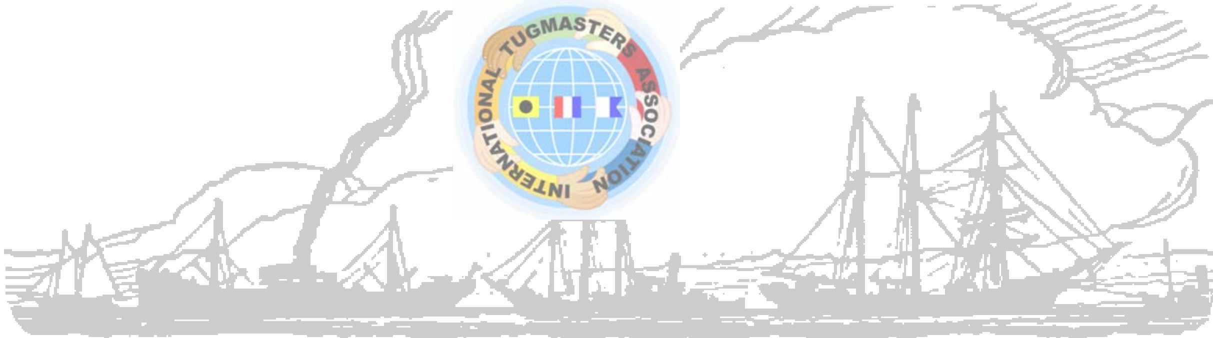
DAILY COLLECTION OF MARITIME PRESS CLIPPINGS 2011 – 272



Number 272 * COLLECTION OF MARITIME PRESS CLIPPINGS *** Thursday 29-09-2011**

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

The SVITZER TRIMLEY seen alongside at Harwich International Port - UK (passenger ferry jetty). The tug was berthed during High Tide with tight moorings. When tide was changing to low, the portside boat fenders were struck on top of jetty and boat was tilting stbd side. It was only cleared when there low tide and fenders were slipped off after slacking its moorings. This incident happened Tuesday early morning.
Photo : Darren Male (c)

EVENTS, INCIDENTS & OPERATIONS

The **SAPURA 3000** seen enroute in the South China Sea – **Photo : Capt. Jan Berghuis (c)**

LNG ships set for delivery over 2014-2015 face uncertainty: consultancy

Energy research consultancy Wood Mackenzie warned about the possibility of a declining freight market with limited employment opportunities for new LNG vessels despite positive near-term prospects of the shipping market as reflected by the higher charter rates and increased ship orders. According to a report by Andrew Buckland, Wood Mackenzie's senior LNG shipping analyst "45 new LNG ships have been ordered so far in 2011, compared with just five in 2010, and most of these have been ordered on a speculative basis." "Ships ordered now, which will be delivered around 2014-2015, have no guarantee that new supply projects will choose to charter these vessels rather than order their own purpose built ships," he said in the report. LNG ship charter rates have more than tripled since the summer of 2010 from below $30,000/day to $100,000/day, the report said.

The **Double Eco Max** LNG carrier design

But it added that "this could be caused by a decline in new ship deliveries coinciding with the startup of new liquefaction capacity; stronger demand for LNG post-Fukushima; the redirection of some LNG ship capacity to use as floating regasification terminals; and the hoarding of capacity by some holders of shipping capacity."

"But a key factor is the rise in sub-optimal shipping utilization, driven by the demise of North American LNG imports and Qatari cargoes being withheld from Asia," the report said.

In the short- to medium-term, tightening of the shipping market would stem from increased trades out of the Middle East and the Atlantic Basin to meet the rising Asian LNG demand, and the Wood Mackenzie report estimated that incremental demand in the Pacific Basin could reach 40 million mt/year by 2014 when the market is the tightest.

"Freight rates can rise considerably because Asian markets short on regional supply will pull more LNG from long-haul Atlantic suppliers, while Qatar continues to push LNG into the Atlantic Basin," Buckland said.

"This is in part to protect its Asian pricing policy, but in part also to give employment to its fleet of large LNG vessels that can only call at a limited number of Asian terminals," he said. "Since few new LNG ships are scheduled for delivery until late 2013, there will be no relief from new shipping capacity," he added. However, the Wood Mackenzie report expected that subsequent delivery of the new batch of LNG vessels and the startup of the new LNG supply projects in the Pacific Basin would alleviate the tightness in the shipping market. "We forecast shorter-haul intra-Pacific trade to begin displacing long-haul Atlantic to Pacific LNG trade, as new projects come online," Buckland said.

In terms of supply, exports from Australia would displace the need for long-haul Atlantic supply, the report said.

The Wood Mackenzie report said Qatar would increase supplies to Asia with the commencement of long-term contracts with Pacific buyers, as facilitated by terminal upgrades to accommodate the large Qatari vessels. "An expected decline in long-haul LNG trades and the possible preference for purpose-built vessels by some new LNG projects implies that if the recent wave of speculative LNG ship orders were to continue they would risk uncertain employment upon delivery," Buckland said. **Source: Platts**

Maritime firms to struggle with credit squeeze

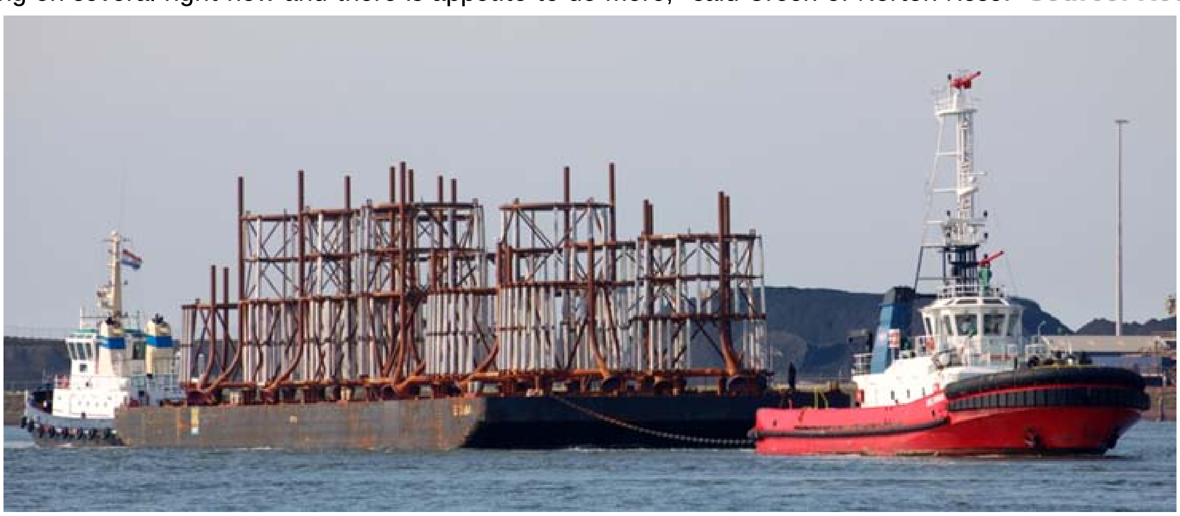
With fears of a recession rising, the maritime industry will find it increasingly difficult to obtain financing for expansion over the next year, with the exception of the offshore-energy sector, industry experts said. The economic gloom in

