

DAILY SHIPPING NEWSLETTER 2003 – 002

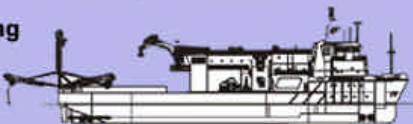


Number 002****DAILY SHIPPING NEWSLETTER*** Thursday 02-01-2003

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EVENTS, INCIDENTS & OPERATIONS

Storm 'devastates' Pacific island

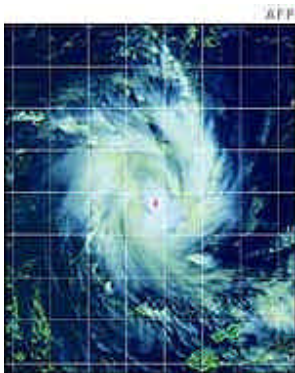


A powerful cyclone has destroyed much of a Pacific island, according to a photographer who made the first flight over the disaster zone. Geoff Mackley, a New Zealand television cameraman, said he had seen only about 20 people on Tikopia. The fate of its estimated 2,000 residents is unclear.

There has been no other contact with people on Tikopia and nearby Anuta since they were hit by Cyclone **Zoe** on Saturday.

Australia is planning to send an air force plane to investigate what has happened on the islands.

The government of the Solomon Islands, to which the islands belong, delayed dispatching relief to the affected areas because it did not have the money to buy fuel for its patrol boats.



Fearsome winds

Mr Mackley chartered a plane to get the first look at the damage left by Cyclone **Zoe**.

"The island is a scene of total devastation," he wrote on his website.

"Every tree on the island has been blown over or shredded, the island is completely denuded of vegetation.

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"Almost every building has been damaged, a few remain intact, while others have been shredded, and the sea has come through some villages, burying them."

Mackley, who says he has spent 20 years covering natural disasters, estimated Tikopia had been hit by winds of between 300 and 350 kilometres per hour (190-220 mph) when the storm made its direct hit.

"I will not speculate on the likely casualties or fatalities," he wrote.

Australian aid

The Australian aircraft, scheduled to fly over the area on Wednesday, will not be able to land as neither island has an airfield, but it should be able to establish the extent of the damage.

The director of the Solomon Islands National Disaster Management Office, Loti Yates, said Tikopia had probably been "flattened" by the storm. Meteorologists say the storm was strong enough to flatten buildings. Bob Davis, Australia's High Commissioner in the Solomon Islands' capital, Honiara, said the islands' people had been warned of the storm's approach and had experience of sheltering in the cyclone-prone area.

Australia has also donated 200,000 Solomon dollars (US\$27,438) after the Solomon Islands Government said it could not afford to send a patrol boat to the storm-hit area.

A four-year ethnic war has left the former British protectorate virtually bankrupt.

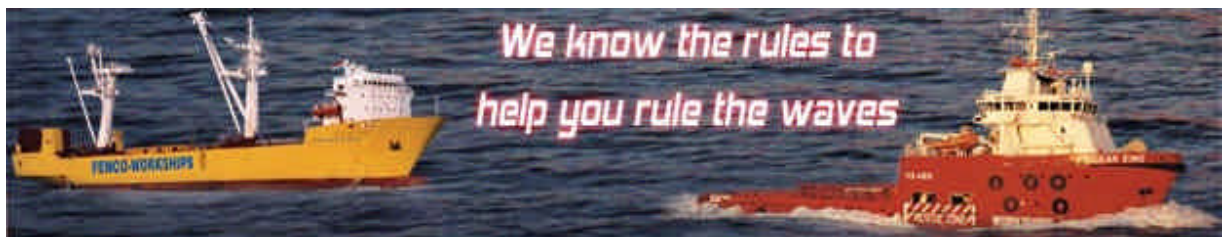
It will take the patrol boat three days to sail to the outlying islands. Correspondents say that requesting help from Canberra will have been embarrassing for the Solomons.

Last week, the Solomon Islands Government was strongly criticised by the Australian Foreign Minister, Alexander Downer, for misuse of public funds.

Prime Minister Allan Kemakeza had used Australian aid provided for civil servants' salaries to pay money demanded by police who had fired shots at his house.

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Olieprijzen gedaald

De olieprijsen zijn gedaald nadat ze kortgeleden op hun hoogste niveau in ongeveer twee jaar hebben gestaan. Dinsdag noteerde olie uit de Noordzee op de Londense termijnmarkt 28,70 dollar per vat (159 liter), bijna 3,5 procent ofwel 1 dollar lager dan maandag. Amerikaanse olie werd 3,50 dollar goedkoper en noteerde 30,05 dollar.

