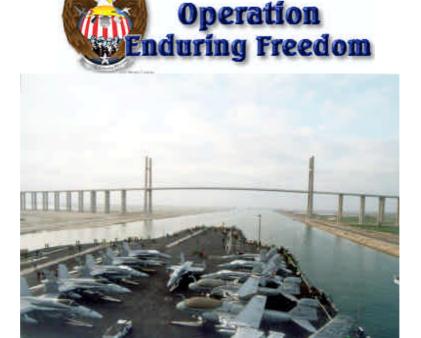


DAILY SHIPPING NEWSLETTER: Saturday 09-03-2002



USS John F. Kennedy (CV 67) approaches the Japan-Egypt Friendship Bridge during the carrier's transit of the Suez Canal. The 820-yard (730 m) -long cable-stayed bridge was constructed as part of Japan's official development aid to Egypt, and was officially opened on Oct. 9, 2001. Kennedy and her embarked Carrier Air Wing Seven (CVW 7) will rendezvous with USS Theodore Roosevelt (CVN 71) to relieve "TR" in supporting Operation Enduring Freedom.

EVENTS, INCIDENTS & OPERATIONSPak One refuses to sink

THE Thai Navy continued its efforts yesterday to sink the re-surfaced LPG tanker Pak One by using explosives to burst LPG tanks in a bid release the gas. The navy had earlier made an unsuccessful attempt to let out the remaining cargo of 30 tonnes of LPG from the floating wreck by opening the valves. Though the trapped gas is now being released, the wreck, which is floating vertically, regained buoyancy and refused to go down. The next step is to "punch" holes in the cargo tanks or hull to

enable flooding of the ship. This is expected to drag it down to a depth of 10.7 m about 37 nautical miles south of Koh Samet in Rayong province, off Thailand's east coast. Navy divers will also search for the bodies of eight crew reported missing when the ship sank in 1996.

Would 'safe speed' have prevented collision in Great Barrier Reef?



M/V SILVER BIN departing HONG KONG (photo: Dennis Shum)

AN Australian reef pilot has refused to accept a finding by Canberra's transport safety bureau that a collision between his vessel and a prawn trawler in the inner route of the Great Barrier Reef could have been avoided if he had slowed down and used sound signals.

In his submission to the Australian Transport Safety Bureau (ATSB), the pilot called on the Bureau to q uantify 'safe speed' and doubted if sound signals would have made any difference.

The incident involved the 39,000-deadweight tonne bulk carrier **Silver Bin** while it was heading south to Townsville via the inner route of the Great Barrier Reef. The ship was making its way just under 12 knots when the incident occurred at about noon. The wind was less than 10 knots and there was no sea swell. However, the visibility had been severely reduced by rain. Besides the pilot, the master and the third mate were also on the bridge of the bulk carrier.

At about 1145, the pilot had a radio conversation with a yacht in the area. This was overheard by the skipper of the prawn trawler which was heading north at 9.2 knots. The skipper of the trawler identified the bulk carrier on his radar and visually but did not make radio contact.

His two deck hands were asleep in the cabin below. At 1157, **Silver Bin** altered course to clear the Chapman Island lighthouse. This brought Silver Bin onto a collision course with the trawler, which was then 4.2 nautical miles away. The bridge team on the bulk carrier had not seen the trawler either visually or on their radars.

After the course change, a rain squall moved into the shipping channel and enveloped Silver Bin in heavy rain, reducing visibility to under 200 metres. The skipper of the trawler also lost sight of Silver Bin both visually and on the radar, which was affected by rain clutter.

Neither vessel altered speed or course and they eventually collided about 0.5 miles west of the Chapman Island lighthouse.

The trawler sustained significant damage to its wheelhouse, starboard trawl boom and along its starboard side. There was no injury to crew in either vessel.

The ATSB investigation found that just before the collision, the skipper of the trawler saw Silver Bin

only when it was 20 to 30 metres ahead. With a closing speed of about 11 metres per second he had less than three seconds to react and could not avoid the collision. The bridge team on Silver Bin was not aware of the trawler's presence until the bulk carrier hit the trawler.

The greatest contention between the ATSB and the pilot was on the questions of whether the vessel ought to have reduced to a 'safe speed' and used sound signals. (See Marine Safety Investigation Report No. 156, Australian Transport Safety Bureau, January 2002. Available at www.atsb.gov.au) Neither vessel slowed down although the visibility was severely limited.

