

Number 137 \*\*\* COLLECTION OF MARITIME PRESS CLIPPINGS \*\*\* Monday 17-05-2010





Spotted at the Raffles Marina in Singapore KTK latest fleet addition, the ORCA VI, ready for departure to Willemstad (Curacao)

Photo: Piet Sinke © www.KTKtugs.com

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The last steam Drifter **Lydia Eva** coming home to the port of Great Yarmouth 15/05/10. **Photo: Paul Gowen** ©

#### See the latest "Fred Vloo" video made in the port of Rotterdam at:

http://www.voutube.com/watch?v=R07oVD0OugE

(including pilot tenders seen in action, dredgers operating at the new Maasvlakte II as well container ships arriving and departing and a lot of tugs in action on May 14<sup>th</sup> )

# Ship sinking overshadows start of East Asia meeting

China sought on Saturday to cool South Korea's exasperation with Pyongyang, which is widely believed to have torpedoed one of the South's warships two months ago, killing 46 sailors. Officials are being tightlipped about blame until the result of an investigation into the sinking of the **Cheonan** is announced next week. In the South, unofficially there is little doubt that its isolated neighbour attacked the navy corvette near their disputed sea border in March. "We explained where the investigations are at the current stage," Kim Young-sun, South Korea's Foreign Ministry spokesman, said after talks between the Chinese and South Korean foreign ministers.

"The Chinese side commented that it had expressed its condolences for the unfortunate incident on several occasions in the past and listened to our explanations." The talks were held on the sidelines of an East Asia conference between the top diplomats from China, Japan and South Korea. China, the North's only major ally, irritated major trading partner South Korea earlier this month by hosting the reclusive North Korean leader Kim Jong-il on a rare trip abroad - before the outcome of the investigation was announced.

Seoul, its relations with the North in a deepening chill, had been hoping China would try to rein in its unruly neighbour. But a number of analysts believe China is so nervous about a collapse of the impoverished state that it is prepared to prop up Kim's government at almost any cost.

Yonhap news agency quoted an unidentified source as saying Chinese Foreign Minister Yang Jiechi had urged a measured response against whoever may have been behind the attack. "(Yang) stressed the importance of conducting a scientific and objective investigation," the source said. Senior South Korean officials declined to detail Yang's comments at the meeting in the ancient capital of Shilla, the Buddhist kingdom that ruled the Korean peninsula in the first millennium. South Korea knows it cannot launch a retaliatory strike against the North without risking greater conflict and undermining its own economy, which is just recovering from the global financial slump.

But it does want international punishment of the North. That would likely mean even tougher sanctions by the United Nations, which would need China's support to take effect. There is media speculation in South Korea that U.S. Secretary of State Hillary Clinton will visit Seoul later this month in a show of support over the sinking.

China last year joined the international community in U.N. Security Council sanctions against the North for a defiant nuclear test, hurting Pyongyang's once lucrative arms trade that was a key source of scarce hard cash.





The **DEO VOLENTE** seen arriving from Hamburg to OTP, Walker to unload 1 empty reel - **Photo: Kevin Blair** ©

# Arming Container Ships With Anti-Ship Missiles

A Russian firm is marketing a version of the Klub cruise missile that can be carried in a 40 foot shipping container. The launcher and the missile have to slide out of the container before firing, thus limiting where it can be placed on a ship, particularly your typical container ship. But you could get two or three of these shipping container Klubs on most cargo ships, turning the vessel into warship.

The Klub missile is a key weapon for the Kilo submarine. Weighing two tons, and fired from a 533mm (21 inch) torpedo tube, the 3M54 has a 440 pound warhead. The anti-ship version has a range of 300 kilometers, and speeds up to 3,000 kilometers an hour during its last minute or so of flight. There is also an air launched and ship launched version. A land attack version does away with the high speed final approach feature, and has an 880 pound warhead. What makes the anti-ship version of the 3M54 particularly dangerous is its final approach, which begins when the missile is about 15 kilometers from its target. Up to that point, the missile travels at an altitude of about a hundred feet. This makes the missile more difficult to detect. The "high speed approach" (via the use of additional rockets) means that it covers that last fifteen kilometers in less than twenty seconds. This makes it difficult for current anti-missile weapons to take it down.

