DAILY COLLECTION OF MARITIME PRESS CLIPPINGS 2010 – 360

Number 360 * COLLECTION OF MARITIME PRESS CLIPPINGS *** Sunday 26-12-2010**

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

Seasonal Greetings from all of us in

ESVAGT

and are looking forward to continuous co-operation in 2011:

Se/see: Julehilsen/Seasonal Greeting ESVAGT

EVENTS, INCIDENTS & OPERATIONS

It is noted that the news agencies are also taking a rest .... As not much news is provided these days ....

Enjoy the Festive period and do not drink & drive !

Be it on land ..... or at Sea !!!

HK arrests IRISL-linked ship over debts as US harassment rises

HONG KONG authorities have arrested a Maltese-flagged Iranian-owned ship that has been blacklisted by the US as part of sanctions to deter Iran from developing nuclear power, reports the South China Morning Post.

The 79,000-ton cargo ship **Decretive** has been lying off Lamma Island with no cargo on the weather deck, but with crew still aboard. Hong Kong authorities made the arrest after four European banks, led by the Germany's HSH Nordbank, made claims of US$268 million in loan defaults. The US imposed new sanctions against Tehran earlier this week, adding more Iranian companies to its financial blacklist. These include Moallem Insurance, which provides marine insurance for vessels of Islamic Republic of Iran Shipping Lines (IRISL), a primary target of the sanctions.

IRISL was formerly the Decretive's shipping manager and a guarantor of loans that funded the ship's construction in 2008.

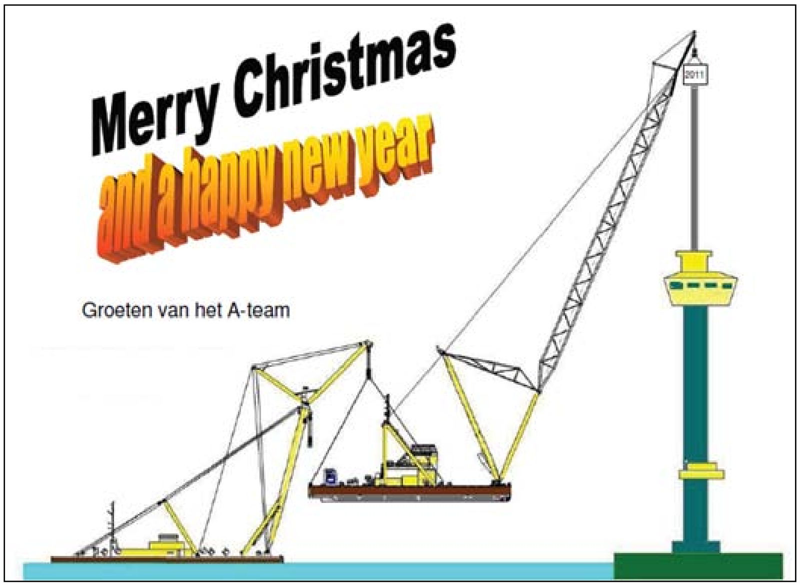
The Decretive is one of five vessels linked to IRISL that European banks want seized as part of loan foreclosure proceedings, according to an insider familiar with the case, said the report, adding that another ship, the Maltese-flagged 42,000-ton Dandle was arrested in Malta last month. The ship's nominal owner, Malta-based Sixth Ocean, and shipping manager Hafiz Darya Shipping, have been designated by the US as front companies for IRISL. Such arrests of IRISL ships have occurred in Singapore, most recently when Credit Agricole Corporate and Investment Bank claimed debts of $210 million. The three Germanflagged containerships - the Sabalan, Sahand and Tuchal - were held in September on a warrant issued by Singapore's High Court. IRISL is fighting to prevent the auctioning of these ships, said the report.

The United Nations Security Council passed a resolution in March calling on member states to inspect cargo to and from Iran on ships operated by IRISL when there was suspicion that prohibited goods were being carried. American Shipper reported that the US Treasury Department has been attacking financial services dealing with IRISL by adding the carrier's vessel insurer to the list of sanctioned Iranian entities. Said a US Treasury statement: "IRISL has been increasingly isolated from the international financial system and has in turn engaged in deceptive behaviour to evade the impact of sanctions and increased scrutiny of its activities - including by relying on an expansive network of front companies, falsifying shipping documents, changing the nominal ownership of vessels, and repainting ships, all to hide the affiliation of vessels with IRISL."

Thus, IRISL has been unable to maintain adequate insurance. Britain froze all business ties with IRISL under anti-terrorism law in 2009, thus denying the shipping line insurance from British underwriters. **Source : Schednet**

The **FAIRMOUNT ALPINE** seen in Singapore Tuas- **Photo : Crew HAM 318 (c)**

The T.O.S. crew of the Smit Yallarm provides assistance



T.O.S. delivered the "**Smit Yallarm**" from Izmit (Turkey) to Gladstone (Australia). Almost at the end of the delivery trip, the crew participated in an action according to the standards of Good Seamanship. On 11th December, in the evening, the master of an Australian fishing vessel requested medical advice for one crew member. The Queenland Clinical Coordination Center (QCCC) recommended medical evacuation of the patient as soon as possible. The vessel was approximately 200 NM off the Lady Elliot Island. The tug "**Smit Yallarm**" was sailing, with a complete T.O.S. crew and under T.O.S. management, on the Pacific Ocean to her final destination Gladstone, Australia, when she received the message asking for medical assistance.

