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ITC's TYPHOON seen passing Flushing roads Photo: Jamie Reurink ©

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EVENTS, INCIDENTS & OPERATIONS





The **WILLIAM WALLACE** of Braveheart Shipping seen passing the Breediep with in the background seen moored the **BET PRINCE** at the EECV terminal

Photo: Leen van der Meijden ©

Pirates seize two more ships

Somali pirates celebrated the New Year by hijacking two ships on January 1--a U.K. flag car carrier and a Singapore-flag chemical carrier. On the late afternoon of January 1, the U.K. flagged M/V **Asian Glory** (a vehicle carrier) owned by Zodiac Maritime Agency, was hijacked in the Somali Basin approximately 900 nautical miles north of the Seychelles and 600 miles from the coast of Somalia.

Asian Glory was well outside the normal EU NAVFOR operating area. The ship has a crew of 25 persons (8 Bulgarian, 10 Ukraines, 5 Indians, 2 Romanian) and all are reported to be well. The ship was registered with MSC HOA and was transiting north west towards the International Recommended Transiting Corridor that she was expected to enter January 3.

The Maritime and Port Authority of Singapore (MPA) says the Singapore-registered chemical tanker, M.T. **PRAMONI,** was boarded by suspected pirates while transiting the Gulf of Aden. A distress alert was sent by the vessel at about 17.30 hrs on January 1 (Singapore time) while at position Lat 12 deg 30 N Long 47deg 17 E.

Prior to the incident, the the 20,000 dwt vessel was on its way from Genoa, Italy to Kandla, India. MPA is working with relevant government agencies and the ship manager, GBLT Shipmanagement Pte Ltd., a subsidiaryof PT Berlian Laju Tanker Tbk. The ship manager's emergency and crisis control center in Singapore has been manned since the start of the situation. It is working to establish communication with the vessel to ascertain the safety of the crew and cargo.

According to EU NAVFOR, the ship has a crew of 24 persons (5 Chinese, 17 Indonesian, 1 Nigerian, 1 Vietnamese).

EU NAVFOR says that the ship's master reported on VHF that the ship was hijacked and all the crew are well. The ship is presently heading south towards Somalia. **Source: MarineLog**

Canadian Ship Assists Hijacked Crew off Somali Coast Somali pirates seized three ships in December

A Canadian warship conducting counter-piracy operations in the Arabian Sea assisted a Singaporean vessel to safety on Dec. 28 after Somali pirates freed the container ship they hijacked 10 weeks ago. Being the closest NATO warship



in the area, the **HMCS Fredericton** was called on to provide medical and technical assistance to the Kota Wajar off the coast of Somalia. The **Fredericton** is on a sixmonth mission to the Gulf of Aden and around the Horn of Africa.

Reuters quoted the pirates as saying that they released the **Kota Wajar** and its 21 crew members after receiving a ransom payment of US\$4 million. The ship had been held captive since Oct. 15 when it was seized while sailing north of the Seychelles archipelago on its way to Kenya from Singapore.

"As my team prepared for the mission, it helped to understand the plight that this crew just endured and that

we could offer just a little bit of humanity to them," said Commander Steve Waddell, **HMCS Fredericton's** commanding officer, in a news release.

The **Fredericton's** boarding party conducted a security sweep onboard the **Kota Wajar** while its medical specialist examined all the crew members and declared them in good health. After providing the **Kota Wajar** crew with fresh

food and bottled water, the Fredericton escorted the ship out of Somali waters and kept track of it visually and then by radar as it sailed to a safe port in East Africa.

"No law-abiding sailor should ever have to endure what these men endured," said Waddell.

The International Chamber of Commerce's International Maritime Bureau (IMB) reported in October that the first nine months of 2009 saw an unprecedented increase in Somali pirate activity off the Somali coast and in the Gulf of Aden. The IMB reported 147 incidents in the area compared to 63 for the same period in 2008.



NATO has been conducting counter-piracy operations in the region, one of the world's busiest sea lanes, since late 2008. The **Kota Wajar** was used by the Somali pirates as a mother ship to transport British couple Paul and Rachel Chandler to Somalia after hijacking their yacht near the Seychelles and taking the two hostage on Oct. 22. The retired couple remain in captivity following several failed attempts involving ransom negotiations to seek their release.

At the same time the pirates released the **Kota Wajar** last week, they hijacked U.K. chemical tanker **St. James Park** and its 26-member multinational crew in the Gulf of Aden. They also captured Greek bulk carrier **Navios Apollon** and its 19 crew in the Indian Ocean north of the Seychelles en route from Florida to India.

On Dec. 18, Somali pirates seized Yemeni freighter **Al-Mahmoudia2** and 15 crew members after the ship left the port of Aden in Yemen. Canada's participation in counter-piracy operations began in August 2008 when **HMCS Ville de Quebec** escorted United Nations World Food Programme (WFP) ships from Kenya to Somalia.

