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The CSCL MARS seen during her maiden call to Rotterdam - Photo : Rik van Marle ©

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EVENTS, INCIDENTS & OPERATIONS

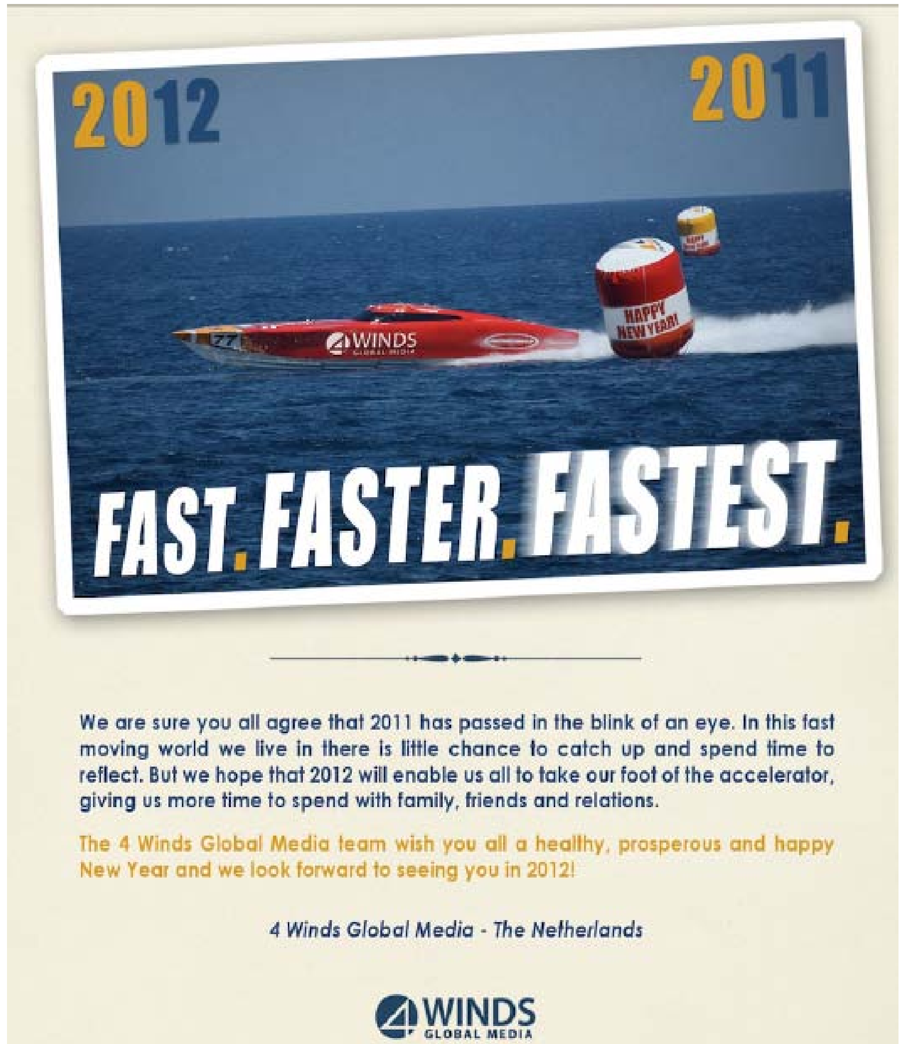
The **LIDON B** seen moored in Nouoadhibou (Mauretania) – **Photo : Jan de Bokx ©**

Sri Lanka court orders to apprehend Scotia Prince ferry

A Sri Lankan court has issued a warrant to apprehend the **Scotia Prince** ferry that was hauling passengers from Tuticorin port of India to Colombo port.

Acting on a petition filed by a South Indian company, the Colombo High Court ordered the Sri Lanka Port Authority to detain the passenger ferry currently docked at the Colombo Port. The South Indian Company claims that the ship operators owe them an outstanding bill of more than US$ 400,000 as catering charges. The ferry service started in June this year was suspended last month due to unclear reasons.

According to the agent for the ship in Colombo the Ceylon Shipping Corporation, the ferry's operators Flamingo Liners have said that **Scotia Prince** would be halted due to technical problems. The vessel has been detained at port in Colombo since November 18, according to media reports. **Source : Colombo Page**



Lay-ups vital for tanker sector recovery

Crude tanker owners will have to lay up their vessels to ensure any chance of recovery in the sector in the coming months as the pace of vessel deliveries hitting the water continues to overwhelm the market, analysts said.

Despite an improvement in average earnings on the benchmark Middle East Gulf to Japan route for very large crude carriers (VLCCs) in recent weeks, fleet growth continues to outpace crude oil cargo activity with economic turmoil adding further headwinds. 'The dirty market is an emerging commercial disaster,' Jeffrey McGee, director of tanker research with broker SSY, told a Platts tanker conference. 'Tonnage supply is overwhelming demand.' Last month oil tanker company General Maritime Corp filed for bankruptcy protection, the latest player to be hit by the glut of ships ordered when times were good.

The world's largest independent tanker operator Frontline warned last month it would need to restructure to survive tough times, and said the wider sector was teetering on the brink. 'For crude tanker owners in 2012-2013, there will be a struggle with massive oversupply,' said Peter Sand, chief shipping analyst with Bimco, the world's largest private shipowners' association. 'The VLCC sector is under very severe pressure with little demolition potential because the fleet is so young,' he told the conference. Average earnings per day are calculated after a vessel covers its voyage costs such as bunker fuel and port fees. VLCC operating costs, including financial costs, are estimated at around US$10,000 a day. They pushed above the operating cost level on Nov 11 for the first time since June 24. Average VLCC earnings reached US$12,899 a day on Monday, Baltic Exchange data showed. The use of slow steaming, a method where ships slow their speed to cut fuel consumption, has not been enough to deal with the rout in the crude tanker market.