In the morning of 12th December, the patient was transferred on board of the "**Smit Yalarm**", which proceeded at best speed towards Lady Eliot Island. Due to the weather conditions, the Australian Defence Force (ADF) assistance was requested. The ADF released two Blackhawk helicopters from Townsville. At around 1700 hours, one of them successfully completed the transfer of the patient from the tug, approximately 100 NM off Lady Elliot Island. The helicopter arrived at 1800 hours at Bundaberg, where a road ambulance was waiting and transferred the patient to the local hospital.

The Australian Coastguard has thanked the crew of the ADF Blackhawk helicopters and the crew of the tug "**Smit Yallarm**" for their assistance in providing timely assistance to the patient. T.O.S. also likes to thank the crew of the "**Smit Yallarm**" for acting according to the standards of Good Seamanship. **Source: T.O.S.**

The Santos Shiplovers, wish all clippings' readers, a merry Christmas and a prosperous new year.

Left seen the TSHD Hang Jun 5001 and Log-In Santos arriving port of Santos

Photo : Gustavo Castro de Sousa® - http://santosshiplovers.blogspot.com

Panamax rates to fall further

Rains hit coal ops, dampen vessel demand in Australia; coal mines declare force majeure

Freight rates for panamax bulk carriers on key Asian routes are expected to fall to fresh 2010 lows next week as heavy rains disrupt coal operations and dampen vessel demand in Australia, shipbrokers said. For the capesize market, rates were also seen coming under pressure from declining traffic due to year-end holidays and an oversupply of

unchartered vessels. The Baltic Exchange's rate for vessels travelling via the transpacific route tumbled to a fresh 2010 low of US$8,995 a day on Wednesday from US$13,616 last week, the lowest level since April 2009.

Torrential rains and flooding have forced several coal mines in Australia's Queensland state to declare force majeure on shipments, cutting demand. 'The market still lacks enquiries out of East Coast Australia and North Pacific and the demand from Indonesia is insufficient to offest the oversupply of tonnage,' said broker firm ICAP. 'In view of the upcoming Christmas holidays, we expect a rather quiet second half of the week,' it added.

The Baltic's panamax index fell 1.0 per cent to 1,873 points, with average daily earnings falling to US$14,938 from Tuesday, which is the lowest level since May 2009. Capesize fixture rates on the key iron ore route into China from Western Australia fell to a four-month low of US$8.18 a tonne from US$8.70 last week. 'All in all the market needs a Christmas break, and hopefully activity will be speeding up early next year,' said broker firm Fearnleys. 'However as it looks right now, expectations remain poor.'
Freight rates for the Brazil-China route eased to US$21.06 a tonne from US$21.16 a week ago. The market dropped to a four-month low of US$20.75 last week. Brazil's Vale, the world's largest iron ore producer, returned to the spot market after a one-month absence, chartering a 70,000-tonne ore carrier bound for China at US$34.25 a tonne for loading in mid-January.

The Baltic Exchange's main sea freight index fell 2.97 per cent or 56 points on Wednesday to 1,830 points, the lowest level since July. **Source : Reuters**

Vroon's **IVER EXPORTER** seen anchored off Singapore – **Photo : Richard van der Werf (c)**

British tourist missing from cruise ship

A British tourist is feared dead after falling overboard on a Caribbean cruise. The unnamed 50-year-old woman fell from the balcony of her cabin while the **Sea Princess** was sailing between Curaçao and Grand Turk islands.

The ship turned around to comb the area and a search plane was launched but both drew a blank. The woman was reported missing by her husband on the fifth day of their two-week Christmas trip. CCTV footage showed her falling into the sea. Princess Cruises published a statement which said: 'The ship was alerted by her husband, who had discovered her missing from their cabin, and our missing persons routine was immediately begun to account for all passengers onboard.

'A review of CCTV footage confirms that the passenger went over the side of the ship from a balcony cabin. We have contacted the US FBI and the Bermuda Police Service, and we will cooperate fully into any investigation. We have also activated our Care Team.'

The **Sea Princess** is currently on a two week cruise from Barbados. The ship was on the fifth day of the sailing, which is scheduled to conclude on December 27. **Source : metro.co.uk**

Reprieve for UK's salvage tugs?

Seabrokers reports that talks are ongoing regarding the possible retention of two of the four Emergency Towing Vessels (ETVs) deployed around the UK coast.

"The two Klyne-operated vessels based in the North of Scotland may win a reprieve," said Seabrokers, "if the Government accepts the argument that there is no viable alternative response capability available to react quickly to an emergency in this remote area." **Source : Offshore Shipping online**

CASUALTY REPORTING

Operations under way to relocate ship

Operations are under way to relocate a ship that drifted near the shore in Aqaba when its anchor broke during a sandstorm last week, the Ministry of Environment said on Wednesday.

