DAILY COLLECTION OF MARITIME PRESS CLIPPINGS 2010 – 210

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News reports received from readers and Internet News articles copied from various news sites.

The PRIDE OF ROTTERDAM seen turning into the Botlek area in Rotterdam to enter the Prinses Beatrix drydock at the Keppel Verolme yard
Photo : Marijn van Hoorn ©

EVENTS, INCIDENTS & OPERATIONS

The Captain Dranitsyn heads for the Arctic, tourists on board

The Franz Josef Land-bound diesel icebreaker **Capitan Dranitsyn** left Murmansk July 27th. The Rosmorport's ship sets sail with 120 tourists on board, PortNews IAA reports citing Rosmorport press service. The tourists will go on a 10-day trip across the Arctic.

In August 2009, the icebreaker **Capitan Dranitsyn** participated in an expedition of Russian, Norwegian, Canadian and German scientists. The international team conducted comprehensive survey of the ocean floor in the seas of

Spitsbergen, Kara, Barents and Laptev to collect information about the formation of current climate changes in the Arctic.

Franz Josef Land is an archipelago located in the Arctic Ocean (north of Novaya Zemlya) in northern Europe, one of the northern territories of Russia. It consists of 191 ice-covered islands, with a total area of 16,134 sq. km. (6,229sq.mi). Russian Prime Minister Vladimir Putin visited late April Franz Josef Land.

Franz Josef Land – Photo : Beau Bisso ©

Federal State Unitary Enterprise Rosmorport is one of the largest Russian infrastructure enterprises. The company's 4.600 employees work in 16 regions of the Russian Federation. The Company operates in the Russian ports and has the world's largest icebreakers fleet. The company is focused on the development of Russia's maritime transport infrastructure and improvement of the competitiveness of Russian ports through effective operations, maintenance and development of the state-owned property at sea ports. The state-run enterprise provides services to ensure the safety of navigation in the waters of the sea ports and on the approaches to them, develops a comprehensive program of ecological safety of the seaports' infrastructure. **Source :PortNews**

Box ships join global fleet

At a time when many experts are not convinced that container shipping is really out of the woods,container capacity is being added to the world fleet. According to Paris-based Alphaliner, a record 200,000 TEU will be added in July , after 747,000 TEUs were delivered in the first half. Total new capacity deliveries in the first seven months of 2010 will hit around 950,000 TEUs or 7.3 per cent of the global fleet. It is estimated that 1.45 million TEUs will be delivered during 2010.

Alphaliner predicts that the full-year scrapping will be less than 200,000 TEUs for 2010, against 377,000 TEUs in 2009. It is estimated that the full-year overall capacity increase, together with lower scrapping levels, will reach 9.6 per cent. The return of idle ships to operation has already brought back 1.24 million TEU capacity since the beginning of January. The trend has led to a rise in asset prices as each new deal brings new highs and the expectation is that container rates will regain historic levels. Yet all this could prove to be counter-productive should the recovery stall and the world faces a longer period of sluggish growth. **Source: The Hindu Business Line**

Diverse lezers waaronder **Piet Vrolijk** verkeersleider in de haven van Scheveningen attendeerde mij erop dat de tekst onder de foto van de **TIMOR CHALLENGER** niet geheel correct was, dit is geen trawler geweest, dit was namelijk het HOSPITAAL KERKSCHIP "**DE HOOP**' in 1964 gebouwd ten behoeve van de vissers op zee en Piet heeft het genoegen gehad om hier ook op te mogen varen van 1971 tot 1975 als machinist boven zie je **De Hoop** liggend in de Scheveningse haven in 1971 op een ligplaats waar later de 3de haven werd aan gelegd ten behoeven van de NORFOLK LINE helaas ook weg en ter ziele.

Piet bedankt, je hebt helemaal gelijk, eerlijk gezegd wist ik het maar heb niet goed opgelet en de verkeerde tekst erbij gezet, bedankt voor de rectificatie !

Thailand seeks S Korean guidance in shipping

Thailand will seek cooperation on marine transportation and shipyard development under the Asean-South Korea Free Trade Agreement. The move came with a 40-per-cent increase in the Asean-South Korean trade value to more than US$150 billion (Bt4.83 trillion) in the first five months of this year. The value of Thai exports to Seoul skyrocketed by 60 per cent. Vuthichai Duangratana, deputy director-general of the Trade Negotiations Department, said the shipping idea would be raised during the third meeting of the working committee on trade under the Asean-South Korea FTA, to be held in Cambodia from tomorrow to Friday. This cooperation, he said, would benefit not just Thailand, but also other Asean nations.

"South Korea has a lot of experience in both marine transportation and shipyard technology, which can help develop the industry in the region," Vuthichai said. At the meeting, the two sides will discuss several issues on bilateral trade, including monitoring the progress of trade and investment liberalisation agreements, reporting each country's readiness, considering joint studies into trade and improving regulations and customs procedures to facilitate trade and investment. The Asean-South Korea FTA is expected to boost bilateral trade to beyond $150 million by 2015.
Though Thai exports to South Korea showed a 59.63 per cent increase to more than $1.5 billion this year, import value also rose higher than $3.3 billion, causing a trade deficit with South Korea. Thailand faced trade deficits with Seoul even before the free-trade pact was implemented last year. Thai goods that enjoyed an increase in exports included computer circuits, television sets, petroleum products, air-conditioning units, sugar and molasses, Vuthichai said.
Source: The Nation

The **MAERSK FLANDERS** is renamed in **FLANDRIA SEAWAY** as can be seen above - **Photo : Frans de Lijster ©**
The **MAERSK IMPORTER** has now gone into drydock and will become the **HIBERNIA SEAWAYS** whilst the **MAERSK EXPORTER** is renamed **SCOTIA SEAWAYS** in the meantime.

"Unofficial moratorium" costs Hercules Offshore $150,000 a day

Only one permit for shallow offshore drilling has been issued since June 18, effectively leading to an "unofficial moratorium," Hercules Offshore CEO John Rynd said on CNBC Monday morning. As a result, Hercules has about 250 employees idle on idle rigs, costing the company $150,000 a day, Mr. Rynd said.

