

DAILY SHIPPING NEWSLETTER: Sunday 05-05-2002



EVENTS, INCIDENTS & OPERATIONS INSIKO



abandoned vessel before being rescued. The Hawaiian Humane Society's effort to rescue the dog began April 5, but was called off two days later when it was thought the tanker had sunk. The disabled tanker was later spotted by a fishing boat, then located by the Coast Guard.

The Indonesian fuel tanker **Insiko** is tugged into Honolulu Harbor, Thursday, May 2, 2002. Two-year-old Hokget, a white mixed-breed terrier who also goes by the name Forgea, spent 24 days alone on the



Bangladesh bonanza lures ULCCs

PAPACHRISTIDIS has sold two of its ageing ultra large crude carriers for demolition for what brokers describe as a "pre-Bangladesh-budget premium", writes Carly Fields.

Fearing a rise in duties on June 6, when the budget is due to be announced, the nation's breakers have been offering in excess of \$150 per ldt for very large crude carriers and more than \$140 per ldt for ULCCs.



Papachristidis is one of many shipowners rushing to take advantage of the improved prices, taking \$143.5 per ldt a piece for the 1976-built, 349,999 dwt, 56,000 ldt Hellespont Capitol and the 1977-built, 388,042 dwt, 56,000 ldt Hellespont Paramount, market sources said yesterday.

The hefty premiums being offered have also sent owners of VLCCs scurrying to the nation's scrapyards, according to brokers.

After a flurry of VLCC sales last week, Bangladeshi breakers finished off this week with a further two firm bookings.

Ofer Group company Tanker Pacific sold the sistership to the Crown Jewel I, the 1977-built, 266,590 dwt, 42,000 ldt Alaskan Jewel, for a strong price of \$152 per ldt, brokers said.

The sistership was sold at the same rate last week. Dynacom also sold its 1974-built, 232,323 dwt, 36,000 ldt Violet to Bangladesh scrapyards for \$152 per ldt, marking a near \$18 per ldt jump from prices at the start of the year.

Brokers estimated that this equated to a \$600,000 premium on VLCCs sold in December last year.

Already this year Bangladesh has notched up an impressive tally of 17 VLCCs and ULCCs out of the 23 big ships that have been committed, brokers report.

Last year Bangladesh managed to snare just two out of the four VLCCs that were done in the first four months.

One London broker said that the sudden surge in bookings would be capped by the lack of berths available, although breakers were clearly anxious not to be caught out by any budgetary tax increases. Other ULCC owners are reported to be interested in selling their tonnage to Bangladesh, with reports of European Navigation's controversy-shrouded, 1975-built Essexbeing actively marketed for scrap.

The ship was held for 128 days in the Netherlands Antilles after a United Nations row about a disputed cargo, believed to be smuggled oil from Iraq.

SHIPYARD NEWS

RCCL's Constellation back at Chantiers for repairs

ROYAL Caribbean Cruises has said its newest ship, *Constellation* being added to its Celebrity Cruises' fleet, was being returned for repairs to French builder Chantiers de l'Atlantique, a unit of Alstom.

A leak was found in the *Constellation's* starboard propulsion pod during sea trials and repairs will force cancellation of a 7-day charter sailing from Barcelona, Spain, which had been scheduled to begin on Sunday.

A second cruise set to begin a week later may also have to be canceled, Royal Caribbean said in a news release.

AsianYard RoundUp Renamed STX stacks up vessel orders

THE former Daedong Shipbuilding, now STX Shipbuilding Co, has won orders for six vessels worth \$200m from clients in Greece and Qatar.

It plans to deliver four 71,300-dwt panamax product tankers to Byzantine Maritime by the end of 2004 at a price of \$130m.

This is the second panamax tanker deal for STX after its inaugural deal with Liquimar Tankers last year.

Separately, the yard said it had won a \$70m deal from Qatar Shipping in April to build two liquefied petroleum gas carriers by the end of 2004.

The second ship is on option, but STX believes it will be confirmed.

The company is hoping to win an order for a larger size such as 35,000 cu m LPG tankers.

STX also has seven optional orders on its books taking the potential value of its order book to \$400m so far this year.