Europe and the United States has amplified the pain for shipping companies, already struggling with rock-bottom freight rates and a glut of new vessels that were ordered when times were good. The International Monetary Fund last week warned that the West could slip back into recession next year unless they quickly tackled economic problems that could infect the rest of the world.
"Given the underlying economics of oversupply and current day (freight) rates, the banks are far more cautious," said Gervais Green, head of Asia shipping with law firm Norton Rose. "If they are going to put money into a project, it is on very particular terms." Executives from the world's top banks in shipping finance, including DnB NOR, HSH Nordbank and Deutsche Bank, will gather with the maritime community in Singapore on September 27 and 28 to discuss survival, recovery and opportunities in this gloomy economic environment.

The depressed freight market has forced shipping companies to use more of their reserves to buy vessels and expand their operations as banks tighten their credit lines. Before the economic downturn three years ago, ship owners typically needed to place a down payment of only around 20 percent of the value of a vessel, with banks providing the remainder of the funding. Today, some medium-sized firms must provide as much as 50 percent down payment to get a loan, leaving many unable to stay competitive against industry leaders such as A.P. Moller-Maersk and Mediterranean Shipping Company (MSC).

The **MSC ASTRID** seen enroute Rotterdam – **Photo : Ria Maat (c)**

Bankrupt shippers **Korea Line**, The **Containership Company**, and **Omega Navigation Enterprises** are the most high-profile casualties so far this year. "Large projects with strong companies behind it will get financing," said Erik Borgen, Asia director for DnB NOR bank. "The banks themselves are a bit too exposed today, so there are only a small amount of banks prepared to be involved in the ship-financing side." Despite the difficult environment for most of the maritime sector, there are some businesses that remain attractive to banks. With oil prices expected to remain high, the offshore-energy sector is considered one of the rare bright spots in the shipping industry with banks fiercely competing to finance lucrative projects. "In the offshore sector, there are some very large deals still being done. We are working on several right now and there is appetite to do more," said Green of Norton Rose. **Source: Reuters**


The tug **WELSHMAN** arrived with a Smit pontoon from Gdansk in Velsen (Netherlands) - **Photo : Ruud Coster (c)**

Younger and younger tankers are heading for scrapyards says shipbroker

As the glut of oversupply in the tanker market is overwheling and threatening to cut down the potential earnings of newbuilding vessels, ship owners seem to have accepted the notion of selling younger vessels (but still old compared to their modern counterparts) for scrap. According to the latest weekly report from CR Weber, until recently, the average age of tanker units sold for demolition was relatively level, despite the fact the the average age of the world's tanker fleet is being brought down, as a result of newbuilding deliveries.

According to the report, "until 2010, most tanker demolitions sales were limited to single hull vessels. During 2010, there was some acceleration in the number of double hull vessels (many of which had been converted from single hulls), but this was in tandem to an overall acceleration in demolition sales as demolition values were rebounding from 2009 lows. Accordingly, the percentage of double hull units sold for demolition relative to the total remained low during 2010 at 13%. During 1H11 the percentage rose to 22% and since the start of August it has risen further to 39%. It is also worth noting that since the start of September, the average age of demolition units has dropped to about 23 years with 5 units built in the early 1990s being sold for demolition (4 of these being double hull units). Although it is too early to surmise that this represents an emerging trend, it remains one of the most viable means of aiding the tanker sector from overcapacity.

In the VLCC space, there are some 35 units (including 32 double hull and 3 single hull) aged over 15 years which have traded over the past two months. Among these, only the single hull units (along with not yet vetted new buildings) have been observed to trade at a relative discount to the market, which is why the progression in this space to demolitions has been slow. Thus owners continue to wait for conversion options which may offer a modest premium to demolition sales. However, in many of the other tanker sectors, the overall balance would be significantly improved by a progression to slightly younger, double hull units» noted CR Weber. Meanwhile, in terms of market movement during the previous week, CR Weber said that "the VLCC market commenced with slight optimism after a number of fresh cargoes allowed for upward pressure in the Middle East which translated into a relative rally (relative being the key word) in Eastbound rates to ws46—a 2-points gain from the close of last week. As the week progressed, however, activity subsided to a much slower pace. Ending owners' lingering hopes that the market might hold on to the small gains, a fresh requirement by S-Oil for an AG-Korea run off normal dates was met with no less than ten offers—which immediately corrected rates. In the Atlantic, however, the stronger Suezmax sector prompted more sustained rate gains on the VLCCs, though these remained minor at best. There are 20 fresh fixtures to report in the Middle East market. Of these 15 were for discharge in the East, 4 in the West and 1 with several options in both directions. India led the Eastbound discharge profile, accounting for 7 of these. Cargoes bound for China – which is normally the largest destination – saw a significant reduction in volume this week with just one reported. On the back of earlier strength, the Eastbound gained 1.5 points, w/w, to average ws45.17. With bunker prices softer, the rate gains saw TCEs in this direction nearly double from last week to an average of \$6,200/day. Rates to the West were largely unchanged at ws34, with TCEs gaining \$900/day to an average of -\$4,700/day. Triangulated Westbound trade earnings gained \$1,200/day, w/w, to an average of \$11,200/day. Two fresh September cargoes this week brought the monthly tally to