The 3M54 is similar to earlier, Cold War era Russian anti-ship missiles, like the 3M80 ("Sunburn"), which has a larger warhead (660 pounds) and shorter range (120 kilometers.) The 3M80 was still in development at the end of the Cold War, and was finally put into service about a decade ago. Even older (it entered service in the 1980s) is the P700 ("Shipwreck"), with a 550 kilometers range and 1,650 pound warhead. All these missiles are considered "carrier killers," but it's not known how many of them would have to hit a carrier to knock it out of action, much less sink it. Moreover, Russian missiles have little combat experience, and a reputation for erratic performance. Quality control was never a Soviet strength, but the Russians are getting better, at least in the civilian sector. The military manufacturers appear to have been slower to adapt. Still, it is unusual for a firm to offer such a weapon for concealed transport on a merchant ship. So far, there have not been any buyers. Or, rather, the manufacturer will not admit to any sales. While

these missiles are of questionable effectiveness in wartime, they would likely be much more potent if used for a surprise attack on a military or civilian target. **Source: Strategy Page** 



The 2009 Jinling Shipyard, Nanjing built, 18.500 DWT **DONAUGRACHT** seen approaching Ijmuiden with onboard several yachts, see at <a href="http://www.youtube.com/watch?v=CDNFn9nDMNU">http://www.youtube.com/watch?v=CDNFn9nDMNU</a> for the loading of 2 boats in Newport, RI. The **DONAUGRACHT** was completely full with yachts, ranging from a 130' Benetti, to a J105 including a Baltic 42, a Sweden yacht 390, Finngulf 28 and a Dehler 41 on board.

Photo's: Joop Marechal ©



See also: http://www.facebook.com/album.php?aid=174486&id=286426093076&ref=mf



# Iran's Navy Already a Threat to Oil Tankers, Moscow Analyst Concludes

Despite its efforts over the last several years, Iran is not yet the naval power it hopes to become, according to a Moscow analyst, but Tehran already has sufficient capacity to disrupt shipments of oil in the Persian Gulf, an ability that already "represents a serious danger and requires an adequate response from the international community." In an assessment of "The Naval Power of Iran: From Intention to Reality" prepared for the Moscow Near Eastern Institute, V.V. Yevseyev argues that most of what Iran has done in this sector to date represents "a cover" for plans to engage in "diversionary activity" in the Persian Gulf against shipping.

But both because that alone represents a serious problem and because Iran continues to purchase naval equipment abroad and develop its own domestic ship-building capacity, Yevseyev continues, the Iranian naval effort deserves far more attention from foreign governments than it has normally received. Last February, the Moscow analyst says, "took place an important event in the development of the naval forces" of Iran: the launch of the first, 1420-ton minesweeper that Iran had produced on its own, one armed with "Noor" cruise missiles, "the Iranian version of the Chinese S-802.

This ship, the "Jamaran," Yevseyev reports on the basis of Iranian statements, has a helicopter pad and places for rocket complexes, something that would allow it "simultaneously to carry out a fight with submarines, aircraft, and weapons of an opponent under conditions of radio-electronic struggle." But the analyst continues, "an analysis of the information available permits the conclusion that in reality, the Iranian specialists have constructed a multi-purpose guard ship" for its coastal waters, the kind of ship that NATO governments refer to as a corvette and one that is intended to work together with shore batteries.

As such, Yevseyev points out, the new Iranian ship represents only a slight updating of the Alvand, built by Britain's Vosper Yards and sold to Tehran "at the end of the 1960s." And that in turn suggests that despite all claims to the contrary, the "Jamaran" is "in it essential features at the technological level of the 1960s and 1970s," rather than later. But if most of the ship's equipment is thus relatively primitive, Yevseyev says, the weapons systems it carries are far more modern. The "Jamaran" has already this year carried out successful tests of the cruise missiles adapted from China's S-802, a system created about two decades ago.

Iran "had planned to purchase in China a large number" of such missiles and was able to buy approximately 80 of them before "under American pressure, China was forced to stop further shipments" of this technology to Tehran. Iran is now seeking to produce its own on the basis of copying this technology, but it is uncertain whether it has achieved its goal. Taking everything into consideration, Yevseyev says, "it becomes obvious that Iran's Jamaran has sufficiently

current rocket technology [to inflict serious harm on its opponents]" but that its other systems are out of date, at least compared to the most advanced guidance and tracking systems available. Those shortcomings, he says, will significantly "limit" the ability of Tehran to use with success its anti-ship cruise missiles. Besides, the Iranian ship does not have serious anti-aircraft (anti-rocket) defense." Thus, it becomes "an easy target for a strong opponent," such as those Iran might expect to face during a serious crisis.

But the Jamaran and the nine other corvettes in Iran's inventory, even if most of them were built or reflect the technologies of the 1960s, are already sufficient "to demonstrate its emerging naval power [to neighboring countries] and to support [Tehran's] pretensions to regional leadership." And such ships, Yevseyev says, suggest that "Iran in fact is really preparing for something completely different," a "diversionary war." That conclusion is suggested both the fast cutters Tehran has purchased from Italy and its continuing construction – with a total fleet approaching 20 -- of new rocket cutters. Also providing support for that conclusion, the Moscow military analyst says, are Iran's purchases of "super-small submarines" displacing about 100 tons from North Korea and its own development of three diesel-powered mini-subs which have a displacement of approximately 500 tons.