Hercules hasn't yet laid off any employees, but if the situation doesn't change by September, layoffs may be inevitable for the "survivability of the whole corporation," he said. Mr. Rynd told CNBC that the Bureau of Ocean Energy Management, Regulation and Enforcement, the former Minerals Management Service, has been slow to issue permits, even after new safety regulations were issued for shallow-water drilling. From January to April 2010, MMS issued 87 permits; since May, that figure dropped to 18, he said. He warned that, by September, 70 percent of the Gulf of Mexico shallow-water jack-up fleet could be idle because of the lack of permits **Source : MarineLog**

Another photo of HAL's **WESTERDAM** seen enroute Rotterdam – **Photo : Marijn van Hoorn ©**

Chinese oil pollution laws get tougher

The UK P&I Club warns that shipowners and operators trading in Chinese waters face an extensive set of new legal and regulatory requirements governing their roles and responsibilities in oil pollution incidents. China's Prevention and Control of Marine Pollution from Ships Regulation was implemented on March 1, 2010. It dovetails with the Marine Environment Protection Law of the People's Republic of China, laying down the principles and outlining the country's marine pollution legal system. However, the detailed requirements under the Regulation have yet to be revealed.

Chinese ministries have other supplementary regulations in the pipeline, such as the management and funding of a ship oil pollution compensation fund. A judicial guidance rule on compensation for oil pollution damage and limitation of liability, which would supplement the existing limitation of liability regime in the China Maritime Code, is being drafted by China's Supreme Court.

Owners and operators wishing to keep a watching brief on developments to assess their impact when requirements emerge can refer to the UK P&I Club's July Legal Briefing. Helen Huang, Claims Executive in the UK Club's Hong Kong office, has reviewed the Regulation's main provisions and summarised key articles, with the support of Legal Director Chao Wu.

These cover a range of pollution-related incidents involving spillage of oil, oily mixture and other poisonous hazardous substances from ships or from ship-related operations. They encompass discharge and reception of oil pollutants; dumping waste; oil pollution response planning and clean-up arrangements; reporting and emergency handling of pollution incidents; investigation and compensation; supervision of loading, lightening and discharging of polluting hazardous cargoes; and penalties for contravention.

Ship-induced pollution incidents are classified as extremely severe, very severe, severe and general, depending on the amount of oil spilled and the direct economic loss to those affected by the pollution. Owners and operators have emergency response plans in place to prevent and control pollution incidents. Existing Shipboard Oil Pollution Emergency Plans (SOPEPs), as required by MARPOL, are understood to suffice.

A compulsory insurance regime for all ships (except those less than 1,000 gt and not carrying oil cargoes) will cover claims arising from oil pollution damage. This should provide the implementing legislation which will give effect to the insurance provisions of the 2001 Bunkers Convention and the 1992 International Convention on Civil Liability for Oil Pollution Damage (CLC), both of them ratified by China.

A domestic Ship Oil Pollution Compensation Fund is to be funded by contributions from receivers of persistent oil cargoes which have been transported by sea to a Chinese port. This new fund reflects the fact that China is not a State party to the 1992 International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage (IOPC Fund), although the latter does apply to the Hong Kong Special Administrative Region..

Chinese domestic coastal trading ships used to carry little or no liability insurance. Collisions sometimes led to claims being directed against ocean-going vessels which were insured. Compulsory insurance for domestic coastal trading ships over 1,000 gt or carrying oil in bulk and the establishment of a domestic compensation fund will be welcomed by both claimants and operators of oceangoing vessels. Ships carrying polluting and hazardous cargoes in bulk and other ships above 10,000 gt must pre-contract with an approved Chinese oil spill response organization (OSRO) before entering into a Chinese port. A list of approved OSROs has yet to be published.

Oil tankers' liability limitation is the same as the scheme provided in 1992 CLC. Other ships may limit liability in accordance with the Chinese Maritime Code. According to the Regulation, clean up costs incurred by the Maritime Safety Administration should be compensated in priority to other claimants. This may conflict with the CLC and the Bunkers Convention which lays down that all admissible claims are to be treated equally and without priority for government claims.

The Regulation makes no reference to direct action against insurers. According to the PRC Special Maritime Procedure Law, oil pollution damage claims may be brought directly against the insurers or other persons providing financial security for owners' liability. This means compulsory liability insurers for oil pollution damage can be sued directly under Chinese law and the CLC and Bunkers Convention. Currently, the MSA issues CLC certificates and Bunker certificates for Chinese flag ships against blue cards from the P&I clubs. The Maritime Safety Administration will enforce the Regulation and supervise and manage the prevention and control of marine pollution by ships and relevant ship operations in internal and territorial waters, the contiguous zones, the Chinese exclusive economic zone and continental shelf, and all other sea areas under PRC jurisdiction.

The briefing warns that while the Regulation sets up the general framework of Chinese oil pollution law, "it cannot resolve all issues initially. There are difficult long term questions, such as the title to sue, the admissibility of compensation claims, methods of investigation and burden of proof, which remain to be clarified, either by supplementary regulations or rules of judicial practice."

The UK P&I Club's Legal briefing 'Chinese Marine Pollution Law' follows four advisory circulars since November 2009. Materials can be downloaded from www.ukpandi.com

The **CRYSTAL PIONEER** seen in Rio Grande – **Photo : Marcelo Vieira ©**

Seychelles sentences 11 Somali pirates to ten years in prison

Eleven Somali pirates have been sentenced to a decade in prison in the Seychelles for attempting to hijack a coast guard boat last December. The statement from the office of the president say that eight accused were sentenced for committing an act of piracy and three others for aiding and abetting an act of piracy. The Seychelles said the sentences marked the first time it has prosecuted and convicted pirates. Another 29 suspected and accused Somali pirates are still pending trial in the Seychelles or awaiting transfer to Somalia.

