc. Dit wordt gecontroleerd door Port State Inspecteurs op basis van de Wet Havenstaatcontrole die gebaseerd is op Europese Richtlijn 2009/16/EG. De ILT heeft ook een Inspectieprogramma: Vlaggenstaat toezicht ontwikkeld voor het toezicht op de Nederlandse koopvaardijvloot. Het toezicht op de klassenbureaus is tevens onderdeel van het vlaggenstaattoezicht maar heeft een separaat inspectieprogramma. Genoeg onderwerpen om over te discussiëren met diegenen die het uitvoeren en moeten ondergaan. Kan het beter? Zijn er duplicaten in de inspecties? Is er voldoende samenwerking tussen alle partijen? Het gaat immers om de veiligheid aan boord van schepen, ons aller belang.

**SPREKERS:**

- Dhr. Richard Schiferli (Port State Control)
- TBN Flag State Inspector (Ministerie van ILT)
- Capt. Cornelius den Rooijen (varend kapitein)

**Datum: 22 november 2018.**

Locatie: Koninklijk College Zeemanshoop, Muntplein 10 te Amsterdam
Aanvang 13.30 uur / inloop 13.00 uur.
MSC to impose new fuel surcharge of 16.25pc on December 1

THE Mediterranean Shipping Co (MSC) has announced a new fuel surcharge for December 1 that will rise to 16.25 per cent. “This is applicable to all deliveries and collections that are performed on or after December 1,” the company said. “MSC will continue to keep the level under constant review and make further adjustments, as appropriate according to the prevailing fuel costs,” MSC said. Source: Schednet
Over the past few days, there has been a resurgence of tanker ordering activity. In its latest weekly note, shipbroker Allied Shipbroking said that it was “a fairly interesting week overall for the newbuilding market, given the firm flow of fresh orders coming to light the past couple of days. Despite how bizarre it may seem, the tanker sector has taken the lead as of late, to push activity further, with Singaporean investors seemingly being very keen for fresh projects at this point. On the dry bulk side things seem to be in regression for yet another week, despite the good sentiment in terms of earnings that the market is currently under. With the exception of the Ultramax segment, which experienced a considerable increase in its orderbook, given the massive order for 4 firm with options for another 4 units from ICBC Leasing, fresh interest for all other segments seems rather sparse. Notwithstanding this, given that we are still at an early stage of the 4th and final quarter of the year, a quarter typically showing a fair splurge in new orders, we may well anticipate a strong newbuilding activity to take place in the short-run at least”. In a separate newbuilding note, Clarkson Platou Hellas said that “whilst contracts were signed last month, it’s come to light this week that Gefo have added to their orderbook at AVIC Dingheng with two 7,500dwt stainless tankers with Ice 1A. Delivery is understood to be within end 2020. Kouan also announced that Stenersen have signed contracts for two further 17,500dwt coated IMO2 tankers taking their orders at the yard to four units – delivery of the latest two is due in 2020. Stenersen have taken delivery of the first vessel in this series with a second unit to deliver soon. It was announced that CIMC Raffles finalised contracts for two firm plus two option 2,700lm RoRos with Bohai Ferry – with delivery of both firm vessels due in 2020. Huangpu Wenchong took an order for a single circa 180m LOA train ferries for CG Railway Inc (USA). The contract was signed in the summer and now become effective – delivery is due in 2020”. Meanwhile, in the S&P market, Allied said that “on the dry side, the long anticipated boost in activity finally took shape this past week, with numerous transactions coming to light. With buying interest varying across all main segments and all different age groups, it seems as though good sentiment amongst buyers is in abundance now. Moreover, with more than 2 months to go before the closing of the year, we can anticipate things to heat up further, while at the same, many will keep a closely eye as to how asset prices start to react. On the tanker side, things seemed considerably more active this past week as well. It seems as though the recent improvement in the freight market has further enticed buyers to act though still not at to aggressive price levels. Notwithstanding this, given that current asset price levels may seem very attractive, on the back of further improvements being heralded in terms of fundamentals, we may well interest rise further over the next couple of months”. In a separate note, ships’ valuations expert VesselsValue said that in tankers, “values have remained stable with the exception of older Aframax and LR1 tonnage. Aframax tankers British Eagle, British Falcon and British Kestrel (113,600 DWT, Feb – May, 2006, Samsung) sold in and en bloc deal to Capital Maritime and Trading for USD 41.1 mil, VV value USD 44.65 mil. MR2 Pacific Vega (46,000 DWT, Jun 2010, Shin Kurushima Ujina) sold to Transocean Maritime for USD 16.35 mil, VV value USD 16.95 mil. Ocean Yield ASA purchased MR1s Ardmore Defender and Ardmore Dauntless (37,800 DWT, Feb 2015,
Hyundai Mipo) for USD 25.7 mil and USD 25.3 mil respectively, VV value USD 26.48 mil and USD 26.11 mill respectively”. In bulkers “values have remained stable with the exception of mid age Capes. Capesize Pacific Explorer (177,500 DWT, Jan 2007, Mitsui Ichihara) sold, DD Due, for USD 21.0 mil, VV value USD 21.76 million. Panamax Rich Wave (81,800 DWT, Jul 2017, Tsuneishi Zosen) sold to ArcelorMittal for USD 30.0 mil, VV value USD 29.81 million. Panamax Ioannis Zafirakis (73,300 DWT, Aug 2004, Namura) sold for USD 10.3 mil, VV value USD 10.53 mil. Supramax Nikkei Dragon (53,000 DWT, Jan 2009, Oshima) sold for USD 13.0 mil, VV value USD 13.4 mil. Handy Star Life (28,000 DWT, Mar 2011, Shimanami) sold for USD 11.5 mil, VV value USD 10.88 million”, VV concluded.