The yard plans to go public in the first half of 2003. The company plans to raise Won90bn (\$68m) through an initial public offering. It plans to offer 7.5m shares at Won2,000 apiece from May 14-16.

Hanvit Securities will lead the flotation.

Samsung Heavy wins \$251m contracts

SAMSUNG Heavy Industries said yesterday it had been awarded orders for shipbuilding and construction of an offshore unit worth a total of \$251m.

The suezmaxes are estimated at \$46m each.

The Metrostar contracts appears to carry two options, while the Viken deal has two more subject to fixing charter.

The Lemos ships are believed to have been contracted in the upper \$36m range due to high buyer spe- cifications.

The additional ships could bring the total order for vessels alone up to \$374m.

The offshore order, believed to be worth more than \$110m, is from Modec International LLC of the US.

Local bulker pair for NACKS

NANTONG shipyard joint venture of Kawasaki and Cosco, known as NACKS, has received an order from domestic owner Jiangsu Marine, according to the London consultants Drewry.

Jiangsu is reported to have ordered two 47,890 dwt handysize bulk carriers for delivery in 2003 and 2004.

Drewry adds that the yard is also in the running to win an order for two VLCCs from the Shipping Corporation of India, although some reports warn that Indian government foot dragging might reduce that chance.

Fujian carves a niche

FUJIAN Shipbuilding Industry Corporation plans to export 11 ships this year totalling \$150m.

All will be of more than 10,000 tonnes, with Xiamen shipyard building three 30,000 dwt containerships, Mawei shipyard constructing four 10,000 dwt containerships and Southeast shipyard building a pair of 8,000 hp tugs.

Xiamen and Mawei can both build up to 35,000 dwt vessels.

Flender cash crisis leaves 150 facing redundancy

GERMAN shipyard Flender Werft is planning to make about 150 of its workforce of 800 redundant due to a severe financial crisis.

Chief executive Dirk Rathjens said the Lübeck yard had sold two ferries to Greece's Superfast Ferries below cost price but did not specify the loss. Reserves had been drained and the yard had to be restructured.

More than 80 people would have to leave this year and a further 70 would go in 2003, he said.

Mr Rathjens formerly was a board member of HDW shipyard. He was sacked from the company in 2000 after a financial disaster resulting from another Superfast order.

Mr Rathjens said Flender Werft would in future concentrate on passenger vessels and small cruiseships. It would abandon the building of hulls for ro-ro and container vessels.

The yard was not available to comment on what would happen to the container vessels still on order.

Last summer Hamburg shipowner Claus-Peter Offen ordered two additional 3,600 teu vessels from Flender. The yard then said this meant that it was largely booked through 2002.

The hulls for these vessels are to be produced by Magnalia shipyard in Romania.

Mr Offen is also one of the shareholders of Flender. Formerly the yard was part of the Bremer Vulkan group, which went bankrupt in 1996.

The head of the local metal workers' union IG Metall, Thomas Rickers, demanded that all three managing directors should be fired because of alleged mismanagement. With the latest plans Flender would lose its ability to build complete vessels, which would mean "death by instalment".

"We are aware that Flender has to be restructured, but this does not work simply through mass layoffs," Mr Ricker told Lloyd's List.

He said the union had called for an extraordinary shareholder meeting to decide about a new management board.

Lübeck's economics senator said it was a mystery to him how the situation, seen through rose-tinted glasses about a year ago, could have taken a turn for the worse so quickly.

- HDW-Nobiskrug has won a groundbreaking order for a total of six river cruiseships, subject to financing arrangements.

It is the first newbuilding order in this market segment for the yard, which is part of the HDW group and based in Rendsburg.

The order has been awarded by Premicon, a Munich shipping investment company. Premicon is also the owner of Köln-Dösseldorfer Deutsche Rheinschiffahrt, which offers passenger trips and cruises on the Rhine.

For the first three vessels, medium-term charter contracts had been fixed with international travel operators and the order was merely subject to secure financing, HDW-Nobiskrug said.

Contracts for the remaining three vessels would be fixed once charterers for these had been found.