Naval escorts for WFP ships are essential to prevent piracy when delivering food to the Horn of Africa country, one of the most dangerous places in the world. While deployed in the Gulf of Aden in April 2009, the **HMCS Winnipeg** was escorting a WFP freighter to Somalia when it successfully disarmed a band of pirates who attempted to attack a Norwegian tanker. With about 250 crew members onboard, the **HMCS Fredericton** left her home port at Canadian Forces Base Halifax, Nova Scotia, on Oct. 25 for her mission which will conclude in May 2010. **Source: Epoch Times**

DUE TO THE FESTIVE SEASON AT PRESENT NOT MUCH SHIPPINGNEWS IS RELEASED, SORRY FOR THIS

"Unidentified ship may have led to oil slick"

An unidentified ship which dumped bilge water at a point close to the coast is the most likely reason for the oil slick which hit the beach along Uthandi and Kanathur . **Source : The Hindu**



Above seen a Dutch TSHD testing her anti piracy equipment , equipped with razor wire and powerful water spray system - Photo : Crew TSHD ©

(For safety reasons for the crew and vessel no name of the vessel mentioned)

Bulgaria Manager: Somali Pirates Don't Research Ships for Hijacking

Somali pirates hijacking international ships in the Gulf of Aden are picking their victims randomly.

This has been stated during a news conference Saturday by Captain Prodan Radanov, manager of the Varna branch of the UK firm Zodiac. Radanov spoke regarding the two very recent cases in which UK flagged ships with Bulgarians sailors on board have been kidnapped by Somali pirates.



File photo of the St. James Park - Photo: Paul van Luik - www.shipsoffterneuzen.nl ©

UK tanker **St. James Park** with five Bulgarian sailors among its crew was hijacked on December 29, 2009, and the Asian Glory ship with eight Bulgarians on board was hijacked on January 1, 2010. Thus, a total of 13 Bulgarian sailors are held captive by Somali pirates together with the entire crews of their vessels.

Radanov said the pirates did not research in advance the ships and the information about their cargo and crews. They usually sail with smaller boats, and attack whenever they detect a suitable target. The armed pirates quickly climb up the ship and take control. They are very fit physically, according to Radanov, because the climbing is very hard. He pointed to the ship Asian Glory as an example – because it rises 20 meters above the sea level – this is the equivalent of a seven-storey building.

Radanov has explained that in most cases it is the pirates who get in contact with the managing company or owners of the hijacked ship, usually as soon as they anchor the ships off the Somali coast. The Somali kidnappers generally keep their hostages for an average of 1-2 months. They always aim at receiving ransom, and have no interest in killing the hostages, Captain Radanov said.

The manager of the Varna office of Zodiac did point out that even though the hijacking attempts in the Gulf of Aden increased in 2009, most of them failed – about 32 attempts were successful out of some 300 before September 2009. **Source: Novinite**



The **DIAMOND PRINCESS** seen departing from Melbourne Photo: John Bone ©



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BSLE EMPRESS ARRIVES IN JEBEL ALI





Above seen the 1978 Van der Giessen- De Noord built **BSLE EMPRESS** (ex. NEDLLOYD BAHRAIN - CHARLES LYKES – LYKES PATHFINDER – PATHFINDER – DELMAS JACARANDA – BOSCO JUMBO – BSLE EMPRESS) arriving in Jebel Ali January 2nd ,with on the right the master of the vessel and pilot **Johan de Bue**Photo's: Johan de Bue ©

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Group decries pirate attacks, calls for quick passage of MSA bill

National Assembly has been urged to speed up the passage of the Maritime Security Agency (MSA) Bill to help curb the incessant pirate attacks along the nation's coastal waters. Giving the charge to the law makers recently, the Lagos Pilotage District Berthing Committee noted that the attacks has taken its toll on shipping activities in the country, stressing that the passage of the MSA bill would enable shipping activities to flourish once more. The Committee's Secretary, Mr Stephen Fatomilola, in a statement which focused mainly on the effects of piracies in the nation's territorial waters, pointed out that all agencies including the Navy, the Nigerian Maritime Administration and Safety Agency (NIMASA) and security operatives should ensure the successful passage of the bill. Fatomilola suggested that the agency, if established, should be placed under the supervision of the Presidency. He decried the incessant piracy attacks on ships in Nigerian waters, saying that the last three years had witnessed growing attacks on ships and facilities.

In his words, "The rise in armed attacks have raised much concern, with increasing security threats almost overwhelming the waterways," Fatomilola stated. He said that the committee would not be wrong to say that agencies saddled with the responsibility to combat piracy should be stripped of their maritime security functions. Fatomilola said such bodies should be allowed to concentrate on their primary responsibilities of dealing with cabotage matters, developing the shipping industry and overseeing safety standards.

He recalled that on Oct. 30 at about 22.00 hours, sea pirates numbering about 10, armed with sophisticated weapons, attacked a vessel MV Silveretta that was drifting 20 miles off the fairway bouy. He alleged that the crew members on board made concerted efforts by telephone to reach the maritime security agencies but to no avail, until the pirates made away with cash and other valuable items. Fatomilola also recalled that on Dec. 11, another vessel, MT Trade Wind, was attacked and it petroleum products siphoned and other valuable items carted away. He also alleged that efforts by the crew to reach maritime security operatives also proved abortive. Fatomilola said that the attacks had negative effects on the image of the nation, the economy and the global shipping business.

