

Number 222 *** COLLECTION OF MARITIME PRESS CLIPPINGS *** Saturday 10-08-2013 News reports received from readers and Internet News articles copied from various news sites.





The CARNIVAL LEGEND leaving the IJmuiden locks bound for Dover Photo : Simon Wolf ©

IN MEMORIAM

Geheel onverwachts is op 69 jarige leeftijd overleden



CHRIS VAN ARKELEN

1943 2013

Denk aan mij terug Maar niet in de dagen van pijn en verdriet Denk aan mij terug in de stralende zon Hoe ik was toen ik alles nog kon

Chris is in het rouwcentrum van Rijkeboer @ De Winter aan het Prinses Juliana plantsoen te Maassluis alwaar geen bezoek.

Familie, vrienden en bekenden komen samen om afscheid van Chris te nemen, voorafgaand aan de begrafenis, op maandag 12 augustus om 11.00 uur in de aula van de algemene begraafplaats , Willem de Zwijgerstraat 36 te Maassluis

Na afloop is er gelegenheid tot condoleren en samenzijn in bovengenoemd rouwcentrum.

*****CHRIS, RUST ZACHT *****

Your feedback is important to me so please drop me an email if you have any photos or articles that may be of interest to the maritime interested people at sea and ashore PLEASE SEND ALL PHOTOS / ARTICLES TO:

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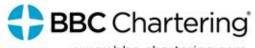
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The **ZHEN HUA 26** navigating the river Elbe enoute the Burchardkai in Hamburg **Photo**: **Ray Hensel** - **Member of the Elbe Pilots**. ©

Second hand ship demand plunges on negative sentiment

Despite a rather healthy demand for newbuildings, ship owners aren't exhibiting the same kind of interest on second hand carriers, as we've now entered the "most predictable month of the year", according to shipbroker Intermodal. In

its latest report, the shipbroker said that "as expected the seasonal effects has pushed sentiment back into negative territory. As the Greek owners are enjoying their summer time off, the S&P market is falling apart. While few prospective buyers have stayed back in their office to grab any chances and possibly avoid competition while doing so, most seem to have postponed their interest till September in the hope of seeing a market that they feel will make more sense. One can say that the recent price inflation posted over the last two quarters in the dry bulk market and more specifically for panamax vessels, is an additional reason for some to switch over to a "wait & see" attitude at least until the slowest month (in terms of chartering) has past", wrote Intermodal's SnP broker Konstantinos Kontomichis.

He went on to state that "from the beginning of 2013, handy tonnages have faced the smallest fluctuations in values, reflecting the fact that they still the vessels holding the lowest risk exposure in the dry market. Supramax asset values were running on the high end, something which is quite reasonable though considering the fact that this size segment has been enjoying the best returns in the market over the last couple of years. On the other hand the poor rates, overwhelming delivery schedule and overall negative sentiment for Panamaxes during the second half of the previous year caused depressed sales in the sector. The cheapest deals took place, during the end of 2012 and the very beginning of 2013, providing the groundwork and sparking heavy competition amongst Greek cash buyers which resulted in the unexpected climb in prices.

The recent rally in asset prices which we witnessed was also driven by the appearance of funds and private-equity covering the gap left from the more cautious and now heavily regulated banks. Many were claiming "we are scratching the bottom" and their words translated to private investors as "rock bottom bargain prices". Of course along the way several additional economic factors played their part in the underling reasoning. The bankruptcy of the Cypriot banking system, the instability of Greek financial institutions and the clouded economic policy of the European Union was enough to push investors to the "sea" as a much "safer" choice", Kontomichis said. He concluded his analysis by noting that "in all these "safer" decisions there seems to be little room for "profitable". The above decisions are locked at the going charter rates. It does not make any sense at these levels as the actual earnings do not reflect the levels that ship prices have reached. It is no surprise that we have not only reached back to pre-boom long-term repayment periods for bank loans and even surpassing them. Owners are struggling, shipping is still looking like part of a falling domino structure while many fundamentals are still missing from the market such as financing, economic stability, strong world economic growth, slower supply growth etc. Waiting for a market comeback we have to remember there is always a 'Dummy variable". No one can predict the future, and despite everything seeming "bearish", there is no telling of the potential direction the market could end up taking", he concluded.

Meanwhile, in the sale and purchasing business reported this week, Intermodal said that "despite a couple of enbloc deals things continue to move at a slow pace. Few buyers are still actively looking, although there are respectable number of bargain hunters inspecting. On the Tankers side, we had the enbloc sale of the Chinese built "PEACE CHINA" (298,000dwt-blt 11 China) and "GRAND CHINA" (298,000dwt-blt 11 China) which were picked up by Greek buyers for a price of US\$ 54.5m each. On the dry bulker side, we had the sale of the "Tokiwa Glory" (55,742dwt-blt 06 Japan) which went to Greek buyers for \$ 19.0m basis SS/DD due", the shipbroker said.

Source: Nikos Roussanoglou, Hellenic Shipping News Worldwide



The VOS SYMPATHY passing the Wielingen near Knokke (Belgium) - Photo: Hans Koster ©

Turkey's scrap imports down 18.25 percent in H1

According to the data provided by the Turkish Statistical Institute (TUIK), in the first half of this year Turkey's steel scrap import volume saw a significant decline of 18.25 percent compared to the same period of the previous year, amounting to 9.3 million mt. In addition, the country's scrap imports in June fell 13.8 percent compared to June 2012, amounting to 1.7 million metric tons.