In June, the United Nations built a new court for pirates in Kenya with contributions from Australia, Canada, the European Union, Germany and the United States. Kenya has 123 prisoners in custody. Eighteen pirates have been tried and convicted. Pirates based in neighboring Somalia have made the Gulf of Aden one of the world's most dangerous shipping lanes. **Source: seatradeasia**

The 1929 built 80 mtr long Luxury yacht **TALITHA G**, built by Krupp at Kiel (Germany) is seen above with white ensign, and the Burgee of the Royal Yacht Squadron (UK) founded in 1815, at Grand Harbour Marina, Malta.
Photo : Gejtu Spiteri ©

Dry bulk spot cargo demand sharply up, trigerring rise in rates

Hot on the heels of the dry bulk market's first weekly gain in almost two months, Monday began on a similar note, with the Baltic Dry Index (BDI) gaining further ground to reach 1,841 points. Among the main gainers was the panamax sector, with the respective index rising by 41 points to 2,403, while the capesize market remained subdued, losing another 10 points to just 1,693. Should this trend persist, many owners are likely to consider laying off some of their vessels, at least for a while. According to the latest weekly report by Commodore Research dry bulk cargo demand has increased dramatically from a week ago. Panamax rates have found continued support on the strength of robust Asian thermal coal demand and strong global grain demand. "Strong global grain demand has also continued to support supramax rates, with last week's sudden increase in iron ore fixtures chartered to load at Indian iron ore ports giving supramax rates additional support. Last week's overall increase in iron ore fixtures has allowed capesize rates to finally find support - although the capesize market remains under great pressure due to a large supply of available capesize vessels. Last week's increase in Chinese steel prices is encouraging, and not entirely surprising, as prices remained flat during the previous week after seven consecutive weeks of decline. The increase in Chinese steel prices coincides with Chinese steel stockpiles remaining steady - but iron ore port stockpiles continue to rise. It is still too soon to anticipate a sustained rebound in steel prices, however, but if prices do continue to increase, capesize rates should finally be able to rise to their rightful place atop the vessel classes as capesize iron ore fixtures will likely continue to increase" Commodore said.

A total of of 27 ore fixtures were reported last week, 11 more than the previous week. A large proportion of last week's iron ore fixtures were for panamax and supramax vessels, however, which is partially responsible for panamax and supramax rates fairing better than capesize rates last week. Capesize rates also remain under significant pressure due to a large supply of available capesize vessels. In total, Commodore reports 124 spot trip fixtures (30 more than the previous week) and 21 period fixtures (9 more than the previous week). As a result, it's safe to say that market sentiment has slowly started to improve but it is too early to expect a sustained rebound in freight rates.

One of the main reasons of the latest rebound of the dry bulk market is the robust demand for coal from China. Fluctuations in Chinese thermal coal imports have significantly impacted freight rates, with rates finding great support during parts of the second and fourth quarters of 2009. During these periods, a very large amount of Chinese thermal coal fixtures were completed to deliver coal for the summer and winter demand seasons. Commodore mentions that "the sharp increase in Chinese thermal coal imports has also been responsible for dry bulk freight rates finding extended support while the market has become flooded with newbuilding deliveries (by early 2009, the market had expected freight rates to come under significant pressure due to deliveries, but a sharp, sudden, and sustained increase in Chinese coal imports occurred which allowed rates for capesize and panamax vessels to remain resilient until very recently)" the report said.

It went to state that Chinese coal imports (the vast majority of which are thermal coal rather than coking coal) averaged 3.39mt per month in 2008, 10.55mt in 2009, and 13.51mt so far in 2010. The pace of growth has now drastically decreased, however, and is one of the main reasons why capesize and panamax rates have finally come under great pressure. Although the sudden increase in Chinese coal imports has subsided, Chinese thermal coal demand still remains robust and imports will likely increase in July and possibly August. Chinese coal imports decreased in April and May largely as a result of the drought in southwest China significantly improving, and Chinese hydropower output increasing dramatically as a result. Chinese hydropower production has now returned to normal levels - but with Chinese electricity demand continuing to surge due to the continued growth in the economy and warmer than usual summer temperatures - Chinese thermal coal demand remains robust and an increase in Chinese thermal coal fixtures will likely come to the market in the upcoming weeks" Commodore concludes.

Source : Nikos Roussanoglou, Hellenic Shipping News Worldwide

The tug **IKAR** seen with the newbuilding hull **ROVER** seen passing the bridges at Dordrecht bound for Hendrik-Ido-Ambacht – **Photo : Marijn van Hoorn ©**

Dalian's explosion caused by oxidising desulferizer in pipeline

China's State Administration of Work Safety and Ministry of Public Security have released results of their investigations into the July 16 Dalian explosion. The report said that "workers from a third party service provider, employed by a oil cargo owner, continued to inject strongly oxidising desulfurizer into the pipeline after the 300,000-ton tanker had finished unloading its oil.

Following the explosion at Dalian, Chinese authorities have imposed temporary navigation control at Xingang area and restricted port operations at three of its oil berths. The restrictions have all been lifted, except for the Port's No. 0 oil berth, which has a berthing capacity of 300,000 dwt. The No. 0 oil berth is expected to resume operations in the near future. **Source: portworld**

The **MICLYN VENTURE** seen operating off India – **Photo : Miclyn Express Offshore (c)**

Navy clearance divers mentor Royal Solomon Islands Police in explosive ordnance disposal

Royal Australian Navy (RAN) Clearance Divers are conducting training exercises with Royal Solomon Islands Police Force (RSIPF) Divers in the critical role of Explosive Ordnance Disposal (EOD) at White Beach in the Solomon Islands. Thousands of unexploded ordnance remain scattered throughout the Solomon Islands and associated waterways from the fierce battles fought in the area between the Japanese and US and Australian forces during WWII. Senior Sergeant Emanuel Maepurina (Dive Team Leader), Sergeant John Mirikale and Constable Peleni Slestin of the RSIPF have been receiving the majority of their EOD training in the Russell Islands.