The International Regulations for Preventing Collisions at Sea 1972 (COLREGS) do not quantify 'safe speed' but stipulate that vessels must proceed at a speed which would allow them to take evasive action in sufficient time to avoid a collision. Given that the collision occurred in very limited visibility with little time to respond to a close quarters situation, neither vessel can be considered to have been proceeding at a 'safe speed', the ATSB concluded. The pilot said he had considered reducing speed but felt the rain squall would pass quickly.

He also believed it would be necessary to change the main engine over to diesel fuel for the manoeuvre and this would have taken some time. However, the ATSB concluded that under the circumstances it would have been prudent for the pilot to consult with the master to reduce speed and prepare the main engines for appropriate manoeuvring action.

The pilot maintained his position, arguing that unless the ATSB could quantify what constituted 'safe speed' he would reject the conclusion that he did not proceed at a safe speed.

Under Rule 35 of the COLREGS, both vessel were obliged to operate sound signals in conditions of restricted visibility but neither did. The pilot agreed that he did not operate the required sound signal (one long blast of the ship's horn at not more than 2-minute intervals) but he submitted that it is 'only conjecture that the sounding of any audible signals would have prevented a collision'.

The ATSB also rejected the pilot's submission that he would normally leave decisions on safe speed and sound signals to the master of the vessel. 'While the master had a responsibility to ensure his vessel was navigated in accordance with the COLREGS, the pilot also has a duty to conduct the vessel safely in the prevailing conditions, consistent with the COLREGS,' said the ATSB.

Vessel rams jetty in Hamburg



GERMAN authorities have prohibited the Dutch general cargo vessel **Kasteelborg** from leaving Hamburg, after the 9,085 DWT ship rammed a floating jetty yesterday. The vessel, which has bound for Rönnskär in Sweden after loading ore at Hamburg, is reported to have suffered an engine failure. Attempts to anchor failed and the vessel struck the jetty bow on, causing damage to its hull that led to minor flooding. The jetty, which served Hamburg harbour ferries and also

hosted a restaurant, was ripped from its moorings and severely damaged. No one was hurt in the accident.

CASUALTY REPORTINGNo casualties in cruise ferry fire

FIRE broke out on board the 46,300 GT cruise ferry Cinderella last night, but it was quickly put out and nobody was hurt. However, three-deck-high night club area near the vessel's stern where the blaze is believed to have started was badly affected by smoke. "We guided the passengers in the night club out of the room as a safety measure and also evacuated passengers from cabins on the deck below," Kaj Jansson, technical manager at Viking Line, said. The ship was on its way from Tallinn to Helsinki at the time of the incident.





De brand aan boord van het vissersschip **Friesland**, dat in Vlaardingen-Oost in dok ligt, lijkt nagenoeg uit. Dat maakte een woordvoerder namens politie en brandweer donderdag bekend. Hier en daar smeult er nog wat en de brandweer zoekt nu aan boord van het schip naar de laatste brandhaarden

(Foto: Piet Sinke)

SHIPYARD NEWS

European Seaway & Pathway Visit A&P Tyne



A&P Tyne has welcomed back two P&O vessels to its Wallsend yard. The 2 22,986 grt passenger/car RoRo vessels have provided work for over 200 men while at the yard. The **European Seaway** arrived on January 11 for a 15-day refit period which involved general

repairs, ballast and fresh water tank cleaning and painting. All work was completed with the vessel

departing on time on January 26, 2002. When the European Seaway returned to service the **European Pathway** left Dover and arrived at Tyne on January 30 for a 15 day annual refit. Work was again successfully completed with the vessel departing on schedule on February 13.

Daewoo Wins LNG Ship Order

While European leaders continue to disparage the business practices of Far East shipbuilders, particularly those in South Korea, based on alleged subsidy use and abuse, these yards continue to win new business and further sway the balance of shipbuilding power worldwide. Daewoo Shipbuilding was reportedly awarded a deal to build four LNG carriers for Norway's Bergesen, at an estimated price of more than \$160 million per ship. The contract calls for Daewoo to deliver the first ship by the first quarter of 2005 and the last ship by the first quarter of 2006.