De prijzen gingen dalen nadat maandag een functionaris van de OPEC, de Organisatie van Olie-Exporterende Landen, had gezegd dat het oliekartel bereid is zijn olieproductie te vergroten. Die vergroting is bedoeld om het uitvallen van olie uit Venezuela op te vangen. Dat land wordt al dertig dagen geplaagd door een nationale staking, waardoor de olie-export vrijwel tot staan is gekomen.

De prijs van OPEC-olie ligt op het ogenblik op ongeveer 31 dollar. De olie-organisatie, goed voor tweederde van het aanbod op de wereldoliemarkt, streeft naar een prijspeil van tussen de 22 en de 28 dollar. Met productieverkleiningen dan wel productievergrotingen kan de OPEC zijn olie op dat niveau houden.

De olieprijsen mogen dinsdag dan zijn gedaald, over heel 2002 gezien zijn ze met ongeveer 50 procent omhoog gegaan. De belangrijkste oorzaak daarvan ligt in de dreiging van een Amerikaanse inval in Irak. Mochten de Verenigde Staten het land daadwerkelijk binnenvallen, dan kan het conflict zich uitbreiden en dreigt de olietoevoer uit het Midden-Oosten stil te vallen. De stakingen in Venezuela, de op vier na grootste olie-exporteur ter wereld, waren een tweede oorzaak van de stijging van de prijzen.

Liberians Stranded in Ghana

Some 117 people, most of them Liberians, were stranded aboard a cargo ship at the port of Tema, about 25 km east of the Ghanaian capital, Accra, after the vessel's captain refused to sail, a humanitarian source in Accra told IRIN on Friday.

According to the source, the group included Liberians, some of whom had fled the towns of Guiglo and Danane in western Cote d'Ivoire, where there had been fighting in recent weeks between rebels and loyalist Ivorian forces. They also included a few Ghanaians and a Nigerian. The group had obtained valid travel documents from the Ghanaian authorities and had paid a middleman money for tickets for the three-day journey to the Liberian capital, Monrovia.

The go-between, who had since disappeared, had given the impression that he was sending bags of rice - not passengers - by the ship, the **MV Mari**, news organisations reported.

"We were made to believe that the charterers were sending bags of rice," the Deutsche Press-Agentur (dpa) quoted Emmanuel Brown Gbatley, operations manager of the Nordic shipping lines that owns the MV Mari, as saying. Gbatley added that the ship was a cargo vessel that could not carry more than 20 passengers.

The humanitarian source said the captain refused to leave Tema, saying the ship was not equipped to transport passengers. To do so, would require enough water, personnel, medicines and doctors, food, and other amenities, he said, adding that the passengers would need deck certificates.

"Passenger deck certificates being a regular requirement for travel by ship can be easily obtained from the Ghanaian authorities," the source said. Negotiations were going on and the company was also looking into ways to help the passengers but it could take a day or two before they finally left, he said.

"In the meantime, the passengers are free and they move in and out of the ship to buy their food from the nearby markets. The main concern, especially of the captain, the shipping line and the authorities, is that they can be transported in respect of travel regulations under proper and dignified conditions," he said.

Greenpeace had beter zijn best moeten doen in Spanje '

Greenpeace had beter zijn best moeten doen in Spanje '

ROTTERDAM (ANP) - Greenpeace had harder moeten protesteren toen Spanje besloot de **Prestige** naar diep water te laten slepen. Maar het is kennelijk gemakkelijker om hier aan enkelwandige tankers te gaan hangen.

Dat zei vrijdag de directeur van het Rotterdamse havenbedrijf, W. Scholten, tijdens zijn toelichting op de jaarcijfers van de Rotterdamse haven. Scholten sprak daarin de verwachting uit de Rotterdam de grootste oliehaven van Rusland gaat worden. Op dit moment zijn gesprekken gaande met de Russische overheid en het bedrijfsleven over de mogelijkheden in Rotterdam.

Rusland heeft namelijk te weinig havens met voldoende diepgang die het hele jaar open zijn voor de afvoer van ruwe olie. Naar verwachting zal de olie dan ook met kleinere tankers naar Rotterdam worden gebracht om vandaar over de rest van de wereld te worden vervoerd in grotere schepen. Een deel van die tankers zal enkelwandig zijn. Inmiddels heeft Greenpeace al een enkelwandige tanker in Rotterdam bezet, en aangekondigd vaker actie te gaan voeren.

„Als ze goed worden onderhouden, hoeft een enkelwandige tanker geen probleem te zijn. Een slecht onderhouden dubbelwandige tanker is gevaarlijker dan een enkelwandige”, aldus Scholten. Het probleem met slecht onderhouden dubbelwandige tankers is dat er lading tussen de wanden kan komen te zitten. Die kan dan spontaan exploderen.