'What we are looking for is a tanker industry that sees the benefits of lay-up,' Bimco's Mr Sand said. Lay-up is when a ship is taken out of service for a period, with some or all of the crew taken off. Mr Sand saw the VLCC market oversupplied by 50 to 70 tankers. The fleet is estimated to be around 570 VLCCs, each of which can carry up to two million barrels per day. The amount of crude oil stored at sea has steadily declined to an estimated six million barrels since hitting a peak of more than 100 million barrels in April 2009, after changes in the oil market structure that made floating storage less profitable. In 2009, floating storage employed the equivalent of 50 tankers, mainly VLCCs. SSY's Mr McGee said 60 to 70 VLCCs would need to be laid up together with 50 suezmaxes. Each suezmax can carry up to one million barrels of oil. 'Attempts to call a bottom in the crude tanker market are woefully premature,' Mr McGee said. 'It requires massive lay-up and demolitions to rectify.' Worsening economic prospects was also weighing on the sector. 'The outlook for oil in the first half of next year is not that great because it looks as if the world economy is slowing up quite quickly and if we go to a double dip, it will be even worse including China,' Leo Drollas, chief economist with the Centre for Global Energy Studies, told the conference. 'So it really will have an impact on incremental demand,' he added. **Source: Reuters**

The **PACIFIC GUARDIAN** seen outbound from Willemstad (Curacao)
Photo : Kees Bustraan – http://community.webshots.com/user/cornelis224 (c)

Plans to boost maritime industry

After the success of the National Aerospace Blueprint, the country now has a National Maritime Plan. Launched by Prime Minister Datuk Seri Najib Razak here yesterday, the comprehensive plan aims to develop the shipbuilding and ship repair industry. Developed by the Malaysian Industry-Government Group for High Technology and the Association of Marine Industries of Malaysia (AMIM), the Malaysia Shipbuilding/Ship Repair Industry Strategic Plan 2020 aims to generate RM6.35 billion in gross national income and create 55,500 jobs in Malaysia by 2020. The plan targets to capture 80 per cent of the local new build market and two per cent of the global new build market, up from 50 per cent and 0.8 per cent respectively last year.

Najib also unveiled the Malaysian Aerospace Council industry report as well as launched the Aerospace Malaysia Innovation Centre (AMIC). The industry report stated that investment in aerospace industries had reached RM1.4 billion as of May, up by 41 per cent from 2008. Meanwhile, Deputy Prime Minister Tan Sri Muhyiddin Yassin launched the Malaysian Maritime Enforcement Agency (MMEA)'s Maritime Strategic Planning Book 2040. MMEA director-general Admiral Datuk Mohd Amdan Kurish said the book contained nine strategic objectives that were essential for the agency's future. **Source: New Straits Times**

Mediterranean Shipping Says Trade Slump to Spur Bigger Ship Use

Mediterranean Shipping Co., the world's second-largest container line, said slowing global-trade growth and a prolonged industry slump will likely spur demand for bigger vessels and alliances among competitors. Traffic on the route to Europe from Asia must shift to the biggest ships possible to stem losses, Vice President Diego Aponte said Dec. 5 in an interview. Even so, rates to carry 20- foot boxes will remain unprofitable as trade growth cools and a surplus of vessels persists until at least 2013, he said. "Economies of scale are essential," Aponte said by phone from Geneva. "Freight rates will be under pressure for many years to come." Slumping rates spurred Mediterranean Shipping to unveil an accord last week with CMA CGM SA, the container industry's third-biggest company. A gauge of costs to ship the boxes to northwest Europe from Shanghai published by the Shanghai Shipping Exchange has plunged 64 percent this year. "Volume growth is there, but it will never be explosive like it used to be in 2007," said Aponte, whose father Gianluigi started closely held Mediterranean Shipping in 1970. Container lines without global reach won't be able to survive in the future, according to the vice president.

463 Vessels

The company doubled the size of its fleet since 2004 and now owns and operates 463 ships calling at 335 ports worldwide. It will share vessels and space with Marseille, France-based CMA CGM as of February on global routes including the voyage to Europe from Asia, the industry's second-biggest trade lane. Demand to ship goods in containers will climb 2 percent in 2012 as the container fleet expands by 8 percent, Morgan Stanley Research estimated last month. Growth "isn't as anticipated," Aponte said. "I don't see the economy worldwide being very sparkling at the moment," he said. "Volumes will grow because we are 18 million more people on the planet every year, but still it will not be enough to cover all the tonnage that we have at sea at the moment." The International Monetary Fund in September cut estimates for global growth this year and next. The U.S. economy will recover before Europe, according to Aponte. He's optimistic that increasing trade between the so-called BRIC countries of Brazil, Russia, India and China may lift world expansion above 5 percent next year, compared with the IMF's 4 percent projection. Global container imports expanded 10 percent a year on average between 2002 and 2008 before contracting for the first time in 2009, according to data from Clarkson Research Services Ltd., a unit of the top global shipbroker. Fleet capacity doubled since 2005 in response to increased volumes, Clarkson data showed. The industry may lose $2.5 billion to $3 billion this year, Philip Damas, director of liner shipping and supply chains at London-based Drewry Shipping Consultants Ltd., forecast in August. **Source: Bloomberg**

Worst ever lifeboat disaster remembered

Memorial services are to be held to commemorate the 125th anniversary of the Ribble estuary disaster

Memorial services are to be held to commemorate the 125th anniversary of the country's worst ever lifeboat disaster, which falls this week (9/10 December). A total of 27 volunteer lifeboat crewmen died in the tragedy when two out of three lifeboats launched to rescue men from the German barque **Mexico** were overwhelmed by heavy seas in the Ribble estuary.

Southport lifeboat capsized shortly before reaching the casualty, throwing her crew into the sea, and although the boat was later washed ashore, only two out of her crew of 16 survived the ordeal. The St Anne's lifeboat set out into the darkness and was not seen again until she was found upturned on Southport beach the following day, her entire crew of 13 being drowned.