Yantai-Raffles set to deliver tugs, MSV



Brian Chang's Yantai-Raffles Shipyard is about to add to its array of successful deliveries. It is set to deliver six Voith Schneider harbor tugs to Saudi Seaports and a 48m MSV to SMIT.

Located in Yantai, Shandong Province in northern China, the yard is headquartered in Singapore, where it manages marketing and business development.

The yard is currently building 20 vessels for various international owners. They includes five of the

largest DP2 18,000 bhp Anchor Handling Towing Supply Vessels for Tidewater, the second of two UT 719-T 16,000 bhp AHTS's for Klyne Tugs (Lowestoft) Ltd, UK, a 210 m, 400,000 bbl FSO (Floating Storage Offloading Vessel) for Total-Thailand/MODEC Japan Inc USA, an external turret unit for FMC/SOFEC Inc, USA and two CALM buoys.

Also under construction are five yachts including a 32 m aluminum sailing yacht, a 50 m pleasure yacht and a 88 m mega yacht The yard employs a total of 1,600 people including 300 graduates, of whom 70 are naval architects.

The yard will have a 10,000 work force within three years including subcontractors. The shipyard 's 430 m by 120 m dry dock, with two 370 m gantry s and the largest land based crane in the world, is now operational. The three 3,000 bhp and three 4,000 bhp Voith Schneider harbor tugs that the yard will soon deliver to the Saudi Seaports Authority are 34 m long. Designed by Marine Design & Research Institute, these vessels will be used for harbor and offshore berthing operations in ports of the Kingdom of Saudi Arabia at the Red Sea or/and the Arabian Gulf coasts.

The propulsion consists of two air started main engines with two Voith Schneider 28 G II/185 propeller units with variable pitch, mounted in the fore ship.

These highly maneuverable vessels are designed for :

- a) Shiphandling of all types of vessels, berthing, towing and pushing
- b) Safe escorting of vessels and steering and braking assistance
- c) Fire Fighting with excellent station keeping capabilities and oil pollution response
- d) Extreme effective in stationary and dynamic conditions and working under severe weather conditions

The 48 m maintenance support vessel to be delivered to **SMIT SALVOR B.V.** is designed by Vyuk Kenton Marine Pte Ltd, Singapore. Its first job will be in Russian waters.

Designbed for operation in unrestricted waters it is intended for such multi-purpose roles as:

- a) Tow/move drilling and workover safety rigs
- b) Anchor Handling duties
- c) External Fire Fighting duties
- d) Salvage duties
- e) Evacuate casualties
- f) Rescue men fallen overboard



"Soll Tengiz" is being registered as an Anchor Handling Tug.

Power is by two main Wartsila 8L20 diesels, each developing an MCR of 1,958 bhp (1,440 kW), @1,000 rev/min to give a total of 3,916 bhp

(2,800 kW) continuous power. It can achieve a 13 knots trials speed loaded to design draft and at least 50 tonnes bollard pull in the ahead condition. Each engine is provided with a PTO at front end of about 780 kW capacity to drive a fire pump via a step up gearbox complete with isolating clutch.

All navigation and communications equipment are from Furuno and are fitted in accordance to 1974

SOLAS as amended by the 1988 GMDSS conference. This vessel is equipped with navigation equipment to GMDSS Area 3.

OSV's get ready for the Big Time

One look at the Laney Chouest tells you this is not your father's OSV. Longer than a football field at 348 ft, the Laney Chouest is nearly twice the length of the standard OSVs that have dominated the oil patch since the seventies and eighties. It's just one of several impressive anchor handling towing supply and platform supply vessels that will join Edison Chouest Offshore's fleet this year to support worldwide deepwater drilling operations.

Other Gulf Coast-based operators, such as Tidewater, Hornbeck-Leevac Marine Services and Otto Candies are also making strong plays in deepwater.

What's behind all of this is the dramatic surge in deepwater drilling worldwide over the last ten years. Back in 1991, for instance, deepwater oil production from the Outer Continental Shelf accounted for less than 10% of all the oil produced in the Gulf of Mexico. Now, deepwater production accounts for 52% of all the oil produced and 20% of all the gas produced in the oil patch.