Strong winds last week caused the mooring lines of the **Bene GAS**, holding 125 tonnes of heavy fuel, to break, allowing the ship to drift from its berth in the Port of Aqaba. Environmentalists warn the ship could run aground, threatening the marine ecosystem **(Photo by Abdullah Al Momany/Red Sea Dive Centre)**

The ship, which holds some 125 tonnes of heavy fuel for its own operations, has been berthed in the port of Aqaba since 2006, awaiting a ruling in connection with a fire that occurred on board at the time, the ministry said in a statement, a copy of which was sent to The Jordan Times.

Until yesterday evening, no oil had spilled from the ship, the statement said, adding that ministry personnel, in cooperation with the Aqaba Special Economic Zone Authority, are following up on the ship's position to prevent any possible spill until the vessel is repositioned in its original location in the port.

The Royal Marine Conservation Society of Jordan (JREDS) urged authorities to take rapid action in order to protect the shores of the Gulf from any possible spill.

JREDS Executive Director Fadi Sharaiha told The Jordan Times the ship is currently close to rocks, voicing fears that it might shift and collide with them, causing an oil spill.

Authorities have "several scenarios" that can be followed to tow the ship back to its original location, the statement said. Strong sand-laden winds, reaching 80 kilometres per hour and originating from the Sinai desert disrupted maritime traffic in the region last week.

Another ship operated by the Arab Bridge Maritime Company, carrying 850 passengers, had to stop in the middle of the Red Sea after the Nuweibeh-Aqaba route was closed due to the rough seas. **Source : The Jordan Times**

NAVY NEWS

Iran sends navy ship to firm up defence ties

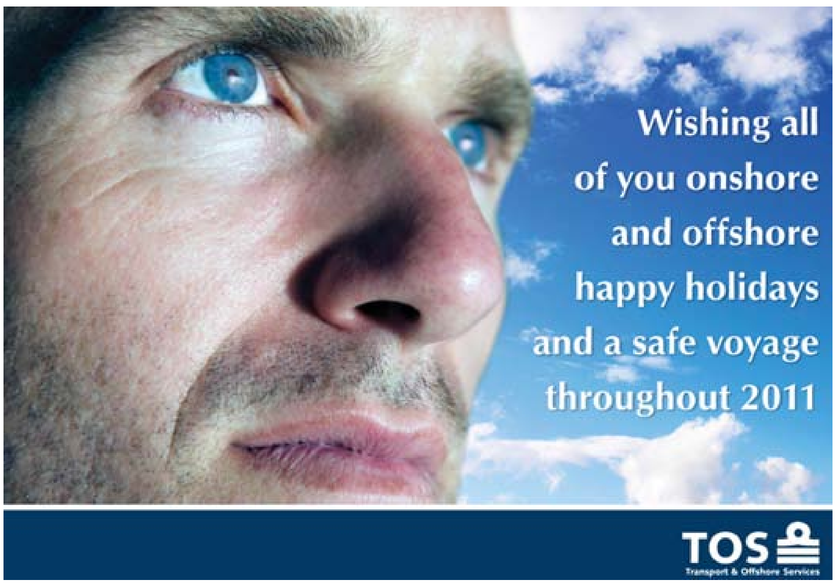
The Islamic Revolution Guards Corps (IRGC) of the Iranian Navy has dispatched a fleet of warships to Qatar as part of the two countries' plans for expanding defence ties and co-operation. Iranian Ambassador Abdullah Sohrabi said: "The measure is actually adopted in response to the participation of a number of Qatari military commanders in Payambar-e Azam (The Great Messenger) 5 regional drills of the IRGC and it will pave the ground for boosting mutual co-operation." The fleet is comprised of three rocket-launcher frigates and two logistic vessels. Sohrabi also announced that the crew of the warships are due to visit different military and training units of the Qatari Navy and exchange views over the possible grounds to increase interactions between the two countries. "The Islamic Republic of Iran has always sought constructive and mutual co-operation and friendship with the neighboring and Muslim countries of the region," he added. An estimated 40% of the world's oil supply passes through the Strait of Hormuz, and military manouvres are aimed at boosting security and displaying the IRGC's naval power. The IRGC was appointed to defend the Persian Gulf security in 2008, whilst the Iranian army has been tasked with controlling the Sea of Oman and the Caspian Sea, explained a spokesperson. **Source : Gulfnews**

Refit of Canadian Navy sub delayed again; work won't be finished until mid 2011

There's been yet another delay in the completion date for the refit of Canadian navy submarine **HMCS Victoria**, one of four subs bought from Britain 12 years ago. The ship has been in dry dock at CFB Esquimalt, near Victoria, for more

than three years and was supposed to return to service late last year, but that was extended to late 2010, and now to the middle of next year The defence department blames the delays on a lack of parts and technical knowledge, but those problems have apparently been solved. The department says the lessons learned from the **Victoria** refit are being applied to the three other submarines, one of which, **HMCS Chicoutimi**, suffered a fire in 2004 that killed one sailor during the sub's maiden voyage in the North Atlantic. The **Chicoutimi** was moved to Victoria last year for an estimated $100 million in repairs but is not expected to be back in service until 2012. Canada bought the four submarines from Britain in 1998 in a controversial deal worth hundreds of millions of dollars.
Source : The Canadian Press

SHIPYARD NEWS



Bergen Group wins construction vessel contract

Norway's Volstad Maritime has ordered a Skipsteknisk ST-259 CD design offshore construction vessel at Bergen Group Fosen. The order is worth around NOK 725 million and includes an option for a second ship.