125 – a number which matches the June tally, which was then an 11-year high – and is now likely complete. Some 20 October cargoes have been covered to-date, leaving a further 40 likely remaining for loading through mid-month. Against this, some 67 units are projected to be available through mid-month. With the excess tonnage clearly favoring charterers, bunker prices will be the greatest determining factor of rates during the upcoming week. In the Atlantic, the rise of Suezmax rates into the ws80s this week brought greater interest in the VLCC as co-load alternatives. Accordingly, the trans-Atlantic VLCC assessment rose to the ws50 level whilst one West Africa- UK/Continent fixture was reported at ws52.5. For more date-sensitive cargoes, VLCC rates will likely hold at present highs. However, with the Suezmaxes now at a standoff as charterers hold out for rates in the ws70s and further VLCC ballasts projected to be available for dates closer to mid-month, rates should ease at some point during the week ahead" concluded CR Weber. **Source : Nikos Roussanoglou, Hellenic Shipping News Worldwide.**

The **Flevogracht** seen inbound to Melbourne off Portsea 26-9-2011
Photo : Andrew Mackinnon – www.aquamanships.com ©

Shipping Industry Confidence Dips To All-Time Low

Overall confidence levels in the shipping industry fell to their lowest level for three and a half years in the three months ended August 2011, according to the latest shipping confidence survey by leading accountant and shipping adviser Moore Stephens. Fears about overtonnaging, and continuing uncertainty about the global economy, were the main reasons for the decline in confidence. The rising cost of marine fuels was also a cause for concern. In August 2011, the average confidence level expressed by respondents in the markets in which they operate was 5.3 on a scale of 1 (low) to 10 (high), compared to 5.6 in the previous survey in May 2011. This is the lowest figure recorded since the survey was launched in May 2008 with a confidence rating of 6.8, which remains the highest rating achieved thus far.

Confidence over the three-month period covered by the latest survey fell most noticeably on the part of owners, down from 5.8 to 5.1, the lowest owner rating recorded during the life of the survey to date. Confidence levels among charterers were even lower at 5.0, but the fall in comparison with the previous survey (from 5.4) was less than that for owners. Confidence on the part of managers fell from 5.8 to 5.6, while brokers held on to their already comparatively low rating of 5.1. Geographically, confidence remained lowest in Europe, falling from 5.5 to 5.0, its lowest level since the survey was launched. Asia, meanwhile, held steady at 5.7. One respondent observed, "Until recently, things looked quite optimistic, but recent doubts over US loan credibility and EU financial worries have severely dented confidence." Others referred to "the most unpredictable period since the beginning of the global financial crisis" and suggested that the market was "back to levels last seen in 2001." Few could see a short-term solution to the difficulties. Overtonnaging was a recurrent theme throughout the comments. "Markets are at rock-bottom," said one respondent, "and will stay there for some time because of the large number of new vessels due to come into service. Older vessels and speculative investors, as well as low-grade operators, will have to disappear before the situation can start to improve." Another respondent noted, "The situation looks pretty grim, given the massive amount of over-ordering."

Expectations on the part of respondents of making a major investment or significant development over the next twelve months fell, on a scale of 1 to 10, from 5.6 to 5.1 – the lowest level since the same figure was recorded in November 2009. Just one year ago, in August 2010, respondents recorded the highest figure (6.0) in the life of the survey to date. This time, owners recorded the biggest drop in this regard, while managers and charterers were also less confident. Geographically, expectations of making a major investment were down across all the main regions covered by the survey.

Having dropped out of the top three for the first time in the last survey, finance costs returned as one of the top three factors which respondents expected to influence performance most significantly over the coming twelve months. Demand trends and competition, meanwhile, maintained their ever-present record in the top three. Overall, 22 per cent of respondents (down from 23 per cent last time) cited demand trends as the most significant performance-affecting factor, while 17 per cent (19 per cent) identified competition in this regard. Meanwhile, 16 per cent of respondents, (14 per cent), opted for finance costs. The percentage of respondents overall who identified fuel costs as having a significant effect on performance was down by 4 percentage points to 12 per cent. For owners, demand trends continued to be the dominating factor, despite a fall from 28 per cent to 24 per cent in the number of owners who put it in first place overall, ahead of finance costs and tonnage supply. The top three performance-influencing factors for managers were competition and demand trends – both cited by 17 per cent of respondents in that category and both up by two percentage points on last time – followed by operating costs. For charterers, meanwhile, demand trends and competition made up the top three, ahead of fuel costs. Geographically, demand trends emerged as the most significant factor for operators in Asia, Europe and North America (19 per cent, 23 per cent and 30 per cent, respectively), with competition and finance costs making up the remainder of the top three.

The **NOVA ZEELANDIA** seen in Cape Town – **Photo : Ian Shiffman (c)**

Fewer respondents expected an increase in finance costs over the coming year – 52 per cent compared to 59 per cent in the previous survey. This was the case across all categories of respondent and in all geographical areas covered by the survey. Meanwhile, the number of charterers who were anticipating finance costs to fall over the next year was up from 9 per cent to 15 per cent, the highest figure since May 2009. Geographically, the biggest change was to be found in Asia, where the 50 per cent of respondents anticipating higher finance cost was twelve percentage points down on the 62 per cent recorded in May 2011. There was a big fall in the numbers of respondents expecting rates in the tanker sector to increase over the next twelve months – down overall from 44 per cent last time to the lowest level since February 2009, at 34 per cent. Just 30 per cent of owners, the lowest total for more than two years, thought that rates were likely to increase, compared to 50 per cent in May 2011. Similarly, the numbers of managers and charterers who were anticipating tanker rate increases were the lowest since February 2009. Meanwhile, the overall number of respondents who thought that tanker rates were likely to fall over the coming year was up by 7 percentage points to 19 per cent. In the case of owners, 23 per cent thought that rates were likely to come down, compared to just 8 per cent last time. For charterers, the figure rose from 20 per cent to 26 per cent. In the dry bulk sector, the number of respondents expecting rate increases over the next twelve months was down from 37 per cent to 27 per cent, an all-time low in the life of the survey. The number of owners who shared this opinion also hit an all-time low, while the 8 per cent of charterers of like mind was easily the lowest in three-and-a-half years. The container ship market saw the biggest shift in opinion. In May 2011, there was a 28 percentage-point difference between the numbers anticipating higher rates and those who thought that rates would go down. Now, the gap has closed completely. Just 28 per cent of respondents overall thought that rate increases were likely over the coming year – the lowest figure since November 2009 – and 28 per cent expected rates to come down. Charterers were the only category of respondent recording an increase in expectations of higher rates. Owners and managers recorded the lowest figures in this regard since August 2009. In Asia, expectations of container ship rate increases were down from 41 per cent to 26 per cent, while in Europe the fall was from 44 per cent to 27 per cent. Moore Stephens shipping partner, Richard Greiner, says, "The drop in shipping confidence to a record low is a disappointment. But it has been coming. Given what has been happening in the world, and in the industry, confidence remained surprisingly high last year, but it has started to slip in 2011. Indeed, in many ways, it is back to the levels of two years ago. "We are starting to see now what many had predicted would happen much earlier. Banks are calling in their loans, shipping companies are filing for bankruptcy protection, ships are being arrested and auctioned around the world, and the courts and arbitration tribunals are starting to see an increase in their workloads. Financiers wants their money, and are ready to take what they can get now rather than wait in the hope that the markets will recover and enable them to achieve a return on their investment. This results in a situation in which everybody loses something. Financiers need to continue to work together with shipping companies and external financial advisers to find a way forward for viable long-term businesses, perhaps exploring the opportunities offered by independent business reviews. "Meanwhile, costs are going up all the time. Bunker prices are the big worry. The cost of fuel has to be met and passed down the chain, at a time when money is tight for everybody. After a lull, the indications are that operating costs are once again likely to increase. The cost of raw materials also continues to rise. At the same time, freight rates are tumbling through the floor, stock markets are falling around the world, the US and European economies continue to stutter unsatisfactorily, political unrest in the Middle East shows no sign of abating, and the general economic gloom deepens.