The Museum at the scrapyard in Aliaga (Turkey) - Photo: Piet Sinke ©

According to the data released by TUIK, Turkey's scrap import value was \$652.5 million in June, up 24.2 percent compared to May this year and down 25.8 percent year on year. In June this year, the average price of Turkey's steel scrap imports stood at \$383/mt, falling approximately \$8/mt compared to the previous month and down strongly compared to the average of \$444/mt recorded in the same month of 2012. Meanwhile, in the first half of the year Turkey's steel scrap imports amounted to a value of \$3.6 billion, down 27 percent year on year.

In the first half of the current year, Turkey imported 4.7 million mt of steel scrap from the EU, decreasing 19 percent year on year, while scrap imports from the CIS totaled 1.1 million mt, decreasing by 29.5 percent year on year. Turkey imported 2.9 million mt of scrap from North America in the first half, falling 12.6 percent year on year. In the second quarter of this year, Turkey's scrap imports from North America declinined to the lowest level recorded since the first quarter of 2011, amounting to 1.3 million mt, down 33.8 percent compared to the same quarter of 2012 and down 20.9 percent from the previous quarter. Source: Steel Orbis





Damen design PSV BATUIRA approaching DP drill rig Ensco 6004 (Ex Pride Portland). In the background DP drill rig Ensco 6003 (Ex Pride Rio de Janeiro) at the Espirito Santo Basin – Brazil - Photo: SDPO Auke Ruijg ©

Nigeria angry over 'pirate' ship

The arrest of four persons over an alleged siphoning of oil from a pirated ship is close to fueling a diplomatic feud between Ghana and Nigeria. A source told CITY & BUSINESS GUIDE that the Nigerian media is set to launch a campaign against the treatment of the Nigerian interest in the matter, which as they put it, is a turf war between some powerful political elements in the country. They have questioned, for instance, why the names of the suspects have still not been made public.

CITY & BUSINESS GUIDE has chanced upon an incident report by Master of MT Mustard's Captain Olaniawo Olabisi, which speaks volumes about the incident.

There are marked variances between his report and what local authorities put out in the media. Dated 22nd July, 2013 at the Tema Anchorage, Captain Olabisi stated that on 19th July 2013 "at about 1600 hours MT Mustard sailed from Tema Anchorage after receiving orders from the owners Messrs Omaroil Agency Limited to proceed to 60 nautical Miles offshore Tema for a ship-to-ship (STS) operation with Motor Tanker AKA 1."

On 20th July 2013 at about 0145 hours, the Captain stated that MT Mustard arrived at the STS position and communication opened with the mother vessel MT AKA 1 on a VHF radio. "We could not proceed alongside the mother vessel as we had some water in our cargo tanks. We commenced discharging of the water from the cargo tanks which took us about six hours due to the cargo pump station," he said. At about 1205 hours on 20th July 2013 "I informed the Captain of MT AKA 1 that I was ready to go alongside for the STS operation to commence. At 1410 hours of 20th July 2013 MT Mustard was alongside MT AKA 1 with all ropes made fast and cargo hoses connected." During the STS operation, he said he informed the Captain of MT AKA 1 about his intention to send the surveyor on board MT AKA 1 for inspection before receiving the cargo.

"The captain of MT AKA 1 refused to allow the surveyor on board MT AKA 1 for inspection. I also refused to receive the cargo seeing as there was not going to be inspection. "An argument ensued, which lasted for fifteen minutes and the cargo representative on board MT Mustard, instructed Captain Olabisi to go ahead with the operation.

"At 1530 hours, we commenced receiving product from MT AKA 1. During the operation, we observed the following about MT AKA 1. The IMO Number was rubbed off and re-written unprofessionally. The name of the vessel was wiped off and renamed MT AKA 1. The sailors onboard MT AKA 1 were not conversant with its equipment. The names on their overalls were covered with tapes. Some of the crew onboard were armed with rifles. The captain said he decided to raise alarm on the observations he made because it was too late to cast off after the ropes and hoses had been linked. During the operation, he said that a crew of the MT Mustard sighted the original name of the vessel MT Cotton written on a life raft. "At 2345 hours on 20th July 2013 we completed the discharge operation and cast off MT AKA 1," he said, noting that the MT Mustard arrived at the Tema Anchorage and dropped anchor at 1300 hours.

According to a report from the Deputy Minister of Information, Felix Ofosu Kwakye, four persons are being held over their involvement in siphoning of 3,500 metric tonnes of crude oil from a pirated vessel from Gabon. A Daily Graphic report on the subject added that the piracy took place on MT Cotton, a Gabon registered vessel on July 14, 2013 by yet-to-be identified pirates. Source: Ghanaweb





The bulker GH POWER in Rio Grande - Photo: Marcelo Vieira ©

Dear friends,

Please support these desperate families to get their message across. Undeterred by a lack of response to their previous appeal the families of the **mv Albedo** have released an appeal to people of the Somalian community world wide to coincide with the festival of Eid. We the families of crew of **Albedo** from India, Bangladesh and Sri Lanka had earlier appealed to the Elders, our Brothers and Sisters of Somalia to assist with humanitarian release of our loved ones who were on the sunken ship, Albedo. The ship was hijacked by some Somali men on 26th Nov 2010 and 5 of the crew members including 4 Sri Lankan crew have not been able to contact their family members. The fate of rest of the 11 crew remains a big concern for us as we still pray to Almighty GOD to take care of them.

We are in desperate condition living with a little hope to see our beloved crew soon . On this eve of forthcoming Eid on 9th August 2013 , we once again appeal with our folded hands to all Somali community in the world to convince Somali men, who are holding these innocent poor life to release them on humanitarian grounds. We have not celebrated any festival since the last 3 years and have forgotten even to laugh . The only faith on which we are surviving is that we will be able to rejoice with our son/ father/ husband / brother one day. Their small children, wife, old parents are eagerly waiting to meet with them and again celebrate festivals. The festival of "Eid" symbolises brotherhood, love , peace and prosperity among all sections of the society. We would be very grateful and thankful throughout our life to kindly assist in securing the release of unfortunate crew of Albedo. Please accept our sincere request as we have left with no other option than to beg for the life our family's sole breadwinners. With all our hands folded , the families of crew of Albedo once again desperately seek the help of all Somali community to urgently help us to save them.