Near the end of last year, the Minerals Management Service (MMS) reported that 47 rigs were drilling in water depths of 1,000 ft or more (the traditional measure of deep water). Nine of these were in ultra-deepwater (5,000 ft or more).

To support deepwater operations, which may take place more than 100 miles offshore, new generation service vessels have to be powerful, stable platforms with the ability to carry ample amounts of cargo, liquid and dry bulk mud, ballast and rig water, fuel, equipment and crew.

The Laney Chouest fits the bill. Built for suction pile/anchor handling operations, it is 348 ft x 72 ft x 31 ft, with a gross tonnage of 5,900 and deadweight of 7,400 LT. It will have a fuel oil capacity of 394,260 gal, liquid mud capacity of 4,460 bbl (with 3,866 bbl spare capacity), and ballast/rig water capacity of 613,400 gal. Your father's 180-foot-long offshore supply vessel, incidentally, would fit nicely on the Laney Chouest's aft deck, which measures 183.6 ft x 56 ft with a clear deck area of 10,276 ft2. Its propulsion machinery includes four 6M43 MAK diesel engines that produce 7,250 bhp each for a total of 29,000 bhp. It will have a speed of 17 knots at normal design draft and accommodations for 58.

Named for ECO vice president Dr. Laney Chouest, the vessel is currently under construction in the largest building hall at ECO's North American Shipbuilding facility in Larose, La., for delivery this September

Last year, ECO added the 320 ft Akira Chouest, which it converted from the 1995-built freighter Margaret B. Chouest.

Besides a series of 260 ft platform supply vessels (PSVs) at North American Shipbuilding and some smaller utility/supply vessels contracted with Bollinger Shipyards, ECO has also ordered a 236 ft PSV from Brazil's Estaleiro Promar I shipyard. Based on a Rolls-Royce UT 755L design, the PSV will be delivered in March 2003 for the Brazilian market. Rolls-Royce is supplying the design and equipment for the vessel.

Promar, which is controlled by Aker Brattvaag, has two shipyards located on Guanabara Bay near Rio de Janeiro. The construction shipyard can build vessels up to 80 m in length, while the repair facility has an industrial area of 20,000 m2 and a capacity to dry dock vessels of up to 30,000 dwt.

The shipyard is also building two UT 755 design PSVs for Companhia Brasileira de Offshore (CBO).

TIDEWATER TAKES FIRST VS 480 FROM QUALITY SHIPYARD

Tidewater Inc. took delivery of the Miss Jane Tide, the first of four VS 480 design PSVs that will be built by the company's Quality Shipyards, L.L.C., Houma, La. Its one of 12 deepwater vessels-seven platform vessels and five anchor handling towing supply vessels-that were ordered by Tidewater from three shipvards on Jan. 10. 2001. A total of \$323 million has been



committed to the program, which will be funded by current cash balances, projected cash flow and a revolving line of credit.

Designed by Norway's Vik-Sandvik, the 260 ft x 60 ft x 24.5 ft Miss Jane Tide is a Class DPS-2 dynamically positioned vessel, inspected under USCG Subchapters I and L and is fully SOLAS compliant for worldwide use.

According to Luis A. Sanders, Tidewater Marine's assistant manager, new construction, the VS 480 design PSVs have large cargo carrying capacities and are equipped with automated cargo pumping systems that enable them to transfer cargo from the vessel to the platform at much higher rates. By transferring cargo at much faster rates, the time that the vessel spends near a platform is minimized, greatly reducing the risk of accidents.

The power generating plant in these diesel electric vessels consists of four 1,800-kW Kato generators, each driven by a Caterpillar 3516B. In addition, the Miss Jane Tide has a 350 kW harbor generator and a 99 kW emergency generator.

The two main propulsion Lips azimuth thrusters are each driven by three GE-752 hi-torque DC motors. Also fitted are an azimuthing retractable thruster and a tunnel bow thruster, each rated at about 1,100 hp.

There were several advantages to installing diesel electric power plants in lieu of conventional diesel propulsion systems in these vessels, says Sanders.