"Our survey revealed, unsurprisingly, that the industry is much less confident now of being in a position to make a major investment over the next twelve months. With access to credit very tight, you cannot spend what you do not have. Most respondents to our survey were adamant that we do not need any more ships, and indeed that we already have too many to carry the level of trade on offer. The survey also showed, however, a fall in the number of respondents who expected finance costs to increase over the coming year. So, despite all the difficulties, now is a good time to buy, for those with access to money and a sound business plan. No industry can grow without continuing investment. "There could be some nasty surprises, and some tough decisions, in the months ahead for operators and investors alike. But those who are in shipping for the long term will ride it out, and many will have had previous experience of doing just that. The international nature of the industry may be working against shipping at the moment, but it will once again prove to be its strength in less troubled times." **Source: GCaptain**

The **DELIVER** seen at the Albert Canal (Belgium) – **Photo : Stefaan Joris (c)**

Shipwreck of SS Gairsoppa reveals £150m silver haul

A shipwreck containing 200 tonnes of silver worth about £150m has been found in the Atlantic - the largest haul of precious metal ever discovered at sea. The **SS Gairsoppa**, a UK cargo ship sunk by a German U-boat in 1941, was found by US exploration firm Odyssey Marine. The firm will retain 80% of the cargo's value under the terms of a contract with the Department for Transport.

Only one person from the 85-strong crew survived the torpedo attack as the ageing steamer tried to reach Ireland. The vessel was on its way back to Britain from India when it ran low on fuel in stormy weather, and tried to divert to Galway harbour, but it was spotted and sunk by the German submarine.

Three members of the crew survived in a lifeboat and reached the Cornish coast two weeks later, but two died trying to get ashore. The wreck of the 412ft ship was found this summer nearly 4,700m below the North Atlantic, 300 miles off the Irish coast, but it was only confirmed as **SS Gairsoppa** last week. Odyssey Marine's senior project manager, Andrew Craig, said: "We've accomplished the first phase of this project - the location and identification of the target shipwreck.

"Now we're hard at work planning for the recovery phase. "Given the orientation and condition of the shipwreck, we are extremely confident that our planned salvage operation will be well suited for the recovery of this silver cargo."

SS Gairsoppa settled upright on the seabed with its cargo holds open, which means remote-controlled robotic submarines should be able to retrieve the bullion. Work would begin in the second quarter of 2012, Odyssey said.

The seven million ounces of silver on the ship is a mixture of privately owned bullion insured by the UK government and state-owned coins and ingots. Researchers used records including insurance documents from Lloyd's War Losses Register to work out how much was on board. Odyssey president Mark Gordon said one set of documents suggested the silver bars may contain 2.5% gold as well, which he described as "an added bonus".

The marine archaeology and exploration company said it was "highly unlikely" any human remains would be found, given the age and depth of the wreck. Odyssey's chief marine archaeologist Neil Dobson said: "Even though records indicate that the lifeboats were launched before the ship sank, sadly most of her crew did not survive the long journey to shore. "By finding this shipwreck and telling the story of its loss, we pay tribute to the brave merchant sailors who lost their lives." Odyssey said it had taken on the risk and expense of the complicated search, cargo recovery, documentation, and marketing of the cargo. The merchant ship belonged to the British India Steam Navigation Company, and was ordered into the merchant navy fleet at the outbreak of World War II. On her final voyage from Calcutta, India she was loaded with nearly 7,000 tonnes of medium and high-value cargo, including pig iron, tea, and the large quantity of silver.

Of the 32 crew members who boarded lifeboats after the attack, all perished except for one survivor. Second officer Richard Ayres reached shore at the Lizard lighthouse in Cornwall 13 days after the sinking. He was made an MBE for his efforts in trying to save his fellow sailors, and lived until 1992. A Department for Transport spokeswoman said: "The contract for the salvage of the **SS Gairsoppa** was awarded by competitive tender in accordance with government and departmental procedures. "While we do not comment on the specifics of such commercial arrangements, Odyssey Marine Exploration were awarded the contract as they offered the best rate of return to HMG [Her Majesty's Government]." **Source : BBC**

The **REM STAR** seen operating with the **Ampelman** at the **L9-A platform** in preparations of the arrival of the rig **ATLANTIC ROTTERDAM** as seen in the background.
Photo : FLYING FOCUS luchtfotografie - www.flyingfocus.nl (c)

CNOOC to Resume Fire-Hit Indonesia Oil Output This Week

China's top offshore crude producer CNOOC Ltd will resume normal operations this week at Indonesia's southeast Sumatra oil block after a weekend fire at a tanker cut off some production, oil and gas regulator BPMigas said on Monday. Production of about 15,000 barrels per day at four oilfields -- Widuri, Intan, Aida and Indri -- in the Java Sea was lost due to the fire in the engine room of the floating, storage and offloading vessel, Lentera Bangsa.