"Owners and those who charter vessels are no longer willing to allow their vessels to call at any of our ports and the few ones that call do so at very high freights," Fatomilola stated. He called for the composition of a Naval Task Force similar to the Military Joint Task Force in the Niger Delta to be solely responsible for maritime security within the nation's territorial waters. Fatomilola said the Task Force should be able to put into use Naval boats and other facilities now available to the Naval authorities. He added that the establishment of the Naval Task Force should be devoid of government bureaucracy. **Source: Vanguard**

CASUALTY REPORTING



Seaspan Corporation Provides Information on the CSCL Hamburg



Seaspan Corporation reported that on December 31, 2009 the **CSCL Hamburg**, a 4,250 TEU container vessel went aground in the Gulf of Aqaba en route to Singapore. Preliminary reports indicated that there were no personnel injuries or oil pollution as a result of the incident.

The Company is coordinating with Egyptian authorities and other parties to inspect and refloat the vessel. Off-hire and repair costs are currently being assessed. Any repair costs are expected to be covered by insurance. **Source : Seaspan**

About Seaspan

Seaspan owns containerships and charters them pursuant to long-term fixed-rate charters. Seaspan's contracted fleet of 68 containerships consists of 42 containerships in operation and 26 containerships to be delivered over approximately the next 30 months. Seaspan's operating fleet of 42 vessels has an average age of approximately five years and an average remaining charter period of approximately seven years. All of the 26 vessels to be delivered to Seaspan are already committed to long-term time charters averaging approximately 11 years in duration from delivery. Seaspan's customer base consists of seven of the world's largest liner companies, including China Shipping Container Lines, A.P. Moller-Maersk, Mitsui O.S.K. Lines, Hapaq-Lloyd, COSCO Container Lines, K-Line and CSAV.

NAVY NEWS

Royal Navy set to lift ban on women in submarines

Women may be allowed to serve on submarines for the first time in the Royal Navy's history under plans being drawn up by defence chiefs. The change would follow more than a decade of pressure from senior Labour figures for full equal opportunities for women in the armed forces.

A review of the ban on women on submarines was ordered last year, to run alongside a separate review into whether women should be permitted to serve as frontline infantry. Both are expected to conclude within weeks, with the decisions to be announced to parliament later this month.

Defence chiefs will veto moves to allow women to serve as frontline infantry, but a change to the submarine ban is seen as a potential sop to ministers. Such a change was rejected by naval chiefs eight years ago and could still be derailed by opposition from senior officers.

The original refusal was justified on the basis of the cramped living conditions on board and concerns over the dangers posed by fumes inside the submarine to a foetus if a woman is pregnant. Continuing pressure from ministers has led to a rethink, however. A Ministry of Defence (MoD) source said:

"It looks likely that women will be allowed to serve on submarines." The source said the proposal was contained in a draft of the review, but added: "There are people in the navy opposed to women on submarines so there is a chance it might not make the final cut."

The new Astute attack submarines could easily be adapted to accommodate women and the MoD said last week that in the design of the new Trident nuclear boats, "consideration will be given to the possibility of women serving in future". The Norwegian, Danish, Swedish, Australian and Canadian navies already allow women on submarines. US defence chiefs have said they no longer see any reason for subs to remain all-male.

Such a move in Britain would give women almost full equality in the navy. Only mine-clearance diving units and the Royal Marines, whose main role is as frontline infantry, would remain closed. No concession is likely by the army, however. The review of infantry and tank crews was handed to commanders last month. It is understood to conclude women have neither the upper-body strength nor the physical resilience to withstand intensive combat.

Women have operated on the front line in a series of roles in Iraq and Afghanistan — as medics, intelligence officers and with the artillery. There are also female pilots and navigators in the RAF. Last November, Kate Nesbitt, a Royal Navy medic, was awarded the Military Cross after saving the life of a marine under enemy fire in Afghanistan. Despite the blurring of the front line, tests in 2000 found women were eight times more likely than men to sustain injuries other than wounds in action.

There are also concerns based on Israeli studies that infantrymen's first instinct may be to defend the women in their ranks rather than to fight the enemy. Army tank crews are closed to women because of the cramped conditions and lack of privacy. Geoff Hoon, who as defence secretary from 1999 to 2005 tried to push through more measures to allow women on the front line, said change had to come.

"The starting point must be in principle, in the modern world, that women should be free to do the same jobs as men," he said. "The way the rules have evolved appears inconsistent. We have to be more consistent." **Source : TimesOnline**

Gas risk remains for navy boats

A SAILOR was gassed aboard one of the navy's Armidale-class patrol boats last year because of the same design defects found to have caused a leak that almost killed four crew in 2006. Sailors have told The Weekend Australian that crews are still being exposed to gas leaks aboard the 16-strong fleet of Armidale patrol boats despite the Defence Department's assurances last month that the vessels were safe.