One advantage is that diesel electric provides maximum redundancy and reliability. In the event that one of the generators fails, the vessel can still maintain its station-keeping capability with only three generators, says Sanders. Another important advantage is that you can minimize the number of engines, depending on operational speeds and the environmental conditions. This:

- o lowers fuel consumption;
- o minimizes running hours on the engines, thus increasing the intervals between oil changes and lowering the production of dirty oil;
- o reduces exhaust gas emissions because engine loads are maximized;
- o is environmentally friendly.

The **Miss Jane Tide** is fitted with two large cranes, two 15-ton tuggers, two 10-ton capstans, a passenger elevator, and an incinerator for burning waste oil, thus reducing the need for waste oil disposal at the dock.

Slightly larger than the Miss Jane Tide at 276 ft, the Ace Nature is one of vessels Tidewater acquired from Sanko Steamship Co., Ltd. in late 2000. A UT 745 PSV, Ace Nature is one of the largest ships in Tidewater's fleet.

Larger still are a series of AHTSs Tidewater ordered from China's Yantai Raffles in Dec. 2000. Costing \$175 million to build, the five 280 ft AHTSs are a **KMAR 404 Class** design. They will have capacities for 8,125 bbl of liquid mud, bulk mud tanks of 10,000 ft3, at deadweight of 4,613 LT at maximum draft and a winch line pull of 600 tons.

LARGEST AHTS?

In January Vik-Sandvik announced that Norway's Boa Limited had ordered a VS 4201 Offshore Construction Vessel from Spanish shipyard Factorias Vulcano SA.

The vessel will have a length of 120 meter over all, and a beam of 27 meter.(393.7 ft x 88.58 ft). This **27,000 HP** vessel will be equipped with an anchor handling and towing winch of 500 tonnes. The vessel can operate both in conventional mechanical- and diesel electric mode according to the operational requirement.

The new construction vessel will not only be the largest Anchor Handler built, says Vik-Sandvik, but will also be fully equipped as an ROV construction vessel

Tidewater is also pushing ahead with plans for the renewal of its aging standard-size OSVs, according to company spokesperson Liberty Hodges. Back in Sept. 2001, Tidewater had temporarily suspended the program, earmarked at \$100 to \$125 million annually, until market conditions in the Gulf improved.

FLEET ADDITIONS BOOST HORNBECK-LEEVAC

Boosted by additions to its fleet, including two deepwater OSVs, Hornbeck-Leevac Marine Services Inc. posted strong results last year, more than doubling its previous years operating income to \$27.9 million.

On Feb. 20, Hornbeck-Leevac took delivery of the 240 ft **HOS Dominator**, which immediately went to work under a three-year time charter, with a three-year renewal option, with Sonsub Inc., Houston, an affiliate of the ENI/Saipem Group, to support subsea completion services, primarily in the Gulf of Mexico. This agreement is on substantially the same terms as the 240 ft HOS Innovator, which was delivered to Sonsub in April 2001. The **HOS Innovator**, a DP Class II vessel, is outfitted with a 200 hp

Innovator ROV and a 36-ton, 80 ft box boom offshore crane. It has accommodations for 36 people, a moon pool, a roll stabilization system and the option to install a portable reel and vertical lay ramp system.

The vessel and ROV spread has been configured for light subsea construction, well intervention, flying lead and umbilical installations. It can also be used for route clearance and trenching of fiberoptic and power cables using one of Sonsubs cable/pipeline trenching systems.

Hornbeck-Leevac has three additional 265 ft class OSVs under construction at Alabama Shipyard, Mobile, Ala., and Leevac Shipyard, Jennings, La., for delivery this year.

Company president and CEO Todd Hornbeck says Hornbeck-Leevac is in discussions with a short list of customers to contract these OSVs. We remain confident in our ability to secure long-term contracts for these vessels on attractive terms before their delivery.

OTTO CANDIES SWEET ON DEEPWATER

Privately held Otto Candies, Des Allemands, La., has newbuilds under construction in the U.S. and the Netherlands. The Dutch yard De Hoop delivered the 230 ft x 59 ft ROV support vessel **Caballo de Mar** and has nearly completed the 267.7 ft x 59 ft **Caballo de Trabajo**. Caballo de Trabajo, which translated from Spanish means Workhorse, has a cargo deck area of 6,565 ft2, 17.7 ft x 17.7 ft moon pool, fuel oil capacity of 153,210 gal, fresh water capacity of 126,800 gal, a helicopter pad, accommodations for 118 and cruising speed of 11.5 knots.