BPMigas had said that crude output at the offshore block, located 20 kilometers off north Jakarta bay, is estimated at 48,000 bpd and gas at 1.56 million cubic feet per day. "We are working on using the tanker Galunggung owned by [state-run] Pertamina to quickly replace the FSO Lentera Bangsa until national oil production can return to normal. We estimate that FSO Galunggung would arrive at the location this week," Rudi Rubiandini, BPMigas' deputy operations official, said in a statement. He said that no crude oil was spilled into the sea following the fire on the vessel owned by PT Trada Maritime Tbk. Four crew members were injured in the fire, while another one is still missing as rescue work is hampered by the high temperature on the vessel, BPMigas said. **Source : Jakarta Globe**

Wij breiden namelijk uit en zijn op zoek naar enthousiaste collega's.

SMIT heeft verschillende vacatures beschikbaar voor varend personeel. Zo kun je bij ons bijvoorbeeld aan de slag als kapitein, machinist of matroos op onze havenslepers, transportboten en drijvende bokken.

Ook hebben we uitdagende functies op kantoor. Vooral onze afdeling Engineering is op zoek naar knappe koppen. Als ervaren (Senior) Engineer, bij voorkeur met kennis van de offshore wereld, liggen voor jou genoeg uitdagingen in het verschiet. Denk hierbij aan het realiseren van offshore windmolenparken en het installeren van platforms voor de olie en gas industrie.

Wat kun je onder andere op deze dag verwachten?

- Wij geven je een kijkje in de keuken van een wereldwijde maritieme speler en
- Je kunt "speeddaten" met wellicht je toekomstige collega's

Aanmelden

Wij ontvangen je graag op zaterdag 1 oktober tussen 12:30 – 16:30 uur op de Pannerdenstaat 20 in Rotterdam (volg havennummer 2200). Meld je bij voorkeur aan via onze website smit.com/dewereldvan, of neem je cv mee op de dag zelf.

Uiteraard is ook je familie van harte welkom!
Wil je meer informatie, neem dan contact op met onze Recruiter Sandra Hofstede via 010-4549911 of humanresources@smit.com.

Op zoek naar een wereldbaan?
Stap aan boord bij SMIT!

DE AVONTUREN ZIJN DE WERELD NOG NIET UIT

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The **ROCKWATER 1** seen moored at Leonardus quay in Ijmuiden, demobilizing Centrica equipment
Photo : Geert Woord - Seamar Services b.v. (c)

Get an impression of the STENA SUPERFAST ferries at :

http://www.youtube.com/watch?v=jYICLWtwZc0&

NAVY NEWS

France to deliver equipment for Russian Mistrals

France will deliver about 20% of equipment for the second two Mistral-class ships with direct involvement of Rosoboronexport, the rest 80% will be produced in Russia, Rosoboronexport Corp.'s chief said Friday in an interview with Kommersant. The EUR 1.2 billion contract for construction of two French Mistral-class assault landing ships for Russian Navy was signed in June 2011. The first helicopter carrier will be constructed in France in 2014, the second one – in 2015, third and fourth ones will be built in Russia. "Rosoboronexport will take part in this contract [second two Mistrals for Russian Navy] only in a part related to delivery of import equipment. In percentage terms, French shipyards will produce 20%, and 80% will be manufactured by USC [United Shipbuilding Corporation]", Kommersant quoted the Corporation's General Director Anatoly Isaikin as saying.

According to him, those 20% will be regarded as import of services and equipment, and that is just what Rosoboronexport will do in the second part of the contract [third and fourth ships].

Isaikin reminded that after commissioning of two first Mistrals with Russian Navy, the Defense Ministry will receive French technologies including those for construction of Mistral carriers. So, Russian military will have to negotiate with USC on procurement of the second two ships then. After that, there will be a contract for building ships but not exporting them from abroad, explained the head of Rosoboronexport.

Displacement of multipurpose assault landing ship Mistral is 21,000 tons; overall length is 210 meters; speed is over 18 knots; fuel range is up to 20,000 miles; crew is 160 men plus 450 marines if needed; air wing includes 16 helicopters including six placed on the flight deck. According to Russian Navy's plans, each Mistral-class ship will carry eight Ka-52K and eight Ka-29 helicopters on board. **Source: rusnavy.com**

Sagem modernizing South Korean subs

South Korea has chosen Sagem of France to modernize the navigation system on its navy's **KSS-1 class Chang Bogo** submarines. Each KSS-1 will be fitted with two Sigma 40XP inertial navigation systems, integrated in the ship's combat system. The KSS-1 is a conventional type U-209 submarine displacing 1,200 metric tons and is built by Daewoo Shipbuilding and Marine Engineering.

Sagem's Sigma 40XP is a state-of-the-art inertial navigation system, combining high-performance laser gyros and advanced digital filtering techniques. The core laser gyro technology has amply proven that it is the most appropriate technology for the harshest operational environments, such as those experienced by submarines during dives. By modernizing the KSS-1 class submarines' navigation systems, they will significantly enhance operational capabilities to meet the evolving needs of the South Korean navy, Sagem said.

It said the contract consolidates Sagem's leadership in the high-performance navigation market for submarines. Sagem navigation systems now equip 11 different classes of submarines -- nuclear, air independent propulsion, and conventional -- totaling more than 50 ships, as well as some 300 surface vessels. **Source : UPI**

SHIPYARD NEWS

The **FPSO PSVM** seen fitting out at the **Jurong Shipyard** in Singapore
Photo : E. Knisp ©

Mazagon-Pipavav JV put on hold

The government has put on hold the joint venture between defence shipyard Mazagon Docks (MDL) and private shipyard Pipavav, announced with much fanfare earlier this month, after receiving a barrage of complaints from rival private shipyards. Defence minister A K Antony, who announced this during the meeting of parliamentary consultative committee on defence on Monday, said the newly-formed MDPL (Mazagon Dock Pipavav) would be on hold till the government examines the complaints and comes out with a policy on JVs. "The issue needs to be fully examined and settled before any forward movement takes place on this front...We are treading on a new path and we would like to ensure that transparency is maintained at all levels," said Antony, adding that JVs "must compete for contracts" instead of getting them on "nomination basis". Private shipyards like L&T and ABG have reportedly complained of arbitrary decision-making by MDL in selecting Pipavav for the JV. With the Navy already having 46 warships on order, and several more in the pipeline, private players are jostling with each other to grab both Indian as well as foreign warship-building contracts. MDL is the largest among the four defence shipyards, with an order book of around Rs 1,00,000 crore, including the Rs 23,562-crore project for six Scorpene submarines and Rs 41,007 crore for seven guided-missile destroyers. The other three - Kolkata-based Garden Reach Shipbuilders and Engineers (GRSE), Goa Shipyard (GSL) and Hindustan Shipyard (HSL) at Visakhapatnam - too have large order books. But the capacity of the four shipyards is limited, with a big demand-supply gap, which has prompted the government to go in for public-private partnerships (PPPs) to meet timelines for ship-building. Antony has asked defence shipyards to cut "build period" of warships since almost all ongoing projects have been hit by time and cost overruns. **Source : Indiatimes**