Scholten kan het weten, want voor hij bij het havenbedrijf directeur werd, was hij dat bij het bergingsbedrijf Smit. Mede vanuit die achtergrond pleit hij al jaren voor zogenoemde safe havens: Het zijn speciaal ingerichte plaatsen langs de kusten waar schepen in nood met een gevaarlijke lading heengebracht kunnen worden, zodat ze onder beheersbare omstandigheden gelost kunnen worden. „De Prestige had nooit naar diep water gesleept moeten worden. Ik kan je een ding verzekeren, die olie krijg je er daar niet meer uit”, zo zei Scholten.

'Niemand wil zo'n ding in zijn haven'

Twee Nederlandse schepen veeiden in Spanje na de ramp met de **Prestige meer olie op dan alle andere schepen bij elkaar. Ze werden ter plaatse als helden ontvangen.**

Zaterdagochtend half tien. De geur van olie is alomtegenwoordig op en rond de **Rijndelta**, de sleepopperzuiger die een uur geleden het dok van Vlaardingen Oost Shiprepair is binnengelopen. Het 113 meter lange schip ligt op bokken en staat al bijna droog.

Samen met de Nederlandse **Arca** heeft de **Rijndelta** voor de kust van Noordwest-Spanje geholpen bij het opruimen van olie na de ramp met de Griekse tanker Prestige. De twee Nederlandse schepen hebben meer olie opgeveegd dan alle andere schepen bij elkaar.

Aan boord is alles overdekt met een zwarte, teerachtige substantie. "Pas op je goed", zegt het bemanningslid dat de verslaggever naar de stuurhut begeleidt bij het beklimmen van een van de

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trappen. Geen overbodige waarschuwing: ook de leuninggen zitten onder de olie. In het ruim het 'beun' zoals het in het zuig- en baggerjargon heet zit nog een flinke laag van de dikke zwarte drab.

De **Prestige** kwam half november in zwaar weer voor de kust van Spanje in de problemen. Het schip verloor enkele huidplaten en begon olie te lekken. De autoriteiten besloten dat de tanker naar volle zee gesleept moest worden. Op die beslissing was veel kritiek, omdat het gevaar bestond dat het schip in tweeën zou breken.

Dat gebeurde enkele dagen later dan ook. Dertigduizend ton olie kwam in zee terecht. "De Spanjaarden wilden het schip in rustig water hebben. Dat kun je aanvechten, maar natuurlijk wil niemand zo'n vuil ding in zijn haven", zegt Bert Backus van Rijkswaterstaat, coördinator van de operatie. "Als het dan breekt, heb je een groot economisch probleem. Ik weet niet hoe het gegaan was als de tanker voor de Nederlandse kust in problemen was gekomen."

Rijkswaterstaat huurde het schip van het Zwolse baggerbedrijf Van der Kamp, dat ook het personeel leverde. Het schip wordt normaal ingezet om zand en slib uit vaargeulen te baggeren, om deze op diepte te houden.

Backus: "Het is echter permanent uitgerust met veegarmen, zodat we het meteen kunnen inzetten als ergens olie opgeruimd moet worden." Rijkswaterstaat kan via deze constructie over vijf sleepopperzuigers beschikken. Ze kunnen op elk moment van hun werkplek weggehaald worden en zijn dan binnen enkele uren gereed om de olie te lijf te gaan. Alleen de **Arca**, speciaal gebouwd voor het vegen van olie, is eigendom van Rijkswaterstaat en ligt permanent stand by.

Backus maakte de reis, die 42 dagen duurde, van begin tot eind mee. De dagen waren lang, zeker in het begin. "We waren vijftien, zestien uur per dag in touw. Maar dat geeft niet. Het is een bemanning die niet zeurt en van aanpakken weet. En als je de olie het beun in ziet stromen, weet je waar je het voor doet."

De **Rijndelta** en de **Arca** hebben in twee grote sessies elfduizend ton olie opgeruimd. Ondanks de Nederlandse voorsprong blijft Rijkswaterstaat zoeken naar manieren om nog efficiënter te werk te gaan. "Sleepopperzuigers zijn uitgerust met enorme pompen voor hun normale werk. Die kunnen wij echter niet gebruiken voor de olie. De veegarmen hebben eigen, kleinere pompen. We zijn nu bezig met experimenten waarbij we de zandpompen voorzien van een andere kop, waardoor ze ook olie kunnen zuigen. Als dat lukt, zuigen we in tien minuten vijfhonderd kuub op. We zijn ook nog bezig met een schip met een twee keer zo groot beun, zodat je niet telkens terug hoeft naar de kust. Als we die dingen voor elkaar hebben, schiet het echt op."