Such ships, working together with shore facilities, like the one created in Jask near the Straits of Hormuz in October 2008 and the "not fewer than four analogous points" that Tehran is planning to open, could inflict enormous damage, all the more so, Yevseyev points out, because Iranian commanders have focused on "the negative experience of the Iran-Iraq war." During that conflict, Iranian commanders sent their fleet out against Iraq all at once, something that made it "an easy target" for Iraqi aviation. Now, Yevseyev says, Tehran is developing a naval strategy based on "decentralization" and the launching of "disinformation" campaigns against its opponents, something that makes even its small fleet dangerous. Source: Georgian Daily

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# Emerging evidence shows the rig lack of regulation

The first firm evidence of what likely caused the disastrous Gulf of Mexico oil blowout a devastating sequence of equipment failures drives home a central unsettling point about America's oil industry: key safety features at tens of thousands of U.S. offshore rigs are barely regulated.

Wednesday's hearings by congressional and administration panels \_ in Washington and in Louisiana \_ laid out a checklist of unseen breakdowns on largely unregulated aspects of well safety that appear to have contributed to the April 20 blowout: a leaky cement job, a loose hydraulic fitting, a dead battery.

The trail of problems highlights the reality that, even as the U.S. does more deepwater offshore drilling in a quest for domestic oil, some key safety components are left almost entirely to the discretion of the companies doing the work.

It remains unclear what, if anything, Congress or the Obama administration may do to address these regulatory deficiencies. So far, Interior Secretary Ken Salazar has proposed splitting his department's Minerals Management Service in two to make safety enforcement independent of the agency's other main function \_ collecting billions in royalties from the drilling industry. But the events that unfolded in the hours before the blowout on the Deepwater Horizon rig suggest that much more will ultimately need to be done on the regulatory front.

As the day of the catastrophe got under way on the drilling platform 48 miles off Louisiana, workers were stabilizing the mile-deep exploratory well to mothball until production. Shortly after midnight, nearly 22 hours before the explosion, contractor Halliburton finished pumping cement into the well. Heavy cement is used to fill gaps around the drill piping and block any surge of natural gas or oil.

As part of the planned routine, the workers next capped the drill pipe with the first of multiple cement plugs. The plugs are meant to stop any upsurge of gas or oil inside the piping. The cement and metal casing along well walls were then checked. Positive pressure tests indicated they were sound.

But there are no federal standards for the makeup of the crucial cement filler, MMS spokesman David Smith confirmed Wednesday. Government and industry have been working to publish new guidelines later this year, but they will be recommendations, not mandates.

Also Wednesday, a group of Louisiana crab fishermen claimed in a lawsuit that Halliburton \_ with permission of well owner BP PLC and rig owner Transocean \_ used a new quick-curing cement mix with nitrogen. It supposedly generates more heat than other recipes and could allow dangerous bursts of methane gas to escape up the well.

According to the testimony and other evidence that has emerged this week, the first sign of trouble came shortly before dawn. Workers pumped out heavy drilling fluid for a negative pressure test to make sure underground gas couldn't seep into the well. That test failed: it meant the well might be leaking. Another test was run. It too failed.

Workers debated what to do next. They eventually decided to resume work.

Further reducing protection from a blowout, heavy drilling fluid was pumped out of a pipe rising to the surface from the wellhead. It was replaced with lighter seawater in preparation for placing the last cement plug.

Federal rules say an operator must hold newly cemented well-wall casing under pressure for up to 12 hours before resuming drilling. Other than that, there are few rules about how long to let cement set. Whatever the main cause \_ cement or something else \_ the last plug was still missing just before 10 p.m. on the 20th, when drilling fluid pushed by underground gas started kicking up uncontrollably through the well.

Desperate rig workers tried to activate a set of hydraulic cutoff valves known as a blowout preventer to squeeze off the surge. However, hydraulic fluid was leaking from a loose fitting in the preventer's emergency system, making it harder to activate powerful shear rams to cut the piping and cap the blowout. Also, a battery had gone dead in at least one of two control pods meant to automatically switch on the preventer in an emergency.

The preventer "was to be the fail-safe in case of an accident," Lamar McKay, the president of BP America, said at the House hearing.

Yet industry officials acknowledged a fistful of regulatory and operational gaps: There is no government standard for design or installation of blowout preventers. The federal government doesn't routinely inspect them before they are installed. Their emergency systems usually go untested once they are set on the seafloor at the mouth of the well. The federal government doesn't require a backup.

In one telling exchange Wednesday at a hearing of the Coast Guard and MMS in Kenner, La., Coast Guard Capt. Hung Nguyen asked a regional supervisor of the federal regulatory agency a question about blowout preventers: "It's my understanding that it's designed to industry standard and it's manufactured by the industry, installed by the industry, with no government witnessing or oversight of the construction or installation. Is that correct?"