De Hoop's U.S. shipyard, Houma Fabricators, Houma, La., is building a series of six 1,700 dwt OSVs. ML

ROUTE, PORTS & SERVICES Sherwood seeks full control of Silja

SEA Containers is planning to take full control of Silja Line, its Scandinavian ferry subsidiary

The company has already indicated its intention to exercise a put option that would take its interest in Silja up to 77%.

However, the target is 100% ownership, says Sea Containers president James Sherwood.

Once a 77% holding has been obtained Sea Containers will tender for the balance.

Silja operates services in the Baltic Sea, carrying 5.2m passengers and 117,000 freight units in 2000, according to the latest available figures.

Plans to spin off Sea Containers' luxury hotels division, delayed by the terrorist attacks in the US, are also now back on track.

The goal is to complete the sale by the end of the year, Mr Sherwood says.

Sea Containers, registered in Bermuda but run from London, would then be engaged principally in shipping and passenger transport.

In addition to its ferry operations, the company still has a number of British ports interests, owns the British rail company GNER and is a leading container lessor.

New pod problem hits fourth Celebrity ship



PROBLEMS with podded propulsors mounted yesterday as repairs got under way on the Radisson Seven Seas cruiseship **Seven Seas Mariner** in Gibraltar, write Brian Reyes and Hugh O&'Mahony.

The start of the 14-day repair

job coincided with an announcement from Celebrity Cruises that its next ship for delivery, the Constellation, was being returned to Chantiers de I&'Atlantique after sea trials to correct a leak in its starboard Mermaid propulsion pod. Radisson was forced to cancel three voyages after Mermaid manufacturers Alstom Power and Rolls-Royce advised of potential problems with the bearings in one of the pods aboard Seven Seas Mariner.Last month, Celebrity Cruises withdrew Infinity and Summitfor emergency pod repairs. Both vessels have now been repaired and are back in service.

Celebrity has now been forced to cancel Constellation&'s inaugural seven-day chartered cruise, scheduled to sail from Barcelona on Sunday. A spokesman for Celebrity said that the charter had been delayed until May 12, although that date might be put back depending on the time it took to complete repairs. 'We are optimistic that matters can be resolved, but we want to use an abundance of caution', he said. He added that the full extent of repairs would become clear by May 6.

Whereas previous pods delivered to Celebrity had suffered bearing wear during operation, the leak in Constellation&'s starboard unit could be traced to the seal at the point where the shaft entered the pod, the Celebrity spokesman said.

Although the amount of water concerned had been small, there had been enough to affect the lubrication of the radial bearing. The financial impact of the missed sailing would be 'largely offset' by delayed delivery compensation from the shipbuilder, he said. Chantiers would also be footing the bill for the repairs, said the spokesman. This had been the case when Infinityand Summitand , earlier , the Millennium had been forced into emergency drydock for pod repairs.

NAVY NEWS

Chinese Frigates to Make Incheon Port Call



The Ministry of National Defense announced, Friday, the Chinese navy will make its first port call in Korea at Incheon port on May 8, when two 2,400-ton guided missile frigates will anchor at the east coast harbor for a four-day-visit, promoting military exchange between the two countries. With a total crew of 438, the

112m-long vessels are armed with C-802 surface-to-surface and HQ-7 surface-to-air missiles. A Chinese naval band will hold concerts on the outdoor stage of Incheon Cultural Center and the War Memorial Peace Square on May 9 and 10, respectively. Previously, Korean naval vessels made their first port call to Shanghai in October, 2001. **Top: Photo DDG 167-Shenzhen – coll : Piet Sinke**

AIRCRAFT / AIRPORT NEWS Straaljager Indiase luchtmacht boort zich in bankgebouw



AMRITSAR - Een straaljager van de Indiase luchtmacht is vrijdag tijdens een routinevlucht in een duikvlucht geraakt en heeft zich in een bankgebouw geboord. Het bankgebouw en twee naastgelegen huizen vlogen in brand. In het gebouw, waarin ook

winkels zijn gevestigd, kwamen zeker acht mensen om het leven en raakten twintig gewond. De beide piloten van de MiG-21 wisten zich door middel van hun schietstoel in veiligheid te brengen. Het ongeluk voltrok zich in Jullundur, 75 kilometer ten zuidwesten van Amritsar, in de deelstaat Punjab.