Source : Nikos Roussanoglou, Hellenic Shipping News Worldwide
One time member of the Flinter Fleet the **CMA CGM GOYA** now wears her new fleet colours. She was waiting for her berth on the Clyde being vacated by a late sailing container ship. **Photo: Tommy Bryceland. SCOTLAND ©**

Europe. Next January, the sulphur limit will be applicable to other ports across China, and CMA CGM has warned shippers to expect a separate announcement regarding container shipping for the headhaul Asia-North Europe trade. China is the latest country to impose emission control areas (ECA) that already include North Europe (Baltic Sea, North Sea, and English Channel), North America (200 nautical miles from the US and Canadian shores), and Australia. Most of the ECAs require ships to use fuel with a maximum sulfur content of 0.1 per cent. Bunker fuel cost has risen 25 per cent in Houston over the past six months, by 21 per cent in Shanghai, and by 24 per cent in Rotterdam. Bunker fuel cost $490 per ton in Houston on Monday, up 50 cents from Friday, at $516.50 per ton in Shanghai, up $5 from Friday, and $474.50 per ton in Rotterdam, up $12 a ton. Maersk Line estimates its bunker adjustment factor (BAF) will add between $90 and $1,050 to the cost per FEU, with a rough TEU conversion coming at a range of $45 to $1,025. **Source : Schednet**

Van Wijngaarden’s **SCHELDESTROOM** with the **Damen** newbuildings ASDTug 3010 ICE - YN 512612 – Imo nr 9826299 and the ASDTug 2411 - YN 512284 - Imo nr 9681077 enroute to **Damen Maaskant Shipyards** in Stellendam
The CALEDONIAN SKY sailed outbound from Melbourne into the Bass Strait at approximately 13.00 hours last Monday.

Photo: Bill Barber ©

Global Ship Lease and Poseidon Containers merging

By Chris Dupin

Ship chartering company Global Ship Lease (GSL) will double the size of its fleet to 38 ships as a result of a merger with Poseidon Container Holdings. Global, which has 19 ships with 85,136 TEUs, will grow to 38 ships with capacity of 198,793 TEUs. The merger will be accomplished through a stock-for-stock transaction. On a pro forma basis, after the deal is completed, Poseidon shareholders would own 69.5 percent of the company and GSL shareholders 30.5 percent. No shareholder approval is needed. CMA CGM will own 13.3 percent of GSL, and the largest owner will become Kelso & Co. with 56.4 percent stake. Kelso, a New York-owned private equity firm, is currently the majority shareholder in Poseidon.

Ian Webber, chief executive officer of SL, said the deal will “diversify and enlarge our portfolio of customers, improve our fleet age profile, reduce leverage and significantly strengthen our ability to capitalize on compelling growth opportunities.” While they are not part of the merger, Webber said GSL will “benefit from the extensive operational and commercial capabilities” that George Youroukos, the CEO of Poseidon, has separately established. These include Technomar, a ship management company, and ConChart, a commercial management organization. Webber will remain CEO of the company, while Youroukos will become executive chairman. Webber said GSL will benefit from new eco-design ships in the Poseidon fleet. These include three 9,115-TEU wide-beam vessels and six 7,000-TEU vessels, as well as 10 other ships ranging in size from 2,500 TEUs to 6,500 TEUs. In a phone call with securities analysts, Webber said the deal will provide GSL with a more modern fleet, and will enhance its earning power in what the company believes will be an improving charter market. He said the addition of the Poseidon fleet will reduce the average TEU-adjusted age of GSL fleet by three years to 10.7 years. He said the company will diversify the stable of liner carriers that charter the company’s containerships. 17 of the ships in GSL’s current fleet are chartered to CMA CGM and one to Maersk and one to OOCL. With Poseidon, the companies will also charter to MSC, Hapag Lloyd, COSCO, Wan Hai, ONE and ZIM. Webber said the deal will increase the company’s exposure to the spot market at a time when GSL believes “the market
fundamentals are supportive.” He said the company will be better able to “capitalize on growth opportunities at what we believe to be an optimal point in the cycle with an enhanced and expanded position in the midsize and smaller containership segments.” Youroukos said there was “continuing decent demand growth in the majority of the world’s container trades which are served by the midsize and smaller fleet,” a low orderbook for such ships, lot of scrapping of them in 2016 and 2017, and “cyclically low asset prices.” GSL also reported third quarter financial results, saying it had operating revenue of $35.9 million for the third quarter 2018 compared with $41.2 million in the same 2017 period. It reported net income available to common shareholders of $3.9 million for the third quarter 2018 compared with $8.9 million in the same 2017 period. GSL gave this summary of the transaction with Poseidon:

- GSL will issue 24.045 million shares of Class A common stock and 0.250 million shares of Series C perpetual preferred stock, which are convertible into an aggregate of 103.642 million shares of Class A common stock. Affiliates of Kelso & Company LP will be the sole holder of the convertible preferred stock, which is not entitled to any preferred dividend payments other than those payable to common shareholders and represents approximately 49.2 percent of the voting power and approximately 56.4 percent of the economic interest in the company.
- In addition, the currently issued and outstanding shares of Class B common stock of the company will convert to shares of Class A common stock under the terms and conditions of the company’s articles. The transaction values Global Ship Lease at $100 million, or $1.7825 per Class A common share, which is 105 percent higher than the closing price of $0.87 for the Class A common shares on Friday.
- Upon closing of the transaction, Poseidon Containers will contribute an additional $227 million in equity value, and as a result, members of Poseidon Containers are expected to own approximately 69.5 percent of the economic interest of the company. The merger is expected to reduce the company’s overall financial leverage to approximately 67 percent on a loan, net of cash, to charter-adjusted value basis. Source: American Shipper