Roy Paul - MPHRP Programme Director - Maritime Piracy Humanitarian Response Programme - roypaul@mphrp.org





05-08-2013: LNGc LOBITO fully laden outward bound from Angola LNG Terminal, Soyo under the watchful eyes of Svitzer Tugs, Svitzer Soyo, and Padrao (Escort Tug), Photo: Capt. Stephen L Blake ©

EMAS AMC's flagship vessel Lewek Constellation awarded contract in West Africa with VAALCO



The LEWEK CONSTELLATION fitting out at the builders - Photo: Capt. Jelle de Vries ©



EMAS AMC, the subsea services division of **EMAS**, a leading global offshore contractor and provider of integrated offshore solutions to the oil and gas (O&G) industry and the operating brand of Ezra Holdings Limited, announced today that it has been awarded a major contract by Houston based **VAALCO Gabon (Etame)**

Inc. for the expansion of the Etame Marin Field Offshore Gabon in West Africa. The scope of work encompasses the EPIC of rigid pipelines along with the transportation and installation of flexible pipelines and two fixed production platforms.

This contract will see EMAS AMC's new build flagship vessel, the **LEWEK CONSTELLATION**, working alongside one of the division's pipelay vessel, the **LEWEK EXPRESS**, and is worth approximately US\$120 million, as previously announced by the Group Mr C.J. D'Cort, CEO, EMAS AMC, said: "We are extremely pleased to have been awarded this significant project from VAALCO for their Etame Marin Field Expansion Project in West Africa. The **LEWEK CONSTELLATION** is an important asset for us to drive our business growth forward. As such, we are very encouraged to receive our first contract for the **LEWEK CONSTELLATION** well in advance of its completion next year.



The LEWEK EXPRESS - Photo: EMAS ©

"The **Etame Marin Project** encompasses all of our core strengths including SURF, heavy lift, and rigid pipelay so this is a very exciting opportunity."

The **LEWEK CONSTELLATION** is an ice-classed, high-end, multi-lay offshore construction vessel with ultra deepwater pipelaying and lifting capabilities (3000mT crane), making it an ideal choice for projects requiring a versatile vessel for a diverse scope of work. Project management and engineering will commence immediately and will be managed from **EMAS AMC's** Houston office. Offshore activities will commence in early 2014.



DNV & GL merger will be completed soon

Ahead of expectations, the merger of the two classification societies, Det Norske Veritas (DNV) and Germanischer Lloyd (GL) will in all probability take place within the next three months according reliable sources. The agreement had been signed for the merger of DNV and GL in December last year and the new entity is to be known as DNV-GL Group. The merged entity will thus be one of the world's leading ship classification societies and risk experts in the oil and gas, renewable energy and power sectors, and among the global top three within management system certification. According to the update received, the merger process is in the culmination stage with the approval from

the EU and China being expected in due course. In fact full clearance was received from Korea on June 5, being the first authority to accept the merger filing, without any subsequent conditions. Then on June 11 verbal clearance was received from the USA.

With the merger the number of employees will total 17,100 and the tonnage under the DNV GL group will be in excess of 250 million tons which will comprise of 13,000 vessels. Basically GL is strong in container and multi-purpose vessels whereas DNV is in tankers, Ro-pax and offshore vessels. Together they will be leaders in all segments of vessel except bulkers in which ClassNK leads.

The trade is being informed that no certificates will become invalid due to the merger and most probably each customer will keep their key accountant. Further, in the integration process no TOCA to DNV will be needed and all series built under current rules will continue to be built under the same rules. As all contracts validity will continue there will be no price changes. Projects will continue to be delivered within the specified time frame and budget and according to the agreed quality standards even during the integration process.

As there can be only one Recognized Organization for each flag state, after the transition period the new DNV-GL Group will cancel the IACS membership of one of the entities.

As already indicated earlier the DNV-GL Group will strengthen its foothold in several areas of expertise, including the maritime segment and across the entire oil & gas value chains. The Group will be one of the global leaders in pipeline verification and asset integrity services as well as in renewable energy certification and advisory services. Moreover, it will be a strong player within power transmission and distribution as well as testing and certification services. To enhance its service offering the DNV-GL Group will strengthen its focus on R&D and innovation.

DNV-GL Group will operate in the business segments Maritime, Oil & Gas, Energy and Business Assurance. Its global headquarters will be at Høvik outside of Oslo. Source : Maritme Professional ©

Human error cited in Thai oil spill

Preliminary investigations by Thailand's Department of Special Investigation has suggested carelessness by PTT Global Chemical (PTTGC) workers may have caused the large oil spill in the Gulf of Thailand last month. The DSI is inspecting the supply line which connected a Greece-flagged tanker to a PTTGC buoy. Crude oil was being transferred from the ship to Map Ta Phut industrial estate on Rayong's coast. A leak in the supply line caused oil to begin spilling into the sea early on July 27, according to the DSI's initial findings with human error deemed the most likely cause. The DSI is looking at all possible causes and has not ruled out problems with the tanker, which was anchored nearly three nautical miles from the buoy. A full accident review will be made available soon Source: Seashipnews