Among the claims are that sections of the patrol boat, notably the austere, or "overflow" accommodation compartment of the 56m, aluminium-hulled Armidales, are off-limits because of the ongoing detection of carbon monoxide.

Traces of the toxic gas have been found in the secured compartments, a special feature intended to accommodate asylum-seekers and illegal fishermen picked up by the \$28 million boats, commissioned in 2005 to patrol Australia's northern waters. The asylum-seekers and fishermen are being held on the boat's quarter deck under awnings.

Last month, The Weekend Australian revealed that the boats were put to sea with design defects, missing operating procedures and inadequate training. The problems were exposed in a secret report into the gassing of the crew aboard HMAS Maitland during a training exercise off Darwin in August 2006.

Four sailors were gassed with hydrogen sulfide, and possibly carbon monoxide, after a leak in the ship's sewage system. The Defence Department last month said most of the recommendations of the navy report had been implemented - although it refused to detail each of the upgrades - saying that the "full capability" of the Armidale-class patrol boat will be "realised in early 2010".

"The Armidale-class patrol boat is a safe, capable and reliable asset," Defence added in a subsequent statement.

But navy servicemen have disputed the claim, saying that a sailor was gassed on one of the Armidale patrol boats last year because of the same defect that caused the 2006 accident. "The sailor was gassed with hydrogen sulfide like the other sailors off the Maitland, and it was because of the same problems with the air vents and holding tanks," one senior sailor, who spoke on a condition of anonymity, said. "There are still major problems.

"They also keep finding traces of carbon monoxide, so this area that is supposed to keep the people we pick up secure can't be used for what it is intended." The Defence Department yesterday said it could not comment on the allegations. Dubbed "Armifail" by frustrated sailors, the fleet of frontline patrol boats have been dogged by problems, including fuel contamination, engine trouble, blocked toilets, lack of personal storage, inadequate lighting and overcrowding.

Unusually for military vessels, the Armidales were designed and constructed by West Australian-based Austal Ships to meet commercially based classification standards, and later modified to meet navy regulations. Chief petty officer Kurt MacKenzie was the worst affected of the sailors involved in the 2006 accident. He is being medically discharged from the navy in March and is launching civil action for compensation. Documents confirm his treatment by the navy after the accident was found to be sub-standard in several areas. One officer has been disciplined over his handling of that treatment. Source: The Australian

SHIPYARD NEWS



Cochin port sets record in cargo handling

Cochin port has created a record in cargo handling, by discharging about 11,000 tons of river sand.

The vessel, MV **Asha Prestige**, which arrived at the port on December 30, with 24,500 tonnes of river sand from Mundra port, completed unloading of the entire cargo by last evening, thus achieving an average daily output of more than 9300 tons, a port press release said.

This is also the largest parcel size of river sand that has arrived at the port during this season. The port had accorded berthing on arrival for the vessel and made available adequate storage area. Considering the shortage of sand in Kerala, Cochin port has offered its facilities for handling sand being moved from other states, especially Gujarat.

Source: DNA India



The Damen Galati built **KBV 002 TRITON** made a stop over at Malta Grand Harbour whilst enroute Sweden **Photo: Anthony Chetcuti** ©

Creating a buzz around ship-building

Around 2500 BC, the Harappans built the world's first tidal dock at Lothal, located in present-day Gujarat. Ship-building was a thriving industry then, driven by the strong trade links with Mesopotamia and Persia. Belying such a pioneering past, India's current contribution to the global ship-building industry languishes at around 1%. Japan, South Korea and China together have a share of more than 85% of the ship-building industry. China's rise has been meteoric. In a span of a decade, China increased its marketshare from 2% in 1995 to about 20% now. It employs about three lakh people in about 500 shipyards, having an order book of about 40 million DWT. India employs 12,000 people in 28 shipbuilding yards with a 1.3 million DWT order book. These figures provide not only the amount of catching up to do but also the immense opportunities in the ship-building industry. The government of India has set an ambitious target of garnering 8% of the world share by 2017.

Maritime trade constitutes 95% of India's total trade by volume. Being among the fastest-growing economies in the world and having a 5,500-km mainland coast line, India is ready for a large ship-building industry catering to the world. In addition, India's labour costs about eight times less compared with that of South Korea's. The epicentre of ship-building has moved from Europe to Japan to China due to lower labour costs. Coupled with them is the advantage of having a developing ancillary industry—engines, generators, valves, pumps, etc. It is estimated that every Re 1 invested in ship-building will trigger investments of Rs 10 in ancillary industries. Currently, even Indian shipyards are purchasing such equipment from foreign firms that are able to sell cheaper because of the economies of scale. About 45% of the input requirements are imported. As in the automobile industry, India has the opportunity to build a buzzing ecosystem for ship-building. In the last few years, private players like Great Eastern Shipping, Mercator Lines, ABG and Bharati have been operating ship yards successfully. Pipapvav Shipyard floated an IPO in September 2009. Coming off record levels of orders and fleet utilisation in 2008, the economic bust has altered the scenario in ship-building. Compared with an order book which was about half of the existing fleet size in start of the year, new orders have been close to nil in 2009. Platou research claims that to avoid structural overcapacity, about 40% of the orders for bulk vessel and container vessels have to be cancelled. How the industry adjusts to the altered economic conditions will be interesting to watch.