Skangas in agreement with Gothia Tanker Alliance to deliver natural gas (LNG) as fuel to new tankers

Skangas entered into an agreement with parts of the Gothia Tanker Alliance to supply liquefied natural gas (LNG) as fuel. The new agreement comprises current as well as new vessels with LNG propulsion soon to come. The main Swedish shipping companies that will get the advantage of the supply agreement with Skangas are Furetank Rederi AB, Erik Thun AB and Rederi AB Älvtank. These shipping companies have invested in total six new LNG fueled vessels and together with the existing Fure West they are all jointly operated by the Gothia Tanker Alliance. The Swedish Shipowners’ Association is actively contributing to reduce any negative environmental impact of the shipping industry. Their goal is zero emissions within 2050. “Investing in LNG fueled vessels contributes along these lines”, explains Lars Höglund, Managing Director of
Furetank. “For newbuilds we focus on energy efficiency and innovations. Together with our choice of cleaner fuel we are experiencing a major reduction in our CO2 emissions, not to forget the reductions in particulate matters and NOX”, he concludes. Wherever a LNG vessel might need fuel Skangas will be delivering. The delivery chain consists of trailer trucks, extensively being used for bunkering operations in ports, bunkering from terminals, as well as Skangas’s bunker vessel Coralius. The bunkering ship-to-ship by Coralius may take place at anchorage off Gothenburg in Sweden, off Skaw in Denmark, off shore Norway or in ports during cargo operations. “Skangas is very happy with the agreement and to continue our relationship with Furetank and the rest of the Gothia Tanker Alliance”, says Tommy Mattila, Director Sales and Marketing in Skangas. “Being trusted to supply LNG also for the future vessels is a confirmation that we are delivering as expected. We will continue investing and improving to meet ship owners’ demands and expectations,” he concludes. Liquefied Natural Gas, LNG, is the cleanest available marine fuel, one that is rapidly becoming more commonly used as a cost-effective alternative. LNG is suitable for all vessel types, including ferries, passenger ships, tankers, bulk, supply and containerships. LNG offers several benefits by reducing local and global pollution. Switching to LNG completely removes SOx and particulates and reduces NOx emissions by up to 85%. In addition, LNG reduces CO2 emissions by at least 20%. Use of LNG as marine fuel result in compliance with current and forthcoming IMO and EU regulations. Source: Skangas

Rare tugs moor alongside each other in Maldon
VISITORS to Maldon’s quayside were seeing double after two rare steam tug boats built in the Second World War moored up alongside each other.

She is one of the last surviving tugs built for the admiralty in the final stages of the Second World War but was never needed during battle. In total 182 tugs, known as TIDs, were built across the UK during the wartime. After the war they were sold off to the Port of London Authority for work on the river Thames and only three of the tugs remain. Earlier this month visitors to the Prom got to catch a glimpse of the Brent alongside another of the tugs, known as TID 172. TID 172 was called Martello but reverted back to its number and was put to work on the waters of Medway town Chatham. Trustee of Brent, Mark Heard said: “It was sold to ship breakers in 1973 and bought by Maldon man Albert Groom and like Brent is now being restored which is why it visited Maldon recently for repairs. “Brent started off as TID 159 and was the very last of her class to be built being completed in 1946. “By that time of course, the war had been won so it was sold off at a subsidised price to the Port of London Authority where it earned its living before being laid up in 1969.” The authority sent Brent to the breaker’s yard in 1970 but she was saved by Ron Hall – who had been ordered to skipper an impounded yacht from Maldon to the very same yard. Brent became the home of Ron and Janet Hall for the next 25 years. Following Ron’s death Janet took on the responsibility of maintaining the Brent setting up the Steam Boat Brent Trust in 2010 in a bid to restore it. The Brent now has more than 2,500 visitors a year. Mr Heard added: “I thought I was seeing double as I walked in the Prom and saw not one but two stacks by the quayside and I was delighted to see TID 172 alongside. “It is a mystery what TID actually stands for, some say Tug Inshore Defence or Technical and Industrial Design but today I guess it stands for Twins in The Dock.”

Source: Maldon Standard
Karachi court orders toy importer to cease and desist defaming Maersk Line

A KARACHI Sessions Court ordered an angry toy importer to cease and desist defaming Maersk Line in a dispute over demurrage charges. The court further restrained him from circulating untrue statements against the shipping lines till the next date of hearing, reported the Mumbai Mirror. Issuing a stay order to Ramesh Kumar, the judge said, "The defendant is restrained from making any publication or circulating any untrue statement causing any damage to the plaintiff." The court also directed to repeat the summon notices to the defendant for the next date of hearing and till that time. The importer, through his "news organisation", it was alleged, was blackmailing shipping lines, port users and operators to save demurrage charges of the Port Qasim, Customs Department and Maersk Shipping Line. Through its attorney, Maersk Pakistan has challenged all of Mr. Kumar's allegations.

