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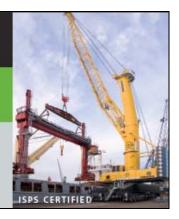
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The SEAWOLF and ELBE "sisterly" enroute Maassluis - Photo: Jan Oosterboer ©

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### **EVENTS, INCIDENTS & OPERATIONS**



### Old memories in Maassluis

by Nico J. Ouwehand

On 30th August the day started hazy. Tugenthousiasts and spotters feared that the arrival of **Seawolf**-ex Clyde, accompanied by her sister **Elbe**, would be difficult to photograph. Very soon after passing the pierheads of Hook of Holland one sunbeam managed to come through and gradually the weathercircumstances improved.



Photo: Kees Torn ©

A helicopter that was supposed not to arrive, because of the poor visibilty suddenly appeared on the scene and the yellow portauthority ships used their impressive firefighting equipment in order to welcome a long lost girlfriend called

**Seawolf.** Along the borders of the New Waterway dozens of photographers were preparing their equipment to take pictures of this unique event: the meeting of two sisters that were apart for many years.

**Clyde**, designed by **Dr. J.A.C. Hoogenbosch** was commisioned in 1957 as a revolutionary tug with beautiful looks and strong qualifications. Soon thereafter her sister was ordered . **L. Smit & Co's Internationale Sleepdienst** at Rotterdam did not want to pay more for the sister than she did for **Clyde**, so some minor adjustments had to be made. Yet the sisters looked guite the same when **Elbe** was commissioned in 1959.



Photo: Peter v.d. Hoff ©

To make a long story shorter; Both ships had excellentg careers when they were tugs. On the 'life' of Elbe even a book was published, which is still available. I.e. the ships towed flattops from the US to Japan and Belgium, freighters to scrapyards and even the first drillingplatforms to different destinations. For a short time, having 4500 hp engines, they even were the strongest tugs in the world until Zwarte Zee arrived in 1963. At the end of her Dutch towage career Clyde was renamed Smit Salvor and in 1977 sold to Matsas in Greece. After having served there for almost 13 years a German towage enthousiast purchased her and changed her name into Seawolfe. In 1998 a Dutch yardowner at Mallorca noticed the handsome appearance of the ship and made a plan to transform her into a yacht. It took five years to complete his plan, however the result was stunning. The beautiful outline was maintained and still there was a complete different ship. She started to sail as Seawolfe, subsequently became Seawolfe C, Dolce Far Niente and finally, six years ago, Seawolf.



Photo: Jan Oosterboer ©

**Elbe**, after her sale, had a quite different career. In 1976 she became a pilotboat in the US and after that in 1985 actionship for **Greenpeace**. When that organization replaced her for a more modern vessel she was donated the the Harbourrmuseum of Rotterdam. **Hans Hoffmann** started to chase his dream and made a program to restore her in the old magnificent tug again, fully under class, sothat the ship, once restored, could sail anywhere. For a moment it

looked like that plan would fail, because while under reconstruction, the **Elbe** sank twice. A heavy transportship ran into her and in 2004 sabotage for unknown reasons caused her sinking again. The volunteers were deeply



disappointed but not demotivated.. After the ship was raised newsclippings editor **Captain Piet Sinke** successfully started an action to solve the first financial problems. The tug was handed over the the SMCR until then the managing foundation. The restoration process was restarted and now this difficult task has almost come to an end.

#### Photo left: Leen van der Meijden

Elbe and sister Clyde four times met during their careers. One time very shortly and far away, whenat sea one tug handed over her tow to her sister. An other time occasionally in the Caribic. The first time they met was in the port of Maassluis. The plan of Hans Hoffmann was that both ships could meet again once Seawolf was in nearby regions. When he heard

of a charter of the vessel in the Baltic his hope grew. Fortunately it turned out that the present owner, **Mr. Mike**Potter has warm feelings for history, especially for towage history. He agreed to call on Maassluis when on his way from the Baltic to Vigo, where his yacht will be docked for regular survey.