The BBC CAROLINA inbound for Melbourne - Photo: Dale E.Crisp ©

Lillo Waterdorp Een eenmalig historisch Scheldespektakel voor jong en oud

Op zondag 11 augustus brengt Watererfgoed Vlaanderen alle grote drama's van de Scheldegeschiedenis tot leven op en aan de Schelde in Lillo. Vanuit het Scheldefort Lillo hielden Zeeland en Holland de Schelde meer dan twee eeuwen potdicht. Het was een geweldige klap voor Antwerpen en de hele Zuidelijke Nederlanden. Tussen 1585 en 1792 was de Schelde bij Lillo hermetisch afgesperd voor de zeevaart. In al die tijd kon geen enkel zeeschip Antwerpen via de Schelde bereiken. De afsluiting werd verzekerd door de inzet van militaire wachtschepen. Binnenvaart mocht Lillo alleen passeren na betaling van hoge taksen, en gedurende lange perioden moesten Zeeuwse en Hollandse binnenschepen al hun lading bij Lillo zelfs overladen in Antwerpse binnenschepen, en omgekeerd. De Schelde werd pas terug vrijgemaakt door het Franse leger, dat vrije scheepvaart uitriep tot een mensenrecht. Na de Belgische onafhankelijkheid in 1830 werd de vrije Scheldevaart definitief gewaarborgd in het Scheidingsverdrag van 1839. Pas daarna verliet het Nederlandse leger Lillo. In 1863 kochten België en 25 andere landen voor altijd de Nederlandse scheepstol af. Van toen af was de rivier helemaal vrij. Het jaarlijkse havenfeest Lillo Waterdorp staat deze maal helemaal in het teken van Schelde Vrij 2013, de viering van de 150ste verjaardag van de afkoop van de Scheldetol. Lillo Waterdorp wordt dit jaar voor de derde maal georganiseerd. Het is één van de aantrekkelijkste, meest relaxte maar ook meest succesrijke maritieme evenementen van het land. Er nemen watererfgoedverenigingen uit heel Vlaanderen aan deel.



PACIFIC GUARDIAN and RELIANCE both in Willemstad Curacao.

Photo: Capt Shaun Beal – Master CS Pacific Guardian ©



North P&I Club and Sunderland Marine Mutual Insurance discuss merger

The North of England P&I Association Limited (North) and Sunderland Marine Mutual Insurance (SMMI) Company Limited are discussing a possible merger. The decision by the boards and senior management teams of the two north-east England based mutuals follows a strategic alliance, by way of a reinsurance contract between the two companies, which commenced in January 2012.

North's chairman Pratap Shirke says, 'As a result of the business similarities between North and SMMI and their complementary global operations, we have now agreed in principle to investigate the practicalities of a merger. It will result in one of the largest global marine insurance providers, which North's directors believe will provide considerable financial stability for the club's members and significantly enhance our competitive position.'

SMMI's chairman Trevor Hart says, 'SMMI and North are two of the longest established and most successful international marine insurance businesses based in north-east England and have long enjoyed an open relationship. Combining the business interests into one group would create a significant global marine insurance operation, enabling us to continue growing our business with a competitive edge, whilst maintaining service excellence.'

Both clubs have long histories. North was formed in 1860 and SMMI in 1882 and both are known for their philosophies of providing high levels of service to their members. The combined group would provide enhanced financial stability for members, as well as an augmented diversity of product lines, whilst maintaining service excellence and enhancing the competitive position. The merger is subject to satisfactory due diligence from both parties, the agreement of relevant legal documentation as well as regulatory approvals and membership approval. Further announcements will be made in October 2013. Source: North of England P&I Club



The NILEDUTCH KUDU in Rio Grande - Photo: Marcelo Vieira ©

NAVY NEWS

DCNS SEPIA: The first submarine R&D project with a focus on ecodesign and the environment

SEPIA (standing for Submarine with Environmental Performance Improvement Along-life) constitutes a world's first in terms of environmental analysis and ecodesign applied to a submarine. This new R&D project self-funded by DCNS started by an analysis of the life cycle of an existing DCNS submarine (Scorpène SSK). The goal being to evaluate the

environmental impacts of each step of the submarine's life cycle: Construction, active duty, maintenance,

dismantling...

Ultimately, the aim is to identify new architectures innovative and technologies allowing the minimization of these impacts while meeting the operational standards of such a vessel. According to Eric Fusil, SEPIA Project Manager and Naval Architect at DCNS' Naval Submarine Division, the focus is in three main areas:

- » energy efficiency improvement
- » waste minimization
- » use of environmentally friendly materials.

The effort is focused first and foremost

on energy optimization of the propulsion system, by introducing two major innovations: the choice of a pump-jet, 20% more efficient than classic propulsion, and its implementation by two complementary electric motors to cover the vessel's speed and range envelopes with the best performance. "The effectiveness of this hybrid architecture is 15% higher than that of a single motor with a direct beneficial effect on autonomy."

A series of measures also contributes to the energy optimization of the ship: adoption of fuel-efficient combustion engines, replacement of lead-acid batteries with lithium-ion batteries twice as efficient, low energy lighting, etc... In order to avoid solid or liquid waste release during the missions, it was decided remove the garbage disposal unit (it is replaced with a sterilization-grinding process then stored under vacuum for solid waste. Liquid effluent are treated or recycled). The gaseous emissions are minimized through recirculation.

SEPIA also makes extensive use of lighter and less polluting materials:

- » Silicone based hull coating (with the advantage of a less resistance in the water)
- » Composite pipes
- » Aluminum based electrical wiring

The combination of these different technological solutions proved particularly satisfactory: "The SEPIA concept not only meets the goals of a 35% reduction in environmental impacts, but it could also provide superior operational performances compared to those of conventional submarines, both in terms of self-economy and total cost of ownership." SEPIA was unveiled in November 2012 during the SIA (Submarine Institute of Australia) international congress and was recognized as one of two most outstanding presentations among fourty candidates. Source: Navy recognition



The USS MASON leaving the IJmuiden locks outbound from Amsterdam Photo: Joop Marechal ©

Cutting aircraft carriers a real possibility

Really? Mothballing aircraft carriers?