ROUTE, PORTS & SERVICES

Tidewater's newbuild MMC 887 design Platform Supply Vessel "**HART TIDE**" seen at Tuas in Singapore
Photo : John Meade, M3 Marine Group (c)

PSV Caspian Provider to be deployed in Azerbaijan

Marine Division of Renaissance Services has acquired the **Caspian Provider**, a modern platform supply vessel (PSV), to be operated in the Azerbaijani sector of the Caspian Sea on a four-year contract worth more than $ 40 million, Trend reports. The vessel will be based in Baku, working under the contract with BP, which was won in 2008 by Topaz Energy and Marine, a subsidiary of Renaissance Services. The **Caspian Provider** will join the fleet of ships under the management of the Azerbaijani unit of Topaz Energy and Marine - BUE Caspian company. The **Caspian Provider** was ordered in 2010 and built at the Norway-based Simek Shipyard for $ 32 million. The PSV is expected to start operating in early October. **Source : PortNews**

One of the latest new Japanese ro-ro ferries is named the **ISHIKARI** seen above on sea trails earlier this year

TEAM WINS CONTRACTS TO PROVIDE PASSENGER BOARDING BRIDGES TO CRUISE TERMINALS IN PALMA DE MALLORCA, GENOA AND MIAMI

TEAM Ports & Maritime S.L.U. ("TEAM"), the world leading designer and manufacturer of sophisticated Passenger Boarding Bridges (PBBs) for cruise and ferry terminals, has recently secured contracts for the delivery of two PBBs to the Port of Palma de Mallorca, two PBBs to the Port of Miami and one PBB to the Port of Genoa.

Palma de Mallorca – Spain

The **Port Authority of Balearic Islands** has contracted TEAM to deliver in early 2012 two PBBs of the HYDRA range to cruise terminals 1 and 3 in the port of Palma de Mallorca. These PBBs will have the capability to service the world's largest new generation cruise ships with overhanging life boats, like Royal Caribbean's Oasis-class ships, the Carnival Dream-class ships and the Norwegian Epic. The design and functionality of the boarding bridges will be similar to the units recently installed by TEAM at cruise terminals A and C in the port of Barcelona.

Miami - USA

The busiest cruise port in the world, handling a record 4.33 million cruise guests in 2010, has contracted TEAM to design, manufacture and deliver two completely assembled PBBs of the HYDRA range for its Cruise Terminal D. At this terminal the Port of Miami will start turnaround operations with the Carnival Breeze in November 2012. The special design of the PBBs will facilitate perfect connections with Carnival Cruise Line's newest mega ship with overhanging lifeboats.

Genoa - Italy

Stazioni Marittime S.p.A. in Genoa, Italy, has contracted TEAM to provide in spring 2012 a Passenger Boarding Bridge of the SEDNA range for its cruise terminal on the Ponte dei Mille wharf nr.3. This PBB will be able to serve new generation cruise ships and its installation will be TEAM's first in Genoa; one of MSC Cruises' main home ports. TEAM has already installed PBBs at cruise terminals in the Italian ports of Savona and Venice.

China Shipping to invest US$3.1 billion in Guangdong over five years

CHINA Shipping Group plans to invest more than CNY20 billion (US$3.1 billion) on navigation, terminal and shipbuilding projects in Guangdong province, Xinhua reports. According to the heads of agreement signed between China Shipping and Guangdong government, the group plans to position the province as a base for its shipping and logistics business. The two parties will deepen their cooperation in shipping, port and terminal administration, logistics, shipbuilding and finance while Guangdong will endeavour to provide an ideal investment environment. **Source : Schednet**

The **CYPRESS TRAIL** seen anchored off Singapore – **Photo : Piet Sinke (c)**

Port authorities blamed for delays

BAD planning and lack of accountability from authorities in the Durban Harbour were blamed for the poor truck turnaround time and congestion at the two container terminals in Bayhead Road. Truck operators say the delays have cost them and the economy millions of rand a day in lost productivity, but that the situation on Wednesday was back to the "normal disgusting two-hour truck turnaround time". Some of the problems experienced in the port were attributed to the Navis Sparcs N4 computer operating system at Durban Container Terminal, Pier Two, introduced six months ago to improve container management.

The delays saw trucks queuing for kilometres at the terminal, some waiting outside for hours before gaining access to the terminal. Some shipping companies resorted to diverting vessels to other harbours to ease congestion. In April, the system crashed at ports around the country for several hours, worsening the delays. But Durban Harbour Carriers Association chairman Kevin Martin said the delays had nothing to do with the Navis system, which was used as a convenient excuse. "The problem is the lack of reliability and appalling planning. Last week there were delays for three days at Pier Two and this week there were delays for three days at Pier One. It has been taking them seven to eight hours to turn around one vehicle," he said. Martin said harbour authorities appeared to be prioritising transshipment and imports instead of exports. "This is costing the country revenue and jobs. They should look after the South African trade. Imports are secondary trade," he said. On Thursday, trucking companies and clearing agents for shipping lines reported an improvement. Durban Container Terminal executive Hector Danisa said the delays occurred after an "unplanned downtime" of the Navis system on Wednesday, September 14. But the system was operational again by mid-afternoon that day. Danisa said a need for further training for equipment controllers and ship planners had been identified. Manual intervention would be deployed in future "when the system presents challenges", he said. **Source : The Mercury**

Sakhalin offshore deposit reserves estimated at 1.7bn tons of oil and 3.7tln cbm of gas

Oil and condensate reserves on Sakhalin shelf are estimated at 1.7 billion tons, of gas - 3.7 trillion cbm, Sakhalin Governor Alexander Khoroshavin said. Speaking at the 15th Anniversary Conference "Oil and Gas of Sakhalin," the regional official said that the most important task is the construction of oil and gas processing facilities in the area.