As described above **Seawolf** and **Elbe** met between the piers of Hook of Holland and together, side by side, they sailed to Maassluis where hundreds of spectators were anxiously waiting for their arrival.



would be most welcome!

With the help of **Maassluis**, the also restored small tug that in the past used to assist the in and outgoing tugs of Smit, the sisters moored in their homeport. Some people had to fight their tears, because of the nostalgic feelings they experienced.

#### Photo left: Nico Ouwehand ©

During the afternoon Mr. Potter (left) and his friend visited the National Towage Museum. During a party for a selected group of guests on board of his ship he handed over a beautiful tablet to Mr. Joop Timmermans, chairman of the Council of Advice of the museum. The work of art was designed by Mr. Dave O'Malley, (right) a graphic artist from Canada. It symbolizes the historic meeting of both ships. In return loco burgomaster H. Eitjes handed over a present of the municipality of Maassluis showing the outline of his town in glass. By the way he drew the attention to Mr. Potter and his captain Mr. Drarg Richards, that next year Maassluis will celebrate her 400th birthday. On that occasion Seawolf again



Photo: Hans van Overbeek ©

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"SAL's **MV TRINA** is seen departing Rotterdam. The **MV TRINA** loaded 1 Eurocarrier - 425 mtons - 23,76 x 11,00 x 11,30m, from Rotterdam to Port Kelang and 1 knuckle boom crane of 683 mtons - 36,50 x 10,00 x 13,50m in Rostock destined to Okpo.Other cargo on deck:

1 CMC - 230 mtons - 12 x 11,50 x 21m

3 Riser gantr – each about 100 mtons, 37 x 10 x 16 m

1 BOP crane photo: Skeyes www.skeyesphoto.com ©

## Must Watch: Unsafe Working Practices On Board Ships

The ATSB has investigated several incidents involving unsafe working practices in the maritime industry. These incidents resulted in serious injury or death following falls from height, crushing and equipment that exploded. The most common problem associated with these incidents was the fact that the people involved in the task did not properly identify the risks involved before they started the task. Sometimes risk strategies were not implemented, and in some cases, individuals ignored established procedures.

#### unsafe marine practices

To some degree, these incidents involved the people being complacent about the task and this complacency was the direct cause of the injury or fatality. Watch the dramatized video below which features the accident of a ship crew member who was tragically killed by an explosion while cutting a used 200 liter drum with an angle grinder.

http://www.youtube.com/watch?v=bdyL21uvERE&feature=player\_embedded#t=76

## UASC firms up ten ultra large vessels at Hyundai Heavy

The **United Arab Shipping Company (UASC)** and **Hyundai Heavy Industries** firmed up ten of the 17 letters of intend for new container ships, which the carrier signed at the South Korean yard earlier this year.

The Kuwait-headquartered carrier converted into firm orders five of its six loi's for +18,000 teu vessels and five of its ten loi's for +14,000 teu ships. UASC thus retains options for one more +18,000 teu unit and another five +14,000 teu vessels.

Since UASC has increased its cooperation with the Chinese carrier CSCL in recent years, and since CSCL placed orders for five 18,400 teu ships in May, the UASC quintet and the CSCL ships are expected to be intended for a joint Far East to Europe loop of the two carriers.

Between them, CSCL and UASC would dispose of a fleet of ten similarly-sized superjumbos. This number would rise to 11 if UASC decides to convert its final option at Hyundai. The number of ships would allow the carriers to fully staff one weekly ultra-large service on the Asia to Europe trade lane.

The CSCL ships are scheduled to come on stream from late 2014 and the UASC vessels are scheduled for delivery in 2015. Source: Linervision



An empty MSC BETTINA spotted at the Westerschelde enroute from Brest to Antwerp - Photo: Huib Lievense ©



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RESPONSE E RESULTS



Last Saturday the Annual **BBC CHARTERING BEACH VOLLEYBAL CUP** was held at Siloso beach at Sentosa Island in Singapore