Scheduled for delivery from the Fosen shipyard in the second quarter of 2012, the ship will have dimensions of 125 m x 125 m and will meet Clean Design and Ice Class 1 A requirements. It will offer a a large deck area, crane, and large ROV handling capacity. **Source : MarineLog**

Keppel AmFELS delivers third Rowan jack-up

Keppel AmFELS Inc.,, Brownsville, Texas, has delivered the third of four EXL jack-up rigs to a subsidiary of Rowan Companies, Inc. ahead of schedule and within budget. The jack-up was christened and is scheduled to leave the shipyard January 2011 to commence operations on an ultra deep gas well for McMoRan Exploration Company in the Gulf of Mexico.

The ABS-classed EXL jackup design is an enhancement of the LeTourneau Super 116E model. With leg lengths of 477 ft and a hook load capability of 2,000,000 lb, Rowan EXL-III employs state-of-the-art technology to drill high-pressure, high-temperature and extended-reach wells worldwide. It is capable of operating in water depths of 350 ft or more, and drilling to a depth of 40,000 ft.

Keppel AmFELS is progressing with the construction of Rowan's fourth jack-up rig, which is on track for delivery in the first quarter of 2012. **Source : MarineLog**

Armon takes over Spanish shipyard

IHS Fairplay reports that Armon Shipyard has taken control of the Factorias Juliana yard in Gijon, northern Spain.

A judge at Gijon´s mercantile court accepted a €12.8 million (US$16.8 million) bid for the facility from Armon Shipyards on 17 December, which would save Factorias Juliana from closure. Pymar, Spain's yard fund financed by a pool of yards, agreed to allow Armon to pay only part of the facility's debt owed to Pymar.

Factorias Juliana, once valued at more than €76 million (US$99.8 million), filed for bankruptcy in October 2009 after piling up debt exceeding €100 million. It was until now a subsidiary of Factorias Vulcano yard in Vigo, whose owners acquired the Gijon facility more than four years ago during the privatisation Spain's government-run yards. Laudelino Alperi, Armon's managing director, told reporters today that it would take about 2 years to get Factorias Juliana back on its feet. Armon wants to build offshore ships at the facility.

Meanwhile, Spanish yard unions today called for Armon to fulfill an accord agreed by Factorias Vulcano to relocate workers from the Naval Gijon yard that closed in 2008. **Source : Offshore Shipping Online**

ROUTE, PORTS & SERVICES

Maersk to acquire SK do Brasil for $2.4bn

A.P. Moller-Maersk's subsidiary Maersk Oil has agreed with SK Energy Co. to acquire SK do Brasil Ltda. for 2.4 billion dollar. The acquisition is subject to customary conditions, including governmental approval.

"The A.P. Moller - Maersk Group has the stated ambition to grow Maersk Oil. This investment will contribute significantly to replacing Maersk Oil's reserves in the long-term as we now expand Maersk Oil's position in one of the world's most attractive regions for the exploration and production industry," says A.P. Moller - Maersk Group CEO Nils Smedegaard Andersen.

The acquisition gives Maersk Oil access to sizeable pre-salt assets offshore Brazil, one of the most prolific regions in the world for oil exploration and production. It offers immediate production and significant growth potential as discoveries identified in the acreage are appraised. In addition, the acquisition offers a strong upside from blocks lying in the Campos Basin as exploration prospects are tested.

"The acquisition is consistent with our strategy as it will transform Brazil into a core producing country for Maersk Oil. Through our partnerships in the three blocks we acquire, we will strengthen our position in deepwater exploration and production, an area where we have acquired acreage and built strong competencies in recent years", says Maersk Oil CEO Jakob Thomasen.

The acquisition comprises three blocks —BM-C-008 which includes the Polvo Field (40 percent share, Devon operated), BMC-030 which includes the Wahoo discovery (20 percent share, Anadarko operated) and BM-C-032 which includes the Itaipu discovery (27 percent share, Devon operated). BP has bought Devon's Brazilian activities and will upon regulatory approval become operator of these.

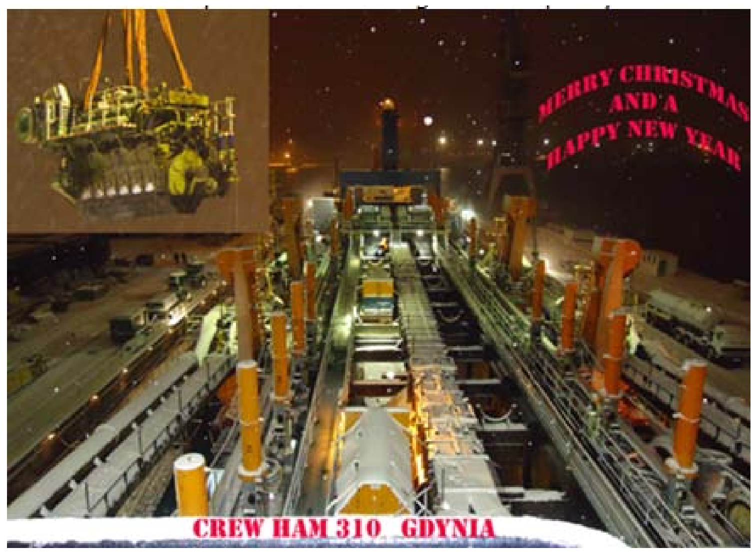
The Polvo Field offers a current net production of app. 10,000 barrels of oil a day (SK do Brasil Ltda. share). The Wahoo and Itaipu discoveries will be appraised in 2011 and first oil may be possible by 2016 and 2018, respectively.