Het technologisch geweld vormt een groot contrast met de inspanningen van de lokale schippers, die met hun kleine scheepjes uitvoeren en de dikke olie met de hand uit de zee schepten. "Die haalden per dag één kuub binnen, wij vijftienhonderd. Toch hebben ze met zijn allen heel wat opgeruimd."

De verbetering van de schippers is begrijpelijk, want de visserij is de kurk waar de economie aan de Spaanse westkust op drijft. In de baaien liggen reusachtige mosselbanken, enkele zijn al door de olievloed vernietigd.

De Nederlandse olieveggers werden door de bevolking van de regio Galicië als helden binnengehaald. "We zaten een keer in een kroegje tapas te eten en een wijntje te drinken. De eigenaar zag dat we buitenlanders waren en vroeg wat we in Spanje deden. Toen hij hoorde dat we de olie van de Prestige aan het opruimen waren stond hij erop ons zelf naar het schip terug te brengen. Bij het afscheid gaf hij ons een fles wijn mee. Van de autoriteiten van het havenstadje Villagarcia kregen we een plaquette aangeboden. Die krijgt een mooi plekje op het schip."

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De **Prestige** ligt nu op een diepte van 3500 meter, 130 mijl uit de Spaanse kust. Een Frans onderzeeër is bezig de gaten in de romp te dichten, maar dat zal slechts tijdelijk soelaas bieden.

Backus: "Dat schip krijgen ze nooit meer omhoog, maar ze zullen wel proberen de olie eruit te pompen. Dat is een zeer specialistisch werk. De Nederlandse berger **Smit** is zo ongeveer het enige bedrijf ter wereld dat dat kan. Ze hebben het al eens gedaan bij een tanker die voor de kust van Korea was gezonken. Dat schip lag echter maar zestienhonderd meter diep, dus hier zal het weer moeilijker worden."

Third vessel implicated in Tricolor loss

French police claims that bulk carrier **Clary** was on collision course are denied by owner



A ROW has erupted over claims that a third ship was responsible for the collision in the English Channel on December 14 between the 988 teu containership, **Kariba**, and the car carrier, **Tricolor**, which sank following the accident with nearly 2,900 new cars on board.

The ship, which the French maritime gendarmerie claims was on a collision course with the two vessels involved in the collision, is the 12,165 gt Singapore flagged bulk carrier **Clary**, which was heading north for Rotterdam at the time of the accident.

German company, Mineralien Schifffahrt Spedition und Transport, which represents the Singapore-based single shipowning company, **Clary** Shipping, claimed yesterday, however, that the **Clary** was 2.3 miles away

from the collision site — too far for it to have played a role in the collision, which took place in thick fog in the early hours of the morning.

MST technical manager Gunther Zagel said that, on the basis of the information available to him, there could be no question of the **Clary** being responsible for the so far unexplained swing to starboard of the **Kariba**, which brought it into violent contact with the port side of the **Tricolor**, which, like it, was heading west from the port of Antwerp.

"I have seen the statements from the crews of the **Kariba** and the **Tricolor**," he said. "It is very obvious that the **Clary** had nothing to do with it. It was far away from it."

He said that the crew of the **Tricolor** had made no reference to the **Clary** in their statements.

The only references to the northbound vessel had come from the crew of the **Kariba**, who, he claimed, were looking for a scapegoat for what had been a "completely wrong manoeuvre" on their part.

He said that, had the **Kariba** considered that it was in danger of colliding with the **Clary**, the right thing to have done would have been to have cut the engine and go into reverse rather than veer 90 degrees to starboard.

Mr Zagel, who based his position on the version of events given by the second officer who was on watch duty aboard the **Clary**, discounted the claim of the French maritime gendarmerie that his vessel had been on a collision course with the two oncoming westbound vessels.

The **Clary** had not been obliged to make any sudden change of course at the time of the collision, he said.

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He admitted, however, that he had not seen the radar records which were the basis of the gendarmerie's claim, and said that only when he had done so would a final judgment on responsibilities for the accident be possible.

He expressed anger that the gendarmerie had made its findings known to the press and not to the company, whose reputation was being damaged by press claims, notably in Belgium, that it had caused the accident.

"These are the first things we should have been confronted with so that we can judge whether our second mate is telling the truth or not," said Mr Zagel, who insisted that he was not interested in participating in a cover-up.

The gendarmerie was careful in its report not to say that the **Clary** was responsible for the accident, indicating only that radar data showed it to have been on a collision course with the other two vessels.

The report is not destined to support a prosecution, moreover, having been produced for the French prosecution service only in the event that a prosecution was made for pollution.