In total 16 teams participated at the 2 playing fields at the beach



- 1) Ahlers
- 2) Andersen Shipping
- 3) Kuehne+Nagel
- 4) New Funnels 1
- 5) New Funnels 2
- 6) Rio Tinto
- 7) Orient Project
- 8) Clipper Bulk
- 9) Thurlestone Shipping
- 10) Ben Line
- 11) SDV
- 12) Thorco
- 13) BBC 1
- 14) BBC 2
- 15) BBC 3

#### 16) Braemar Seascope

After the lunch break , where very nice food was served the teams returned to the fields and around 17:00 hrs the, newcomers at the event, the SDV team, appeared to be the strongest team, below seen the team with the Cup, and all a nice baseball cap of BBC Chartering It was a very nice day, and a very nice event with a lot of fun all together thanks all for participating and the organization, and specially JuJu for her works during the preparation of the day photo's: Piet Sinke



Distribution: dai



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### Chonicle of a lost cruise ship

On Jan. 30, federal officials were getting worried about the Lyubov Orlova.

Pictures taken by the coast guard vessel Cape Roger showed the derelict Russian cruise ship within line of sight of the Hibernia oil platform, and by mid-afternoon, a gale wind warning was in effect. Federal officials were reluctant to intervene, but decided something needed to be done. "All parties acknowledged the importance of taking advantage of the present weather window to try (to) reduce the risk posed by the **Lyubov Orlova** to installations in Canada's offshore," Gerard McDonald, assistant deputy minister of Transport Canada, wrote in an email at 8:25 p.m.

Documents obtained by The Telegram through an access to information request provide new insight and raise fresh questions about what was going on behind the scenes last winter when the **Lyubov Orlova** was adrift in the waters off Newfoundland. On Jan. 30, urgent meetings were being held almost hourly in Ottawa to deal with the situation.

At 12:30 p.m., 12 Transport Canada officials were trying to get a handle on the situation from a boardroom in Ottawa, along with a representative of the Canada-Newfoundland and Labrador Offshore Petroleum Board (CNLOPB). Joining the meeting by teleconference, Environment Canada, Natural Resources Canada, the Department of National Defence and the Canadian Coast Guard all weighed in. An hour later, they were meeting again, with even more people in the room, and representatives from Suncor Energy, Exxon Mobil and Husky Energy were on the line. A representative from the Privy Council Office was also on the phone.

By urgent meeting No. 3, 90 minutes later, officials were pretty sure they had a temporary fix in place. "Husky Energy confirmed that the captain conducted a feasibility assessment and is comfortable picking up the tow," a document from the meeting says. "They will take action and perform hook-up as soon as possible given the short weather window. Husky will secure the **Orlova** until their vessel is required for a planned rig move, currently scheduled for Saturday, Feb. 2nd."

At a follow up meeting later in the afternoon, the officials seem to acknowledge that they didn't have a backup plan. One of the "action items" from the meeting was that "(Transport Canada) will work on Plan B options." The Atlantic Hawk, under contract to Husky Energy, started towing the **Lyubov Orlova** north to avoid bad weather. A spokeswoman for Husky Energy told The Telegram that the **Atlantic Hawk** successfully handed off the tow to the **Maersk Challenger**, another offshore supply vessel under contract to Transport Canada.

During the weekend of Feb. 2, the vessel lost the tow and the Lyubov Orlova was adrift again.

The Telegram requested all correspondence regarding the Lyubov Orlova from the Atlantic regional director general's office of Transport Canada between Jan. 28 and Feb. 4. Due to a clerical error, Transport Canada provided 90 pages of documents covering Jan. 28-31, but did not provide documents for Feb. 1-4.

An official with Transport Canada promised the February documents would be provided sometime after Labour Day, once they can be compiled. The Telegram requested an interview with somebody at Transport Canada to speak about the **Lyubov Orlova** saga, specifically about costs incurred by the federal government, whether an investigation has been done, and whether the government knows where the boat is now. Despite repeated requests for comment, Transport Canada did not return phone calls by press time.

The documents provided to The Telegram also hint at the problems with the **Charlene Hunt**, the tugboat that was originally supposed to tow the **Lyubov Orlova** south to the Caribbean to be scrapped. The tugboat that had been hired for the job was ordered back to St. John's harbour on Jan. 28 after the tow line snapped because Transport Canada had "safety concerns for the vessel and its crew."