Additional exploration prospectivity has been observed in both these blocks, some of which is planned to be tested in 2013. **Source: maritimedanmark**

The **MULTRATUG 17** and **MULTRATUG 18** seen with the **NORSUND** enroute from Vlissingen to shipyard Reimerswaal.
Photo : Dirk Provoost – Multraship (c)

India plans large-scale modernization of its ports

India must upgrade and increase its port capacity three-fold to sustain its present high rate of growth, said Minister of Shipping Shri Wasan, IFW reports. He told delegates at the recent India Public Private Partnership Conclave in New Delhi that this year India's major ports recorded utilisation rates of 90%, with some seeing 100% capacity utilisation.



The Shipping Ministry has predicted that traffic at major ports will increase from the current 560 million tonnes to 1.2 million tonnes by 2019-20, while traffic at the smaller ports is expected to grow from 290 million tonnes to 1.2 million tonnes.

He anticipates that overall traffic at all Indian ports will record an annual growth rate of 11.3%.

To meet this traffic growth, ports have formulated plans for developing new terminals, upgrading berths and modernising operations with new equipment. Wasan said: "Considering an objective of 70% capacity utilisation, it is necessary to increase the overall capacity of Indian ports to 3.23 billion tonnes by 2020, which is more than three times the present level of 963 million tonnes," said Wasan.

Upgrading India's ports will require large scale investment and the introduction of newer technologies, which Wasan said was not possible without involving the private sector as active partners. Terminals set up through public-private partnerships (PPPs) have recorded performance levels that surpass some of the best ports in the world, he said. PPPs are strongly encouraged in India and, among other incentives, the Shipping Ministry allows PPP projects to be 100% exempt from income tax for 10 years. As a result, 24 PPP projects costing Rs 64 billion (US$1.4 billion) have been completed. In the past 18 months, 19 new PPP projects have been given the green light. They include international container terminals at JNPT, an transhipment terminal at Vallarpadam and mega-container terminals at Chennai and Ennore. **Source: ifw-net.com**

A view from the **BRITISH FALCON** whilst swinging at the 7th Petroleum harbour in Rotterdam-Europoort, with on port bow just seen the **SMIT ELBE** and over the bow seen the **THIALF** of Heerema
Photo : Luuk Silvius (c)

Slow steaming absorbs fewer sailings on Asia-Europe CKYH loops

CKYH ALLIANCE members Cosco, "K" Line, Yang Ming and Hanjin, have started slow steaming on two Asia-UK north continent loops, reports ComPair Data. CKYH's NE1 and NE4 loops will employ slow steaming to accommodate reduced sailings in February, part of seasonal reductions, similar to what they did on Asia-Mediterranean services.

NE1 will omit its February 4 sailing, while the NE4 will drop the one on February 17. The two will extend round-trips from 63 to 70 days with no changes to port rotations. The NE1 rotation is Ningbo, Shanghai, Hong Kong, Nansha, Algeciras, Hamburg, Rotterdam, Felixstowe, Singapore, Nansha and back to Ningbo, operated by 10 ships in the 9,800-TEU range, five from Cosco, four from Hanjin and one as yet unassigned.

The NE4 rotation is Qingdao, Shanghai, Ningbo, Hong Kong, Singapore, Port Said, Rotterdam, Hamburg, Antwerp, Port Said, Singapore, Hong Kong and back to Qingdao operated by 10 ships in the 8,700-TEU range with four each from "K" Line and Yang Ming, one from Hanjin and another as yet unassigned. **Source : Schednet**

DP World sells 75% of Australian unit

The company will retain earnings by continuing to manage the port

Dubai-based ports operator DP World moved to cut its debts with the sale of 75 per cent of its Australian operations to private equity firm Citi Infrastructure Investors (CII) for US$1.5 billion.

DP World - considered one of the more profitable units of debt-laden Dubai World - said it will keep 25 per cent of DP World Australia and will also retain earnings by continuing to manage the operations. DP World chief executive Mohammed Sharaf said all the proceeds will go to the company, which is keen to reduce its net debt, and he had no plans to sell other assets.

'This wasn't done because we went in the market looking for partners, they approached us,' he said on a conference call. 'This is part of our strategy of continued growth in emerging markets without increasing overall leverage in our business.'