"That is correct," replied Michael Saucier, the MMS field supervisor for the Gulf. As gas pushed upward on the **Deepwater Horizon**, it suddenly ignited from an unknown source and turned the platform into an enormous fireball. Eleven people were killed. In the following days, workers kept trying to force the blowout preventer to close \_ without success.

Maddeningly, they lost a day trying to close a ram without realizing it had been replaced by a useless test part.

The unrelenting gusher of oil is now threatening wetlands, wildlife, the fishing industry and tourism. Sometimes finger pointing at each other, officials from several of the companies involved said at Wednesday's hearings that it's not yet clear what precisely triggered the accident.

On Wednesday, BP was left still considering two ways to stem the stubborn blowout that has spewed more than 4 million gallons of oil into the Gulf. One was a pipe linked to the end of the gushing tubing. The other was a box to cover the leak and siphon the oil to a ship. As a backstop, a relief well is being drilled, but its completion is months away. Adding urgency, thick, glossy tar balls turned up farther west and east than before: on a barrier island southwest of New Orleans and on an Alabama beach near Florida. **Source: Associated Press** 



The MSC DISCOVERY seen enroute Antwerp
Photo: Richard Wisse – <u>www.richard-photography.nl</u> (c)

### **NAVY NEWS**



The Dutch MCM M 861 **URK** departed from Den Helder naval base under tow of the tug **LINGE** bound for Zeebrugge for a maintenance period

Photo: Ron Damman - www.newdeep.nl ©

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Above seen the French destroyer **D 621 Chevalier Paul** arriving recently at the port of Leith. **Photo: Jim Prentice ©** 

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The 1970 built 124 mtr long TSHD VLAANDEREN XVIII seen in drydock at Dunkirk / Dunkerque, the IHC SMIT built dredger with a hopper capacity of 11.300 m3 is owned by Baggerwerken Decloedt & Zoon N.V. from Oostende (Belgium)

**Photo: Arjen Rebel** ©

## Shipbuilding expansion lacks capital

Indonesian shipbuilders said the expansion of their industry is being held back by high borrowing costs and lack of funds, dependency on imported raw materials and never ending conflicts over land ownership. Although the shipbuilding industry is supposed to benefit from the full implementation of the cabotage principle this year, expansion is held back by these obstacles. The cabotage regulation requires that all ships trading in Indonesian waters must be owned by local companies.

Key industry stakeholders have estimated that potential increased business from these changes in trading rules for locally owned shipping firms could reach between US\$1.2 and \$2 billion next year. A failure to address these obstacles, they say, will result in the bottlenecking of the flow of goods and services across the archipelago and with bilateral trading partners. Harsusanto, president director of state-owned naval vessel producer PT Pal Indonesia, said vessel producers were having problems increasing production to meet demand due to high borrowing costs. The latest data from the central bank showed the shipping industry only received Rp 9.8 trillion in credit in 2009, less than 1 percent of the total credit disbursed to all industries.

"Local bank interest rates are higher than those in foreign countries," Harsusanto said, adding that he was expecting that the banks would allocate more funds to shipbuilding companies. Indonesia has four main shipbuilding firms: PT Kodja Bahari, PT Dok dan Perkapalan Surabaya, PT Industri Kapal Indonesia (IKI) and PT Pal Indonesia. Harsusanto said to Commission VI of the House of Representatives responsible for trade, investment and state enterprises that shipbuilding firms lacked working capital. Harsusanto continued that ship-building firms needed Rp 5.7 trillion in investment to improve their global competitiveness. This would be spent mostly on increasing shipyard capacity from 225,000 tons gross tonnage to 500,000 tons.

The Indonesia Shipbuilding and Offshore Association say Indonesia has about 9,300 ships and vessels and that an additional 654 ships and vessels are needed to meet current market demand, after the regulatory changes on cabotage. These would include 390 coal carriers, 25 general cargo ships, 225 tankers and 14 container ships. "This is a good opportunity for us. The problem is we do not have sufficient capacity and the huge capital [needed to expand]," Harsusanto said. Apart from the high cost of borrowing, the Indonesian shipbuilding industry is facing difficulties in getting raw materials needed for production. Roughly 75 percent of basic materials were imported, said Riry Syaried Jetta, the president director of PT Kodja Bahari, also a state owned company.

"For example, we are still relying on certain steel plates from China as raw material to make ships," Riry said, adding that Indonesia's own steel maker, PT Krakatau Steel, had yet to produce the required 50 millimeter steel plates. Also speaking as chairman of the National Shipping Industry Association (Iperindo), Riry said the short-term solution to dependency on imports would be a reduction in the value added taxes on equipment and raw materials needed to build a ship. Harsusanto said land ownership was also a major headache for companies planning on expanding their shipyards to increase production. **Source: The Jakarta Post** 

## More dry docks needed in GCC region?

Gulf Cooperation Council (GCC) states -- Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates -- play a critical role in the distribution of oil and other internationally shipped products. With oil prices rising in expectation of increasing demand, there has been a sharp increase in tankers, ships and vessels serving the GCC region. Hong Kong based Albatross Drydocking Consultants says these factors have contributed to an increased need for new dry docks with the ability to offer high quality ship repair services throughout the region. The firm, which has clients in both the United States and Asia, is conducting market research within the GCC through its regional office in Bahrain. This research is focused on ascertaining possible drydocking opportunities throughout the GCC region.