In an email between two Transport Canada officials, Scott Kennedy, regional director of marine safety and security with Transport Canada, said the crew was grateful to be sent back to harbour. "I can tell you the captain and crew were very thankful to us for directing them into port, " he wrote. "As such you learn a few things ... E.g. the vessel has a crack in the transom shell plating which was covered up with foam insulation.

"Also, the vessel had only a provisional (certificate) of registry from Bolivia and no other paperwork (certificates) from Bolivia, this is a detainable offence, a wheelhouse window had been smashed out while at sea with the (Lyubov Orlova.) "Inspection to continue this week."

The Telegram contacted Kevin Hunt, who was the owner of the **Charlene Hunt**. He said the tugboat has been sold, and it was sent to Mexico. **Source**: **The Telegraph** 



Crystal Cruises 68870 Gross Tonnage, 250 mtr liner CRYSTAL SERENITY, berthed at Portland Ports Outer Coaling Pier Saturday 31st August, ships in the backround are the RFA,s WAVE RULER and ORANGELEAF.

**Photo: Capt Ted Toop ©** 

## German lock workers call off strike action

Germany's 7,500 km of river canal systems will be strike-free this week to give the country's Transport and Interior ministers a chance to rethink and offer to negotiate a wage and security pact for the systems' 12,500-person workforce, a German union Ver.di expert said, Platts reported.

If such an offer isn't forthcoming, 'Ver.di will resume the striking by the beginning of September at the latest, the union's river canal strike expert in Mainz, Paul-Christian Koch said Sunday.

Sources close to Ver.di said a continued refusal to accept the the union's demand at this stage could mean strikes nationwide for an unlimited period of time until the demand was met.

This week's pause came on the heels of various multi-day strikes in most of the country's regional river canal systems last week, ending August 24 with that in the northwestern German state of Northrhine-Westphalia (NRW). Source:

## Visas for Crew Members for Vessels Calling Brazil

The UK P&I Club issues Loss Prevention Bulletin 908 regarding the Visa requirements in Brazil. There have been a number of recent cases where shipowners have been fined, and crew members repatriated, due to non-compliance with Brazilian visa requirements.

Whenever a vessel is trading a Brazilian cargo between two Brazilian ports (cabotage), a Temporary V Consular Visa must be obtained for all crewmembers. There is a grace period of 30 days for obtaining this visa (starting from the day the vessel first enters Brazilian Territorial waters), and if the visa is not properly obtained within this time frame, the shipowners will be subject to large fines and crew may be ordered to be repatriated, often within a very short time period (such as within 72 hours).

Crew members joining the vessel during this time must already have obtained a visa prior to arrival via their local Brazilian Consulate. In addition to crew visas, the vessel must also have a license from the Brazilian Authorities (Agencia Nacional de Transportes Aquaviarios - ANTAq) in order to trade Brazilian cargoes along the Brazilian coast.

If the vessel stays in Brazilian territorial waters for more than 90 days, 20% of the crew must be comprised of Brazilian seafarers, and after 180 days, this percentage is raised to one third (33.34%) of the total crew.

Members are encouraged to ensure that proper procedures and agreements are in place in order to avoid fines and forced repatriations due to issues with visas. Source: The UK P&I Club.



OHT's **HAWK** submerged at the Singapore West Jurong anchorage last Sunday awaiting the arrival of the Jack up rig **ENSCO120** - **Photo** : **Piet Sinke** (c)

### International Group Revised Piracy FAQs

Members should note that the International Group's FAQs on Piracy have recently been updated. The main changes are to reflect the following developments since October 2011:

- 1. The increased activity of pirates in the Gulf of Guinea. Although the FAQs were developed in response to the threat presented by pirates operating out of Somalia, many of the provisions are applicable to piracy risks in general.
- 2. The issuance by the IMO of Interim Guidelines for Shipowners.
- 3. The increased use of floating armouries by private maritime security companies (PMSCs) and the added legal difficulties this can present.
- 4. The practice of some charterers to employ PMSCs directly.