As the collision took place in international waters, it will be for the flag states of the **Tricolor** and the **Kariba**, Norway and the Bahamas respectively, to decide whether any of the parties involved should be prosecuted.

Norwegian maritime investigator Finn Paulsrud told Lloyd's List yesterday that he had not formally identified the northbound vessel, which had been close to the scene of the collision and that it was not known whether or not it had been on a collision course as the French gendarmerie has claimed.

CASUALTY REPORTING

Crew airlifted to safety from sinking ship

The whole crew from the Norwegian refrigerator ship "**Icebear**" was airlifted to safety early Tuesday morning.

The vessel was listing heavily, and in danger of sinking off the east coast of Iceland. The crew of six were picked up by an Icelandic rescue helicopter, and all are in good shape, says Rescue Leader Nils Ole Sunde at the Norwegian Air/Sea Rescue Center South.

He says that at the time, the ship was listing 40-50 degrees, and he fears that it may sink. Several other vessels are now on their way towards the disabled vessel.

Engine room fire sinks CGG's Mistral

CGG's premium seismic acquisition vessel **Mistral** has sunk offshore Trinidad after a fire broke out in the engine room, causing major damage.

The vessel, worth \$65m to the French seismic contractor, went down in 750 m of water after being towed to a safe location, away from the oil and gas fields off the Caribbean island.

"Mistral sank 24 hours after a fire broke out accidentally in the engine room, which was so strong we could not stop it... no-one was injured or killed," said a spokesman for CGG in Paris.

"Finally we moved Mistral off Trinidad to an area less environmentally sensitive, where it sank."

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Mistral was acquiring 3D seismic data for a small US oil company in a major producing area. The contractor is sending the CGG Amadeus3D survey vessel down to Trinidad from the US sector of the Gulf of Mexico to finish the contract.

The co-owners of Mistral, Louis Dreyfus Armateurs and CGG had insured the vessel for \$65m, plus took out a loan of \$40m for an upgrade in 2002. They are expecting reimbursements for the loss of the vessel.

CGG, which now operates five seismic acquisition vessels, has no firm plans to retrieve the vessel because of its severe damage. It also has no plans to replace the vessel or upgrade others. CGG is occupied with finding replacement ships for its 2003 contracts, which include a long-term survey for Shell Expro in the UK North Sea.

SHIPYARD NEWS

Keppel Cebu finds niche in reefer repair



KEPPEL Cebu Shipyard (Keppel Cebu) is establishing itself as a leading yard in the region for the dry-docking and repair of international reefer cargo vessels.

The shipyard, which is located in the central Philippine island of Cebu, reported recently that it had completed eight reefer vessel repairs last year and had accepted another reefer vessel for repair in December. 'Keppel Cebu is fast establishing a reputation for speed and quality workmanship among reefer vessel owners and managers,' Geoff Phoon, president of Keppel Cebu, said.

'We aim to be the preferred shipyard of the region,' he added.

The completed jobs include two reefer vessels from **Seatrade Groningen BV**, Netherlands, three reefer vessels from **Norbulk Shipping UK**, Ltd and three vessels from **London Ship Managers Ltd**.

Mr Phoon pointed out that one of its most challenging undertakings was the dry docking and repair of Teno and Talca of London Ship Managers. This involved steel repair work to the forward fuel tanks. He explained that the tanks had to be ballast for stability reasons and therefore the control of pollution was a major task.

'The job was completed with no pollution to the environment and delivered on time,' Mr Phoon said.

Keppel Cebu's latest reefer repair job is the **Andalucia**, a 4,830 gross ton reefer cargo vessel which entered the yard in December 2002.

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Owned by Norbulk Shipping UK Ltd, the vessel is undergoing major works such as tailshaft withdrawal, intermediate shaft bearing repair, mast derricks and cargo gear and winches works, main engine crankshaft deflections, turbocharger and governor repairs, boiler repairs and others.

'The extensive work being undertaken on the Andalucia illustrates the comprehensive range of skills and facilities Keppel Cebu can bring to bear in reefer repair work,' Mr Phoon said.

Keppel Cebu is a division of the Keppel Philippines Marine Group, which in turn is part of the Singapore-based Keppel Hitachi Zosen.

The 23-hectare shipyard is the third largest ship repair and newbuilding facility in the Philippines.

The yard began its penetration of the reefer market last year with a contract for the repair of a reefer vessel for Del Monte Fresh Produce Company. Since then, the yard has done a succession of reefer jobs for Del Monte as well as other shipowners and managers.

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Second cruise line cancels trips: Vancouver to lose 28 ship visits



A second international cruise line has cancelled its 2003 program of Pacific Northwest cruises, Vancouver Port Authority spokesman Jon Hicke said.