"Approximately 15 Solomon Islanders lose their lives every year due to explosive ordnance," said Constable Peleni Selestin. "This is a very dangerous problem for the Solomon Islands and we are working hard to make it safer." Constable Selestin has been a RSIPF Diver for four years and received his EOD training through the Australian Defence Force (ADF).
"I received my training with the School of Military Engineering in 2007," he said. "I enjoy working with the ADF and the mentoring and assistance they provide is invaluable to our ongoing RSIPF EOD operations." Constable Slestin's team leader, Senior Sergeant Emanuel Maepurina agrees. The RSIPF only has a small team of seven divers and the assistance and mentorship of the Australians is a great help in our efforts to find and remove unexploded ordnance... every piece of ordnance we remove is potentially a life saved." White Beach Village, the site of a former US Marine Base, was chosen for the exercise due to the high volume of ex-WWII explosives in the area. "Tragically four people were killed last year in the area from unexploded munitions," said Constable Selestin. "The local village understand what we are trying to do and are very supportive. It is our hope that our work will mean one day they can cultivate their crops and enjoy their area without fear."

White Beach Village Chief, Mr John Ramo, was very appreciative of the efforts of the divers. "We are very happy to have them here," he said. "They are very welcome and we are very happy with the work they are doing." After clearing the area and ensuring that no one was in the danger zone, the unexploded munitions were detonated in a controlled explosion. The RAN Clearance Divers are in the Solomon Islands in support of Operation ANODE - the ADF contribution to the Australian led Regional Assistance Mission to the Solomon Islands (RAMSI). Earlier this month, the ADF also sent an EOD detachment to Nauru to dispose of six unexploded ordnance as part of Operation RENDER SAFE. Operation RENDER SAFE is Defence's enduring operation to provide EOD support to South Pacific Island nations for the disposal of unexploded ordnance. **Source : Garry Luxton**

The **TOR SUECIA** seen enroute Vlaardingen - **Photo : Frits Janse ©**

Wreck of m/v Varnek found, no crew on board

Capsized wreck of m/v **Varnek** was found by Russian Emergency Ministry helicopter on coast of Kanin peninsula, White Sea, with no crew on board, live or dead, Ministry spokesman said in the evening July 26. There was no emergency signal from distressed vessel, though she has all reqiured safety equipment basing on Russian Maritime Register data – EPIRB, AIS and NAVTEX receiver. Shipowner didn’t alert S&R authorities, either Russian Maritime Rescue or Emergency Ministry, during more than 48 hours. Last contact was late on July 23, master informed about heavy weather. In the morning July 26 shipowner asked for helicopter and advised authorities on vessel’s disappearance. It’s not clear yet, wether rescuers found safety boat or rafts, to understand what happens to crew. Due to data from all databases including Russian Maritime Register, owner is Murmansk Shipping Co., but Russian authirities said owner is OJC Nordway Arkhangel. Vessel is reported to be general cargo with some general cargo on proceeding from Arkhangel to Schoina port, western coast of Kanin peninsula, but international databases list Varnek as water tanker. **Varnek** - IMO 8943002, built 1974, dwt 154, flag Russia, port of registry Arkhangel. **Source : Mike Voytenko**

NAVY NEWS

The Virginia-class submarine Pre-Commissioning Unit (PCU) **Missouri (SSN 780)** moors at Naval Submarine Base New London for the first time. **Missouri** will be commissioned at the base July 31. **Photo : US Navy ©**

USS North Carolina Departs Groton for New Homeport at Pearl Harbor

Virginia-class attack submarine **USS North Carolina (SSN 777)** departed Submarine Base New London July 22, ultimately heading for her new homeport at Naval Station Pearl Harbor. North Carolina, commanded by Cmdr. Wallace Schlauder, will be the third Virginia-class submarine homeported at Naval Station Pearl Harbor, joining **USS Hawaii (SSN 776)** and **USS Texas (SSN 775).** The submarine's keel was laid on May 22, 2004 and the submarine's official commissioning ceremony was held May 3, 2008.

Measuring 377 feet long, weighing 7,800 tons when submerged and with a complement of more than 130 crew members, it is the fifth ship to be named in honor of the Tar Heel State. North Carolina's crew is excited to represent its namesake state both at home and abroad. She is one of the Navy's newest and most technologically sophisticated submarines. This state-of-the-art submarine is capable of supporting a multitude of missions, including anti-submarine warfare, anti-surface ship warfare, strike, naval special warfare involving special operations forces, intelligence, surveillance, and reconnaissance, irregular warfare, and mine warfare.

Recognizing the importance of the Asia-Pacific region and the increased threat posed by the proliferation of submarines in the Pacific, the 2006 Quadrennial Defense Review mandated that 60 percent of the U.S. Navy's submarines be home ported in the Pacific by the end of 2010. **Source : US Navy**

The HMNZS **Otago** departing the Otago harbour July 27th 2010. - **Photo : Ross Walker (c)**

SHIPYARD NEWS

Privatization process for the Malta Shipyards re launched

A fresh process for the privatization of the super yachts facility of Malta Shipyards was launched by the privatization unit, on behalf of the government. The first attempt had been discontinued because the bids were seen as being too low for the profitable facility. Controversy then erupted over alleged attempts at bribery by a government official involved in the process. A police investigation was launched. The person allegedly involved also took court action against the person making the claims.

The Privatization Unit explained today that further to a call for expressions of interest in November 2008, it had issued four parallel Requests for Proposals, one for each of the four facilities which made up Malta Shipyards Limited.

The privatization processes for the ship repair facility and Manoel Island Yacht Yard facilities were successfully concluded. In contrast, the privatization processes for the steel fabrication facility and for Malta Super Yacht Services failed to meet the government's expectations and were cancelled on February 3rd 2010. The unit said that based on MSYS's past performance as well as on the potential future growth of the sector, the Government of Malta firmly believes that the privatization of the MSYS facilities represents an attractive business opportunity for prospective investors interested in further developing and operating these facilities for a fixed term. For this purpose, Government has decided to re launch the privatization process for the MSYS facilities, with a view to optimizing sale proceeds.
A Competitive Tendering Process has therefore been launched for the granting of 30 year concession of the super yacht facilities, which are based in Grand Harbor. The Super Yacht Services Facility is comprised of two dedicated docks, one of which is installed with a high retractable cover, a number of workshops and site offices.