The current version of the IG FAQs on Piracy can be accessed by clicking the link below.

http://www.londonpandi.com/\_common/updateable/downloads/documents/piracyfaqs28august2013.pdf

Source: London P&I Club.



## M/V ERVIKEN in trouble due to bunkering operation ban at the port of Ust-Luga

The Norway flagged crude oil tanker **ERVIKEN** has appeared to be in complicated situation following a refusal issued by Energy Customs to supply bunker fuel at the inner anchorage of the port of Ust -Luga port (anch. No 11). Until recently (up to 23 August 2013) this has been an offshore bunkering location for all tankers making calls at the port, a spokesperson for the bunker supplying company told PortNews.

The bunkers operator said that as a result the tanker which has shortage of fuel supplies on board is unable to make a voyage from the Russian port of Ust -Luga (Leningrad region) to the port of Houston, USA. The tanker arrived at the port of Ust-Luga on August 30, 2013 at 02.00am (Moscow Time) for loading of oil products. At the time of arrival the vessel had in its tanks, according to Ship's Store Declaration: IFO - 678.6 metric ton (HSFO - 507 mt; LSFO - 171.6 mt); MGO - 108.2 mt. The ship's fuel tanks designed capacity: IFO - 4122.9 mt; MGO - 213.3mt.

Moreover, part of the tanker's route runs along the Baltic Sea, where the MARPOL requirements prescribe all vessels bound for the Baltic Sea should operate on low sulfur fuel oil (LSFO).

The source in the bunker company told PortNews that the M/V ERVIKEN does not have sufficient fuel supplies for this voyage, and the transition to high sulfur fuels is prohibited in the Baltic Sea. When entering the Atlantic Ocean the ship begins to utilize high sulfur fuel, but the grade fuel is also in minimum volume. The tanker will not call at any other foreign port, neither for cargo operations nor for replenishment of fuel and other supplies, as it will be loaded under the load line and will not be able to enter because of the ship's draft.

Earlier, the authorities of Central Energy Customs ( CEC ) had issued an instruction that prescribed to carry out all bunkering of arriving ships at the port of Ust -Luga at the terminal of RosneftBunker. In its turn, the terminal operator has announced that its facilities are not prepared for bunkering of the ships and refused to provide its berths. Source: PortNews



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

## Hong Kong strikes impact Maersk Line reliability in Q2

In the Carrier Performance Insight report published by Drewry, Maersk Line dropped from number one to number three among the Top 20 carriers in the second quarter of 2013, with a reliability of 82 percent (down from 89.1 percent in Q1), said in the company's press release. The carriers ahead of Maersk Line in the ranking are Yang Ming (83.7%) and Hanjin Shipping (82.5%) respectively.

Chief Operating Officer of Maersk Line, Morten Engelstoft says, "The result is obviously disappointing to us, but the reason for the drop in the ranking is clear. We have, during Q2, experienced a long strike among port employees in Hong Kong (resulting in port congestion and delays in the handling of containers). The carriers ahead of us in the ranking are using different terminals, and hence they didn't suffer the full effects of the strike. Reliability remains important to us, we have the goal of being number 1 in the Drewry measurements and we will work to regain this position." Maersk Line's reliability in Hong Kong dropped from 90% (usual score) to 46% in Q2. In July, reliability level had increased to 73% in Hong Kong and there are signs that it is getting better. On whether the new P3 alliance would make Maersk Line less reliable, he says: "While our partners in the P3 alliance have different ways of operating their network today, reliability is important to all our customers. Therefore, the aim is to design and execute the



The MAERSK KARACHI outbound from Rotterdam- Photo: Krijn Hamelink ©

network with this criterion in mind. We will, when the time comes, define what it takes and outline this in the governing documents for operating the P3 network." "In the past year we have reduced our fuel consumption by 1 million tonnes, or 18 percent per transported container, through changes to our network, reducing the average speed of our vessels by one knot and using more fuel efficient vessels. It is true that our overall reliability has dropped slightly, but we were the most reliable carrier 12 times in 13 quarters, with the last eight being consecutive. So we are convinced we are making the right decisions for our customers and the profitability of Maersk Line", concludes Morten Engelstoft. Source: PortNews