Van de gewonden zijn achttien er ernstig aan toe. De piloten zijn naar een ziekenhuis overgebracht. Over de aard van hun verwondingen is nog niets bekend.

De straaljager was afkomstig van de naburige luchtmachtbasis Adampur, zei een woordvoerder van het ministerie van

defensie. De vloot van de Indiase luchtmacht is sterk verouderd en er vinden dan ook regelmatig ongelukken plaats. **Alleen al de afgelopen zes jaar zijn meer dan honderd luchtmachttoestellen verongelukt**



RIJNMOND WEATHER zondag 5 mei

9 uur 's ochtends temperatuur: 8 graden kans op neerslag: 10%

wind: matig (23 km/u) uit NNW

5 uur 's middags:

temperatuur: 10 graden kans op neerslag: 25% wind: vrij krachtig (31 km/u) uit NNW

.... SPECIAL REPORT

Singapore under fire from new rival in Malaysia

THE Port of Singapore, long pre-eminent in southeast Asia, has found itself under fire by fierce competition from neighbouring Malaysia.

Terminal operator PSA Corp has lost the bulk of business from both Maersk Sealand and Evergreen Marine in the last two years to new kid on the block, the Port of Tanjung Pelepas.

Come September 1 this year, the world's second largest container port will be in the curious position of serving the top two liner companies on only a marginal amount of their business in the region.

Land-scarce, relatively high-cost Singapore has found it hard to compete with lower priced competition from Malaysia which has made aggressive moves to capture a slice of the lucrative transhipment business. Evergreen signed up with Pelepas despite a lengthy battle of offer and counter offer between the Malaysian port and PSA.

While there has been talk in the local industry that PSA matched Pelepas price-wise, this would seem unlikely as there would be no tangible benefit to Evergreen to move in that case, and at the same it would incur the costs and inevitable operational glitches of such a switch.

The loss of Evergreen comes as Singapore was just recovering from the exit of Maersk Sealand and the effects of the global economic slowdown.

Last year saw PSA's domestic volumes plunge 8.9% to 15.5m teu. However there had been signs of a good pick-up with double digit growth in the first two months of 2002.

In terms of the impact on the port of Evergreen's shift, this will only take its toll in the last four months of the year. Should the promising start to the year continue, Singapore can still expect to see some volume growth for the year as a whole.

It is not all doom and gloom on the horizon for PSA. Cosco inked a 10-year virtual terminal deal last year. The New World Alliance, driven by Singapore-owned APL, would appear politically to have little choice but to stay in the republic even if it wanted to move.

For major consortia such as the Grand Alliance, agreeing a switch of hub port among member lines would be complex.

However shipping lines do now see the chance to drive PSA's prices down as has already been shown publicly by K Line.

Industry sources say that virtually all major customers are now looking to reduce costs at PSA, holding the threat of Pelepas as their trump card in negotiations with the Singapore terminal operator.

Singapore itself has moved to provide an alternative within the country to PSA as well. Last year the Maritime & Port Authority of Singapore granted bulk terminal operator, Jurong Port, a container handling licence. A relatively small development with 300,000 teu annual capacity, it has already captured a twice weekly mainline call from Zim Line.

HAVE A LOOK AT THE FOLLOWING **SITES** FOR SHIPPING INFO AND PICTURES OF SHIPS AROUND HOEK VAN HOLLAND AT:

http://www.scheepvaarthoek.nl &

http://www.mcf-rotterdam.nl

DE KURSK -DE BERGING

13 APRIL 2002

13 OKTOBER 2002



Nationaal Sleepvaart Museum

Hoogstraat 1-3 Maassluis