Singapore's Keppel eyes Cochin yard

KEPPEL Shipyard of Singapore is interested in entering a ship repair joint venture with Indian public-sector Cochin Shipyard. Keppel is also considering reviving its interest in Chennai-based private shipyard Chokhani International, which closed three years ago but has not gone into liquidation. Keppel's interest in both yards was conveyed to the Indian shipping minister while he was visiting Singapore, shipping ministry sources said. Keppel helped Chokhani set up India's first floating ship repair yard, but later withdrew from the deal after differences with its Indian partner. Keppel's interest comes at a time when India has decided to privatise two public-sector shipyards, Cochin and Hindustan. Hindustan yard, in Visakhapatnam, has been operating at a loss for some years and Cochin has a lean order book, but has earned profits the last three years. The public sector yards survive solely on government patronage. They receive no newbuilding orders from private shipping companies because of high costs and delivery delays.

ROUTE, PORTS & SERVICES HMM car carrier sale to net \$1.5Bn

HYUNDAI Merchant Marine hopes to net \$1.5Bn from the sale of its car carrying business to the Scandinavian owners of Wallenius Wilhelmsen Line. The sale is expected to be sealed in mid-April. A spokesman for HMM told Fairplay that delegations from Wallenius and Wilh Wilhelmsen were already in South Korea and negotiations would be held next week. HMM, which has debts of W2.7Trn (\$2.04Bn), hopes to reduce its interest burden of W200Bn following the proposed sale. The company plans to raise money for repayment of its debt by selling various assets, including securities of shipbuilder Hyundai Heavy Industries, terminals, two office buildings and a bond issue backed by the company's earnings from LNG transport. Selling the car carrier business would enable HMM to "clear all its debts," without eroding its profits, the company said.

Swan Hellenic buys R Eight



SWAN Hellenic, the cruise subsidiary of P&O Princess, has acquired R Eight, one of the 30,277 GT vessels taken over by Cruiseinvest Management following Renaissance's bankruptcy. The ship is to undergo a limited refurbishment at an as-yet-unknown shipyard before entering service in April next year as Minerva II. Swan Hellenic sales director Carolanne Dieleman told

Fairplay the 698 passenger capacity ship would target the same market as the company's existing

Minerva: 50+, well travelled mainly British cruisers who "seek the destination experience rather than the on-board experience". Dieleman said the market for the target group remains strong despite September 11. The company maintains a large database of solo travellers and couples who could not be accommodated on the 12,310 GT, 400 passenger Minerva. The new vessel will operate in the same geographical regions, from the Mediterranean and Baltic to India and the Far East. No acquisition price was given

Terugkeer naar Belgisch maritiem register

De wetgeving voor het (her)invoeren van een aantrekkelijk maritiem register in België zit in de laatste rechte lijn. Na jaren onderhandelingen en gesprekken is er een akkoord tot stand gekomen met de Belgische regering. De overeenkomst moet enkel nog door het parlement worden bekrachtigd. Wanneer het enigszins meezit, kan nog deze zomer een eerste Belgisch koopvaardijschip worden ingeschreven in een aangepast maritiem register, merkte kapitein Marc Nuytemans, directeur van de Belgische Redersvereniging, tijdens een lezing.

P&O Nedlloyd cuts a 1,000 more jobs



P&O Nedlloyd is axeing a further 1,000 jobs, almost 14% of its shore-based staff, as the containership operator confronts mounting losses in the current year After suffering a \$116m swing into a fourth-quarter pretax loss of \$35m, the company warned that the slowdown in world trade

and overcapacity was expected "to reduce revenues across the industry in the first-half of 2002". In the face of this bleak outlook, the company has increased its 2002-03 cost-saving programme by \$150m to \$350m. The savings will be on top of the more than \$200m annualised cost reductions achieved by the end of last year. Those savings came from reductions in IT, container management, fleet operations and procurement costs. The latest cost reductions include 1,000 job losses across the company designed to save \$50m.