Source: Schednet

The LIA Moored in Rotterdam-Caland canal

Photo: Piet Sinke www.maasmondmaritime.com (c) CLICK at the photo & hyperlink in text!
In its weekly report for 16-22 October, ReCAAP ISC informed that it received no reports of piracy and armed robbery incidents against ships in Asia. However, it informed of a robbery in a Venezuelan anchorage involving the Hong Kong-flagged bulk carrier ‘SHI ZI ZHAN’. While at anchor in Jose terminal in the early morning hours of 14 October, four armed perpetrators in uniform with “national guard” markings boarded the ship from a boat through the ship's port gangway. One of the perpetrators stayed in the boat. The perpetrators shouted to the duty crew to allow them to board for an alleged antinarcotic inspection. When boarded, they threatened the duty crew with handguns and ordered him to guide them to the master cabin. All crew was ordered by the perpetrators to gather in the common rest room and submit all their cash and valuable belongings for inspection. The crew followed as ordered and all their cash and belongings were taken away by the perpetrators. The crew was not injured. The master reported the incident to the agent, local maritime authorities, Chinese Embassy in Venezuela, MRCC HK, HK Maritime Department (MARDEP) and the P&I Club. The master enhanced security awareness and tightened security measures on board the ship. They urged the agents to contact the port authorities to investigate as soon as possible. Five days earlier at Jose Anchorage, five perpetrators with face covered and armed with large knives boarded the Hong Kong-flagged tanker ‘Elhoff’ from anchor chain and hawse pipe. They held the duty deck patrol crew from behind, tied him and threatened to kill him. The perpetrators escaped with some unsecured items. The other crew was not injured. 

Source: ReCAAP ISC
Damen’s Captains’ Challenge not as easy as it looked

Amid all the tours, presentations and networking at Damen’s recent Workboat Festival there was one feature that stood out from all the rest for being highly satisfying for some, and distinctly frustrating for others. The Captains’ Challenge was open to all comers, and all it required was that contestants drive a launch 80 metres across the river. However, it wasn’t quite that simple. The launch had to be driven backwards and, as it was built 50 years ago, the traditional hull form and the steering system made the steerage astern very unstable. This was definitely a boat built to go forwards. In all, 25 people decided to give it a try. For each the launch was moored alongside a pontoon and the lines let go. Then, as soon as the gearbox was put in reverse, the clock time was started and the ‘Captain’ headed for the finish line between two buoys. “The trick was to start in a straight line and keep it that way,” said Captains’ Challenge organiser André de Bie. “Once the vessel got off course in general quite some manoeuvring was required to bring the her back onto the proper course before they could continue backwards in the direction of the two red buoys. To make it even more interesting, the
launch doesn't have a rudder position indicator and the throttle and clutch are two separate control handles.” The estimate was that if the helmsman could keep the launch moving in the right direction he or she should be able to cover the 80 metres in between 50 and 90 seconds. The top three times were; 50.2 seconds by Rob van Ruiten of Stromma Nederland, 50.5 seconds by Willem-Harm Mastenbroek of ISA Towage and 53.0 seconds by Ton Veringmeier of Kotug Smit Towage. Of the remaining 22 contestants, six managed the crossing in between 53.5 and 60 seconds, and another six in between 60 and 90 seconds. The longest time 7 minutes and 40 seconds, and it probably felt a lot longer to the unfortunate Captain!

“This was the first time for the Captains’ Challenge and it was great success!” adds André de Bie. “If there was one lesson that everyone who competed took away with them, it was that towage in the old days was a good deal more difficult than it is now. At Damen we like to think that, with all the development work that we have done over the years into improving the controllability of compact and powerful ASD and RSD tugs, we have played a significant role in making them easier to drive both ahead and astern.” The plan is to run the Challenge again in some form at the 2019 Damen Workboat Festival. Possible entrants should note; it’s never too early to start practising!

Laois woman's €6 million RNLI donation will save lives at sea

The donation of €6 million to the RNLI by Laois woman Elizabeth O'Kelly will be used in Ireland to save lives around the country's coastline and through its inland services. Despite being a resident of Ireland's most land-locked county, the Laois resident picked the lifeboat service as one of five organisations to inherit equally from the €30 million she left to
The RNLI issued a statement thanking the Laois woman for her donation. “The RNLI is deeply grateful and humbled by the generosity of Mrs Elizabeth O’Kelly to bequeath over €6 million in her will to the charity. Gifts in wills, be they large or small, are vital to the charity’s work in saving lives at sea, they fund six out of every 10 lifeboat launches. The RNLI said she was a long-standing supporter and was also active. “She held a high regard for the volunteer work carried out by the charity which appealed to her ethos and she herself for many years, volunteered her time to help out at an RNLI stall at the RDS in Dublin. “Throughout her life, she displayed great kindness towards her many friends and was most charitable in supporting those in need. This has been reflected in her generous decision to bequeath the funds to five charities. "Mrs O’Kelly asked that her legacy be used to support the RNLI’s lifesaving work in Ireland. The impact of her incredible generosity will be directly felt by our volunteer crews and the people whose lives they save for many years to come. As this is such a large legacy, the RNLI will be carefully considering all options to ensure the funds are used where they are needed most and with a view to how they can be spent to fittingly reflect Mrs O’Kelly's support for the charity,” said the statement. The RNLI provides a 24-hour search and rescue service and has 46 lifeboat stations in Ireland and 59 lifeboats. In 2017, Irish lifeboats launched 1,088 times and our volunteer crews rescued 1,471 people, that’s an average of four people aided each day. "We rely on the generosity of the public to fund our lifesaving service and to ensure our lifeboat stations are properly equipped, our lifeboats are maintained and that our volunteers are highly trained and skilled to continue their work in saving lives at sea," concluded the statement. The Irish Cancer Society, Irish Heart Foundation, Irish Autism Society and Irish Kidney Association also received an equal portion of the €30 million left by Mrs O'Kelly in her will. Mrs O’Kelly died aged 93 in December 2016. Prior to her death, she was a shareholder in Clylim Properties but also earned €30 million from the sale of the Leinster Leader Ltd in 2005 to the Johnston Press Group. She was a shareholder in the Leinster Express. Source : Leinster Express