While China focused on building capacities with smaller and less complex vessels, India should not only compete in that space but also be focused on developing competencies for complex vessels that require large automations. India has already carved a niche for offshore vessels that are important in the ever-expanding oil & gas exploration industry. There should be a strong focus on R&D in ship-building, maintenance, design and management. Indian firms should tie up with foreign partners to capture technology flow and build capacities. Being a knowledge-based industry, India, with its English-speaking workforce, has a natural advantage .

A ship is sold first before it is built. In the ship-building industry, credibility is paramount. Indian firms should improve productivities, modernise quickly and deliver on time. Though on par with China, the productivity lag in India can be gleaned from the fact that the DWT per person in India is 50 compared with 300 in Japan. Like any nascent industry, ship-building needs state support to stay competitive in the global market. Other than fiscal incentives, the government should create an enabling environment that fosters research and innovation. Maritime cluster is the cornerstone of the Norwegian maritime industry. A Norwegian cluster contains players from the whole maritime value chain, viz. ship-building, ship design, shipyards, research institutions and finance. This stimulates transfer of knowledge, spawning entrepreneurship among different actors. Best practices followed in other industries like singlewindow clearance, having a separate monitoring authority for ship-building, etc. could go on to ease the constraints and enable development of the industry. Ship repair has always been accorded secondary status (this article has been no different) compared to ship-building in spite of its immense potential for employment. Ship-building is technologydriven, while ship repair is labour-intensive that calls for good ancillary support and quick turnaround time. For every Rs 100 spent on ship repair, Rs 30 goes as labour charges. The ship repair industry is 'evergreen' and very different from the cyclic ship-building industry. The annual repair potential of ships operating in India or calling Indian ports alone is estimated to be about Rs 2,800 crore. It is ironic that Indian labourers, who acquire their skills in India, man the yards in Singapore, Dubai and Colombo which are the leaders in ship repair. China has been emerging as a dominant player in the ship-repair industry, too. China has 176 dedicated ship repair yards, while India has one yard and 35 smaller ship repair units. About 56,000 people in China are involved in ship repair while in India the number is 5,000. Placed strategically between the east and the west, India presents itself as an excellent choice for ship repair

industry by offering low mobilisation and demobilisation expenses. With the labour advantage, India should position itself as a cost-effective destination for ship repairs. India should also give more attention to setting up new repair facilities and cater to the repair needs of larger vessels like VLCCs. Also, ship repair offers the ideal platform for firms to develop capacities and establish a steady revenue flow as they move up the value chain into ship-building. India missed the shipping boom in the 20th century due to the lack of industrialisation in the 1970s. Now, the 21st century opportunities beckon. As descendents of the enterprising Harappans, we should seize the tide. **Source: Financial Express**



The **VOS SATISFACTION** seen moored in a winterly Den Helder **Photo: Gerlof Bremer – VOS Satisfaction** ©

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The OLGA MAERSK seen enroute Rotterdam - Photo: Jan Oosterboer ©

No vessel calls at Azhikkal port

No vessel called at the Azhikkal port on Friday, despite the official announcement earlier last month following a high-level meeting chaired by Ports Minister M. Vijayakumar that cargo vessels from Lakshadweep would start their much-awaited service from the port from the first day of the new year. The reason: the port basin has no depth enough for the vessels to berth.

The much acclaimed announcement of the revival of the cargo vessel service failed to materialise because of

siltation in the basin. Despite the dredging work done by the Kerala State Maritime Development Corporation (KSMDC) as part of the phase two development work of the port inaugurated by the Minister on December 2, 2007, siltation in the basin is cited as the obstacle to the revival of the service.

It has been nearly eight years since the Lakshadweep Administration signed a Memorandum of Understanding to revive the port. The Lakshadweep Administration proposed to construct a wharf at the port for exclusive use of vessels from the islands. According to Port Department officials, efforts are now on to use cutter suction dredger to remove the siltation in the basin. The port is expected to be open for cargo vessel service later this month.

"The hydrogrpahic survey conducted in the channel has shown that the depth in the port basin has come down because of siltation," Regional Port Officer Captain Hari Achutha Warrier said. He told The Hindu that the KSMDC would now use cutter suction dredger to increase the depth in the basin.

The trial run in the channel would be completed in a week after the launching of the cutter suction dredging, he added. The second phase project envisaged development of the channel with a width and depth of 150 metres and five metres respectively. The KSMDC has claimed that 50 metres wide channel maintenance has been done. The charts of hydrographic survey conducted in the channel before and after the dredging show that though there are depth variations in some spots in the channel, there is no change in the two-metre draft in the mouth. Also, there is no adequate depth for the turning circle. According to the Port Department, there should be five-metre depth in the channel for the vessels to enter and berth in the port.