The operation has grown steadily since inception in 2003 and has secured a large number of contracts including extensive refits on some of the largest and best known super yachts. The Privatization Unit said interested investors may collect the necessary documentation to participate in this tendering process from its offices at Marsa Industrial Estate. The documentation will be made available against the signing of a Confidentiality Agreement and a payment of EUR 5,000. **Source: Times of Malta**

The **SALVAGE KING** seen off Kaohsiung – **Photo : Ton Oortwijk ©**

China Shipbuilding winning more orders

China State Shipbuilding Corp.'s orders improved by a "large extent" from a year ago as the global economy and shipping business recovered, a company executive said. The state-owned company has won orders of about 40 million deadweight tons through the year 2012, compared with a "few million tons" for 2009, Cao Yousheng, head of the company's policy research office, said in an interview in Shanghai. Chinese shipyards almost doubled production in the first four months of the year as the end of the credit crunch and rebounding global trade revived demand for new ships. The government is developing the local shipbuilding industry in a bid to surpass South Korea as the world's largest maker of ships by 2015. "Ship prices have rebounded to 2004 levels, but are unlikely to reach those of 2008," Cao pointed out. **Source: Bloomberg**

U-Ming opts for Longxue kamsarmaxes

China's CSSC Guangzhou Longxue Shipbuilding has signed a contract with Taiwanese U-Ming Marine Transport Corp to build two units of 82,000-dwt bulk carriers. No price was indicated. The past three months has seen an incredible number of these ship types, so called kamsarmaxes ordered, predominantly at Chinese yards. **Source: seatradeasia**

Kotra signs Brazil shipbuilding MoU

The Korea Trade-Investment Promotion Agency (Kotra) announced the signing of a memorandum of understanding with Brazil's Transpetro, the largest shipbuilder in Latin America, to forge cooperation in the shipbuilding sector.
Under the MOU, Korea will provide advanced shipbuilding equipment to Transpetro, which will offer its services to help Korean companies to enter the Brazilian shipbuilding market.

Transpetro, a subsidiary of Petrobras, one of the world's largest oil companies, is in charge of Programma de Modernizacao e Expansao da Frota (Promef), which aims to boost Brazil's shipbuilding industry. Promef, which was started in 2004 by the Brazilian government, requires shipbuilders to use a certain percentage of domestic parts and equipment, currently at 70 percent. Kotra said that Korean companies operating in Brazil would be considered domestic suppliers under Promef. The MOU signing was attended by Kotra president Cho Hwan-eik and Transpetro chief executive Jose Sergio de Oliveira Machado, "This deal is meaningful because we have opened up doors to Korean companies to enter the Brazilian shipbuilding equipment market," said Cho."We need the Korean companies' advanced technology, not just their entry into our market," said Machado. "The ship is about to sail, and there will be no more chances once this one leaves. I hope a lot of the Korean companies come on board with us." **Source: seatradeasia**

Keppel gets SBM Brazilian projects for U.S. $ 123.6 million

Keppel has secured two contracts totaling S$170 million (US $123.6MM) from repeat customers for the conversion of a Floating Production Storage and Offloading (FPSO) vessel and repair of a semisubmersible (semi) drilling rig respectively. Mr Tong Chong Heong, CEO of Keppel O&M, said, 'Keppel has been providing offshore and marine solutions to the Brazilian market for more than 30 years. Together with our customers, we have pushed the boundaries to meet the unique challenges of Brazil's offshore operating environment.

'These latest contracts reinforce the strong partnerships we have built, and attest to the versatility and technological expertise which have enabled the Company to undertake a variety of complex projects seamlessly across its global yards. I would like to thank our long-time customers SBM and Queiroz Galvo (QGOG) for their continued confidence in Keppel as we fortify our offerings as the total solutions provider for the Brazilian market.'
The first contract is for the conversion of the Very Large Crude Carrier (VLCC), M/T Theseus, into an FPSO facility for Single Buoy Moorings Inc (SBM). Keppel Shipyard's scope of work includes the hull and marine conversion, upgrading of the accommodation, fabrication and installation of the flare tower, helideck, spread-mooring system, topside module supports as well as part of the topsides modules installation. Work is expected to commence in the third quarter of 2010.

Scheduled to leave Keppel Shipyard in the first quarter 2012, the vessel will head to Brazil where the installation and integration of topsides will be completed. The FPSO will subsequently be chartered to Petrobras Netherlands for deployment in the deepwater Tupi Nordeste area (a partnership between Petrobras, BG Group and Galp Energia) located in Santos Basin, Brazil.

Mr. Tony Mace, Chief Executive Officer of SBM Offshore said, 'Our projects with Keppel are progressing well and we are pleased to award another FPSO conversion to them. We have built a successful partnership with Keppel resulting in 13 high quality projects delivered since 2001. I look forward to continuing this partnership as we build up our FPSO fleet.'

Keppel Shipyard's current projects with SBM include the conversions of **FPSO Okha** and **FPSO Aseng**. In addition, the **FPSO P-57** is currently undergoing installation and integration of its process modules at Keppel's BrasFels yard in Angra, Brazil. The second contract is by Keppel FELS Brasil with Queiroz Galvo (QGOG) for the repair and maintenance of their semi drilling rig, **Alaskan Star.**

The workscope includes structural repairs, piping works, mechanical, accommodation outfitting and painting. Expected to be completed in October 2010, the rig will be chartered to Petrobras for deployment in the Campos Basin, Rio De Janeiro, offshore Brazil. **Source: Keppel**

ROUTE, PORTS & SERVICES

Officials of China inspects ports

Officials of China are inspecting ports all over the country to amend their procedures to better avoid the oil spills that happened in the northeast part of China. The explosion of pipeline last week waked the people of China because of the large amount of oil spill. This is the enormous spill that has ever happened in the country. Moreover, the crews are still troubled to clean it up. On Friday, the official English-language newspaper, China Daily, reported that the Ministry of Transportation had subjected an announcement advocating all the officials of local transporting to check the procedures at ports approaching hazardous chemicals by August. In addition, there is a special team that will be sent to watch at chemical ports and main oil occasionally to prevent the accident of oil spills. Furthermore, ports that have been handling liquefied chemicals and gases and manage oil are now expecting to have checkups every two consecutive year. They shall also result with emergency response preparations and to perform drills.