Baleària builds world's first gas engine-powered high-speed catamaran in Spain

The shipping line Baleària, a pioneer in the application of liquefied natural gas in sea transportation, has marked another milestone with the construction of the world's first passenger and cargo fast ferry powered by dual LNG engines, the ferry

The HAI AU 35 in Hai Phong - Vietnam Photo : Jacco van Nieuwenhuijzen ©
The fast ferry is being built at the Armon shipyard in Gijón, as announced yesterday by Baleària President Adolfo Utor at the inaugural conference of the 57th Naval Engineering and Maritime Industry Congress currently being held in Valencia. With a length of 125 metres and a beam of 28 metres, the new catamaran will have capacity for 1,200 passengers and 500 cars (or otherwise trucks measuring 500 metres in length and 250 cars), making it furthermore “the longest and highest-capacity fast ferry catamaran currently in existence,” explained Mr Utor. The vessel will be propelled by four Wärtsilä dual LNG/diesel engines delivering 8800 kW each, allowing it to attain a service speed of 35 knots, and a top speed of over 40 knots. It will also be equipped with two tanks to store the liquefied natural gas, giving it a range of 400 nautical miles. Meanwhile, the bow of this innovative aluminium ship has been specially designed to combine performance improvements derived from vertical bows on the side hulls, with the incorporation of wave piercing. It should be emphasised that the ship's design complies with the most demanding environmental and energy efficiency standards. Baleària will be investing 90 million euros in the construction of this fast ferry, with aluminium cutting scheduled to begin in December, and entry into service in summer 2020. The new ship forms part of the smart concept being developed by Baleària, comprising the application of new technologies, big data and artificial intelligence through the digitisation of ships and maritime terminals, in the interests of energy efficiency and passenger care services. The passenger areas, with accommodation for 1,200 passengers, are innovative in terms of both their design and leisure and entertainment services. As for passenger comfort, vertical acceleration has been considerably reduced, resulting in more comfortable crossings, while vibrations and noise have also been significantly improved. "The use of liquefied natural gas allows us to fulfil our commitment to the environment and energy efficiency, while also remaining one step ahead of the new pollutant gas reduction regulations scheduled for 2020," according to Baleària President Adolfo Utor, who likewise emphasised in his address the shipping line's enthusiasm for innovation. Baleària is also finalising the construction of what will be the first two smart ships with LNG engines to sail the Mediterranean. The Hypatia de Alejandría is scheduled to begin operations early next year, followed by the Marie Curie a few months later. Meanwhile, the first of a total of six ships in the fleet will have its engine replaced this autumn to allow it to sail under liquefied natural gas propulsion. The European Union recently gave a rating of ‘excellent’ to the project, which will be undertaken over the course of the next two years, awarding Baleària a grant of some 12 million euros out of the total investment 72 million euros. Within the next three years Baleària plans to have at least half of its ferry fleet using this clean energy to sail, rising to a hundred percent of the fleet within ten years. Liquefied natural gas is one of the most environmentally friendly fossil fuels. It serves to reduce CO2 emissions by 30% and NOx by 35%, while completely eliminating sulphur and particles, with an immediate effect in improving air quality and reducing the greenhouse effect. It should be pointed out that the shipping line been working with LNG-related projects since 2012. Aside from being a founding member of GASNAM (the Spanish National Gas for Mobility Association), set up in 2013, it maintains strategic agreements with Naturgy (with an exclusive LNG supply guarantee agreement running up until 2030) and with the manufacturers Rolls-Royce and Wärtsilä (to build the engines). Meanwhile, the first LNG electricity generator on a passenger ship began operation last year on the Abel Matutes, and the company has also had an LNG training plan in place since 2015 for its crew members and ship inspectors. Source : portnews

MSC, DP World and APM Terminals have all been linked with the new container terminal project in Valencia. Of these, MSC potentially has most to gain by moving to the new operating area, since it currently manages the smallest box terminal in the port. MSC’s dedicated facility, which is known to already be operating at capacity, generated turnover of €100m in 2017 and posted a net profit of €13m. However, a shift of terminal areas would mean that it would also have to
handle third party lines, since the terminal under tender is a public one DP World, which is active at Tarragona, has no other presence in Spain, and the new Valencia terminal would give it a good, initial presence. APM Terminals bought the TCV Stevedoring Company in 2015, but also has a major presence in both Barcelona (Grup Maritim TCB) and Algeciras. Hutchison Port Holdings, for its part, has a relatively-new terminal (Hutchison Ports BEST) in Barcelona, where business is booming and new cranes ordered. Source: portstrategy

Fincantieri contracted to build 4th ship for Virgin Voyages

Fincantieri, a world leader in cruise ship construction, and global travel brand Virgin Voyages, have signed a contract valued at approximately 700 million euros for the construction of a fourth cruise ship, which will be delivered at the end of 2023, the shipbuilding company said in a press release. The new vessel will be a sistership of the three ships on order with Fincantieri. Construction is underway at the Sestri Ponente shipyard (Genoa) and the first three ships will enter Virgin Voyage’s fleet respectively in 2020, 2021 and 2022. The fourth vessel will be approximately 110,000 gross tons, 278 meters long and 38 meters wide. The ship will feature over 1,400 guest cabins designed to host more than 2,770 passengers, accompanied by 1,100 crew members on board to deliver the famed Virgin service. The Virgin Voyages fleet will stand out for original design and craftsmanship. Highlights include highly innovative design solutions, specifically to address energy recovery and the reduction of the overall environmental impact. For example, ships will be equipped with an energy production system of approximately 1 MW, which uses the diesel engine’s waste heat. The result is a system that distinguishes Virgin Voyages as they aim to create one of the cleanest fleets at sea.