Despite the horrendous conditions, Lytham lifeboat managed to go alongside the stricken Mexico and rescue her crew of 12 men before landing them safely ashore. Memorial services will be held on Saturday 10 December at the Lifeboat Memorial, Southport Promenade, starting at 10.00am, and at St John's Church, East Beach, Lytham on Sunday 11 December 2011 at 10.30am. **Source : Motorboats Monthly**

Above seen the 2009 built LBR flag general cargo ship **HR FREQUENCY** entering Grand Harbour, Malta on Friday 25th November, 2011. She's the former **BELUGA FREQUENCY.**
Photo : Cpt. Lawrence Dalli - www.maltashipphotos.com ©

New type of drillship comes to the U.S. Gulf of Mexico

The first of a new type of "compact" deepwater drillships jointly designed by Shell and Noble Corporation recently arrived in the U.S. Gulf of Mexico. After completing commissioning and acceptance testing this month, the drillship **Noble Bully I** will go to work at Shell's Mars B Olympus.

Photo : Kees Bustraan ©

Based on an GustoMSC PRD 12000 MP design and built by China's Shanghai Shipyards and outfitted and completed by Singapore's Keppel Shipyards, the **Noble Bully I** is the first of two Bully rigs that can be equipped to drill in water depths of up to 10,000 ft, with a maximum drilling depth of 40,000 ft. There are accommodations for 156. The **Noble Bully I** will drill in a water depth of about 8,200 ft. It is expected to be under contract until December 2016. The full contract dayrate is $440,000 to $445,000. The Bully rigs also feature a compact box-type drilling tower, known as a Multi-purpose Tower (shown at right), instead of a conventional derrick. As the name indicates, a Multi-purpose Tower is designed to maximize productivity and safety, yet it allows for a significantly smaller vessel when compared to other deep water drill ships of similar capacity.

In addition, unlike conventional drilling operations on Mobile Offshore Drilling Units, the Bully rigs will use a Surface BOP drilling technique. This means that the well control system, including he BOP stack, are not located on the seabed, but instead on the surface just below the drill floor. To allow for the surface BP operations, the drill floor is located 80 ft above the waterline, providing the space for the mechanical handling of the BOP, T-joint and subsea trees. The ships also feature an attention to energy efficiency, use less fuel and are shorter and lighter than comparable drill ships. The dynamically positioned Noble Bully I and Noble Bully II can be maneuvered at a favorable angle toward wind, waves, and currents, and feature ice-class hulls. Shell and Noble have increased the automated technology on the Bully rigs, increasing personnel safety on board. Sister vessel **Noble Bully II** is expected to begin operations early next year in Brazil. **Source : MarineLog**

GALE OVER THE DUTCH COAST

Last Wednesday evening the first “winter” storm passed the Dutch coast, the wind which reached a westerly 9/10 bft at several place resulted in a lot of photos received from readers, herewith a few to get an impression

Above seen the **HURRICANE** assisting the ferry **MIDSLAND** during the gale in the port of Terschelling
Photo’s top : Hessel Buren ©

The pilot tenders seen in action at the Westerscheldt River off Vlissingen – **Photo : Hans Koster ©**

The **ARKLOW ROSE** seen at the Westerscheldt River off Terneuzen enroute Sluiskil to load fertilizer
P., M. & Ph van Luik - www.shipsoffterneuzen.nl

Norwegian Prime Minister to open Farstad Shipping simulation centre in Perth

Today , December 9th the Norwegian Prime Minister, Jens Stoltenberg,wil open a new offshore simulation centre owned by Farstad Shipping in Perth, Australia. Farstad claims that the centre is the world's largest and most advanced offshore simulation centre for marine operations.

"The opening of Farstad Shipping simulation centre is a milestone to Farstad Shipping. The centre is not only a major investment in our employees' skills and safety, but also a proof of the knowledge possessed by the Norwegian maritime industry," said the company's Chief Executive Officer, Karl-Johan Bakken. The simulation centre is a result of close interaction between multiple actors in the maritime cluster in the western part of Norway. Strong maritime traditions and a local culture of commitment to innovation, research and development has created the foundation for global efforts.

Mr Bakken said the simulation centre in Australia is a result of the close collaboration between Aalesund University College, Farstad Shipping and the Offshore Simulator Centre (OSC) in Aalesund. "Farstad Shipping aims to be a leading supplier of quality services, with a focus on safety, competence and technology," said Mr Bakken. "The centre is crucial to achieving Farstad Shipping's goal of zero harm to people, environment and equipment," he explained. "The unique training programme will serve Farstad Shipping's commitment to develop and empower employees. Team training, interaction and communication are all important elements in simulator training." "Safety and employee development constitute the basis for all our operations and activities. The purpose of centre is to provide training facilities for our personnel and to test offshore operations under adverse conditions," said Mr Bakken. **Source : Offshore Shipping Online**

Three masted schooner 'Eendracht' repaired, renovated, painted and on her way to the Caribbean!

With the unveiling of the new name board of the **Eendracht** the 2011 docking of the schip at the docking yard of Van Brink was closed. The docking period of three weeks contained renovation, repair and a lot of maintenance. Besides all the professional forces of many companies, including sponsors, the **Eendracht** volunteers spent a lot of free time in tasks and jobs of all sizes. Captain **Poul Sanders** was on board for these three weeks to maintain overview of the docking and secure the safety on board.'**De Nieuwe Maen**' (120 years old) from Zierikzee served as an accomodation ship when it was not possible for the crew to stay on the **Eendracht** where everything was open or had been disconnected. After two weeks the **Eendracht** was out of the dock. renovated, repaired, painted and cleaned from top to bottom.

After the undockking the crew started to make the ship ready to sail.

On the last evening before departure stores where brought and new crew arrived on board. Saturday, November 5th, the passengers came on board to sail the ship to Lisbon and beyond. At the moment Sailingship **Eendracht** is on her way to the sunny southwest! She crossed the Atlantic Ocean. On December the 18th the ship will arrive in St. Martin. From there the Eendracht will sail for four months and make several sailing trips trough the Caribbean including: Curacao, Martinique and the British Virgin Islands. Via Bermuda and the Azores, the **Eendracht** will sail back to homeport Rotterdam where she will arrive on April 6th 2012.