The MRTS **PLB Nebula** in the process of the 4 inch pipeline beach pull of the Sakhalin coast in the Kirinskoye field.
Photo : Pieter C Holtes ©

"Creation of the hydrocarbons deep processing in the Sakhalin region is a major task of the regional government. In this regard, we consider it appropriate to build in Sakhalin an oil refinery of production capacity of up to 4 million tons a year. So, we must combine our efforts with our colleagues and partners, the biggest state corporations - Gazprom and Rosneft, as well as with operating companies," the regional administration's press service quoted Mr. Khoroshavin as saying. He noted that the condition of building such a plant derived oil on it, can fully meet respective needs of Sakhalin region and even the neighboring regions. In this case the deep processing of hydrocarbons in place, ie on

Sakhalin Island, the most competitive. Currently, Gazprom is conducting the refinery project feasibility study under the Memorandum of Understanding signed between the Government of the Sakhalin region and Gazprom. The regional government is also ready to discuss the issue with other partners. **Source : PortNews**

Van Oord wins EUR 165m dredging contracts in Brazil

Van Oord has been awarded two dredging projects in the port of Suape, Brazil. Together the two contracts are worth more than EUR 165 million, the Company said Friday. The client is Suape Complexo Industrial Portuario Governador Eraldo Gueiros, the port authority for the State of Pernambuco. Work on the two projects is scheduled to begin in late 2011.

In the first project, Van Oord will deepen the access channel to the industrial port of Suape. The work will involve removing 5 million m3 of earth. Approximately 1 million m3 consists of rock, some of which will require drilling and blasting. Deepening the access channel from -15 m to -20 m is a key objective in the port's growth plans and part of a strategy to boost the economic development of Pernambuco. The project will be completed in September 2013.

The second project involves dredging an access channel and basin for the new Promar shipyard. Approximately 6 million m3 of material will be dredged, some of which will be used to create a new industrial site for the port. The remainder will be deposited at sea. The project will be completed in May 2012.

Van Oord will deploy two trailing suction hopper dredgers (large and small), a drilling and blasting platform, and a large cutter suction dredger on the projects. These two projects once again enhance Van Oord's position in South America. Van Oord has been active in Brazil since 1985; since 1995, it has carried out various development projects in the port of Suape.

Dutch-based independent family business Van Oord is now a leading international contractor specialising in dredging, marine engineering and offshore projects (oil, gas and wind) **Source : PortNews**

NYK Sets Congestion Fee For Indian Port

Japanese ocean carrier NYK Line imposed port congestion surcharges on containerized shipments moving through Port of Chennai, and other lines hiked their bottleneck fees for cargo through the Indian port. Chennai, India’s second-largest container hub after Nhava Sheva, has been confronted with severe terminal congestion and berthing delays over the past two-and-a-half months, prompting shippers and carriers to divert cargo to other gateway ports in the region. NYK’s surcharges will be $140 per 20-foot container and $280 per 40-foot container.

“NYK Line will be monitoring the situation and appropriate revision will be made as and when necessary,” the carrier said. The charges starting Oct. 21 follow an $85 per-TEU surcharge announcement by French carrier CMA-CGM on all cargo moving to and from the southeastern hub, effective Sept. 1. Meanwhile, Mediterranean Shipping Co. and Hapag-Lloyd hiked their Chennai congestion fees to $75 per TEU and $150 per FEU, and $100 and $200, respectively, as of Sept. 1, citing a continued deterioration in port conditions. “The situation at Chennai Port is still pathetic. It is expected to take at least two to three months for some real improvement,” a leading shipping line agent said.

According to a port update as of Monday morning, the terminal yard inventory totaled more than 19,000 TEUs with imports accounting for about 12,500 TEUs. **Source : The Journal of Commerce Online**

HEEREMA FABRICATION GROUP VOLTOOIT 'CLIPPER SOUTH' EN 'BREAGH ALPHA' PROJECTEN

Above seen the **Breagh A** just before sail away at the Zwijndrecht yard of the **Heerema Fabrication Group**. Destination is the **Breagh gas field** in the North Sea. The topsides has been built for RWE Dea UK.
Photo : Capt. Julien Mos o/b Gipsy Mos (c)

Twee 'fast track' projecten parallel uitgevoerd voor RWE Dea UK in één jaar! **Heerema Fabrication Group** (HFG) voltooit de fabricage van de minimum facilities platforms voor Clipper South Development en Breagh Alpha Development. Deze EPC (Engineering, Procurement & Construction) projecten zijn uitgevoerd op de HFG Vlissingen en Zwijndrecht werven in opdracht van RWE Dea UK. In slechts 14 maanden na ontvangst van de opdracht in april 2010 zijn op de HFG Vlissingen fabricage locatie het 900 ton wegende jacket met een hoogte van 43 meter en het dek, met een gewicht van 2.300 ton, van het Clipper South platform gebouwd. Het Clipper South dek biedt accommodatie aan 40 personen. Op 25 augustus vertrok het complete platform van de Heerema Vlissingen locatie en werd vervolgens op 27 augustus jl. met succes offshore geïnstalleerd in een waterdiepte van ongeveer 23 meter. Een 12" pijpleiding voor export van gas verbindt het platform met het LOGGS-complex van ConocoPhillips voor doorvoer naar de Theddlethorpe terminal in het Verenigd Koninkrijk. Parallel aan de bouw van het Clipper South project werd op de HFG Vlissingen fabricage locatie het Breagh Alpha jacket met een gewicht van 1.700 ton en een lengte van 84 meter gebouwd, terwijl op de Zwijndrecht locatie het dek van 1.271 ton werd gebouwd. Na ontvangst van de opdracht op 31 juli vorig jaar, begon de constructie van het dek in december 2010 en het jacket in maart 2011. De bouw van het Breagh Alpha platform was voltooid binnen één jaar na ontvangst van de opdracht. Op dit moment zijn het Breagh Alpha dek en het jacket gereed voor offshore installatie door ons zusterbedrijf Heerema Marine Contractors. Het Breagh veld bevindt zich in UKCS blokken 42/12a en 42/13a van de zuidelijke Noordzee in 62 meter waterdiepte, ongeveer 100 kilometer ten oosten van Teesside, Verenigd Koninkrijk. **Wim Matthijssen**, COO van **Heerema Fabrication Group** meldt: “Het uitvoeren van twee parallel gebouwde ‘fast track’ projecten en het opleveren in het maximaal haalbare niveau van fabricage gereedheid en commissioning was voor ons een enorme uitdaging. Deze enorme prestatie is mogelijk gemaakt dankzij de inzet van onze toegewijde project teams en medewerkers op beide werven, alsmede onze toeleveranciers en onderaannemers.” Wim vervolgt: “Beide opdrachten zijn het resultaat van onze expertise opgedaan tijdens eerdere RWE projecten en het vertrouwen van onze klant, RWE, in ons vermogen om ‘fast track’ EPC projecten uit te voeren. Het door RWE in ons gestelde vertrouwen hebben wij kunnen waarmaken door onze afspraken na te komen.”