Deltamarin and Elomatic to design second global class cruise ship for MV Werften
Deltamarin and Elomatic, both from Turku Finland, have signed a significant agreement with MV WERFTEN Wismar GmbH for the basic and detail design of a second Global class cruise ship. The value of the contract is approximately €16.5M for Deltamarin and €17M for Elomatic. The vessel will be built in parallel in Wismar and Rostock, Germany. The contract was signed on October 26, 2018 and design work has already commenced, Deltamarin said in a press release. The vessel is the second in the series of Global class vessels. In addition to engineering, Deltamarin and Elomatic will also provide site services at the shipyard during the construction of the vessel. The two companies also did a large part of the basic and detail design of the first vessel in the cruise ship series. The Global class vessels are some of the world's largest cruise ships. When the first vessel is completed, it will be the largest ever built in Germany. The second vessel being designed will be approximately 342 meters long and 46.4 metres wide with a gross register tonnage of 204,000. The ships are designed specifically for the Asian market and can carry up to 9,500 passengers. “We are very proud to continue the strategic partnership with MV WERFTEN. We look forward to further developing the cooperation with the yard, providing them with excellent services and helping them execute Genting’s extensive newbuilding program,” says Deltamarin CEO, Janne Uotila. “We are very happy that MV WERFTEN continues to trust in our expertise and ability to design world-class cruise ships and we look forward to designing the second vessel in this remarkable Global class series,” says Elomatic CEO Patrik Rautaheimo. Deltamarin Group provides ship design, offshore engineering and construction support for the marine and offshore industries worldwide. Its services include the full range of consulting, design and engineering as well as procurement, support for construction and installation. The Group employs around 400 experts in its own and associated companies located in Europe and Asia. Deltamarin is a subsidiary of AVIC International Maritime Holdings Limited, which is part of the AVIC Group listed as a Fortune Global 500 corporation. Elomatic is a leading European provider of consulting, engineering, product development and project management services as well as products and turnkey concepts to industrial and public-sector customers. The company has 48 years’ experience in completing diverse and demanding projects in a wide range of industrial fields. Elomatic has over 900 employees and offices in Finland, Poland, India, China, the Netherlands, Italy, Serbia, Russia and the UAE. MV WERFTEN is a shipyard group with three sites in Wismar, Rostock and Stralsund in the German state of Mecklenburg-Vorpommern. The shipyards are some of the largest, most modern and most efficient shipbuilding facilities in Europe. In their respectively 70-year history, the shipyards have designed, produced and fitted out around 2,500 sea-going newbuildings. Nowadays MV WERFTEN’s strategic focus is on the development and building of luxury cruise and river cruise vessels as well as mega yachts.

Euronav upbeat on pre-IMO 2020 tanker market opportunities

Dirty tanker owner Euronav believes it “should have the market rocking on our side” in 2019 and 2020, even without scrubber-fitted tonnage in the global 0.5% sulfur bunker fuel environment, a senior executive said during its third-quarter 2018 earnings call. Although 2019 is expected to be a challenging year — as the market will face headwinds from the delivery of dirty tanker tonnage equivalent to 66 VLCCs, rising oil prices and geopolitical concerns — demand forecasts remain resilient and ton mile demand is expected to get a boost from the dislocation of sweet and sour crude grades from new low-sulfur fuel regulation, according to Euronav CEO Paddy Rodgers. “The freight market was challenging in Q3, but with a twist,” added Chief Financial Officer Hugo de Stoop. “While freight rates were under pressure, they were higher than in Q2. The last time this happened was in 2014 and it preceded a very strong freight market.”
Euronav indicated its average Q3 time charter rates for company-owned ships in the Tankers International pool was $31,374/d for VLCCs and $29,624/d for Suezmaxes, up 16.2% and 54.3% compared with Q2 rates, respectively. According to S&P Global Platts spot market data, freight on runs from the US Gulf Coast to Singapore improved 45% for VLCCs in October over the September average rate and 56% for Suezmaxes.

Euronav estimates the 2019 dirty tanker orderbook of the equivalent of 66 VLCCs will be absorbed through 18 VLCC equivalent units in scrapping, 4.9 units in IMO drydocking, 14 VLCCs in Iran floating storage, 8.4 vessels in Middle East exports and 22.2 VLCC equivalents in US crude exports, according to the company’s Q3 results presentation. Supportive factors cited for the dirty tanker market in 2019 include robust oil demand growth of 1.4 million b/d during the winter of 2018/2019, per International Energy Agency forecasts; no new VLCC orders since May; an increase in trade routes and ton mile demand; storage opportunities for bunker fuel; as well as a growing need for the segregation of crude and bunker fuel at terminals and during transportation as the market prepares for the start of the global low-sulfur regime in January 2020. “Demand for and supply of crude has continued to improve as OPEC production has increased and the dislocation from Iranian sanctions has boosted and will continue to boost commercial tanker operators,” Rodgers said. “[…] active recycling has kept net fleet growth negative so far” in 2018. New trade routes will arise from cross trades of low-sulfur crude to regions with simple refining capacity where sour crude grades are available, such as in the Mediterranean and Black Sea region, Rodgers said, as well as from increased ton mile demand as US low-sulfur crude will be exported globally in increasing volumes. “A lot of the lifting coming out of the Gulf is not just a China story and Iranian sanctions are taken a bit more seriously,” Rodgers said. “This feels like it’s got legs.” Rodgers believes that the analysis of IMO 2020 “has been completely monocular” and has been focused predominantly on scrubbers during the past six to seven months. Euronav opted not to install any scrubbers on the company’s 69 tankers, which includes VLCCs, VPlus vessels, Suezmaxes and LR1s, as the company believes the promoters of scrubbers have been talking up a marine gas oil/high-sulfur fuel oil spread that will be irrelevant. According to Rodgers, refiners are not proposing that they will blend MGO with HSFO in a 7:1 ratio to produce low-sulfur fuel oil grades, instead he believes the nature of HSFO will change as it will become much more sour and will no longer have a 3.5% sulfur limit. In fact, anything could be dumped into the HSFO, as the IMO will no longer regulate 3.5% sulfur fuel and the sulfur could far exceed the current limit, he said. Rodgers cautioned that the use of high-sulfur bunker fuel with scrubbers may cause more engine problems than compatibility issues between low-sulfur blended fuels. Source: Platts