The oil spill that happened in the port of Dalian City is the effect of a pipeline explosion last July 169. The initial explosion set off the same explosion at a minor pipeline near in Xingang Harbor. The pipelines that have been exploded are both owned by the China National Petroleum Corporation. It is one of the largest state run oil businesses. In addition, China Daily also added that about 140 square miles of the ocean has been affected by the oil spills. However, that area was only a small par compared to the current BP oil spill in the Gulf of Mexico. The initial explosion was an effect of irregular desulfurizer injections in to the pipeline after a tanker had already done unloading its oil.
Source: What is the Trend

The **MICLYN VICTORY** – **Photo : Miclyn Express Offshore (c)**

Dammam port official plays down cargo crisis

The acting director general of Dammam's King Abdul Aziz Port has denied press reports about threats by foreign shipping companies to boycott Saudi ports if the ongoing crisis at the port is not resolved. "This is not correct. The Kingdom's ports, including Dammam port, have been employing highly advanced systems and procedures as well as equipment for loading and unloading cargo just like other major ports in the region," Abdullah Al-Hamad said in a letter to Al-Riyadh Arabic newspaper. He added that around 4,000 tons of cargo is unloaded at the port every day.
"The number of cargo ships visiting the port has shot up. There is also a relative jump in the average amount of cargo that is unloaded each day from 2,000 to 4,000 tons," he said.

"The port management is keen to follow up on the functioning of the port, especially the loading and unloading of cargo from ships. Our working team is closely watching the movement and handling of goods and other services offered at the port," he said. Referring to press report about a drop in the unloading of packaged goods at the port, Al-Hamad said this only constitutes less than five percent of the total volume of goods that reach the port. He attributed the delays to the inability of a new contractor assigned to undertake operations at the general goods depot to hire employees. "The new contractor was not in a position to hire a sufficient number of workers to unload cargo," he said, adding that the authorities will take appropriate punitive measures against the contractor for the delay. Meanwhile, the Chamber of Commerce and Industry in the Eastern Province has accused shipping agents of deliberately delaying the unloading of cargo at the port.

Waleed Al-Ghaithar, chairman of the Customs Clearance Committee at Asharqia Chamber, said shipping agents are responsible for the delays that have led to long queues of trailer trucks, which have been waiting to offload their empty containers and take new cargo since Wednesday, Al-Riyadh newspaper reported. "The shipping agent is the first beneficiary of the crisis. They can charge SR100 per container for each day that cargo is delayed after the allowed time which is 15 days for ordinary containers and 10 days for refrigerated ones," he said. He added that the long queues are not a result of delays in loading containers but delays in clearing empty containers from trucks following delivery of containers to warehouses in the eastern and central regions.
"There are 14 shipping agents engaged in unloading and loading shipments at the port. Even though these companies handle about 65 percent of the entire operation of shipping companies at the port, they have done nothing to improve

efficiency," he said, adding that they continue vying for contracts. Al-Ghaithar attributed this to the absence of rules that would force them to pay compensation to traders or importers due to delays in delivery of cargo.

"Some trucks had to wait from 8 a.m. until 3 p.m. to clear their empty containers while others had to remain in queues for a second day as counters close at 5 p.m.," Al-Ghaithar said. He added that there have been no problems or delays in clearing customs. "The Customs Clearance Committee at Asharqia chamber had earlier presented several proposals to solve the problem. These included designating separate wharves for goods for import and export as well as for parcels and vehicles," he added. A source close to the shipping agents played down the allegations, saying that things are normal at the port. He declined to comment on Al-Ghaithar's comments. Traders and those who work closely with the customs at the port, however, said the situation was exacerbated deliberately by vested interests. **Source: Arab News**

The wheelhouse of the tug **IKAR** – **Photo : Marijn van Hoorn ©**

CMA CGM ups capacity on Americas 'Columbus' service via Suez

Shipping giant CMA CGM has announced it is increasing ship size on its butterfly Columbus service it runs with Maersk Line, linking Asia with Pacific Northwest ports on one leg and the US east coast via Suez on the other. "We have decided to optimise the Columbus service to keep pace with our customer needs while offering a high quality service," said North America vice president Jean-Philippe Thenoz. "In response to the growing market demand on the Asia-transpacific lines, the fleet was recently homogenised with the introduction of the latest generation 6,250-TEU vessels," said a company statement.

The 6,500-TEU **CMA CGM Rabelais** recently called at Seattle, replacing a 5,100-TEUer, part of a trend of replacing all smaller ships with larger ones on that service. "Commercial operations broke a new record at the terminal with more than 4,300 movements of containers, thus confirming the growth registered since the beginning of the year on this market," CMA CGM said. The port rotation is Seattle, Vancouver, Yokohama, Shanghai, Ningbo, Hong Kong, Shenzhen-Yantian, Tanjung Pelapas, Suez Canal, New York, Norfolk, Savannah, Suez Canal, Tanjung Pelapas, Hong Kong, Shenzhen-Yantian, Shanghai, Busan and back to Seattle. A spokeswoman said the company is also doing a test with an 8,500-TEU vessel in the service, deploying the **CMA CGM Figaro**, reported American Shipper. **Source: schednet**

DP heavy lift vessel "**FAIRPLAYER**" at the Eastern Anchorage of Singapore, sighted from the **London Offshore Consultants** office.
Photo : Rutger Bierman (c)

CMA CGM and Belgian billionaire close to investment agreement

Belgian billionaire financier Albert Frere is in negotiations with CMA CGM to acquire a stake in the heavily indebted French ocean container carrier, according to media reports. An agreement with Frere is near, French news agency AFP said, quoting a financial source. Butler Capital Partners, a Paris-based private equity group that owns 38 percent of French ferry company SNCM, reportedly is also interested in investing in the world's third largest ocean carrier. CMA CGM is seeking to put together a group of investors by a midnight deadline, set by the commercial court overseeing restructuring of the carrier, which has debts of around $5.3 billion.