The idea floated last week by Secretary of Defense Chuck Hagel seemed particularly shocking in this Navy town - home to half the nation's fleet of nuclear flattops, where carrier deployments and homecomings routinely lead evening newscasts.

It's tempting to dismiss the notion of retiring two or three of the world's most recognizable warships as political brinkmanship - a veiled attempt to push Congress into reversing big national security cuts.

But defense analysts say people shouldn't roll their eyes at Hagel's warning or other drastic changes described last week in the Pentagon's first formal attempt to detail the long-term effects of sequestration.

If Congress does nothing to mitigate \$500 billion in across-the-board defense cuts planned over the next decade, several analysts say, reducing the number of carrier strike groups from 11 is more than just a possibility - it's almost assured.

"Given the size of the cuts, it's hard to imagine a scenario that wouldn't involve cutting carriers," said Todd Harrison, a defense budget expert at the Center for Strategic and Budgetary Assessments.

In an exercise this spring, Harrison and defense analysts from three other Washington-based think tanks developed plans for how they would deal with sequestration. Every group said it would eliminate at least two carrier strike groups; one analyst said he would cut four. Even if Congress reduced the budget cuts by half, each team of analysts still recommended cutting at least two carrier strike groups.

Aircraft carriers are widely considered America's best weapon for projecting force around the globe. They're also the most expensive piece of military equipment ever - one that typically deploys with seven squadrons of multimillion-dollar aircraft, a cruiser, two or three destroyers or frigates, and about 5,500 personnel.

"It's not that carriers aren't important; it's that perhaps other systems in the force, even in the Navy, are of a higher priority and deliver more bang for the buck," said Harrison, noting that he would rather invest in stealthy Virginia-class submarines and unmanned aircraft. "You can try to maintain 11 carriers, but if you don't have money to deploy them, they won't be very useful." Hagel's remarks - delivered more than two years after Congress passed the budget control act that included the threat of sequestration - for the first time spelled out in some detail how the Pentagon might deal with cuts over the long term. He also talked about sharp reductions in the size of the Army and Marine Corps and changes to service members' benefits. Hagel stressed that no decisions had been made. Indeed, many details would still need to be worked out.

For example, would aircraft carriers be decommissioned and destroyed, or would the plan involve defueling the nuclear reactors and placing the ships in long-term storage?

Huntington Ingalls Industries CEO Mike Petters addressed the hypothetical question Wednesday during a quarterly conference call with Wall Street analysts. The most efficient way to cut the fleet, Petters said, would be to deactivate



the next few carriers slated to come into Newport News Shipbuilding for their midlife nuclear refuelings.

That would place the aircraft carriers George Washington, John C. Stennis and Norfolk-based Harry S. Truman in the cross hairs.

Four aircraft carriers, from back to front, the Abraham Lincoln (72), the Enterprise (65), the George H.W. Bush (77) and the Dwight D. Eisenhower (69), tied up at Norfolk Naval Station on Thursday, February 14, 2013. Photo: Steve Earley | Virginian-Pilot

Disposing of a carrier isn't a cheap proposition. The Navy is expecting to spend more than \$1 billion to scrap the aircraft carrier Enterprise, now in the early stages of a multiyear disposal process that has temporarily reduced the nation's fleet of carriers to 10.

Petters said his preference would be to maintain 11 carriers, but that, if the fleet must be reduced, it's important that the Pentagon keep buying new ones. "I think if we ever stop building the carriers, we'll never really start building them back again," Petters said. "And so we need to always preserve our ability to build them."

However you slice it, said retired Vice Adm. Peter Daly, the chief executive officer of the U.S. Naval Institute, fewer aircraft carriers would be bad news for Hampton Roads and for national defense.

"Given the level of cuts, I'm not surprised they're looking at this," said Daly, the former deputy commander of U.S. Fleet Forces Command in Norfolk. "That doesn't mean I think it's a good idea."

With a fleet of eight carriers, Daly said, the Navy would not be able to keep two carriers deployed at all times, which is the current standard.

"You could keep one carrier in one theater, and one carrier in another theater about three-fourths of the time," Daly said. "That's best-case."

John Arquilla, a professor of defense analysis at the U.S. Naval Postgraduate School, isn't certain that's a bad thing. Arquilla began arguing three years ago that slashing the defense budget over the course of several years would force the Pentagon to strategically restructure the force to better deal with modern conflicts.

"If you just throw money at an organization, you allow that organization to forgo making hard choices about innovation - and that's exactly what's happened in the military," Arquilla said. "I'm probably the only person in the defense establishment who will say this publicly, but I think everyone knows it's true."

Aircraft carriers are a prime example, Arquilla said, of an expensive technology that was designed for another era.

The rise of supersonic anti-ship missiles, smart mines and supercavitating torpedoes suggests that America should be investing in a smaller, stealthier Navy and relying more on unmanned systems to provide air power.

"The aircraft carrier is increasingly vulnerable and increasingly costly," said Arquilla, noting the growing \$15 billion price tag for the first-in-its-class aircraft carrier Gerald R. Ford, which is being built in Newport News.

"Seapower in the information age is moving toward a situation where large ships are more vulnerable than they are capable of changing events on the ground," he said.

But carriers aren't just useful for projecting force - they're a big part of the economy in Hampton Roads.

With the Navy committed to a strategic shift toward the Pacific, Daly said, Norfolk would likely bear a disproportionate share of the burden if budget cuts continued.