Follow the ship online! NL (link: http://www.eendracht.nl/actueel/blog)

First of Vale's mega ships to arrive in Asia next week

One of Brazilian mining giant Vale's huge iron ore carriers, the world's biggest, will arrive fully-loaded in Asia for the first time next week with a stop in Singapore, according to Reuters Freightviews data, Reuters reports. The 388,000-tonne **Berge Everest,** which has been leased to Vale, is expected to arrive in Singapore on Dec. 15, but it was not clear whether the city-state was the ship's final destination.

China, Vale's main market, has yet to give these ships access to domestic ports, forcing the world's largest iron ore producer to send its vessels instead to Italy, Oman and other destinations. The vessel's arrival also comes amid rising concerns over the safety of these Valemax ships after a similar vessel, **Vale Beijing**, became disabled before setting sail on its maiden voyage. The crew of the **Berge Everest** has not formally requested to stop in Singapore, said a port official, and may decide instead to anchor far offshore for supplies and to refuel. Singapore's ports were wide and deep enough to handle the **Berge Everest** should the crew decide to dock, authorities said. A spokeswoman with Singapore-based Berge Bulk, the owner of the vessel, was not immediately available to comment on the ship's voyage plans. The **Berge Everest,** built by China's Bohai Shipbuilding Heavy Industry, is one of six mega bulk ships to be delivered to Vale so far this year. The company wants to build a fleet of as many as 35 mega vessels to sharply cut the cost of delivering the steel-making ingredient to China. **Source : PortNews**

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SHIPYARD NEWS

South Korean shipbuilders hit by calls to delay deliveries

Ship orders worth US$3b put off as European banks tighten credit lines

South Korea's major shipbuilders have received requests to delay deliveries of 24 ships worth some US$3 billion as the debt crisis in Europe bites, raising fears about a repeat of the 2008 downturn that hit the industry globally. Slipping away: Around 30% of global orders for dry bulk ships could be delayed this year and that figure is expected to peak at around 40% in 2012. South Korea is home to the world's biggest shipbuilders including Daewoo and Hyundai Heavy Industries and the stock market's shipbuilding subindex has slumped 40 per cent over the past six months versus a 10 per cent drop in the overall market.

In November alone, STX Offshore & Shipbuilding, the fifth-biggest by order value, agreed to delay mainly European deliveries of 11 ships worth 1.5 trillion won (S$1.7 billion), according to regulatory filings. 'There could be more order delays as the business conditions are not expected to be good next year,' said a spokesman for STX Group, a parent firm of the shipbuilder.

European banks, traditionally the top lenders to global shipping companies, have tightened credit lines as the region's sovereign debt crisis dries up financing. Shipbuilders, many who have yet to recover from a glut of orders made before the 2008 financial crisis, have borne the brunt of these cuts as ship operators generally rely on long-term borrowing for funds. Macquarie Securities estimates around 30 per cent of global orders for dry bulk ships would be delayed this year and that figure is expected to peak at around 40 per cent in 2012.

'Reduced corporate lending could lead to reduced orders,' Daewoo Shipbuilding said in a recent regulatory filing. 'In the worst case scenario, the global shipbuilding industry could again be roped into the vicious cycle of reduced orders and requests for delaying deliveries, which the industry went through during the 2008 crisis.'

The South Korean shipbuilders are not the only ones being squeezed. In China, home to the world's largest industry by capacity, shipbuilders are struggling, with some smaller shipyards on the brink of bankruptcy as orders dry up amid the global economic uncertainty.

Even before the eurozone crisis deepened in recent months, Daewoo received requests to put off the delivery of 13 ships worth 1.6 trillion won from an Asian and an European customer. Daewoo, Korea's second biggest shipbuilder, said the delays were not due to financing problems but clients were changing the type of vessels they had ordered to better cope with slowing global trade. The Baltic Exchange's main sea freight index, which tracks rates to ship dry commodities, has so far fallen 14 per cent over the past year. During the 2008 global financial crisis, investors regarded the index as an indicator of demand for raw materials. **Source : Reuters**

ROUTE, PORTS & SERVICES

MSC announces first batch of revamped services with CMA CGM

The **MSC LEIGH** seen entering No 6 Dock at Palumbo Ship Yards (Malta) on the 04-12-2011.
Photo : Gejtu Spiteri ©

THE **Mediterranean Shipping Co (MSC)**, the world's second largest carrier, has announced its first batch of revised Asia-Europe services jointly run with **CMA CGM** under its new partnership with the world's third largest container carrier. MSC hopes to reduce capacity under the new arrangement. The three new joint Asia-Europe services will be launched at the outset of March next year, reported Newark's Journal of Commerce, adding that MSC will also revamp its port rotations of its current Silk and Lion services.

The first new service is the **Swan string**, which will be run by **CMA CGM** with eleven 11,400-TEU vessels. Its port rotation is Xingang, Busan, Qingdao, Shanghai, Xiamen, Singapore, Port Kelang, Tangiers, Le Havre, Hamburg, Bremerhaven, Antwerp, Zeebrugge, Beirut, Jeddah, Port Kelang, Singapore and back to Xingang.

Next is the **Condor service,** which will be operated by **MSC** with eleven 4,000-TEU ships and call at Ningbo, Shanghai, Gaungzhou-Nansha, Hong Kong, Shenzhen-Chiwan, Shenzhen-Yantian, Vung Tau, Southampton, Hamburg, Bremerhaven, Rotterdam, Zeebrugge, Le Havre, Malta, Korfakkan, Port Kelang, Singapore, Shenzhen-Yantian and back to Ningbo.

The third one is the **Jade loop,** which will be jointly operated by the two carriers with nine 9,500-TEU vessels. Its calls include: Shanghai, Ningbo, Hong Kong, Shenzhen-Chiwan, Shenzhen-Yantian, Singapore, Port Kelang, Gioia Tauro, Malta, Tangiers, Port Kelang, Singapore, Vung Tau and back to Shanghai.

For MSC's existing Silk and Lion services, MSC will also undergo rotation changes.