Feasibility studies are being conducted on behalf of various American and Asian companies interested in penetrating and investing in the emerging GCC drydocking market.

Albatross describes itself as "a group of experienced superintendents" with "a vast knowledge of the local marine market to provide clients with efficient drydocking and vessel repair services." It maintains a large database of local workshops and suppliers and a database of tariffs for each and every task being carried out in the dry docks. It says that while the increased presence of oil shipments will be a major focus of drydocking services, increased international shipping and trade vessels in the region provide more opportunities for drydocking and ship repair services. **Source: Marinelog** 

### **EZRA CONVERTS LEWEK EMAS TO FPSO**



The 290 mtr long **LEWEK EMAS** seen under conversions at the Keppel Shipyard in Singapore, the tanker is built as the **B.T. SAN DIEGO** during 1978, renamed **DENALI** in 1994 and during May 2007 in **LEWEK EMAS Photo: Piet Sinke** ©

Last February **Ezra Holdings Limited**, one of the world's leading integrated support and marine services provider in the offshore oil & gas sector, announced that they entered into a shareholders' agreement with three other partners to establish a joint venture company that will supply the Floating Production, Storage and Offloading Vessel and related services to Premier Oil in respect of the Chim Sao project in Vietnam.

Ezra and the three other partners being EOC Limited, PetroVietnam Corporation and KSI Production Pte Ltd will participate in the joint venture through the provision of equity and/or shareholders' loans subject to the terms and according to the conditions of the Shareholders' Agreement. In addition, Ezra will dispose of **Lewek Emas**, a 168,000 deadweight tonne Suzemax oil tanker, to the joint venture company for conversion into the FPSO for which it will receive redeemable cumulative preference shares.

Said Mr Lionel Lee, Managing Director of Ezra: "Our first FPSO, **Lewek Arunothai**, has demonstrated that FPSOs provide solid and enduring income streams. Our participation in the joint venture is a testament to the confidence we have in EOC to be able to execute and successfully deliver on the landmark Chim Sao project."

Awarded by Premier Oil, the **Chim Sao FPSO** contract is worth up to approximately US\$1 billion. After conversion by Keppel Shipyard Limited, the FPSO is expected to produce up to 50,000 barrels of oil per day and have a storage capacity of about 680,000 barrels of oil. Production is slated to begin in the second quarter of 2011.

Ezra recently accelerated its global market thrust with two landmark contracts totaling about US\$80 million. Ezra's first self-propelled jack-up charter contract marked the maiden foray into the African market by its energy services unit. The other contract will see the Group utilising its state-of-the-art energy services equipment, recently acquired at "distressed" prices, to provide well-intervention services to a large national petroleum exploration and production group. Source: Oakthreeadvisers

## STX Europe seeks new funding

Even if most of the financing for 2010 is secured, STX Europe will seek access to new and/or refinance existing creditand guarantee facilities and construction loans, the company reports in its quarterly report. In March 2010, STX Europe AS completed a two-year NOK 250 million senior unsecured bond issue and STX Finland took up a new oneyear EUR 15 million corporate loan for general corporate purposes in Finland.

STX Europe reports a loss of NOK 146 million in the first quarter of 2010, compared to a loss of 180 million the previous period last year. While the overall result for the group is unsatisfactory, the Offshore & Specialized Vessels business area achieved a quarterly result exceeding expectations, the group states. The order intake increased to NOK 2.7 billion, up from 352 million last year. The EBITDA increased to 293 million, up from 75 million. The division delivered five vessels during the period and entered into four new contracts. At the end of the quarter, the order backlog consisted of 42 offshore and specialized vessels. The Cruise & Ferries business area continues to struggle. The division reports an EBIDTA of -196 million, compared to 8 million a year ago. The operating revenues went down from NOK 5 billion to 2,4 billion. The order backlog stands at NOK 5,9 billion, compared to 15,5 billion the same period last year. The Cruise & Ferries order backlog at the end of the quarter consisted of a total of six vessels and two conversion/maintenance projects. Among the vessels scheduled for delivery in 2010 is the **Allure of the Seas**, sister vessel of **Oasis of the Seas**. The group's operating revenues went down from NOK 8,8 billion to 5,1 billion. **Source: ShipGaz** 

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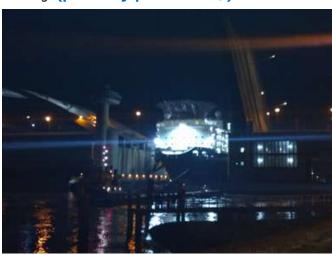