P&O Nedlloyd commented: "The new savings are being generated by major change programmes which are standardising procedures and relocating many functions to lower-cost areas." The company admitted there would be a "substantial reorganisation cost" but declined to quantify it. On the job cuts, Robert Woods, group managing director, said they would affect "top management down to the lowest clerical levels". The company would initially offer redundancy on a voluntary basis but inevitably it may have to sack some people, he added. The cuts would be carried out as "speedily as possible" to create less uncertainty. Although P&O Nedlloyd has just shed 130 British officers, seafaring jobs are not affected by the latest cuts. In tandem with the job cuts, the company is also moving some activities from high-cost areas to low-cost areas. Lord Sterling, chairman of P&O, a 50% shareholder in the container line, pointed out that skilled computer operators in India, for example, cost about 10% of their counterparts in Europe and the US. P&O Nedlloyd's problems are part of the broader industry malaise of declining revenues and load factors, reflected in a drop in full-year pretax profit to \$31m from \$140m. The fourth quarter's average revenue rate per teu was \$1,209, down 13% on the like period of 2000, and 5% weaker than the third quarter. "Average rates have fallen a little further since

the start of 2002, although there are tentative signs on some trades that they may have bottomed out," the company said. Fourth-quarter volumes rose 2% year-on-year to 828,100 teu from 812,900 teu. Load factors fell from 82% to 77%. Full-year volume growth was 5% to 3.18m teu from 3.04m teu, ahead of the 4% growth in world trade and "bang on target", Mr Woods said. For the industry as a whole, demand in 2001 is estimated to have grown by around 3% compared with supply growth of more than 9%. In 2002-03, Mr Woods said that supply was expected to grow more than 8% while demand would be only 6%-7%. P&O reiterated its intention to dilute its stake in the container line, something that could be effected by bringing in another partner. Haddo Meijer, chairman of P&O Nedlloyd's executive committee, said the company continued to be committed to securing a listing. Analysts have predicted that P&O Nedlloyd's operating loss could be more than \$65m in the current year compared with a profit of \$87m in 2001.

HBG reaches agreement on bid from Spanish suitor

HOLLANDSCHE Beton Groep and Spanish construction company Grupo Dragados have reached agreement on Grupo Dragados' recommended cash offer for all the outstanding ordinary shares of HBG.

The E 756m (\$663m) cash bid is expected to be backed by shareholders.

The Spanish and Dutch companies are now in the process of clearing the bid with the European Union merger task force.

Under the confirmed offer the Spanish company would pay E 21.25 in cash for each HBG ordinary share. HBG would not declare a dividend for 2001.

Grupo Dragados made the surprise bid in early February. The move would effectively mean the end of the 100-year-old Dutch firm, as its name would not be retained.

The Spanish offer would be subject to no rival offer being announced and as the days pass it looks less likely that a second bid from Dutch building group Heijmans will re-emerge.

A Heijmans spokesman was not immediately available for comment but a few weeks ago the construction firm said it was considering the possibility of a second bid, even though chances were small.

In the middle of last year Heijmans had offered one third of its shares plus a cash amount of E 12 for each HBG share. This equated to around E 19 a share.

However, its bid was dependent on HBG not proceeding with the announced dredging joint venture between its dredging arm HAM and Ballast Nedam. Heijmans was keen that dredging firm Boskalis Westminster would step in and take HAM off its hands.

When, after several court hearings, this merger went ahead Heijmans withdrew.

The Spanish company's offer is a cash bid and it does not have a problem taking on the newly merged dredging company.

Copies of the offer document were expected to be available from March 18 and the acceptance period would start the following trading day.

This was expected to last for 23 days.

An extraordinary meeting would be held eight days before the end of the acceptance period

Sea Containers finalises fleet deployment



Sea Containers, operators of the world's largest fast ferry fleet, has finalised deployment of the craft for 2002. Hoverspeed's fast ferry English Channel service from Dover to Calais will be operated by three SeaCats "Hoverspeed Great Britain," "Danmark" and "France" providing an "on the hour every hour" service from 0600 to 2100 for channel crossing in 50 minutes. The craft are undergoing a complete interior

refurbishment with new seating supplied by Beurteaux of Australia. Service will be enhanced with table service to every passenger.

The Newhaven-Dieppe service re-starts on March 22 operating **SuperSeaCat** and SeaCat "Diamant" resumes operating on the Dover-Ostend service on March 25. On the Irish Sea network a 100-metre monohull SuperSeaCat is operating the Liverpool-Dublin route. The service resumed on February 28. It will also provide services from Liverpool to Douglas, Isle of Man.