A CMA CGM spokesman declined to comment on whether the Marseilles-based carrier would seek an extension of the deadline in order to conclude negotiations. Reports of the negotiations with Frere, Belgium's richest citizen, follow the recent break down of talks between CMA CGM and Qatar Holding over the conditions set by the Qatari sovereign wealth fund for a $500 million cash infusion. Negotiations with Colony Capital also failed but the Los Angeles-based investment fund said it is still prepared to invest in CMA CGM along with Qatar Holding. There are reports that CMA CGM, which has been in negotiations with potential investors since September, resumed talks with Qatar Holding, said to be the investor preferred by France's SFI sovereign wealth fund. The SFI said it will participate in CMA CGM's reorganization once the company has reached agreement with investors. **Source: joc.com**

Two teams shortlisted for Philadelphia port expansion project

Less than three months after seeking proposals to design, operate and maintain a new marine terminal in South Philadelphia, Pennsylvania Governor Edward G. Rendell announced today the shortlist of teams that will continue in the solicitation process developing a public-private partnership hoped to bring millions of dollars of investment to the region.

One team is a consortium comprising Delaware River Stevedores (DRS) and Hyundai Merchant Marine America (HMMA). DRS is a joint venture between Carrix Inc., and Ports America Group, the two largest independent terminal operating companies in the United States. DRS has stevedoring experience at several major U.S. ports, including the Port of Philadelphia. HMMA, a wholly owned subsidiary of Hyundai Merchant Marine Co., Ltd., a major Asian carrier.

The other team is SMT Development Partners, principally comprised of the Spanish-based Obrascon Huarte Lain, S.A. (OHL), with support by worldwide port engineering firm CH2M Hill. OHL is responsible for many successful capital construction projects in the international port industry. The Judlau and Jay Cashman firms, representing construction and finance aspects of the proposal, are also components of this proposal. The teams were selected based upon responses to the first phase of the proposal process that was issued May 12, 2009 for the construction and operation of the Southport Marine Terminal, which is envisioned as a state-of-the-art facility strategically positioned to handle growing international trade volumes. Pennsylvania's Department of General Services is administering the selection process.

The Southport Marine Terminal project represents the first major expansion of the Port of Philadelphia in 50 years. Located to the south of the Packer Avenue Marine Terminal, it will be supported by three Class One railroads and a network of highways to enhance intermodal opportunities. In addition, the acreage on the site offers excellent potential for future growth and expansion.

"As the nation's economy slowly emerges from the recession, we are poised to capture a substantial amount of the increasing cargo volumes that will be coming," said John H. Estey, chairman of the Philadelphia Regional Port Authority. "The Southport project offers us not only the opportunity to maintain our competitive edge, but allows us to seek new opportunities and attract new cargo and thousands of family-sustaining jobs." The next step in the selection process, Estey said, is an intensive development of the phase two submissions by the short listed bidders. Based upon the phase two submissions, DGS plans to announce the preferred bidder in September and reach commercial close in November.

In May 2009, Governor Rendell dedicated up to $25 million in capital funds to accelerate the Southport project. The money has funded environmental studies, permitting, land acquisition, geotechnical work, site preparation, utility analysis and site access work. **Source : MarineLog**

The **NORSUND** arrived with the **SKYLINE BARGE 17** in the port of Zeebrugge assisted by the **UNION PEARL**
Photo : Wesley Vercruysse ©

Dubai World puts restructuring plan before its lenders

Dubai World, the parent of otherwise prosperous terminal operator DP World, has announced it has presented its restructuring proposal before its lenders, after it won the agreement in principle from the Coordinating Committee of creditor banks (CoCom) and the Government of Dubai. The meeting with the larger lenders group follows the Dubai World's announcement on May 20 that it had agreed in principle the CoCom on board terms, which accounted for 60 per cent of creditor banks by value. "Creditor banks will now have the opportunity to review the information provided before responding to the proposal. The company expects to complete the restructuring over the coming months, said a Dubai World statement. DP World failed to make its planned debut on the London Stock Exchange after it missed its end-of-June listing deadline. In January, the company announced it would launch the dual listing alongside its existing presence on the Nasdaq Dubai exchange. The delay was blamed on the lack of an "acceptable system that supports the dual listing", reported Paris-based Alphaliner. Next chance for a London listing would be after its annual report in March 2011. **Source: schednet.com**

The **HAPPY RIVER** seen at the Westerscheldt river enroute Antwerp

Photo : Ronald Ribbe - http://communities.zeelandnet.nl/data/rorifocus/ ©

Work resumes on N8b Nworie dredging project

Dredging of the N7.8 billion Nworie River project in Owerri, has resumed after many months of inactivity at the site. Work resumed at the site following the repairs of one of the dredging equipment which was grounded at Assumpta Cathedral, Owerri, the site of the project.

The project is being executed by the Niger Delta Development Commission (NDDC) in partnership with the Imo government. An engineer with RUODO Nigeria Limited, the company handling the project, said more dredging machines will be mobilised to complement the four on ground.

The engineer, who prefers anonymity, said full-scale dredging had commenced and that the contract had three-year lifespan from 2009 when the company mobilised to site. **Source : 234Next**

The **CRISTALLO** seen enroute Antwerp – **Photo : Peter Hollands ©**

Safe Bulkers, Inc. Announces Acquisition of One Newbuild Panamax-Class Drybulk Vessel

Safe Bulkers, Inc., an international provider of marine drybulk transportation services, announced yesterday that it has entered into a shipbuilding contract for the construction of a Chinese-built, drybulk Panamax-class vessel of 76,000 deadweight tons at a cost favourable in comparison to its most recent acquisitions, with an expected delivery date in 2013. The Company's fleet after this newbuild acquisition will expand to 22 vessels with deadweight capacity of approximately 2 million tons by 2013.