Peru accedes to IMO treaty covering dumping of wastes at sea

International Maritime Organisation says Peru has become the 51st State to accede to the IMO treaty covering dumping of wastes at sea. HE. Mr. Juan Carlos Gamarra Skeels, newly appointed Ambassador of Peru to the United Kingdom and Permanent Representative to IMO, met IMO Secretary-General Kitack Lim at IMO Headquarters, London (31 October) to deposit the instrument of accession to the London Protocol. The London Protocol entered into force in 2006, modernizing the original “London Convention” dumping treaty by prohibiting all dumping at sea with the exception of wastes commonly agreed by Governments and then put on an approved list. Source: portnews

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Korean Shipbuilders Struggling to Attain Order Receipt Goals

By Michael Herh

None of Korea's three major shipbuilders have attained 70% of their order receipt targets set for this year.

With only two months remaining for this year, none of Korea's big three shipbuilders have reached 70% of their annual order receipt goals. If this trend holds, the three shipbuilders will hardly achieve their annual order targets. As the shipbuilders are struggling to attain their order targets, some industry watchers point out they have set unreasonable targets in the first place. Unless the shipbuilders reach their targets, some of them will have to cut their workforce again at the end of this year. According to the shipbuilding industry on Oct. 30, Hyundai Heavy Industries reached 64.7% (US$6.5 billion) of its annual goal, Daewoo Shipbuilding & Marine Engineering Co. (DSME), 63% (US$4.6 billion) and Samsung Heavy Industry, 60% (US$4.9 billion). All of their achievement rates were in the 60% range. “Although it is a real challenge for the three Korean shipbuilders to reach the targets under these circumstances, we still have a hope as we have two months to go this year,” said an official of the shipbuilding industry. “Fortunately, new orders for high-priced liquefied natural gas (LNG) carriers have been steady. Korean shipbuilders are in a mood to do everything they can do to reach their goals.” Some experts say that Korean shipbuilders made an overly rosy forecast early this year. They note that the shipbuilders failed to predict the shipbuilding market accurately. Shipbuilders say that their order targets for this year include offshore projects but they have not been able to win orders in this field as they were scratched off early in competition or some of the projects were delayed. DSME made desperate efforts to land the Rosebank Oil and Gas Field project. But the bidding process has been delayed and will not be completed within this year. Samsung Heavy Industries was dropped out of the race for the Rosebank project in the second quarter. The company is waiting for the outcome of the bidding for the Reliance project to be announced. “The results of the bid for the Reliance project are being delayed,
although the bidding process has been completed," said a representative of Samsung Heavy Industries. "We cannot
definitely say that the announcement will be made next year. There is still a possibility that the results will come out
within this year." Korean shipbuilders are scheduled to announce their earnings on Oct. 31. Hyundai Heavy Industries and
Samsung Heavy Industries are highly likely to continue to remain in the red in the third quarter. If new order receipts do
not increase and earnings do not improve, a restructuring is highly likely to sweep the shipbuilding industry again. DSME
concluded an agreement with creditors to cut its workforce to 9,000 by the end of this year. At the beginning of this year,
Jung Sung-rip, CEO of DSME, said that the company needs not reduce its workforce if it wins large marine projects or
shipbuilding orders increase. However, if order receipts do not increase significantly this year, 900 of 9,990 employees
should be immediately laid off. Source: businesskorea.

Kleven Delivers Anchor Handler for Maersk

Nowegian shipbuilder Kleven has delivered the fifth vessel in a series of six anchor handlers for Maersk Supply Service
A/S. Built for deepwater operations, MAERSK MOBILISER of the so-called Starfish series is equipped with a range of
innovative features, the builder said. The vessel is of Salt 200 design and has an open deck space of more than 800m2,
with an additional covered deck space of 102m2. It is equipped with a 450-metric-ton anchor handling winch housed in an
enclosed garage to protect the crew and the equipment in harsh conditions. Mærsk Mobiliser has Ice 1A classification and
is prepared for oil recovery. The bollard pull of the vessel is measured to 260 metric tons. MAERSK MOBILISER
was christened during a naming ceremony at Kleven yard today with Trine Munch Agerskov as sponsor. The vessel will leave
Kleven this week to mobilize for a future engagement with a major Canadian operator for drilling support and ice
management duties. The series' final vessel is scheduled to be delivered from Kleven in the end of January 2019. Source
: Marinelink