The **Silk Service** will be run by eleven 14,000-TEU ships with the following rotation: Dalian, Xingang, Kwang Yang, Busan, Qingdao, Ningbo, Shanghai, Singapore, Port Kelang, Felixstowe, Zeebrugge, Antwerp, Rotterdam, Southampton, Valencia, Jebel Ali, Singapore, Hong Kong and back to Dalian;

For the **Lion Service**, **MSC** will deploy eleven 14,000-TEU ships, with the following rotation: Ningbo, Shanghai, Xiamen, Shenzhen-Chiwan, Shenzhen-Yantian, Sines, Le Havre, Rotterdam, Antwerp, Felixstowe, Gioia Tauro, Singapore, Shenzhen-Chiwan, Xiamen and back to Ningbo. **Source : Schednet**

Nuclear hulk to leave Murmansk

Murmansk will be a safer place as “Lepse” will head to the ship repair yard Nerpa for final decommissioning next autumn. **“Lepse**” was serving the Soviet Union’s first nuclear powered icebreakers, storing spent nuclear fuel from the 60ties. Since 1988, the nuclear waste hulk has been laid up at Atomflot in the outskirts of Murmansk on Russia’s Arctic coast. The bad state of the vessel has caused concerns among citizens in Murmansk fearing “Lepse” could overthrow and release radioactivity to the environment. The inventory includes 260 kilograms of uranium-235 and eight kilograms of plutonium-239 and other fissile materials. What to do with “**Lepse**” has been a burning issue for the last 20 years.

The uranium fuel rods onboard date from the Lenin icebreaker that had an lack-of-coolant accident in the late 60ties. Many of the fuel rods are partly destroyed. The gamma radiation within the storage compartment and adjacent compartments is several thousand times higher than natural occurring levels

-“**Lepse**” will be towed to the ship repair yard Nerpa in the autumn 2012 for decommissioning, says Mustafa Kashka, deputy director of Rosatomflot to RIA Novosti. Environmentalists applaud the move. The Bellona Foundation is the group that has worked closely both with Rosatomflot and international donors to find a final solution to the problem.

- Murmansk will surely gain in safety terms if Lepse is removed. "**Lepse**" was the most potentially radiation dangerous object in Murmansk area, says Igor Koudrik at Bellona’s Oslo-office to BarentsObserver.

- By removing the **"Lepse**" from Murmansk habour, the risks of marine traffic accident will be greatly reduced. This is something that should have been done long time ago. We still do not know when the operation to defuel the ship starts, thus it will be safer to store the ship on shore to prevent further aging of the hull in the sea water, Igor Koudrik says.

The rusty hulk "Lepse" is today laid up at Atomflot in the Kola bay, north of Murmansk. The laidup nuclear powered icebreaker "**Sibir**" in the background. **Photo: Thomas Nilsen**

The ship repair yard Nerpa is located northwest of Murmansk on the coast of the Kola Peninsula. The ship yard has long-time experience in decommissioning retired nuclear powered submarines. After the spent nuclear fuel is removed and the vessel is cut up, the plan is to store the still-radioactive storage compartments and contaminated metal from “Lepse” at the newly established storage site in the Saida bay, just west of the Nerpa yard. **Source : BarentsObserver**

BUSAN HANDLED 15 MILLION TEU DURING 2011

The port of Busan (Pusan) celebrated December 7th that the 15th million TEU was handled in the port during 2011, the lucky vessel was the **CMA CGM VIRGINIA** under command of the **Capt. Y.** Kalinichenko.

The Port of Busan (also called Pusan) is the second largest city and the largest port in South Korea. Located at the southeastern tip of the Korean peninsula, the Port of Busan is a little over 110 nautical miles east-southeast of the Port of Kitakyushu in Japan and about 247 kilometers east of Korea's Port of Mokpo. The Port of Busan is a metropolitan city under the direct control of South Korea's central government, giving it the effective status of a province. Located at the mouth of the Naktong River, the Port of Busan lies on a deep protected bay that faces Japan's Tsushima Islands about half-way across the Korea Strait between the two countries. In 2005, over 3.5 million people lived in the Port of Busan

Photo's of the celebration are made by Capt. Dag P. Froehmcke ©

Maersk may end another Auckland service

Giant shipping line Maersk says it may be forced to shift another large shipping service from the Ports of Auckland to a more stable port around the country, if the industrial dispute with its wharfies is not resolved. This comes after Ports of Auckland received a major blow yesterday when Maersk said it would remove its Southern Star service to the Port of Tauranga, citing future industrial unrest as the key reason, reported Waikato Times.

Ports of Auckland expects to lose 52 ship calls, 82,500 containers, and more than US$20 million in revenue annually. Port of Tauranga chief executive Mark Cairns said it had been lobbying hard to get the service and expects it will lift containers throughput at the port by 25 per cent to 50,000 to 75,000 containers a year, compared to last year.

Maersk Line NZ trade and marketing manager Dave Gulik said it did not plan to shift any more services from Auckland currently but it might also have to consider "putting the Northern Star somewhere else" if the industrial disruption was prolonged. The Northern Star was an important service for exporters who are keen to get product out efficiently before business shuts down over the Christmas holidays.

The Northern Star Service and the Southern Star service provide New Zealand-based shippers with direct access to the Asian hub ports of Port Klang and Tanjung Pelepas in Malaysia. Maersk was looking at contingencies on a case-by-case basis for all its services scheduled to call at the Auckland container terminals over the next week. The shipping company had committed the Southern Star service to Tauranga until the middle of next year, Gulik said.

The Maritime Union and Ports of Auckland have been unable to reach a resolution over their collective employment contract, which led to the Bledisloe and Fergusson container terminals being shut for four days. Another four-day stoppage is due to start on Thursday night. Mediation between the parties is set down for 9am this Friday when the next strike will already be under way after the company pulled out of scheduled talks yesterday. Ports of Auckland chief executive Tony Gibson was still hopeful of a resolution and said he had delayed yesterday's talks to have time to reflect on the impact of Maersk's move.