The combined cancellations will cost Vancouver 28 ship visits next summer, eight per cent of its 2002 total of 342 sailings.

Analysts estimate that each ship visit is worth \$1 million to the local economy in tourist spending and the

provision of goods and services.

Seattle-based Holland America Line has followed the lead of Miami-based Royal Caribbean International in cancelling its shoulder-season program of three and four-day mini-cruises in Puget

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Sound and Georgia Strait. Holland America had 18 Pacific Northwest (PNW) cruises scheduled for 2003 and Royal Caribbean International, 10.

"They [Holland America] haven't issued a press release, but they have told us of their PNW cancellations," Hicke said. "No-one is doing PNW cruises this year."

PNW cruises linking Vancouver, Victoria and Seattle, which started two years ago, were popular in the local market, particularly with first-time cruisers, because of their shorter duration and cheaper prices. But analysts said they were not financially successful for the operators because they did not generate enough revenue to cover costs.

Holland America Line spokesmen were not available for comment Monday, due to the post-Christmas holidays.

Hicke said both Holland America and RCI remain committed to their regular program of Vancouver-Alaska cruises and will base ships here as usual.



"Holland America has said although they are not going to be doing PNW cruises, they may be doing extra cruises tacked on to the end of their Alaska schedule, but it hasn't been confirmed yet."

He said the incremental business generated by the fledgling PNW market will be missed, but the port is hoping the concept will be revived. "It was a way for people to dip their toe in the water to see if they liked cruising," Hicke said. "It was a smaller package and didn't cost as much." In 2002, Vancouver celebrated 20 consecutive years of growth in the cruise trade, recording 1.12 million passengers.



Top : The **PRINSENDAM** which was allocated for the PNW cruises, seen her departing from Amsterdam on July 10th, 2002 - **Photo : Pim de Goederen ©**

Victoria and Seattle have seen their cruise business soar in the past two years, partly as a result of Pacific Northwest cruises. Port of Seattle spokesman Mick Shultz said although Seattle will lose 10 sailings as a result of RCI's PNW cancellations, it will not be affected by Holland America's change of plans because its Washington state port of call in 2003 was Astoria.

"We are still going to experience a 47-per-cent increase in sailings [from Seattle to Alaska] in 2003 and we consider that pretty good growth," he said. Seattle has been competing aggressively as a home

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port for Alaska cruises, in a bid to win a share of the market from Vancouver, where a dozen international cruise lines base ships between May and the end of September.

This year, Seattle will have a total of 85 scheduled, up from 58 in 2002. It is opening two more cruise berths at a cost of \$16.5 million US at Terminal 30, a former container terminal.

Shultz said Seattle expects 400,000 to 500,000 cruise passengers in 2003, up from 220,000 in 2002.

"The only thing limiting the growth in vessel calls is the number of berths available," Shultz said. A study by Miami cruise industry consultant Bermello Ajamil & Partners predicts the Alaska market will grow by one million passengers within a decade.

"Based on a continuation of current trends and known new ship arrivals, the home port market from the combined ports of Seattle and Vancouver will grow from an estimated 1.2 million passengers to 2.2 million by 2010," the report said.

Acciona wins government approval for Trasmediterranea buy



Top : The **Sorolla** departing from Palma de Mallorca during October 2002 – **photo : Piet Sinke ©**

THE Spanish government has cleared the sale of state-owned ferry operator Trasmediterranea to a consortium led by industrial group Acciona. The country's socialist opposition party had voiced concern that the sale could threaten competition on routes to Spanish island territories, where Trasmediterranea is the dominant operator, because several members of the consortium are also active in the trade. But Spain's competition watchdog carried out an extensive review of the privatisation process and its implications for domestic cabotage and noted no concerns. The decision will put an end to months of controversy surrounding the sale of Spain's most prominent shipping line after opposition politicians complained about a lack transparency in the privatisation process.

At one stage during the sale, SEPI, the government holding company charged with the privatisation, was forced to change financial advisers over fears of a possible conflict of interest. SEPI appointed JP Morgan Chase as a replacement to Santander Central Hispano Investment after the latter bank named former foreign minister Abel Matutes and businessman Juan Abell—, both linked to separate bids for Trasmediterranea, as advisers. Acciona and its partners beat off five other short-listed bidders and paid E259m for the government's majority stake in the carrier.

Dutch up pressure over P&O Nedlloyd future

NEDLLOYD is stepping up pressure on P&O to settle the future of jointly owned P&O Nedlloyd in the coming year. The Dutch company would consider a delisting from the Amsterdam Stock Exchange in order to secure independence for P&O Nedlloyd, according to Nedlloyd chairman Haddo Meijer.