Dr. Loukas Barmparis, President of the Company, said: "We have contracted to acquire a new Panamax vessel at a very competitive price, in line with our quality standards. We will continue to seek to invest in high quality vessels at attractive prices in order to expand our fleet and our earning capability." The Company is an international provider of marine drybulk transportation services, transporting bulk cargoes, particularly coal, grain and iron ore, along worldwide shipping routes for some of the world's largest users of marine drybulk transportation services. The Company's common stock is listed on the NYSE, where it trades under the symbol "SB." The Company's current fleet consists of 15 drybulk vessels, all built post-2003, and the Company has contracted to acquire seven additional drybulk newbuild vessels to be delivered at various times through 2013. **Source: Safe Bulkers Inc.**

The **GRAND PIONEER** seen at the Westerscheldt river – **Photo : Henk de Winde ©**

Six-month freight flows at East Baltic ports up 6.1 %

Freight traffic volume passing through the Baltic Sea ports of Russia, Estonia, Latvia and Lithuania in the first half of this year rose to 133.9 million tons, a 6.1-percent gain from H1, 2009, BC reporst citing Nozare.lv. Russian ports handled slightly more than half of the total volume, followed by Latvia with some 21%, Estonia - 13%, and the Lithuanian port of Klaipeda - 11% of the total amount, LETA reports.

The Russian port Primorsk reported 38,28 million tons, the largest volume in the reporting period, the last year's throughput level. St. Petersburg Port handled 26.35 million tons, a 16.4-percent increase. Tallinn Port posted 17,89m tons of handled cargoes, Klaipeda – 15,01m, Riga – 14,6m tons. The Russian Ust-Luga reported the H1 record high, 5,6m tons, up 30% from the same period a year earlier. **Source: baltic-course.com**

Russian shipper Fesco sells stake in National Container Company for $900 mln

Far Eastern Shipping Co, Russia's top container shipping firm, has sold its 50 percent stake in the National Container Company (NCC) to an unnamed investor for $900 million, Fesco and First Quantum oil trader, which owns half of NCC, said on Monday. "Fesco shipping group and First Quantum group of companies have announced that a dispute between NCC shareholders has been reconciled. Fesco has sold its 50 percent stake in NCC to an unnamed investor with the approval of First Quantum," the companies said in a statement.

In 2009, First Quantum proposed that its partner Fesco should quit the construction of the Ust-Luzhsky container terminal due to Fesco's refusal to back the project, but the group refused to sell its stake. In early 2010, First Quantum offered to acquire Fesco's stake in NCC. Russia's largest lender Sberbank was ready to back the deal and allocate up to $440 million for the consolidation of shares, but Fesco head Sergei Generalov said he was not planning to sell the stake. **Source: RIA Novosti**

Above seen the Boskalis BHD **Manu Pekka**, dredging a trench for the Sewage Outfall Project at Polperro, Cornwall
Photo : Ferry Hoosemans ©

Sri Lanka ship agents warn of higher freight rates

Shipping lines calling at Colombo port may have to raise freight rates to cover losses in recent years and return to profitability, Sri Lankan ship agents representing liners have said. Nimal Ranchigoda, chairman of the Ceylon Association of Ships' Agents, said the shipping industry was in "dire straits" last year owing to global recession which reduced trade. "In 2009 all lines made huge losses," he told CASA's 44th annual general meeting. "Today, the situation is much improved but lines continue to suffer financial setbacks, going by first quarter 2010 losses. The only consoling factor is that losses are lower than in the first quarter of 2009." Combined losses among shipping lines in 2009 were around 15 billion US dollars. "Lines are expected to sustain losses this year too," Ranchigoda said.

"To overcome this, shipping lines need to increase freight rates and look to ports to reduce costs for them." Shipping lines have been progressively raising freight rates in recent months after recession and a huge over-capacity in tonnage led to losses. The over-capacity of ships was caused by an ordering binge during the shipping boom years just before the global recession. Ships ordered then are being delivered now, worsening the over-capacity problem at a time when trade slumped owing to recession. The lines have also taken ships out of service and resorted to 'slow steaming' in order to reduce over-capacity But with trade recovering, Ranchigoda said the number of laid-up ships is coming down.

He also dismissed criticism by shippers that shipping lines were resorting to anti-competitive practices and colluding in raising rates and controlling capacity. "Shippers in the Asian region have raised objections about so-called anti-competitive practices and levying of additional charges by lines," Ranchigoda said. "There is no anti-competitive practice or any profit-making. Additional charges are purely cost recovery charges which in turn are paid to ports and terminals." Slow steaming was a policy to save costs on bunkers which rose along with crude oil prices, Ranchigoda said. Shippers have criticised shipping lines for raising freight rates at a time when the oversupply of vessels should drive rates own and for levying charges in addition to freight rates. **Source: LBO**

Bremerhaven Auto Terminal Recovers From Congestion

The Bremerhaven auto terminal, Europe's largest, is operating normally after it was overwhelmed by a surge in German car exports to Asia and North America. Terminal operator BLG Logistics said exports are expected to continue at current high levels following a 40 percent slump in 2009. But there won't be a repeat of the situation in mid-July when 45 ocean car carriers called at the German port in a single week, almost twice the weekly average of 25 arrivals. With many dockers and auto drivers on vacation the terminal became congested and nine car carriers were unable to dock on arrival at the port.

Left : The **MEDEA** seen leaving the Bremerhaven locks assisted by KOTUG's **RT ROB**.
Photo : Bas van Hoorn ©

The company that provides labor to the terminal recruited and trained an additional 270 drivers, who cleared up the backlog of cars within 10 days. BLG said exports through the terminal reached 564,000 vehicles in the first half of the year, an increase of 78 percent on the same period in 2009, largely driven by high demand for German cars in Asia and the United States. Imports, by contrast, fell below last year's low level of 140,000, a decline of 60 percent on the record traffic of 2008. The company blamed the poor import figures on the end of Germany's cash-for-clunkers program and the move by Korean and Japanese manufacturers to move production to Eastern Europe. **Source: Journal of Commerce**

The **TENA** seen enroute Antwerp – **Photo : Peter Hollands ©**

…. PHOTO OF THE DAY …..

Above seen a picture of the loading of the second low profile container crane in the Port of Oakland on July 25. The container crane was skidded on, using 4 skid tracks and 8 skid shoes. The first crane plus 4 rubber tire gantry cranes (RTGs) were loaded a week earlier. After completion of securing of all items, the barge **CHICAGO BRIDGE** will be towed by the tug **COLONEL** to Boston. Rigging International, a member of the **SARENS group**, was contracted to relocate these cranes.

Photo : Frank van Hoorn (c)