Walney 2 Success for Fendercare Marine Diving

Fendercare Marine’s recently established diving division has picked up it’s first major contract, extending the group’s profile within the offshore renewables sector. Fendercare Marine was contracted by the Dutch-based **Visser & Smit Marine Contracting (VSMC)** for a multi-million Euro sum, to insert a messenger cable into each of 51 wind turbines for Dong’s Walney 2 development off the Barrow-in-Furness coast.

The work has taken place over 85 days of the summer months and has involved the supply of a DPII vessel, a fitted Ampelmann personnel transfer system nd ROVs to carry out the work. Bob MacMillan, Director of Fendercare Marine’s diving services commented: “This is an extremely important contract for the diving division, both in terms of the revenues it will generate and also in terms of further positioning FenderCare Marine as a key products and services provider within the offshore renewables sector. It clearly demonstrates the capabilities which Fendercare Marine can offer to the offshore and marine sectors in general and to those engaged in the hook-up of offshore wind turbines in particular. With this project successfully under our belt, we look forward to bidding for, and winning, more of this business in the future.”

Hutchison's Felixstowe ahead of Southampton as biggest British box port

FELIXSTOWE container port, owned by Hong Kong's Hutchison Port Holdings (HPH), has retained its ranking as the biggest container port in Britain in 2010, according to British government figures. While HPH does not release

Felixstowe volumes, Department for Transport's container figures indicated its volume was up 12 per cent to 3.4 million TEU in 2010, reports London's International Freighting Weekly. Southampton came in second with 945,000 containers, up 12.5 per cent.

Felixstowe will officially open its new berths 8 and 9, ready to accommodate 18,000-TEU ships.

The **MSC KIM** seen in Felixstowe **– Photo : Andrew Moors (c)**

London's total terminal operations along the Thames, handled 48 million tonnes, a rise of 2.6 million. Welsh energy port Milford Haven was the third largest hub by volume, at 43 million tonnes, up 3.7 million tonnes. Southampton was in fourth place, at 39 million tonnes, a rise of 1.8 million tonnes, said the report. Throughput at major British ports was up, but still below the 2005 high water mark. UK ports handled 512 million tonnes in 2010, a two per cent increase over 2009, but still 12 per cent below the 2005 high, according to government statistics. **Source : Schednet**

Bangladesh to set up LNG terminal

Bangladesh has started work to set up its first floating terminal for importing liquefied natural gas (LNG) with an investment of $500 million, a senior energy official said on Monday, Reuters reports. "It is due to be completed by the end of 2013,if everything goes well," said Mohammad Hussain Monsur, chairman of the state-run Bangladesh Oil, Gas and Mineral Corporation, or Petrobangla.

"We have already awarded the consultancy services to Australian firm Poten & Partners," he told Reuters. The terminal will be build up 1.5 kilometres from Moheshkhali island in the Bay of Bengal. Petrobangla signed an agreement with the Australian firm last week to facilitate the implementation the project, Monsur said. Poten & Partners will also help Petrobangla in transmission and marketing of the LNG which the south Asian country is going to import to ease pressure on natural gas. "We focused on LNG use to diversify the energy sources to ease energy crisis," Monsur said.

Natural gas, Bangladesh's principal source of energy, is depleting fast, likely to be fully exhausted by the end of 2015 unless new gas reserves are found, officials said. About 80 percent of the country's manufacturing firms and electricity-producing plants are fueled by natural gas. Bangladesh at present produces around 2.0 billion cubic feet of gas per day (bcfd) leaving a shortage of more than 500 million cubic feet. Petrobangla floated an international tender last November for a 15-year build-operate-and-transfer contract. "We have already short-listed a number of international firms and the process will be completed soon," Petrobangla's Monsur said. The terminal will have facilities for berthing and mooring of LNG ships with a capacity of 138,000 to 260,000 cubic metres, and for LNG storage and re-gasification, the chairman said. Petrobangla last year signed a memorandum of understanding to import 4 million tonnes of LNG annually from Qatar Petroleum. **Source : PortNews**

The **Hansa Coburg** seen departing Port Chalmers after making her first visit to the port, 28/9/11.
Photo : Ross Walker (c)

Dear Friends and Supporters of Chauncy Maples

CHAUNCY MAPLES
LAKE MALAWI'S CLINIC

The **Chauncy Maples Malawi Trust** is delighted to announce a new member of the Joint Venture between the Government of Malawi, our sponsors and the Trust. In addition to our corporate sponsor Thomas Miller, we also now have Mota-Engil, a major Portuguese infrastructure company, as a partner and co-sponsor. In October 2010 they were granted a 30 year concession to run the ferry services on Lake Malawi and the shipyard in Monkey Bay.Manuel Antonio da Mota Foundation, Mota-Engil's associated charity, has very generously offered to donate EUR 2,000,000 to run **Chauncy Maples** during the first 10 years of her operation. Work on **Chauncy Maples** is already under way at the Monkey Bay shipyard and we are expecting the repairs to the hull to take until the end of the year. So far we have raised nearly £1million, enough to pay for the labour and some of the parts. Thomas Miller is launching a campaign to raise the £1 million worth of parts needed, either in kind or with discounts. If you have any contacts who would be interested in contributing to this campaign or who could help us obtain parts, please let us know.We are all extremely grateful for your support in achieving so much. Have a look at our website for the latest news on fundraising.

…. PHOTO OF THE DAY …..

The **SAN ANTONIO** seen in Willemstad (Curacao)
Photo : Kees Bustraan – http://community.webshots.com/user/cornelis224 (c)