He also repeated earlier statements that P&O Nedlloyd should be established as a standalone company during the course of 2003.

Left :
The **P&O Nedlloyd Southampton**

**Photo :
coll Piet Sinke**

If nothing was achieved by the end of the coming year, "I

would consider that late", Mr Meijer told a Dutch newspaper. Mr Meijer has made similar comments in the past. However P&O, which controls 50% of P&O Nedlloyd, refuses to put a timetable on the agreed plan to float the container shipping line.

"We all want a decision quickly, but we will not be drawn on the timing," a spokeswoman for P&O said yesterday. Nedlloyd and P&O, which jointly own the world's third largest container shipping line, have been discussing ways to spin off P&O Nedlloyd for several years. The two shareholders have so far failed to reach an agreement on the best possible way forward, with P&O rejecting an earlier proposal for a "reverse listing" for P&O Nedlloyd by using Nedlloyd's existing quotation. Relations between the two companies are known to have been strained by their differences over P&O Nedlloyd.

However, Mr Meijer said in an interview with Het Financieele Dagblad that the two companies were back on speaking terms. He also disclosed that Nedlloyd's existing listing was not a priority, and that one option was to remove the company from the Amsterdam bourse.



Top : The **P&O Nedlloyd Tasman** –photo : Coll Piet Sinke

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That could clear the way for P&O Nedlloyd to have a dual listing in London and Amsterdam, Mr Meijer indicated. He also discussed the need for further industry consolidation, with P&O Nedlloyd looking for possible merger opportunities that would keep it abreast of Maersk Sealand, the world's largest container shipping line. P&O also agrees on the need for further concentration in the container shipping trades. It wants P&O Nedlloyd to have its own stock market listing that would give it direct access to the capital markets. "A number of options are being looked at," said P&O. In the past, P&O has also said it wants to retain a sizeable share in P&O Nedlloyd because of the synergies with P&O Ports.

Storm over SCI plan to buy two new VLCCs

THE plan of the government-owned Shipping Corporation of India to acquire two very large crude carriers at a time when the process of disinvestment of 51% of its equity is still on, has raised a major storm in the Ministry of Disinvestment. Ministry officials have questioned the wisdom and right of the SCI board to consider an investment of around Rs6.5bn (\$130.4m) at a time when its management control could pass into the hands of the "strategic partner" it has been seeking for the past 30 months.

The SCI board has managed to enlist the support of the shipping ministry, which has been pushing hard for the VLCC purchase decision to be approved by the Public Investment Board. Under existing rules, any public sector undertaking that is in the process of being privatised requires the prior approval of the Ministry of Disinvestment for any large item of capital expenditure. It is understood that the national carrier has received an offer of \$65.2m from Hyundai Shipyard of South Korea for building each of the two vessels. The shipowner has also invited other shipyards to bid for the order.

"We have built a strong position in our energy transportation activities, but this now needs to be built upon," said Prabhat Kumar Srivastava, SCI's chairman and managing director. "The needs of the company and the Indian energy economy are for an upgrade in size and technology. 'Following the decommissioning of our only VLCC, the **Kanchenjunga**, in 1999, we now desperately need two such vessels. If our privatisation situation is not clarified soon, we will need to proceed with these orders because, in the current dynamic shipping environment, things cannot be allowed to stand still."

Ministry officials, however, pointed to a letter sent to SCI in February which specifically asked SCI not to undertake any major commercial investment until the privatisation process was completed. "One of the objectives of disinvestment is to raise maximum funds for the government," a senior ministry official said. "Even if the funds used for the purchase of the two tankers are from SCI's internal resources, and not provided by the government, its benefit will be enjoyed by the party that buys the government equity. 'What benefit would the government get out of this, when the valuation of the company would be on the basis of all assets, including vessels on order? 'Why this hurry to place the tanker order?"

Shipping circles tended to agree with the ministry's views, since SCI was no longer the nodal agency for transportation of the country's crude oil imports. "Since SCI has no commitment or long-term tanker charter agreement with Indian Oil Corporation or any other refiner, it can wait until the end of the disinvestment process before it acquires fresh tonnage," said a Mumbai-based shipping analyst.

CMA CGM settles boxship charter dispute out of court

A DISPUTE between French line CMA CGM and a German owner over the charter of four containerships has been settled out of court, writes Janet Porter. Norddeutsche Reederei Beteiligungs Gesellschaft had challenged the French line's right to cancel a charter agreement and had already obtained a High

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Court ruling in its favour. The court upheld an earlier arbitration panel's decision that CMA CGM could not invoke a War Cancellation Clause. CMA CGM took the case to the Court of Appeal, which dismissed the claim in a decision delivered just before Christmas. However, CMA CGM issued a statement saying the two sides had reached "an amicable settlement" in November which was finally executed on December 12 "to the satisfaction of both parties". However, because of the holidays, the court had not been informed by the time a decision was issued. Details of the settlement were not immediately available, but CMA CGM said the two companies "are still continuing to do business together".