# OLEG STRASHNOV SHIFTED FROM KRIMPEN TO WAALHAVEN



Departed at 2:00 AM and a very early morning passage of the Van Brienenoord bridge in Rotterdam-South (Photo: Ramon Doff ©)

Left the **OLEG STRASHNOV** seen ready for shifting **(photo: Tjep van Roon ©)** 





Waalhaven - Photo's: Marijn van Hoorn ©



The team (including the pilots Peter van der Wiel and Marijn van Hoorn) seen working to achieve a safe passage of the several bridges in Rotterdam, at 11:00 hrs the vessel was safely moored in the



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The tugs used during the operation were the **Fairplay XII**, **Fairplay XVI**, and the pusher tugs **Milla**, **Njord** and **Noel**.



**Photo top: Ramon Doff ©** 



Passing the Erasmus bridge - Photo: Frank Noordsij ©

# DP World Innovation Projects People and the Environment at Jebel Ali Port

DP World's flagship Jebel Ali port has developed innovative, specialised container trailers for handling leaking containers and to assist in response to incidents involving hazardous material (hazmat) on the terminal.

Mohammed Al Muallem Senior Vice President and Managing Director DP World, UAE region said: "Although the number of leaking containers is a tiny proportion of the 11 million or so containers we handle annually - they need to be dealt with in a safe and efficient manner as they can contain hazardous products. These trailers raise the standards for Jebel Ali from both safety and environmental perspectives, and will assist immeasurably in our response programme."

The new equipment was designed in-house. The trailers have been modified to seal off and transport leaking tanks or containers safely to designated holding areas. They prevent spillage and clean-up costs within the terminal; a saving that is passed on to the customers. Moreover, the trailers make use of existing but redundant chassis, thereby reducing waste as well as addressing a safety and environment need.

Fred Jansen, Safety and Environment Manager for Terminal 1 said: .

"The trailers are a good example of terminal and technical teams working together to achieve an outcome that reduces risks to both our people and the environment." **Source: DP World.** 

## Chennai set to build 'mega' box terminal

Chennai Port is moving ahead with a plan to build the 36.86 billion rupees (\$818 million) mega container terminal after receiving clearance from India's Private Public Partnership Advisory Committee (PPPAC) earlier this year.

The approval has paved the way for the issue of a RFP (request for proposal) for the country's first mega container terminal at Chennai port on a build, operate and transfer (BOT) basis, local reports said.

Considered to be the most ambitious port project in the region of Tamil Nadu, the mega terminal is designed to increase the port's annual container terminal handling by 4 million TEUs from the present capacity of 2.2 million TEUs.

The port's gigantic proportions will feature 2-kilometre (km) quay length in a straight line at the new outer harbour, with a 2.75-km extension of the existing outer arm breakwater and a new northern breakwater of 1.73 km emanating from the eastern breakwater of the fishing harbour.

According to the Chennai Port Trust chairman K Suresh, "There is a huge potential for growth and development for container trade in India in general, and the Chennai port in particular. "The elevated corridor from Chennai port to Maduravoyal and the Ennore-Manali road projects are crucial for the success of the mega terminal."

Suresh added that the mega container terminal project has "created a buzz in the shipping circles, will enable the port to achieve its long-term vision of becoming a major international hub for containers and clean cargo".

The rail connectivity to the port should will also be enhanced for easy evacuation of containers from the port. Eight companies, including DP World, L & T Transco and IL & FS Maritime Infra Co Ltd, have shown interest in the project.

The terminal will be designed to facilitate berthing of ultra large container ships (ULCC) of 15,000 TEUs and above.

Initially, the port will have 18 metre composite depth (MCD) water depth at the berths, which can be further deepened to 22 m CD, depending on the size of the vessels calling at the terminal. By 2012-13, the Chennai port would have the capacity to move 7 million TEUs. Chennai port has been recording container throughput of over one million TEUs in the last two years.

It is expected that the mega terminal will cater to this demand for the next 30 years. Also, it would be in Chennai port's interest to develop facilities to cater to the latest generation of vessels so as to exploit the sharp increase in cargo volumes **Source: PortWorld** 

## **EU Commission raises concern over Norfolk Line take over deal**

The DFDS takeover of Norfolk Line is not yet finalized as the European Commission has called for industry comment on the proposed acquisition, Lloyd's List reports. Interested parties have until the end of this week to express an opinion to the Brussels executive on the purchase. In December DFDS reached an agreement with A P Møller-Mærsk to acquire Norfolk Line. The total value of the deal is approximately EUR 346 million, which includes the A P Møller-Mærsk Group acquiring 28.8 per cent of the shares in DFDS. In addition, the A P Møller-Mærsk Group will buy shares in DFDS from JL-Fondet, bringing the Group's total shareholding in DFDS to approximately 31 per cent. Norfolk Line has 2,200 employees, 18 ships and five port terminals.