The region might stand to lose as many as two of its five carriers, he said, a move that could also mean fewer jets flying at Oceana Naval Air Station and fewer destroyers docked at Norfolk Naval Station. Losing a single carrier, economists estimate, would cost Hampton Roads thousands of jobs and \$425 million in annual revenue. Source: pilot online

SHIPYARD NEWS



DCI DREDGE XXI LAUNCHED AT IHC MERWEDE



IHC Merwede has successfully named and launched the 5,500m³ trailing suction hopper dredger, DCI DREDGE XXI, in a ceremony on 8 August 2013 at the company's shipyard in Kinderdijk, The Netherlands. It is building the innovative vessel for the Dredging Corporation of India Ltd (DCI).

Photo left : Jan van Heteren © www.janvanheteren.nl

The ceremony was performed by Mrs R Mohanty, the spouse of DCI Chairman and Managing Director Captain DK Mohanty. The DCI DREDGE XXI is the third vessel in a series of three dredgers – including the DCI DREDGE XIX and DCI DREDGE XX – and is being constructed under the dual classes of Lloyd's Register and Indian Register of Shipping. IHC Merwede has previously supplied ten vessels to DCI, having been

selected as a preferred supplier due to its efficiency and reliability in delivering previous orders on time. The vessel will be deployed - along with the DCI DREDGE XIX and DCI DREDGE XX - for the maintenance-dredging project on the Hooghly River, which is a tributary of the Ganges River in West Bengal. These new DCI vessels are specially designed for this task, taking into account the Hooghly River's soil properties, strong current and shallow depth. These dredgers feature high levels of productivity, reliability and efficiency. The DCI DREDGE XIX and DCI DREDGE XX have already been successfully utilised in operations, and the DCI DREDGE XXI will be delivered in the first quarter of 2014.



Photo: Arie Boer ©

"IHC Merwede is looking forward to continuing its successful working relationship with DCI", says Bram Roelse, Managing Director of IHC Merwede's Dredging division. "Infrastructure developments in India have increased the need to improve the navigability of rivers and ports and this has in turn led to a greater requirement for dredging vessels and equipment. This class of dredgers will boost the performance of DCI to considerable heights and further strengthen its position on the Indian continent."

TUC urges gov't not to hand over Tema Shipyard to Tullow Oil

The Trades Union Congress (TUC) has said it is still counting on the good judgment of the government to reverse any decision to handover the **Tema Shipyard** to oil exploration company, Tullow Oil. The facility has had a history of mismanagement with both local and foreign handlers.

The Transport Ministry now wants Tullow to revamp the facility and hand it over in three years but the TUC says any such move would lead to capital flight from Ghana.

General Secretary of the TUC, Kofi Asamoah believes the Ghana Ports and Habours Authority has the capacity to run the shipyard and must be given the first option to do so. He told Joy News, "You get these foreign investors there and eventually it turn out to be a vessel for capital flight and other related things... We think if the place should be given to anybody at all it should be a ship building company which is connected to Tema Shipyard." Kofi Asamoah noted that "if Tallow wants to do its job there, it could still get a place from whoever is managing the place so that we can keep the revenue generated in our economy."

The move by the government to handover the facility to Tallow Oil, he said, came to TUC as a surprise because what the union heard was that the oil company was "going to do some job there". The TUC General Secretary believed that the country stands a greater chance to fully benefit from the facility if it is handed over to the Ghana Ports and Habours Authority. Source: JoyOnline

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Air Defence Ship launch will be a big morale booster: Cochin Shipyard Limited CMD

Waves of excitement lap the gates of Cochin Shipyard Limited (CSL) as the shipyard has initiated countdown for a



historic mission - float-out of the country's Indigenous Aircraft Carrier (IAC) aka the Air Defence Ship (ADS). Apart from helping India enter an elite league of six countries to indigenously build an aircraft carrier, the ADS will give the CSL a moment to cheer as it becomes the only shipyard in the country (and perhaps in the world) with proven expertise in defence and commercial ship building. This thrill finds echo in the words of CSL's chairman and managing director Commodore K Subramaniam. Excerpts from a free-wheeling interview he gave the TOI:

Your reflections on phase-1 of project IAC?

CMD: Warships are much more difficult to build. The requirements are extremely stringent. Basically warships are designed to go into the harm's way, to sustain battle damage.

They must be able to perform even after taking some punishment.

What gave you the confidence to undertake the project?

CMD: CSL started shipbuilding in 1976, we launched the first ship Rani Padmini in 1980. The 80-odd vessels we have made so far, include the largest containers (two Aframax tankers built for SCI, each of 93,000 tonnes dwt), as well some of best platform supply vessels (PSVs) across the globe. But we got the order only because CSL dock could accommodate an aircraft carrier. About 16,000 tonne of steel has been erected in the dry dock in four years, which is a record.

About the next phase?

CMD: The next immediate work is putting the angle deck and sponsons (projections beyond the flight deck), and in 10 months we will finish that. Then we have to complete the entire hull structure, lay all the pipelines, cabling, ventilation trunkings, install all the motors, and switchboards, all these will go on. We also have to do the accommodation as an aircraft carrier is like a floating mini city housing 2,500 people. The next phase we will be completed by 2016.

But the Navy has set a 2018-deadline for you?

CMD: All countries making aircraft carrier take nine to 12 years, between keel laying and delivery. We laid the keel of this in February 2009, and if you are able to finish by 2018, you are actually on par with the Russians, better than the French, and as good as the British. 2018 is challenging deadline, but we will strive to stick to it.

So you are confident to bid for second aircraft carrier?

CMD: Most certainly. We should be the natural choice. Everybody will benefit, the Navy, the country and the shipyard. Anybody else will have to go through this learning cycle again. We are now looking at defence orders till commercial ship building picks up. We have responded to 20-dd tenders of navy, but there is tough competition among Indian shipyards.

But defence minister is of the view that nomination route may not work?

CMD: All the government agencies have to follow the tendering procedure. Private shipyards have lobbied with the ministry asserting that they should not be treated as untouchables (for government tenders). They are arguing that the public sector shipyards should not be given concessions as they will be deprived of level playing fields.