Private shipyard to supply 4 Indian Navy vessels

A private shipyard has been contracted to design and supply four survey vessels for the Indian Navy at the cost of Rs
2,400 crore, an official statement said on Tuesday. The Ministry has signed the contract with Garden Reach Shipbuilders
and Engineers (GRSE) Limited, Kolkata "These vessels shall undertake surveys of maritime limits up to extended
continental shelf. These shall be deployed for collection of oceanographic and geophysical data for defence applications.
"In their secondary role, these shall be capable of performing limited search & rescue, limited ocean research and operate
as hospital ship or casualty holding ships," a Ministry of Defence statement said. The order value for these four vessels is
Rs 2,435.15 crore. The first ship is to be delivered within three years and remaining within an interval of six months for
each vessel The project completion time is less than 5 years. These survey vessels will be 110 metre-long with deep
displacement of 3,300 tonnes and complement of 231, capable of fullscale coastal and deep-water hydrographic survey of
ports and harbours, approaches and determination of navigational channels. According to the ministry, the design and
construction of these ships by GRSE will truly signify government’s Make in India initiative. The GRSE is currently handling a major project to make three ‘stealth frigates’ for the Navy under P17A Project. Source: IANS

**ROUTE, PORTS & SERVICES**

**Philippines shortlists 3 groups for LNG terminal project**

The Philippines has shortlisted 3 different groups to build and operate its first liquefied natural gas (LNG) import terminal and hopes to nominate one by November, its energy minister said on Tuesday. Short-listed companies were chosen from 18 groups that submitted proposals for the project, Alfonso Cusi told Reuters on the sidelines of the Singapore International Energy Week. They include state-owned Philippines National Oil Company (PNOC), which is seeking a partner for the project, Cusi said, while Tokyo Gas has partnered with the Philippines' First Gen Corp. China National Offshore Oil Corp is also in the running, although it has yet to firm up a local partner, Cusi said. CNOOC has been in talks with the Philippines’ Phoenix Petroleum as a partner, he added. "Hopefully we can have a conclusion on which proposal to accept by the end of November," Cusi said. The Philippines is expected to start importing LNG to feed gas-fired power plants in Batangas province, south of the capital Manila, as domestic gas supplies from its Malampaya field are set to run out in...
2024. Besides meeting local demand, the Philippines also hopes the terminal would become an LNG trading hub for the region, Cusi said. "We are already the de-facto transhipment port for LNG to China," Cusi said, adding that large cargoes are often broken up into smaller parcels for deliveries to China via ship-to-ship transfers off the Philippines. "We should institutionalize this before someone else does." PNOC last week formally announced it was seeking a joint-venture partner to design, build, finance, operate and maintain an LNG hub in Batangas Bay, near the gas-fired power plants supplying electricity to the country's main Luzon island. Bidders have until Dec. 21 to submit eligibility documents to PNOC. A First Gen spokeswoman said the company has been open to taking in a partner for the LNG project, but she was not aware of any joint venture agreement or talks between First Gen and Tokyo Gas. First Gen operates 4 of the country's 5 gas-fired power plants. Tokyo Gas was not immediately available for comment. Phoenix Petroleum, owned by local businessman Dennis Uy who helped fund President Rodrigo Duterte's 2016 election campaign, in June signed a memorandum of understanding with CNOOC Gas and Power Group Co Ltd to "study, plan and develop" an LNG project in the Philippines. Last week, Phoenix said Philippine oil and gas exploration firm PXP Energy Corp may be granted "preferential rights" to acquire up to 49 percent of Phoenix's interest in the planned LNG joint venture with CNOOC. Source: abs-cbn.

GREEK PORT CONCESSIONING IMMINENT

The concession process for the Greek ports of Alexandroupoli, Kavala, Igoumentsa and Corfu could start before the end of the year, according to the chairman of the country's Hellenic Republic Asset Development Fund (TAIPED). According to I Kathimerini, Mr Xenofos made the comment at an Enterprise Greece meeting with representatives of Russian banks and industries, adding that the concessioning of other regional ports may also begin by the end of 2018 or at the start of 2019, alongside the sale of 50.1% of Hellenic Petroleum shares. The chairman's comments came on the same day the Government of Greece belatedly kicked off the process for concessioning 10 regional ports — including the ones Mr Xenofos talked about — with the ratification of the concession contracts awarding control of ports to port authorities was put up for public consultation, with the bill containing a provision that state sell-off fund TAIPED will be allowed to sign contracts conceding specific port activities to third parties (which the Hellenic Parliament will later ratify). It was claimed by market experts that the bill seemed overly bureaucratic, involving Greece's merchant marine ministry in the concession process without making it clear whether it or TAIPED will have the upper hand if a disagreement arises. Additionally, there is no provision concerning port employees once investors come in. Source: portstrategy

Today, we are launching the International Maritime Rescue Federation People's Choice Award. The finalists for the 2018 IMRF Awards, are all exceptional individuals and organisations from around the world who go above and beyond in maritime search and rescue (SAR).

But now YOU can vote for the finalist that you think stands out ...

Who Do You Think Should Win the IMRF 2018 People's Choice Award?

The shortlisted finalists for the IMRF Awards 2018 have been announced and details of each Finalist have been published on our Facebook page.

Each and every finalist in the IMRF Awards 2018 has, in some way, made an outstanding contribution in the field of maritime SAR and deserves to be congratulated for what they have already achieved. All you need to do now is read the nominations and 'like' the finalist(s), that you think is the most deserving.

The finalist with the most 'Facebook likes' at 16:00 GMT on Thursday, 8 November 2018 will be declared the winner of the IMRF People's Choice 2018.

The winner will be announced at the IMRF Awards ceremony and dinner on Thursday, 8 November 2018, hosted by the Norwegian Society for Sea Rescue, at their training centre in Horten, Norway. Full details of all the Award winners will be posted on our social media channels shortly after the event.
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…. PHOTO OF THE DAY .....

Boskalis TSHD PRIINS DER NEDERLANDEN operating at the Westerschelde Photo: Meteo Witte ©

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