SeaCat "Rapide" will take up the Belfast-Heysham service on March 28 with extra car and passenger capacity at 145 and 630 respectively. This is a larger vessel than SeaCat Hoverspeed Great Britain," which previously operated the service. SeaCat "Isle of Man" will provide fast ferry crossings from Douglas to Belfast, Heysham, Liverpool and Dublin starting on March 27. SeaCat "Scotland" continues to serve the Belfast-Troon route, which celebrates its third anniversary in April. The craft has recently undergone a refurbishment programme, which includes a new look passenger interior, bar area and shopping facilities.

In the Baltic Sea the popular duty free route between Helsinki, Finland and Tallinn, Estonia will continue to be served by a SuperSeaCat. The service will start on March 28. The joint venture fast ferry service with SNAV on the Ancona, Italy to Split, Croatia route will operate between June to October - its third season.

A new high-speed craft, which will retain the "Croazia Jet" brand, will be introduced. It has capacity for 676 passengers, 156 cars and 8 coaches. In the United States, a fleet of five high-speed catamarans operated by SeaStreak America Inc, provides commuter services to several points in Manhattan, New York and New Jersey. The company has helped to revitalise the fast passenger ferry industry in the New York Metropolitan area. Last year SeaStreak carried 550,000 commuter passengers, a 30% increase on 2000.

NAVY NEWS

RAN refuses to accept Super Seasprites



The Royal Australian Navy's (RAN's) acquisition of 11 SH-2G(A) Super Seasprite naval helicopters for its eight ANZAC-class frigates has encountered a problem, with the first fully operational aircraft yet to fly

Australian blockade working

AN AUSTRALIAN warship has broken the one-day record for intercepting illegal cargoes in the Persian Gulf. HMAS Kanimbla, one of the Royal Australian Navy's two amphibious command ships, stopped, boarded and turned around 16 vessels carrying illegal cargoes of oil and dates. Australian ships have been involved in the UN blockade of Iraq almost continuously since the end of the Gulf War. The blockade prevents Iraq from exporting large quantities of oil, but its effects are devastating on the civilian population who suffer fatal food and medical shortages. Defence spokesman Brigadier Gary Bornholt, who gave his last briefing yesterday before leaving to take command of Australian forces in the gulf, said that on the morning of February 22 Kanimbla moved to intercept 16 large trading dhows heading south from Iraq into the gulf. "All vessels were ordered to return to Iraq," Brigadier Bornholt said. "That interception and boarding of 16 vessels by a single ship is the largest single intercept known to have occurred during the course of maritime interception operations in the gulf to date," he said. Meanwhile, the frigate HMAS Sydney is on its way home after four months duty in the gulf.

JFK BATTLE GROUP

Ships and squadrons of the USS John F. Kennedy (CV 67) Carrier Battle Group relieved their counterparts in the USS Theodore Roosevelt (CVN 71) Carrier Battle Group today.Rear Adm. Steven Tomaszeski, Kennedy's battle group commander, said, "It's particularly satisfying for us to report on station and assume the watch. I know the men and women of the 'TR' battle group are anxious to sail home to their loved ones. They've performed admirably in combat and we're proud to take their place in Operation Enduring Freedom."In company with the Mayport, Fla.-based Kennedy are: Carrier Air Wing (CVW) 7 from Oceana, Va.; Mayport-based ships USS Hue City (CG 66), USS Vicksburg (CG 69), USS The Sullivans (DDG 68); and the Norfolk, Va.-based fast combat support ship USS Seattle (AOE 3).



Two attack submarines are also members of the Kennedy battle group: **USS Toledo (SSN 769)**, home-ported in Groton, Conn., and the Norfolk-based **USS Boise (SSN 764)**. (Photo: Piet Sinke)

HMS FEARLESS TO BE WITHDRAWN FROM SERVICE



After nearly 37 years of distinguished service with the Royal Navy on a wide range of tasks around the world, the assault ship **HMS Fearless** will finally be withdrawn from service when she returns home on 18 March from active operations in the Arabian Sea.

A Landing Platform Dock, Fearless has played a high profile role in numerous deployments, ranging from landing amphibious assault troops to retake the Falklands in 1982, to hosting diplomatic negotiations over the future of Rhodesia in 1968. Most recently, she moved straight

from the highly successful joint exercise with the Omani Armed Forces, Saif Sareea II, in September/October 2001, to active operations in the Coalition against terrorism following the atrocities of 11 September.