"Nearly Rs.3 crore spent for dredging work by the KSMDC has gone down the drain as the depth in the mouth and wharf has not experienced much change before and after the hydrographic survey," Azhikkal Port Development Committee secretary P.P.M. Ashraf said.

Blaming the Port and the Harbour Engineering Department's negligence for the "total failure" of the dredging work by the KSMDC, he demanded action against officials responsible for the failure and steps to get the dredging work completed without any further delay.

The advantages of the Azhikkal port are absence of rocky bed and its natural estuary with over five metres in depth (barring areas with sandbars) and 0.75 km in width where facilities for berthing cargo vessels are very convenient. Moreover, the breakwaters, under construction, will prevent siltation in the basin.

Disputing the claim of the Port Department officials that there is siltation only in the basin, P.P. Farookh, shipping agent at the port, said the officials had not earlier responded to the proposal to fathom the depth of the dredged area using plummet. Use of cutter suction for dredging is the only solution to the problem of siltation in the channel, he said.

Though the KSMDC claimed to have done maintenance of the 50-metre wide channel, no marker buoys were used in the channel for the vessels to identify the channel with adequate draft, he said. **Source : The Hindu**





The ACERGY OSPREY seen in Teesport - Photo : Julian Jager ©

India's port capacity expansion may miss 2012 target

India's government may miss a target to add capacity at its 12 major ports as the economy grew less than anticipated and global trade slumped amid a recession, writes Bloomberg quoting the shipping secretary.

The government-controlled ports will have a capacity to handle 743m tons of cargo by March 31, 2012, compared with a target of 1.02bn tons, K. Mohandas, the shipping ministry's top bureaucrat, said in an interview in New Delhi. Investment requirements in the five years to March 2012 may drop 61% to 220bn rupees (\$4.7bn), Mohandas said yesterday. India's economic growth slowed to 6.7% in the year ended March as the global recession damped world trade, prompting sea carriers to park vessels. The slowdown needs to be used to ramp up infrastructure, said Anand V. Sharma, a ports and shipping consultant.

"There is greater reason to make investments now because commodity prices have come down and interest rates have declined bringing down the cost of port development," said Sharma, director, Mantrana Maritime Advisory Pvt. Ltd. in Mumbai.

India's finance ministry has said inadequacies in the country's ports, power, roads and other infrastructure shaves about two percentage points off the economic growth rate. Asia's third-biggest economy seeks to double its share in global trade by 2020 from 1.64% in 2008, Commerce and Industry Minister Anand Sharma said November 11.

The volume of cargo at the major ports is expected to rise to 650m tons in the year to March 2012, Mohandas said.

"The expected level of growth was not seen in the last two years," Mohandas said. Still, "capacity will be adequate depending on traffic projections, depending on everybody's assessment of movement of world trade and India's share in world trade."

India's economy should return to 9% growth in two years, Finance Minister Pranab Mukherjee said Nov. 10. About 95% of the nation's trade by volume and 70% by value are moved through sea, according to the government. The country's 12 biggest government-controlled ports had a capacity to handle 574.77m tons of cargo in the year ended March 31, 2009, compared with the 530.53m tons of freight moved through them in that year.

Of these, the eastern ports of Visakhapatnam and Chennai and the western ports of Mormugao and Mumbai handled cargo exceeding their capacity. Ports owned and operated by private companies may benefit from lower capacity addition at major state-run ports, Mantrana Maritime's Sharma said.

Mundra Port and Special Economic Zone Ltd., India's largest non-state cargo terminal, Gangavaram Port Ltd. and Krishnapatnam Port Co., both located on the east coast, are amongst the biggest private ports in the country.

3i Group Plc, a London-based private-equity investor that owns stakes in Krishnapatnam and Mundra Port, said in September it is looking to make its third port investment as India's freight traffic exceeds capacity. Warburg Pincus LLC, the New York-based private equity firm, owns a stake in Gangavaram Port.

There are 17 projects for facilities such as container terminals and shipping berths pending award at major ports in the country. These will add up to 183.5m tons of cargo capacity, Mohandas said. As many as five projects, totaling about 50m tons, will be awarded by the end of March, he said. The remaining will spill over to next year, some delayed due to disputes, Mohandas said, without elaborating.

"Implementation is getting delayed as one has to go through several clearances," Mantrana Maritime's Sharma said.
"In the bidding process, if someone doesn't qualify and goes to court it delays the projects."

The government is seeking to improve the efficiency at major ports it owns, Mohandas said.