Are you intending to make forays into building of coastal ships?

CMD: We will have to be clear, we are not into boats, we are looking at high-end, high value jobs where our highly skilled manpower can be deployed.

How is your ship repair work progressing?

CMD: Our capacity is to generate a turnover of about Rs 250 crore last year we did even better, we did about Rs 280 crore. We feel ship repair has lot of potentials.

How is your ship building order book placed?

CMD: Right now we have got 25 vessels, including the IAC, 20 fast patrolling vessels (FPVs), worth about Rs 1,500 crore. There is an order for three vessels for a Norwegian owner, they will be Liberian flagged vessels. We also have an order for a vessel for Director General of Light Houses and Light Ships. Altogether these orders are worth Rs 2,400 crore, other than the aircraft carrier.

Any update on CSL's IPO move?

CMD: We need to get government approval. We have started the process. We will need about Rs 500 crore for developing the ship repair facility. We are also looking at a dry dock for rig repair, roughly it will cost about Rs 1,100 crore. I would prefer the equity route for this project as well. **Source : Indiatimes**



Six firms interested in shipyard concession

The German company MPC Ferrostaal and the Norwegian firm Volstad Maritime expressed interest in acquiring the shipyard Estaleiros Navais of Viana do Castelo (ENVC), along with four other companies bidding for the facilities in Portugal.

In early 2013 the Government of Portugal stopped the re-privatization of the shipyard as a result of an investigation undertaken by the European Executive on illegal state aids.

But now, it has been decided that a long-term administrative concession (2031) must be authorised to offer value to this naval enclave. The tender opening was held on 31 July and to date six bids have been presented, among which MPC Ferrostaal and Volstad Maritime stand out.

The Portuguese company shipyards are located within 88 kilometers of Vigo. They were created in 1944 and nationalized in 1975, after the fall of the regime of

Antonio de Oliveira Salazar.



ENVC employs 630 workers and builds boats of various types: fishing, transportation and military vessels.

Last year, the Portuguese government announced the re-privatization of ENVC, a process in which two firms have been settled as finalists: Rio Nave Serviços Navais, from Rio de Janeiro, and the Russian group JSC River Sea Industrial.

The Latin American consortium had even announced an investment of EUR 30 million to upgrade the facilities in the first six months after signing the contract, the newspaper Faro de Vigo reported. However, the opening of files by Brussels and the subsequent fine (Lisbon must return EUR 180 million in aids granted between 2006 and 2010, which were not notified to the European Commission) frustrated the re-privatization.

Finally, the Executive chose an administrative concession to capitalize on an area of 245,000 square metres of ENVC.

This surface may be intended "to perform the construction and repair of ships and it can also be used for installation of manufacturing industry of a component for wind turbines and for the exercise of the metalworking industry," reads the statement of the bidding. Until September business groups interested in the shipyard can formalize their bids.

MPC Ferrostaal is a German business conglomerate with a turnover exceeding EUR 1,500 million and employs about 5,500 workers.

Volstad Maritime specializes in offshore vessels and had been one of the companies surveyed by Lisbon for the reprivatization of public shipyards. The Defense Minister Aguiar-Branco said that applications presented will be reviewed by a jury chaired by a public prosecutor, which will ensure the entire exemption from the assessment of the applications. The Government hopes to make a decision in October, reported the agency Lusa.

China's state shipyards help widen lead over Korea

CHINA widened its lead over South Korea as the world's biggest shipbuilding nation as state-backed yards won contracts for complex gas carriers while private facilities in the country struggle for funds.

China won orders to make ships with a capacity to carry 27.8 million deadweight tons, or 47 percent of global contracts, getting a 7.8-million-ton lead over South Korea in the seven months through July. A year earlier, the gap was 1 million ton. Government-backed yards won almost three-quarters of all those deals, an indication that securing funds isn't an issue for them.

That contrasts with China Rongsheng Heavy Industries Group Holdings Ltd., the nation's biggest private shipbuilder, which last month sought government assistance after failing to win any ship order this year. China announced a three-year package for the troubled industry this week. "China is trying to grow its state-owned yards to help them become more competitive against their rivals in South Korea," said Park Moo Hyun, an analyst at E-Trade Securities Korea in Seoul. "This is going to mean that most of the financially troubled private shipyards won't get much help." Hyundai Heavy Industries Co., Samsung Heavy Industries Co. and other yards in South Korea won orders for 20 million tons of ships, according to data provided by Clarkson Plc. Globally, companies placed orders for 59.6 million tons of ships as of the end of July. State-backed companies grabbed 74 percent of new orders in China in the first half of this year, according to UOB-Kay Hian Holdings Ltd. That compares with 52 percent in all of 2012

Gas carriers

Of the orders for 33 large vessels that went to state-backed Chinese yards, Hudong Zhonghua Shipbuilding Group Co. won a contract earlier this year to build six liquefied natural-gas (LNG) carriers from China Shipping Development Co. Cosco Dalian Shipyard received an order to build one LNG vessel.

China issued a three-year plan earlier this week to urge financial institutions to support the industry. The government also wants the industry to control new capacity and promote high-end products.

Rongsheng reported last month it had a net loss in the first half and said it was seeking financial support from the government and shareholders after a plunge in orders strained cash flow.