Meanwhile, Ports of Auckland and union are blaming each other for the loss of the Maersk service to Tauranga, reported The New Zealand Herald. A senior Auckland official, Gary Swift, told the Herald that other shipping companies could follow Maersk and move to Tauranga. Swift, who heads Auckland Council's investment arm which owns the port company, said the loss of the Maersk contract was unexpected and alarming and would have a financial effect on the port company and the council.

A forecast dividend of $18 million from the port company to the council in the 2011-2012 financial year would be down, Swift said, but he did not know by how much. The issue has flared in the corridors of the Super City.

Mayor Len Brown is urging both sides in the industrial dispute to get back around the negotiating table and Citizens & Ratepayers leader Christine Fletcher is demanding answers to avoid significant financial consequences for ratepayers. Brown said he was concerned about the short and long-term implications of the loss of any shipping contract for the company and council, but the real issue was coping with future growth of cargo through the three upper North Island ports of Auckland, Tauranga and Northland.

Fletcher also attacked the former Auckland Regional Council for driving the ports company into financial crisis about three years ago by ``pillaging'' its balance sheet for excessive transport dividends. Former regional council chairman and Auckland councillor Mike Lee said Fletcher was making ill-informed political barracking from the sidelines. Ports chief executive Tony Gibson and Maritime Union national president Garry Parsloe disagree over how much the industrial action was a factor in the Southern Star decision.

Gibson blamed the union for the loss of the contract, saying Maersk told him the only reason for switching the contract was the industrial action, which would lead to job losses. ``Maersk have explained to us that the possibility of further industrial action has been central to their decision to shift the service to Tauranga,'' Gibson said.

Maersk Line New Zealand trade and marketing manager Dave Gulik said industrial action was a significant factor but not the only factor. Parsloe said it was odd for Gibson to be blaming the union when he was locking staff out and keeping ships from being turned over. ``There have been negotiations going on for some time about those vessels calling in to Tauranga,'' Parsloe said. Port of Tauranga chief executive Mark Cairns said the company had been working for some time to attract a new import ship call to Tauranga, and was pleased to gain the weekly service.

Heart of the City chief executive Alex Swney said industrial action by the union was wrong but may come with a silver lining for Aucklanders. ``We don't want to kick the port while it's down. But perhaps it takes a standoff like this to really focus attention on whether or not we want more containers cluttering up our doorstep.'' **Source : PortNews**

OCEANWIDE S.a.S. DELIVERS FIRST SIDE MATING HYPERBARIC LIFEBOAT

On the 4th of November 2011 **Oceanwide Safety at Sea** has successfully tested its first side mating Hyperbaric Lifeboat (HLB). The design is based on the bottom mating HLB10.50, suitable for a maximum of 18 divers and 4 operating crew/dive technicians. As with all Oceanwide Hyperbaric Lifeboats, the side mating HLB has a self-contained life support system with capacity for at least 72 hours and is equipped with twin fall release mechanism, single point lifting sling and towing device for recovery of the HLB in emergency situations. The HLB will be supplied with an **Oceanwide Safety at Sea** launching system. The side mating Hyperbaric Lifeboat is to be delivered to Clough Helix, Australia, where it is going to be installed on the DSV '**Normand Clough**' early next year. For more information refer to: www.oceanwidesafety.nl

Port of Hong Kong third quarter volume rises 2pc to 6.4 million TEU

HONG KONG's cargo volume in the port grew four per cent in the third quarter this year compared to the same period year reaching a total of 70.8 million tonnes, according to government statistics. This was a four per cent increase in inbound port cargo to 40.4 million tonnes and six per cent rise in outbound cargo to 30.4 million tonnes, according to the Hong Kong Census & Statistics Department.

In containers, Hong Kong handled 6.4 million TEU in the third quarter, representing an increase of two per cent year on year. Laden boxes increased four per cent to 5.4 million TEU, while empties decreased five per cent to one million TEU. During the first three quarters, the port of Hong Kong handled 18.2 million TEU, seeing a three per cent increase year on year. Laden containers rose four per cent to 15.4 million TEU, while empty boxes remained the same at 2.8 million TEU.

The number of ocean-vessel arrivals stayed the same to 8,260 compared to the number of the same period of 2010. The total capacity increased three per cent to 108.9 million net registered tons. But the number of river-vessel arrivals declined six per cent year on year to 42,850, with a six per cent decrease in the total capacity to 26.9 million net registered tons. During the first three quarters, the number of ocean-vessel arrivals increased one per cent year on year to 24,370, with a seven per cent increase in the total capacity to 315.4 million net registered tons. The number of river-vessel arrivals dropped three per cent year on year to 129,900, while the total capacity remained the same at 81.2 million net registered tons.

From January to September, total port cargo throughput rose five per cent year on year to 206.9 million tonnes. Inbound cargo increased four per cent to 118.9 million tonnes and outward port cargo six per cent to 88 million tonnes. Seaborne cargo was up nine per cent year on year to 50.9 million tonnes, while river cargo was down six per cent to 19.9 million tonnes in the third quarter. In the first nine months of the year, seaborne cargo increased eight per cent year on year to 145.4 million tonnes, while river cargo decreased two per cent to 61.5 million tonnes. **Source : Schednet**

APL increases Japan coverage with MOL tie-up

APL announced that it will enhance its Japan to Thailand and Philippines coverage as a slot operator in a tie-up with Mitsui O.S.K. Lines (MOL). The new service, named Japan-Thailand-Philippine (JTP) service, will enhance APL's coverage of Japanese ports, in particular those of Tokyo, Yokohama, Shimizu and Nagoya. "Introducing the weekly JTP service will strengthen APL's Intra-Asia shortsea network and better serve key production and consumption markets in the region," said Jason Wong, APL Vice President for Intra-Asia Trade. "The service will support a dynamic trade circle from Thailand and Philippines to Japan." The new service provides APL customers direct access to markets in Shimizu and Nagoya. It also links Korea to the Southeast Asian markets of Thailand and the Philippines. Mr Wong added: "JTP offers one of the industry's best transit times between Japan and Thailand, and the Philippines to Japan." Port rotation for the JTP service will be: Tokyo, Yokohama, Shimizu, Nagoya, Pusan, Laem Chabang, Manila and Tokyo. The first sailing will commence from Tokyo on December 10 with the **MOL Sparkle.** **Source: APL**

Knightsbridge may sell two vessels next year and buy panamaxes

Knightsbridge (VLCCF) Tankers Ltd., whose long-term charters mean it is still profitable during the worst shipping-rate slump in more than a decade, says the biggest returns in 2012 will come from hauling coal and iron ore, Bloomberg reports. The Hamilton, Bermuda-based company owns four tankers and its market value now exceeds that of Frontline Ltd., whose 43 ships make it the largest supertanker operator. Knightsbridge may sell two vessels when their contracts expire next year and buy panamaxes that carry so-called dry bulk commodities, Chief Executive Officer Ola Lorentzon said in an interview.