The deal with CII, Citi's infrastructure fund, values DP World Australia at US$1.82 billion. DP World shares rose 3.2 per cent on Nasdaq Dubai, hitting a two-year high. The firm had considered an initial public offering (IPO) for the Australian business but opted for a strategic investor because the valuations were better, chief financial officer Yuvraj Narayan said.

'It's going to be accretive,' he said of the deal, which is slated to close toward the end of the first quarter in 2011.

'What we lose in Ebitda, we will get back as a result of management fees as well as our reduction in net interest costs. We see this as a good transaction.' The ports operator, which was excluded from parent company Dubai World's massive debt restructuring, had US$8.04 billion in outstanding debt at the end of June 2010, according to a bond prospectus it updated in November.

It plans to seek a dual listing in London early next year. 'The fact it has been able to sell assets in the current environment should be seen as a positive,' said Shehzad Janab, chief investment officer at Daman Investments.

'DP World is making money and is a play on regional and global growth and I would expect it to continue to be ring-fenced from Dubai assets sales until prices improve and I don't see that happening any time soon.' DP World Australia operates container terminals in Brisbane, Sydney, Melbourne, Adelaide, and Fremantle, with capacity of about 3.5 million TEU per year.

DP World's duopoly in Australia ended after the Queensland and New South Wales governments separately expanded their ports and allowed the entry of Hong Kong-controlled Hutchison Ports as a third force along with DP and Asciano Ltd.

DP World was advised by Deutsche Bank and Citigroup Global Markets while HSBC and UBS advised CII. 'The company has been mulling this over for a while - in December 2008 it parcelled off its Australian assets from the local unit to the wider DP World group, which showed it was getting ready for either a trade sale or an IPO,' Mr Janab said. **Source : Reuters**

Rio Tinto secures state approval for Pilbara port expansion

The state of Western Australia on Thursday approved the first stage of Anglo-Australian miner Rio Tinto's plans to build new infrastructure to enable a 50% increase in iron ore production capacity in the Pilbara region of the state to 333 million mt/year by 2015.

State premier Colin Barnett approved the expansion of the Cape Lambert port facilities to include an additional 1.8 kilometer jetty and four-berth wharf, which will support a two-stage increase in Rio Tinto's capacity in the Pilbara from 220 million mt/year currently to 283 million mt/year in 2013 and to 333 million mt/year by 2015.

The approval is the first under recent changes to longstanding legal agreements between the state and Rio Tinto and fellow Anglo-Australian miner BHP Billiton, the world's second and third biggest iron ore suppliers, respectively.

Changes passed by the state parliament on December 2 now permit the companies to share infrastructure and blend ore across their networks and facilitate expansions of their operations. It scrapped historic restrictions on the two companies from integrating their operations and building shared infrastructure such as electricity generation and rail lines.

The legal changes flow from a June heads of agreement that brings the state royalties paid by Rio Tinto and BHP Billiton on iron ore in line with other producers in the state, ending a historic concession they were granted in return for developing rail and port infrastructure in the Pilbara over the past 30 years.

"This is the first stage of a multi-billion development with the potential to significantly increase the capacity of Pilbara infrastructure while delivering a massive boost to Western Australia's iron ore industry," Barnett said in the statement. "This project will lead to Rio Tinto undertaking the biggest mining project ever undertaken in Australia."

Rio Tinto and BHP Billiton scrapped plans to merge their Pilbara production operations in October, but have both since announced plans for multi-billion-dollar production expansions in the area, as has the region's emerging third player, Fortescue Metals Group. **Source : Platts**

Ukraine cuts rates for handling oil & LNG cargo at local ports

Ministry of Justice agreed on the order of the Ministry of Infrastructure on the introduction of discounts for services provided for handling crude oil at the country's sea ports, depending on the volume of the cargo deliveries, the Ministry of Infrastructure statement said.

The wharfage dues charged from ships while transshipping oil and petroleum products will range from $ 0.9 to $ 1.8 per ton, depending on the volume handled during the quarter. At Commercial Port of Reni the fee may vary from $ 1 to $ 1.3 depending on how the cargo is handled. The fee for the use of the berth for handling foreign trade goods will remain at $ 1,8 per ton. The same rate was set for handling liquefied natural gas (LNG) at Odessa, Reni and Iyichevck ports.

According to Ukrmorrichflot's experts, the rates discounts introduction could boost the volume of crude oil and petroleum products shipment to 3.5 million tons in 2011. As a result, revenues would increase by UAH 42.8 million and at least UAH 20,3m could be channeled to the country's budget. **Source : PortNews**

December 23, seen passing Maassluis West the outward bound **ORANGE BLOSSOM** meets the inward bound **ORANGE WAVE**, when passing eachother both Atlanship S.A. Switzerland owned vessel gave a long blast on the ships whistle - **Photo : skyphoto Maassluis ©**

Port of Hamburg to change dues calculation

Hamburg Port Authority (HPA) plans to change the way it charges vessel operators from next summer, IFW reports citing the HPA's executives. HPA said prices would partially be calculated on the number of containers loaded and unloaded on a vessel and partially on the current system, which is based on vessel size.