The average turnaround time for ships at Indian ports was 3.85 days in the year ended March 31, 2009, compared with 10 hours in Hong Kong, the government said in its latest annual economic survey. The pre-berthing waiting time at major ports declined to 9.59 hours in the year ended March 31, 2009 from 11.40 hours in the year earlier period, the government said. **Source: Seatrade Asia**

DUE TO THE FESTIVE SEASON AT PRESENT NOT MUCH SHIPPINGNEWS IS RELEASED, SORRY FOR THIS



The **BRIGHT PACIFIC** seen departing from Dunedin (NZ) after discharging petroleum products, bound for Singapore **Photo:** Ross Walker ©

India: Private ports to go for IPO in 2010

The year 2010 is will witness some of the private ports in India raising capital by selling shares through initial public offering. The ports that have so far decided to go through this route in 2010 include Gujarat Pipavav Port and MARG Karaikal Port. Gujarat Pipavav Port is planning to raise Rs 5 billion through an initial public offering (IPO). The company filed a draft prospectus with the Securities and Exchange Board of India (SEBI) in October 2008, for a proposed public offering of shares, which was withdrawn in March 2009 citing poor market conditions.

APM Terminals Management BV owns 54.8 per cent in GPPL. It acquired control of Pipavav port from the original promoter – SKIL Infrastructure Limited – in April 2005. The other shareholders of the company include New York Life International India Fund (Mauritius) LLC, IDFC Infrastructure Fund, IL&FS Trust Company Limited, Jacob Ballas Capital India Private Limited, Axis Bank Limited, IDBI Bank Limited and India Infrastructure Fund. MARG Karaikal port is a wholly-owned subsidiary of Chennai-based infrastructure company MARG. Karaikal Port is planning to go for an IPO in the next financial year, 2010-11, to meet its sales and operational requirements. Presently, the Karaikal port is valued at Rs 8 billion, which is more than its parent, Marg's market capitalisation of Rs 5.27 billion.

Marg recently raised around Rs 8 billion from banks to fund the development of Phase II of the Karaikal port. It would have an equity component of Rs 4.28 billion, while the cost of the development would be around Rs 12 billion. An additional Rs 1 billion would be required for the expansion of breakwaters and around Rs 3 billion of foreign exchange funding for the equipment, which would be purchased through Euro loans. With the additional costs, the development of Phase II is expected to increase to Rs 15 billion.

As part of Phase II development, the company is building three new modernised berths with conveyor belts to help direct offloading of cargo, which will be completed by 2011-12. The sea channel will also be deepened by more than 2.5 m to 16.5 m to make the passage much easier for Panamax size vessels. The cost of dredging and desilting of the channel has been put at Rs 200-250 million annually. **Source: PortNews**



Charting a better course after a very difficult year

Few in the shipping industry are likely to look back at 2009 with undiluted pleasure. It is true that some companies - generally those benefiting from sensible, conservative policies in the good times - have emerged either relatively unscathed or in a solid position when things got better. The offshore sector, especially in South-east Asia, remains strong. And the big cruise companies have fared better than many expected. By and large, though, it has been a terrible year for container and bulk shipping companies, and not wonderful for most tanker companies. There have also been casualties, New York-based Eastwind among them.

While there have been relatively few failures, there has been a lot of restructuring, refinancing and rescheduling or cancelling of orders, with top players such as Golden Ocean and CMA-CGM not immune. Even the big Japanese shipping groups are feeling the pressure. A few months ago, Mitsui OSK Lines denied reports it was considering spinning off its container arm in the wake of the global recession. Nevertheless, it is now putting a lot of emphasis on its non-liner businesses. The largest Japanese shipping group, NYK, is taking drastic action to cut losses, and plans to cut its ambitious fleet expansion plans sharply. It had planned to run a total of 1,000 ships by next March; instead, its fleet is now expected to total just 835 by then. The company envisages only modest fleet growth in the next few years, with an expected 850 vessels in service by March 2014, instead of a previously projected 1,150 to 1,220. Similarly Kawasaki Kisen - K Line - is cutting its container fleet 21 per cent to 77 vessels at the end of this fiscal year. The story is pretty much the same around the world. The big container companies are in trouble. They have made massive capacity cutbacks and perhaps 10 per cent of the fleet is now idle.

Despite these massive cutbacks in capacity, profitability has plummeted. For example, Neptune Orient Lines (NOL) said recently its container shipping arm volumes for the year so far are 12 per cent down from last year, while earnings per container shipped are 24 per cent down. That picture would, in any circumstances, be bad enough. But worse still, over the next 2-3 years, the equivalent of about 50 per cent of the current world fleet is set to come out of shipyards. The recession came just as the European Union's ban on liner shipping conferences - price-fixing semi-cartels - took effect. Actually, the conferences had long since been deprived of the ability to manage capacity, which was clearly the greatest need as trade volumes plunged. To an extent, the inevitable happened: volumes and freight rates slumped. In the absence of any ability to act together, you would have expected widespread bankruptcies and consolidations. Instead, the industry behaved sensibly and realised that, thanks to the deregulators in Brussels and elsewhere, it had to reinvent the wheel. Consortiums and slot charter arrangements were already widespread before the downturn. Now, joint services have become the standard way of offering container shipping. The European Commission did review consortiums but decided they made sense in operational terms and did not affect price competition. The container shipping lines will not accept that expanding joint services is a way to manage capacity. But one consequence of running joint services is that capacity can be increased only by agreement.