Panamaxes, the largest carriers able to navigate the Panama Canal, will earn $13,250 a day on average next year, according to the median of nine analyst estimates compiled by Bloomberg. That's 19 percent more than the $11,136 anticipated by forward freight agreements, traded by brokers and used to bet on future transport costs, data from the Baltic Exchange in London show.

"This company chose to be more conservative," said Jonathan Chappell, an analyst at Evercore Partners Inc. in New York who gives Knightsbridge shares an "overweight" rating. "With the uncertainty in the market right now, it's probably something more people wish they had done." All six members of the Bloomberg Tanker Index (TANKER) from Frontline to General Maritime Corp. will lose money this year as fleet capacity exceeds the number of cargoes, analyst estimates compiled by Bloomberg show. While there is also a dry-bulk shipping glut, it is shrinking faster as demand accelerates. Rates for the biggest ore and coal carriers turned profitable in September, while those for supertankers fell in April below the $30,200 a day Frontline says it needs to break even.

Frontline Rallies

Frontline climbed 26 percent in Oslo trading yesterday after saying it planned to divide the company in order to withstand the collapse in tanker rates. Frontline 2012 will take control of the newest vessels, selling $250 million of shares, of which Frontline will take 10 percent. Hemen Holding Ltd., a company indirectly controlled by Chairman John Fredriksen, will underwrite the remainder. Hemen is giving guarantees of $505.5 million, valid until Dec. 31. Knightsbridge made money every year since it was created in 1996 by favoring long-term charters over single-voyage accords. That meant it missed out on spot rates that rose as high as $229,484 in 2007 and avoided the $7,254 they sank to in September this year, according to data from London-based Clarkson Plc, the world's biggest shipbroker.

Oil Cargoes

Demand for iron ore, coal and other dry-bulk cargoes will grow 8.1 percent next year as the fleet of carriers expands 12 percent, Morgan Stanley estimated in a Nov. 27 report. Oil shipments will advance 2.1 percent, compared with a 9.3 percent gain in the supply of supertankers, also known as very large crude carriers, or VLCCs, the bank said.

"We're looking at dry-bulk acquisitions because they can give a decent contribution to our yield right away with less risk," said Stockholm-based Lorentzon, a 62-year-old chemical engineer by training. "It will recover earlier than tankers because the demand side is growing better." Panamaxes cost about $30 million apiece and can secure charters at almost $14,000 a day, more than double the $5,700 needed to cover operating costs, Lorentzon said. The company already owns four ore-carrying capesizes.

Vessel Surplus

While rates for dry-bulk vessels are rebounding faster than for oil tankers, the industry still faces a glut for several years. The global fleet of panamax ships expanded 33 percent to 1,934 since the end of 2007, according to Redhill, England-based IHS Fairplay. Orders at ship yards are equal to 43 percent of the existing fleet, the data show. That compares with a 12 percent gain in VLCCs, with outstanding orders at 14 percent of the fleet, according to IHS Fairplay. Spot rates for panamaxes fell 8.2 percent to $13,499 a day this year, according to the Baltic Exchange, which publishes freight costs along more than 50 maritime routes. Rates for VLCCs averaged $21,734 a day, heading for the lowest annual reading since 1999, Clarkson data show.

Economic growth in China, the world's biggest consumer of iron ore and coal, will slow to 9 percent next year from 9.5 percent in 2011, the International Monetary Fund estimates. The nation's imports of iron ore, a steelmaking raw material, fell to the lowest level since February in October as coal cargoes declined to a four-month low, customs data show.

Equity Returns

The Bloomberg Dry Bulk Shipping Pureplay Index plunged 41 percent this year, and 11 of its 14 companies will report lower earnings or losses in 2011, according to analyst estimates compiled by Bloomberg. The MSCI All-Country World Index of equities fell 8.3 percent and Treasuries returned 8.5 percent, a Bank of America Corp. index shows.

A 30-month charter for one of Knightsbridge's tankers, the Camden, built in 1995, ends in August and a five-year lease on the 1996-built Hampstead expires in April, according to its third-quarter report. The company will "struggle" to find new contracts for them, Lorentzon said. The Mayfair has a five-year charter ending in July 2015, while the Kensington trades in the spot, or single-voyage, market. Knightsbridge's capesizes have charters ranging from 35 months to five years, with the first expiring in January 2013. Knightsbridge's tankers, named for London neighborhoods, are managed by Frontline and its capesizes by Golden Ocean Group Ltd. (GOGL), also located in Hamilton. Golden Ocean is the largest shareholder in Knightsbridge, with a 10 percent stake, according to data compiled by Bloomberg.