It was adjusting its pricing to "meet the demand of shipping companies and ship brokers to use handling volumes as a criterion to calculate port dues", it said, as already happens in Rotterdam, for example. HPA MD Jens Meier said: "We will all benefit. In boom times, the port's revenue will rise, and in times of crisis, customers will save costs as port dues will be lower."

Talks are being held with harbour and shipping associations, as well as the Chamber of Commerce, and in the spring, a joint implementation concept will be worked out. From 1 February, amended terms and conditions of business will come into force and the new system will be effective in the summer. The current pricing system will continue until then.

"Right now, we are discussing with the associations how to transfer data. Based on the outcome, we will work out the tariff," said Meier. HPA has also announced that it will introduce an environmental discount on port dues. From the start of next year, discounts will be offered to more environmentally friendly vessels, based on the Environmental Ship Index (ESI) – an international standard that allows comparison of ship emissions. Earlier this year, several other European ports announced that cleaner vessels would receive discounts on port dues next year, as a reward for being green. From 1 January, the Dutch ports of Amsterdam, Moerdijk, Dordrecht and Rotterdam will reduce rates for vessels that score well on the ESI.

It is understood Rotterdam will offer a rebate of 5%, while Amsterdam will offer a rebate of €300 (US$426) on port dues of €8,000. Antwerp and Bremen have also announced their intention to use the ESI. **Source: ifw-net.com**

KOGAS to boost LNG fleet

Korea Gas Group is to boost its LNG fleet through an order for four LNG ships next year. "The four carriers will be deployed for specific contact transportation, and will be built in Korean yard," a KOGAS official said.
The vessels are expected to cater to KOGAS's newly signed 20 year contract with Australia-based Gladstone LNG to import 3.5m tons of natural gas every year from 2015. It is the first long-term contract after signed by the company since its 2007 agreement with Qatar. **Source: seatrade-asia**

Dutch port of Zeeland port forecast 2010 growth

The Dutch port of Zeeland has recorded traffic volumes that effectively put it back to pre-crisis levels of 2008, according to media reports. According to port authorities, throughput for 2010 is expected to come in at 33 million tonnes, a 15% increase on 2009.
Imports grew from 21 million tonnes to 25 million tonnes, and exports from 7.6 million tonnes to 7.9 million tonnes respectively in a year-on-year comparison. The port authority, Zeeland Seaports, is due to be privatised on January 1, 2011. The authority recorded revenues of $60.5m for the 2010 financial year. In a statement to the media, Zeeland Seaports Managing Director Hans van der Hart said: "With the pending privatisation of Zeeland Seaports and with all the plans we and the companies in the port have, we will be entering 2011 full of confidence and we should, at all events, be able to achieve the same results as those for 2010." **Source: portworld**

Houston Port's box tonnage rises 7pc from Jan-Nov

THE Port Authority of Houston saw container tonnage rise seven per cent in the first 11 months of 2010, with container revenue up 16 per cent compared to the same period in 2009. However, November's performance continued the pattern of the past three months, with stronger steel numbers outshining container performance during the month, according to CEO Alec Dreyer, who was speaking at this month's port commission meeting.

The Port of Houston handled 219,000 tons of steel in November 2010, an increase of 128 per cent compared to the same month last year. "The last nine months of 2010 have been a game of catch-up for us, given the record levels of steel that moved through port authority facilities in the first three months of 2009," Mr Dreyer was quoted as saying in a report published on Globe Newswire.

"The port needs just 180,000 tons of steel in December to close the gap entirely and to have 2010 end up with an annual steel number above 2009," Mr Dreyer said. "The good news is that our mid-month projections show steel coming in around 190,000 tons for December." He also said that ship arrivals at the port from January to November were up four per cent compared to the first 11 months of 2009. Ship arrivals were up 12 per cent at the turning basin and up seven per cent at container facilities. He also noted that barge traffic has shown significant growth all year and is up 17 per cent in November year-to-date.

During the meeting a professional services contract to study the recent economic impact of the Port of Houston was among several matters approved by the port commission.

The port commission has awarded John Martin Associates, LLC, a professional services contract worth up to US$90,000 to measure the Port of Houston's economic impact on the region, state and nation that will include interviews with firms providing services for the cargo and vessels handled at the public and private terminals along the Houston Ship Channel.

A two-year, $200,000 contract was awarded to Post, Buckley, Schuh & Jernigan, Inc. (PBS&J) for professional stormwater consulting services. The firm will aid and advise the Port Authority Environmental Affairs Department on stormwater quality matters related to operations by the port authority, its tenants and other maritime industry users of port authority facilities.

Port commissioners also supported underwriting a proposed study by the Mickey Leland National Urban Air Toxics Research Centre with $100,000 of port authority funding. The study will measure air benefits from port authority emission reduction strategies. Furthermore, the Cement Council of Texas presented the 2010 Portland Cement Association Sustainable Leadership Award to Jim McQueen, the port authority's chief construction manager. The award recognised an infrastructure project at Bayport that used roller-compacted concrete, a construction method that is said to provide benefits of speed and efficiency. **Source : Schednet**

Providence unveils drilling plan

Oil company Providence Resources is to commence a major multi-year, 12-well drilling programme in Ireland next year. The programme will be the “largest co-ordinated multi-basin drilling programme to be carried out offshore Ireland” according to the company.