There has been a need for consolidation in the European ferry industry and the combination of Norfolk Line and DFDS will create Northern Europe's leading ferry operator, spanning from Russia to Ireland, said Mærsk in a statement. The deal excludes two of Norfolk Line¹s vessels, which A P Møller-Mærsk has agreed to sell to another buyer. Norfolk Line was founded in 1961 in Holland as a shore-based logistics office. In 1969, the company opened a ro-ro service between the UK and Denmark. The company has been owned by A P Møller-Mærsk since 1988. The EU Commission last year took a closer look at another DFDS transaction involving the freight forwarder DSV. The deal was called off after the commission's competition authorities raised some concern that the sale would create a monopoly between road traffic and seaborne 'road' traffic, which might disadvantage independent forwarders. Source: ShipGaz



The MSC REBECCA seen enroute Antwerp

Photo: Richard Wisse – www.richard-photography.nl (c)

# Indian grapes stuck at EU ports, govt to take steps soon

The government today said it will soon take some steps to give relief to grape exporters, whose consignments were rejected by the European authorities due to the presence of chlormacvat, a chemical residue.

Without elaborating on relief measures, Commerce Secretary Rahul Khullar said, "Something is round the corner, wait till next week." Grape exporters are facing a loss of an estimated Rs 273 crore as European authorities have rejected

consignments from India over the use of a chemical to preserve the fruit. According to exporters, as many as 2,600 containers worth around Rs 273 crore are stuck at ports in Europe. States like Maharashtra, Andhra Pradesh and Karnataka are the major exporters of grapes and in order to keep the grapes fresh, chloromacvat chemical was used as a preservative.

A list of 97 preservatives to be used was given by the grape buyers in European countries. In December, 2009, these countries had warned farmers not to use chloromacvat. But till then, the preservative was used and the fruit had nearly ripened, Tukaram Yelale, President of a Grapes Export Association said. The consignment sent to Europe was rejected and it had been lying there for the last two-and-a—half months. The stock is currently being disposed of by burying the grapes in big pits and the cost is borne by the exporters, Yelale said. Grape producers have now asked the Centre to intervene and ensure they at least get the production and carting charges. Source: Deccan Herald

### LAUREL REFLOATED IN TALCAHUANO (CHILE)







The MV Laurel, a 26,827 ton bulk carrier was grounded on top of the graving dock that she was in, as a result of the tsunami that occurred after the earthquake in Talcahuano, Chile in late Feb. Titan Salvage and Ultratug joined forces to refloat the vessel yesterday Photo's: Capt. Leo McDonough - Titan Salvage ©

# Containerships expanding in the Mediterranean

Helsinki-based Containerships opens a new container service between Izmir, Alexandria, Mersin and Misurata in the eastern Mediterranean. The vessel to be employed on the service is the Port Tejo, originally built as the Julia for Godby

Shipping. The vessel will carry both containers and break-bulk cargo. The fortnight service links Mersin and Alexandria with Northern Europe and the Baltic Sea. Transhipment will take place in Izmir. Containerships also operates a weekly service between Istanbul and Izmir, and the Libyan ports of Benghazi, Misurata and Tripoli. According to Containerships the introduction of the new service is in line with the company's strategy to increase its activities within the Mediterranean. Source: ShipGaz



## Wärtsilä receives O&M agreement for Iraqi floating power plants

Wärtsilä, a leading global supplier of decentralised power plant solutions, has been awarded two operations & maintenance (O&M) contracts for two floating power plants that will be used to boost Iraq's energy capacity. The O&M agreements give Wärtsilä full responsibility for ensuring the efficient running and servicing of these so called "**Powerships**".

The "Power of Friend Ship" project has been initiated by Karadeniz Holding AS, a Turkish group of companies specializing in the energy sector. During 2007 and 2008, Karadeniz acquired a series of second-hand generating sets from China and Dubai. These were then installed on one barge and three vessels converted into floating power plants in shipyards in Turkey and Singapore. Of the generating equipment acquired by Karadeniz for the Powerships, thirty are Sulzer 16ZAV40S engines, seventeen are Wärtsilä 12V46 engines, and six are Wärtsilä 16V46 engines. Together, these produce more than 570 MW of the total 615 MW produced by the entire Karadeniz "Power of Friend Ship" project. Major overhauling of the electricity generating units was carried out by Wärtsilä Services in Turkey and Singapore.

The two O&M agreements were signed in March 2010 and April 2010 respectively, and cover two of the Powerships; the 'Karadeniz Powership Dogan Bey', which has an output capacity of 126.5 MW, and the 'Karadeniz Powership Kaya Bey' with an output capacity of 220 MW. Commissioning of the two plants is scheduled for summer 2010.