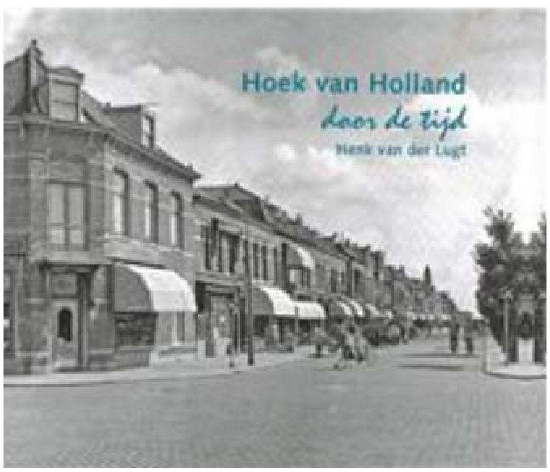
$61.9 Million

Knightsbridge will report earnings before interest, taxes, depreciation and amortization of $61.9 million for this year, compared with $63.4 million in 2010, according to the mean of five analyst estimates compiled by Bloomberg. The shares fell 30 percent this year in New York trading, giving the company a market value of $383.2 million. Investors got $2 a share of dividends this year, data compiled by Bloomberg showed. Frontline, also based in Hamilton, will report a net loss of $228.3 million for this year, compared with 2010 net income of $161.4 million, the mean of 20 estimates showed. The company said Nov. 22 it would pay no third-quarter dividend and may run out of cash in 2012. The shares slumped 83 percent in Oslo this year, valuing Frontline at 1.99 billion kroner ($345 million). General Maritime, the New York-based operator of 29 tankers, filed for bankruptcy protection on Nov. 17. VLCCs on average are making owners a return of less than 0.1 percent, according to data from Drewry Shipping Consultants Ltd., a London-based adviser to maritime companies. That compares with 9.6 percent for panamaxes, according to the data, which comprise asset prices and rates for five-year-old ships. "What we're seeking to do is keep a predictable and reasonable dividend for shareholders," Lorentzon said. "Right now it's a very nice way, because we can provide dividends to our shareholders, which a lot of companies can't." **Source : PortNews**

BOEKBESPREKING

Hoek van Holland vastgelegd in fraai boek

Veel mensen hebben er nauwelijks weet van, maar Hoek van Holland is toch heus een wijk van Rotterdam met – hoe lang dat nog duurt – sinds 1973 een eigen deelgemeentebestuur. Voor uitgever **Arnoud Voet** uit Capelle aan den IJssel en de Hoekse auteur/samensteller **Henk van der Lugt** was dat reden er vorige week een heerlijk nostalgisch boek van uit te brengen als dertiende deel van de reeks '**Rotterdam door de tijd'**.



Op de omslag siert – het kan bijna niet anders – de Prins Hendrikstraat, de Hoekse winkelpromenade.
Foto: Jan Roovers / Arnoud Voet

Uiteraard gaat **Henk van der Lugt** terug naar de tijd waar zestigers van nu boeiende herinneringen aan koesteren en zich ongetwijfeld zullen vergapen aan de prachtige foto's die de bekende Rotterdamse fotograaf Jan Roovers (1912-2000) in Hoek van Holland schoot. Maar ook jongere generaties krijgen door middel van de afbeeldingen en beschrijvingen een indruk van het vroegere dorp en kunnen daardoor beter begrijpen hoe de bestaande situatie tot stand is gekomen. Hoek van Holland komt al voor op een kaart van omstreeks het jaar 1650. Het betrof echter slechts een uitstulping in zuidwestelijke richting aan het vasteland bij 's- Gravenzande. In eerste instantie was het niet meer dan een zandplaat, maar door de jaren heen werd deze steeds breder en er ontstond ook duinvorming. Omdat de monding van de Maas sterk verzandde, werd Rotterdam onbereikbaar voor de scheepvaart. **Pieter Caland** kwam daarom in 1858 met zijn plan voor doorgraving naar Hoek van Holland, twee hoofden in zee te bouwen en afdammen van het Scheur. Het zou nog tot 9 maart 1872 duren voordat als eerste zeeschip de Harwichboot '**Richard Young'** via het nieuwe kanaal het ruime sop kon kiezen. De arbeiders die de graafwerkzaamheden uitvoerden, vestigden zich aan de noordzijde van deze 'nieuwe waterweg' en zo ontstond in de omgeving van de huidige Oude Hoek de eerste bebouwing van het nu ruim 9500 inwoners tellende dorp. '**Hoek van Holland door de tijd'** telt 112 pagina's en ruim honderd (vaak niet eerder vertoonde) foto's in zwart-wit. Prijs: 19,95 euro. Het boek kan worden besteld via http://www.uitgeverijvoet.nl/ onder 'direct bestellen'

Oakland ready to battle Occupy's attempt to shut down port December 12

NINE local Occupy movements on the west coast are getting ready to shut down of the ports of Anchorage, Los Angeles, Long Beach, Oakland, Portland, San Diego, Seattle and Tacoma on December 12, but not without resistance.

The Port of Oakland is rallying against the shutdown which it says will impact business and working people. "Shutting down the Port of Oakland is a bad idea. It will divert cargo, tax revenue, and jobs to other communities," said the port's website. But "Wall Street on the waterfront" says it is protesting the one per cent of firms, which include Goldman Sachs, majority shareholders of Stevedore Services of America (SSA), for "exploiting" non-union and short-run, port truck drivers "who have struggled for dignified and humane conditions in the workplace."

The Occupy movement refers to a campaign to ban on owner-operator truckers, who hold 70 per cent of the harbour trade, and to replace them with employee drivers. Environmentalists back this because only large companies, they say, can meet rising costs of anti-pollution compliance, and the Teamsters union could then organise employee drivers. Large trucking companies stand to gain market share. But the ban has run into court challenges.

Occupy campaigners also wish to hit EGT, jointly-owned by Itochu, Japan-based Bunge and Korea's STX Pan Ocean, for opening a terminal at the Port of Longview, Washington, which allegedly violated an agreement to employ dock union workers and no others. But the courts have found against the union. The campaign aims to disrupt business at a key trading time to companies it believes creating inequality of wealth. "Organised and unorganised working people are struggling to keep their homes and their jobs, while the one per cent - like EGT - reaps record profits," said Kathryn Cates, one of the Occupy organisers. While the International Longshore and Warehouse Union (ILWU) has demanded its members - and not another union's - work at the Longview Export Grain Terminal (EGT), the dockers no longer embrace the Occupy movement as it once did, and as the Teamsters still appear to do, judging by their statements. **Source : Schednet**

MARITIME ARTIST CORNER

…. PHOTO OF THE DAY …..

The **HANJIN BUENOS AIRES** seen enroute Rotterdam – **Photo : Ria Maat ©**