The six exploration targets are Dalkey Island Oil Prospect, Rathlin Island Oil Prospect, Marlin Gas Prospect, Orpheus Gas Prospect, Pegasus Gas Prospect and Dunquin Gas Prospect. In a full-year trading update issued this morning, the company said that it plans to carry out a “comprehensive drilling programme” over the next two years to test the hydrocarbon potential of some of Ireland’s major offshore basins, consisting of both high impact exploration and appraisal/development wells.

Appraisal and development work will take place at Hook Head, the Barryoe discovery beneath the Seven Heads gas field, the Spanish Point Gas Condensate Discovery and Burren Oil Discovery. Outside Ireland, the company said there will be further investment at the UK onshore Singleton field, as well as in the Gulf of Mexico. Providence predicts a doubling of production at Singleton within the next two years, while the cumulative investment in both sites should see production levels increase by nearly 50 per cent from current levels of 1,700 boepd (barrels of oil equivalent per day) to over 2,500 boepd by the end of 2011 the company.

“2011 and beyond is all about drilling and we are expecting significant activity in our three operational areas of the United Kingdom, the Gulf of Mexico and, most importantly, offshore Ireland where we have multiple drilling targets” chief executive Tony O’ Reilly said in a statement. “This not only represents the largest drilling programme in our history but it will also be the largest co-ordinated multi-basin drilling programme carried out offshore Ireland.”
Source : irish times

Port authority assailed for not collecting rent from terminal operator

The Philippine Ports Authority lost P15 million in income by the end of 2009 for allowing Asian Terminal Inc. free use of a 3,000-square-meter property in Manila, according to the Commission on Audit, which contested the set-up. The audit agency, in its 2009 report, said the PPA should collect rent from ATI because the use of the Bonifacio Drive property, on which stand the latter's corporate offices, was not covered by the various fees that ATI pays to the port authority.

The PPA's decision not to collect rent from the ATI was embodied in an October 2009 Board Resolution where it granted ATI's request that effective upon its occupancy of the 3,079-square-meter property, it should be free of charge or considered as covered by its payment of fixed and variable fee obligations to the PPA.

With the resolution, no monthly bill of charge for rent was issued to the ATI beginning November 2009. The PPA also stopped pursuing its claims on the previous years' rental adjustments from the ATI. The PPA justified the non-collection of rent by saying that it was meant to level the playing field between the South Harbor where ATI operates, and the Manila International Container Port where the International Container Terminal Services Inc. operates.

According to the port authority, the use of an administration building is a component in port operations, and the ICTSI's use of such a building was included in the fixed and variable fees it pays to the PPA. But the COA said ATI's free use of the Bonifacio Drive property had no legal basis, and would make the PPA lose P15 million in rent as of Dec. 31, 2009. "From our point of view, the grant of free occupancy of the 3,079-square-meter property does not have valid legal basis," it said.

But on Jan. 10, 2010, the PPA entered into a memorandum of agreement with the ATI, under which the PPA acknowledged ATI's right to use the property "without any obligation or duty to pay any past or current rentals fee, or any charge." The agreement was made to apply retroactively to the time the ATI occupied the property in 2003.

Nevertheless, the COA said the PPA should still collect the back rent from the ATI. It said that until the execution of the MOA, the free use of the Bonifacio Drive property had no legal basis. "However, we maintain our stand that the PPA should collect from the ATI the underpayment on rent of the property.... The grant for free use of the property until the execution of the MOA was without valid legal basis notwithstanding being unjust and disadvantageous to the government," it said.

One of the COA's reasons for contesting the free use of the Bonifacio Drive property was that this was not provided for under ATI's 1995 agreement with the PPA. It pointed out that the ATI's fixed and variable fee obligations only refer to the government's share of ATI's income from container handling, general cargo operations, and storage services.

It further said that there was no original intent to allow ATI free use of government property for its corporate office. The relocation of ATI's office to the Bonifacio Drive property should result in a new lease contract between the PPA and the ATI, it said. According to the COA, the PPA's grant of ATI's request not to be charged rent, and have this applied retroactively, was "inequitable and unjustifiable."

It noted that the request was formalized only in August 2009. Furthermore, the approval of the request actually "tilted the playing field of the players at the Port of Manila, giving the ATI undue advantage over the ICTSI." It said that the administration building that the PPA turned over to the ICTSI is also used by other shipping companies, from which the government earns rent income.

"On the other hand, the building occupied by the ATI is exclusively being used by the Company as its Corporate Office," it pointed out. It also said the property is outside of ATI's operational area. Government property in the expanded port zone is usually for lease in order to maximize the use of limited port areas in the South Harbor, it added.

The COA also contested ATI's assertion that the PPA allowed the use of the property to implement its investment commitment, and the PPA could thus expect no rent income from it. The audit agency noted that other port lessees who had built infrastructure at the expanded port zone pay rent for the use of land or government property. **Source : inquirer**

…. PHOTO OF THE DAY …..

The **Damen Fast Ferry 4212** **Sea Star** powering well over 40 knots along Sultan Shoal in Singapore Strait
Photo: Damen Shipyards Singapore Pte Ltd (c)