"We wanted to bring our relationship with Wärtsilä to a higher level. The signing of these O&M contracts with Wärtsilä for the Powership project in Iraq, gives us, more than anything, peace of mind. The importance of having these installations up and running is vital for our contract with the Iraqi Government, and we trust in Wärtsilä's ability to efficiently meet the demand for electricity production from our Powerships," says Mr. Ali Can Takunyaci, Director of Energy Generation and Investment, Karadeniz Holding AS.

"We have had the pleasure of working with Karadeniz Holding earlier. Two of their power plants in Turkey, having a total output of 181 MW, are powered by Wärtsilä engines. This is a very interesting project as these are the first power ships ever designed. It is a mark of the trust that the customer has in Wärtsilä's competence and experience, that we have been contracted to undertake responsibility for operating and maintaining these important units, and ensuring that they will be run efficiently and reliably. Wärtsilä is proud to accept this responsibility," commented Kaj Nordman, Director, Solutions Support for South Europe and Africa, Wärtsilä Services.

The Powerships will be moored in the ports of Um Quasr and Al Zubayr, near Basra, South Eastern Iraq, and will supply electricity to ease deficiencies in Iraq's energy supply. **Source: Wärtsilä** 



Above seen the Aker Solutions owned **Skandi Santos** operating in the Petrobras field Golfinho, offshore Vitoria, Brazil. The vessel was at the time the photo was taken, running a Production Flow Base onto a well head in 1581 meters of water.

Photo: Nick Bentley - onboard the DP semi Pride Rio de Janeiro ©

## Farstad Supply sells PSV

Farstad Supply, a subsidiary to Farstad Shipping, has sold the PSV (Platform Supply Vessel) **Far Viscount** for USD 630,000 to an undisclosed buyer. This will give a booked profit of NOK 1 million. The vessel, the smallest in the Farstad fleet, is built in 1982 and has been lying idle in Brazil since last autumn. Delivery of the vessel to the new owner took place on May 11. **Source: ShipGaz** 

# Port Authority would pay \$800 million to lease APM terminal

The Virginia Port Authority would pay at least US\$800 million over 20 years to lease the new APM Terminals facility in Portsmouth, according to Govenor Bob McDonnell, the Virginian-Pilot reported. The Port Authority would pay \$40 million a year, plus incentive payments for container volumes of more than 500,000 a year, to APM Terminals over the 20-year life of the lease, confirmed Sean Connaughton, Virginia's Secretary of Transportation.

The arrangement would add APM Terminals' three-year-old, \$500 million marine facility in Portsmouth onto the existing operations of the state's three terminals in Norfolk, Portsmouth and Newport News.

The deal still must be approved by the Port Authority's board of commissioners and officials at APM's headquarters in the Netherlands.

McDonnell's announcement comes about nine months after Port Authority officials first revealed that they were in talks with APM Terminals, under terms of a "discussion agreement" filed with the Federal Maritime Commission in late 2008. The agreement let the port's public and privately held assets talk about and agree on an array of ordinarily confidential business matters, including terminal rates, terms and conditions relating to the handling of cargo, and the "use and operation of marine terminal facilities," even the "sharing of any such facilities," according to a copy of the agreement. Source: CargonewsAsia



The Island Earl at L 10 F seen from the Seamar Splendid
Photo: Robin van der Windt ©

## Esvagt fixes Esvagt Supporter on a fiveyear deal

Esvagt A/S has fixed their standby and support vessel **Esvagt Supporter** on a five-year contract for Vestas Belgium. The vessel will be deployed in Belgian waters off Zeebrügge. The contract comes after a period of weak market conditions, several units have been laid up at Esbjerg. The market has improved, and my feeling is that it will get even better, says Ovin Carlsson, CEO of Esbjerg. A number of other contracts have also been fixed, besides the Vestas contract. No ships are therefore laid up at the moment.

The **Esvagt Supporter** was rebuilt in 2001 from a fishing vessel to a kind of hotel vessel for workers on the Bligh Offshore Wind Farm. The farm is situated some 30 nautical miles off Zeebrügge. The vessel will be rebuilt as more accommodation is needed for the job. **Source: ShipGaz** 

## **Blue Lines takes MRs**

Newly formed Dubai-based Blue Lines has acquired five MRs from Hong Kong's Cido Shipping. The vessels were all completed in 2008/09 costing \$45.5 mill to \$47 mill apiece. They have now been resold for \$36 mill each complete with seven to eight year timecharters at \$16,000 to \$16,500 per day. Blue Lines has ambitions to acquire more tonnage in the coming months. It is a joint venture involving Topaz Shipping, Singapore, Omani and Indian investors. Source: Tanker Operator



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### .... PHOTO OF THE DAY .....



The OLEG STRASHNOV seen passing Noordereiland enroute the Waalhaven – Photo: Ramon Doff ©