It had been planned that she would be retired in November 2002, as her replacement, HMS Albion prepares to enter service in January 2003. However, following her long deployment in the Arabian Sea, and given her age, the necessary maintenance work which she would need for another eight months service has been deemed not to be cost-effective. The helicopter carrier HMS Ocean has taken over her duties in the Arabian Sea.

HMS CUMBERLAND SEA RESCUE



At approximately 3 o' clock on the afternoon of 6 March 2002 **HMS Cumberland's** seaboat, that was carrying three German sailors from **FGS Mecklenberg** and two of Cumberland's ship's crew, capsized in the Baltic whilst undertaking a boat transfer between the ships.

Four personnel entered the water whilst one clung onto the upturned hull. An immediate rescue operation was instigated involving all ships involved in **Exercise Strong Resolve** including HMS Edinburgh and HMS Lancaster. HMS Cumberland manoeuvred alongside the stricken boat enabling the ship's diver to enter the water and attach a line to two persons, who were

then hoisted inboard. HMS Edinburgh's seaboat was launched along with HMS Lancaster's Merlin helicopter to recover the remainder of those in the water and transfer them to HMS Cumberland.

Regretfully and despite a prolonged effort to resuscitate two of the German crew they could not be revived and were declared dead by the doctors who had been embarked from FGS Primauguet and Mecklenberg. The remaining personnel were treated for shock and hypothermia and have thankfully made a full recovery.

The commanding officer of HMS Cumberland and Commander of the Task Group West, Captain Ian Corder Royal Navy said "This has been an extremely sad day and our thoughts and prayers go out to the families of the two German crew whose lives were cut so tragically short. The response of all those involved was of the highest standard and with this professionalism and acts of individual acts of courage three lives were saved".

AIRCRAFT / AIRPORT NEWS TRANSAVIA ANNOUNCES AN ORDER FOR FOUR BOEING 737-700 AIRCRAFT



The Netherlands-based carrier, Transavia Airlines, as part of a renewal and expansion process, has announced an order for four Boeing 737-700 aircraft. The airline operates an all Boeing fleet which includes 737s and 757s. The new aircraft are scheduled for delivery in the second quarter (spring) of 2003.

RAF Nimrod MRA.4 'powers-up' for ground tests



The remodelling of 21 of the UK Royal Air Force's Nimrod MR.2 maritime patrol aircraft (MPA) to Nimrod MRA.4 standard has taken another step forward with the official 'power-on' for ground tests of the first production aircraft



A KLM 747-400 in full reverse thrust on the snow covered runway at Sapporo-New Chitose Airport (just a good shot)

RIJNMOND WEATHER

zaterdag 9 maart

9 uur 's ochtends: temperatuur: 8 graden kans op neerslag: 30% wind: matig (28 km/u) uit WZW

5 uur 's middags: temperatuur: 10 graden kans op neerslag: 10% wind: krachtig (39 km/u) uit WZW

.... **LETTER**

Warning for heavylift pioneers

Regarding 'Daewoo and NMA green light for new generation heavylift vessel'

(Lloyd's List, February 14).

Whilst we congratulate the initiators of this daring project a word of caution may be appropriate.

All predecessors of this vessel-type started earning (some) money for their second or even third owner only. The first owner was either bankrupted or licked their wounds. Remember the 'Mighty Servants' that bankrupted Wijsmuller Transport BV, remember the Fercarrier that only brought some money for investors when she was sold to the US Military, remember the Seabig Venture, a 'one and only' costly experience for T&E, remember the DYVI submersible vessels that only started producing some money when they were finally acquired by Dockwise.

Even the old dock vessels that Cosco operates now did not make any money until the first owners had written off most of the investment.

And even owners who bought dock vessels very late in their lifespan, such as the 15+ years old dock vessels bought by Smit, did not succeed in making any money for their new owner, except perhaps some capital gains when Smit sold one of their dock vessels for a specific conversion job for use outside the heavylift sector.

The pattern is always the same: brilliant ships, ahead of their time, but at gigantic costs, that, when ready, compete with cheap 'old style' alternatives.

The result: bleeding investors, banks, shipyards, initiators and lost reputations.

On the upside: Charterers that enjoy state-of-the-art technology for 'old style money' and the prospects of the next, patient owners to acquire their dreamship at an affordable price. But the experience shows that the waiting time is at least ten years. It costs dearly to be a first.

Henk J van den Berg

Managing director

Fairmount Marine BV

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