The company has also agreed to issue convertible bonds to raise a net HK\$1.38 billion (\$178 million) for working capital and to support the development of its offshore engineering business. Ship owners placing orders for Chinamade vessels, engines and some main parts should get better funding and some key companies will be allowed to issue corporate bonds, the State Council said in a statement released on August 4. Chinese shipbuilders don't have strong innovation, according to the statement dated July 31. China may have a third of its more than 1,600 yards shut down in about five years, according to Wang Jinlian, head of the industry association. The sector is among those—including iron and steel, cement, electrolytic aluminum and flat glass—that must accelerate the phasing out of overcapacity, according to the Ministry of Industry and Information Technology. Source: Business Miror

ROUTE, PORTS & SERVICES



Hapag-Lloyd to move Transatlantic services from Thamesport to Southampton



HAPAG Lloyds **ESSEN EXPRESS** arriving in Southampton – **Photo : Stuart Greenfield ©**The German container line **Hapag-Lloyd** announced that it will move the UK call of three of its Transatlantic services from Thamesport to Southampton. As of October, **Hapag-Lloyd** will modify the rotations of its 'GAX' Gulf Atlantic

Express (#130), 'GMX' Gulf Mexico Express (#131) and 'PAX' Pacific Atlantic Express (#132). All three of the services are operated by Hapag-Lloyd, with varying slot allocations for the carrier's traditional Grand Alliance partners.

The last Thamesport calls are intended for October and Hapag-Lloyd announced that it is to provide schedule details in due course. Following the move to Southampton, the European port rotations of the three services will be as follows:

'GAX': ...Antwerp, Bremerhaven, Southampton...

'GMX': ...Southampton, Antwerp, Bremerhaven, Le Havre...

'PAX': ...Southampton, Antwerp, Hamburg, Rotterdam...

While Hapag-Lloyd said that the decision had been be taken to improve schedule reliability, the move from the Thames River estuary to the Solent River actually only saves about 50 nautical miles of steaming per round trip. Thus, the choice of Southampton as the services' new UK call might also have to do with the changing landscape of the UK's terminal sector in general. Expansions at Felixstowe and Southampton, as well as the imminent launch of Dubai Port World's new 'London Gateway' port will apparently lead to a consolidation of services and to an increased focus on the 'new big three' ports in the UK. Smaller terminals and terminals that come with vessel size limitations such as Thamesport and Tilbury appear to be the loosers of this development. Tilbury for example is about to loose its weekly call from Maersk Line's,



The EVER LEGEND arriving in Felixstowe - Photo: Andrew Moors - RNLI Harwich lifeboat ©

MOL's, Safmarine's and DAL's joint 'SAECS' service (#236) from Europe to South Africa and become the launch customer at London Gateway. Evergreen meanwhile is expected to drop Thamesport in favour of Felixstowe soon. Source: Linervision



The BUNGA MELATI 3 enroute Rotterdam - Photo: Kees van der Kraan ©



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Matson down-scales new Brisbane to Pacific Islands link

Matson is to decrease the capacity of the Brisbane to Pacific Islands service (#2742), wich the shipping line had launched in early May with the charter vessel **IMUA**. The 630 teu multipurpose charter vessel of the 'MCP Mini Container Pool' standard type is to be replaced by the 360 teu KARIN of Interscan Schiffahrt, Germany.

For her new service, the **KARIN** will be renamed **IMUA**, while the present **IMUA** will return to her proforma name **MCP BILBAO** at the end of her Matson Charter.

The Honolulu-based shipping line Matson had taken control of a number of small Pacific Islands services late in 2012, when it acquired the primary assets formerly owned by Reef Shipping, a South Pacific shipping company based in Auckland, New Zealand.

The new ship will trade on an unaltered rotation between Brisbane, Honiara, Noro (New Georgia), Nauru Island and Brisbane where it offers one sailing every three weeks. Source: Linervision



The MAGGALAN STRAIT loaded at the Curacao Container Terminal with empty containers ready to sail to Rotterdam. Photo: John Smit ©

COSL buys semi-submersible drilling rig

China Oilfield Services Limited announced that it has recently purchased an aftermarket semi-submersible drilling rig, which has been named "NH9" upon its addition to the Group's drilling rig fleet, said in the company's press release.

NH9 is able to operate at water depths of 5,300 feet and perform drilling up to a maximum depth of 25,000 feet, with a variable load of 3,798 tonnes. It has capabilities for drilling, completion and workover operations. Targeting at serving contracts for China waters as well as overseas markets, NH9 is expected to commence operations by the end of 2013 after restorative maintenance.

The procurement of NH9 represents an important initiative by COSL to further address the demand for deepwater exploration and development in China waters, scaling up its operation capacities and enhancing its equipment

structure. This will lend support to the Group's results growth for 2014, as well as driving the healthy development of the Group's deepwater business. Source: portnews



The MAERSK CAMEROUN in Cape Town - Photo: Ian Shiffman ©

MSC add Auckland call to Capricorn Service

The Mediterranean Shipping Company will add a call at Auckland to its weekly Straits to Australia and New Zealand service 'Capricorn' (#1308). The 2,770 teu charter vessel CAPE MADRID will be the first ship of the loop to visit Auckand's Fergusson Terminal on 5 September. The revised rotation of the loop stands as follows: Singapore, Jakarta, Fremantle, Adelaide, Melbourne, Sydney, Bluff, Otago (Port Chalmers), Timaru, Lyttelton, Napier, Tauranga, Auckland, Brisbane, Singapore. The 'Capricorn' is an MSC standalone operation. It turns in 49 days with a fleet of seven ships in the size range from 2,500 to 4,000 teu. Source: Linervision

MARITIME ARTIST CORNER



EWL line container vessel in Rotterdam, the latest watercolour made by Ronald van Rikxoort www.artabc.nl

... PHOTO OF THE DAY



In July, Craneship Shipyard in Kerch (Ukraine) delivered LIGER, a modern tug of 398 gt that is currently on her delivery voyage around Europe to Kaliningrad. She was pictured passing the Kiel Canal on Aug 7th towards the Baltic Sea. Photo: Martin Lochte-Holtgreven ©

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