NAVY NEWS



USS Harry S. Truman (CVN 75) arrives in Souda Bay for a New Year's holiday port visit. The Truman Carrier Battle Group is currently on a routine six-month deployment in support of Operation Enduring Freedom

Admiraal bezoekt marine in VAE



Het Nederlandse marinepersoneel in de Verenigde Arabische Emiraten (VAE) kreeg bezoek van de Commandant der Zeemacht in Nederland, vice-admiraal J. van der Aa. Naast een ontmoeting met de ambassadeur en de Commander Naval Forces, RADM Suhail Mohammed Khalifa Al Marar, bracht de admiraal tijdens de kerstdagen een bezoek aan de bemanning van het multipurposefregat Hr. Ms. van Nes en het detachement van de maritieme patrouillevliegthuigen.

Tijdens het bezoek aan Hr. Ms. Van Nes kon vice-admiraal Van der Aa zich er van overtuigen dat het werk van de marine ook tijdens de kerstdagen gewoon doorgang vond.

Op eerste kerstdag was de admiraal getuige van twee boardings uitgevoerd door de bemanning van het schip. Regelmatig ondervraagt het schip andere schepen die door de straat van Hermuz (ingang

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van de Perzische Golf) varen. Soms leidt een ondervraging tot het ondernemen van actie zoals een boarding. De boardings op deze kerstdag zijn er twee van in totaal 29 uitgevoerde boardings sinds het vertrek op 28 oktober uit de haven van Den Helder. Op het moment van het bezoek was het schip met de tweede drie weken durende patrouille bezig. "Hr. Ms. Van Nes is een goed schip met een uitstekende bemanning. Ik ben erg positief gestemd," verklaarde de admiraal terwijl hij een ronde maakte door het schip. Hij bezocht de diverse verblijven om een praatje te maken met de bemanning en te luisteren naar hun ervaringen.

Na het bezoek aan de Van Nes reisde de admiraal door naar het detachement van de maritieme patrouillevliegtuigen, de P-3C Orions. Na een traditioneel kerstdiner met de Canadezen werd er gesproken met het aldaar geplaatst personeel. De admiraal kreeg onder andere een briefing van de eerste vluchten die gemaakt zijn door het detachement welke op zaterdag 21 december was aangekomen en meteen al twee vluchten heeft gemaakt. De admiraal was onder de indruk van het werk van de Orion en haar bemanning. "Voorafgaand aan de missie hebben zij een vierweekse durende cursus overleving gehad. Het detachement is goed voorbereid op haar taak. En het is een goede club mensen", aldus de admiraal.

Israeli, US, Turkish Navies Train in Mediterranean

JERUSALEM (Reuters) - Naval ships from Israel, the United States and Turkey began manoeuvres in the eastern Mediterranean Wednesday in an annual event showcasing military links between the three countries.

The Israel army said the exercises, held against the backdrop of a brewing conflict between the United States and Iraq, were part of annual search and rescue exercises between the three navies.

"The objective of this exercise is to practice coordinated emergency search-and-rescue procedures in times of distress at sea and measures of safety of life at sea," it said in a statement.

Colonel Rani Ben-Yehuda, head of Israel's naval commando unit, said in a briefing to reporters Tuesday that the manoeuvres were not connected to "combat training and are not directed against any regional body."

He said they were to help the three navies brush up their search and rescue skills in the eastern Mediterranean.

MOVEMENTS

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The URS tug **BOXER** in Swansea, South Wales - photo : Chris Jones ©

SMIT BISON



The **DH ALPHA** arrived December 31st in the harbour of Maassluis, the vessel will be renamed in **SMIT BISON** – photo : Jaap van de Meeberg

VERGINA STAR 2



The **VERGINA STAR 2** of Zouros shipping is the former **Smit Lloyd 117**
Photo : Ton Grootenboer ©

AIRCRAFT / AIRPORT NEWS



An **F-14D Tomcat** assigned to the "Tomcatters" of **Fighter Squadron Thirty One (VF-31)** launches from the flight deck of **USS Abraham Lincoln (CVN 72)**. In keeping with the holidays, the Tomcat displays the squadron logo Felix the Cat in a Santa's hat, painted on the vertical stabilizers. Lincoln and her embarked **Carrier Air Wing Fourteen (CVW-14)** are supporting Operation Enduring Freedom and Operation Southern Watch.