The signs are that freight rates and capacity utilisation are gradually recovering. But the lines face another very tough year, as so many new ships emerge from the yards. With world trade expected to increase only modestly - and to be way behind the projections made so confidently when the new tonnage was ordered - some hard-headed decisions will have to be taken. Either more ships will have to be laid up, or a massive number of older container vessels will have to be scrapped. Some shipping companies will have bigger headaches than others, as the pattern of joint service reinforced so strongly in the past year means there will be no need for extra capacity. In theory, a third option is very

slow steaming at 14 knots or less, which also now makes sense in fuel-efficiency terms. It will be interesting to see how much further shipping companies go in this direction. So 2009 was a very difficult year, but liner shipping may at least have adopted a pattern of operation that could provide a stable basis for the future. **Source: Business Times Singapore**



Above seen the 1978 built VCT flag ro/ro ship **AEGEAN GLORY** approaching to enter Grand Harbour, Malta for the first time on Sunday 3rd January 2010 piloted by Cpt. IAN PACE BARDON. She was named as **ANZERE** till February 1991 of when she was chartered to Nautilus Line in 1978 & chartered to P&O Ferrymasters from April-August 1984; **TIDERO STAR** till 2002 of when she was chartered to Fred. Olsen 1991, to Ariure Line 1991, to Fred. Olsen 1994,to North Sea Ferries 01/96, to Pandoro 1996, to North Sea Ferries 01/97, to P&O Ferrymasters 01/97, to P&O North Sea Ferries 08/97, to P&O North Sea Ferries 11/99, to Armament Cotier 1999-02; **VILJA** till 2003 of when she was chartered to Ferryways 02/02-09/03 and to Bornholmstraffiken 09/03-10/04; **TOLOSA** till 2007 of when she was chartered to LD Lines 10/04-07/06, Lecco Maritime 2005-07, to Crowley Marine 07/06, to DFDS Lisco 04/07-11/07. **Photo: Cpt. Lawrence Dalli - www.maltashipphotos.com** ©

CSAV raises cash

Compania Sud-Americana de Vapores (CSAV) said Tuesday that it auctioned off a chunk of new shares as part of a fund-raising drive. Shareholders approved the \$360m capital increase Friday in its third such move since striking a refinancing deal with German shipowners.

The latest share sale is part of a \$710m refinancing plan. The Chilean liner operator told the Santiago Stock Exchange that today's auction of nearly 22.6 million shares brought in CLP 11.1m (\$21.8m).

The Valparaiso-based company has declared the on going capital raise as the successful completion of a deal struck earlier this year with shipowners led by Peter Dohle.

As TradeWinds has reported, the shipowners agreed to forego about \$360m in lost charter revenue, and CSAV was to raise about \$710m in new cash. The shipowners are expected to come out of the deal with a sizeable minority stake in Latin America's largest shipping company.

In the other two capital increases, CSAV raised \$145m in July and \$268m earlier this month, or a total of \$63m more than anticipated. The company's shares slipped by 0.8% Tuesday to reach CPL 381.5. **Source : Tradewinds**

Mother Theresa said:

" Let us not be satisfied with just giving money.

Money is not enough, money can be got, but they need your hearts to love them.

So, spread your love everywhere you go."

http://www.directaidperu.org/

OLDIE – FROM THE SHOEBOX



The Steam Ship "Condor" seen bound to Marghera (Italy) in 1952 Photo: Spinazzi ©

..... PHOTO OF THE DAY



The TSHD **SHOREWAY** seen in the port of Rotterdam - **Photo**: Marijn van Hoorn ©

BOEKBESPREKING

Door: Frank NEYTS

"Peyton"

Bij A & C Black (Publishers) Ltd, verscheen onlangs "Peyton. The World's Greatest Yachting Cartoonist" gescheven door Dick Durham.

Mike Peyton is 's werelds meest bekende nautische cartoonist. Het boek brengt een gezaghebbende biografie van Mike Peyton gebracht en geschreven door Dick Durham, ex Fleet Street journalist, medewerker van Yachting Monthly en Mike's levenslange vriend. Dick start het verhaal van de eerste schooljaren tot zijn wedervaren tijdens de Tweede Wereldoorlog toen hij door de inlichtingendiensten werd ontdekt voor het tekenen van kaarten van de Noord-Afrikaanse woestijn. Na zijn jaren als krijgsgevangene keert hij terug naar het Verenigd Koninkrijk en start een carrière als freelance cartoonist. Zijn werk verschijnt in de meest uiteenlopende publicaties, van de 'Church of England Times' tot 'Corsetry & Underwear'.

Maar voor alles handelen zijn cartoons over maritieme onderwerpen. Dick Durham brengt dan ook een mooi beeld van het leven en het werk van Mike Peyton. "Peyton" (ISBN 9781408124406) telt 168 pagina's. Het boek kost £16.99. Bestellen kan via de boekhandel, of rechtstreeks bij de uitgeverij Adlard Coles Nautical, 38 Soho Square, London W1D 3HB,UK. www.adlardcoles.com

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