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### Inland Salvage Inc. Completes the Salvage of a Damaged Crew Boat in the Gulf of Mexico

**Inland Salvage Inc.** successfully completed the salvage of a crew boat in the Gulf of Mexico. The vessel began taking on water after striking a structure during offshore operations. Attempts to bring the vessel in under her own power ended approximately 15 miles offshore from Pascagoula, MS when the seas began washing over her bow. All crewmembers safely abandoned the vessel and she was soon set adrift unmanned.

Inland Salvage was contacted by the owner and mobilized crews to begin salvage operations. Within 24 hours, the salvage team had the still floating vessel stabilized, secured along side a crane barge, and began pumping off the 6,500 gallons of diesel fuel remaining in her tanks. At the same time, an **Inland Salvage** heavy lift barge was underway from their facility in Harvey, LA. With the fuel removal complete and weather conditions deteriorating, it became necessary for the vessel to be moved into protected waters to continue the salvage operation. After an overnight tow through rough weather the salvage spread met up with the heavy lift barge in Biloxi's Back Bay.

Protected from the weather and seas, divers were able to rig the wreck to the crane so that she could be lifted onto a waiting deck barge. Once secured to the receiving barge the wreck was towed to the shipyard for repairs.

The Salvor worked closely with the United States Coast Guard during all phases of the operation. Daily safety and job task meetings were conducted to insure that all participants in the salvage were aware and prepared for the daily activities. The resources of all personnel were directed towards one common goal: a well planned and safely executed operation.

Inland Salvage Inc. offers Marine Salvage and Wreck Removal services throughout the United States. Source: Yahoo Finance

## Silversea Cruises appoints its first female captain

For the first time in the cruise line's nearly 20-year history, a woman captain is in command of a Silversea Cruises ship.

The ultra-luxury line, which operates a fleet of six ships, recently reported that it had promoted Margrith Ettlin to the

position of captain.



The SILVER EXPLORER - Photo: Ian Shiffman ©

A Swiss national with extensive maritime experience in remote regions, including the Arctic and Antarctica, Captain Ettlin assumed control of the 132-passenger expedition ship Silver Explorer on August 7, in Reykjavik. Her first tour of duty as captain will extend into October.

Christian Sauleau, Silversea's executive vice president of fleet operations, said: "We're very pleased and proud to extend this promotion to Captain Ettlin. Although we're not the first cruise company to have a female captain, we hope Captain Ettlin's achievement will inspire other women to pursue careers at sea." Prior to joining Silversea as a staff captain in March 2010, Captain Ettlin worked for Germany's F. Laeisz shipping group. Her maritime career also includes nearly nine years as a staff captain with Hapaq Lloyd. Source: MarineLog

## Falling ship construction activity points to lower supply ahead

Ship orders reflect managers' expectations for future supply and demand differentials. But new ship orders don't always translate into new constructions right away. Sometimes, shipping firms specify a particular date of delivery for the new orders. If the delivery date is farther out, ship construction firms will delay work. So construction activity, on top of ship orders, gives investors further insight into managers' expectation of future supply and demand differences as well as when and by how much supply will grow in the future.

Construction activity travels farther south

On August 23, the number of ships under construction as a share of existing vessels continued to slump. Using the last four weeks of data to smooth out short-term noise, Capesize construction fell from 3.29% to 3.23%, Panamax

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construction fell from 6.26% to 6.20%, and Supramax construction fell from 3.32% to 3.30%. The overall indicator also fell from 4.32% to 4.31%.

Like what we saw in ship orders, Panamax vessels continue to show an elevated level of construction activity. This confirms that Panamax vessels will continue to see the largest increase in supply this year, which could negatively affect Panamax rates. On the other hand, we saw a jump in construction activity for Supramax vessels in April, which explains why Supramax orders fell around the same time. Construction activity for Capesize vessels also remains in a downtrend. So while we might say all is bad for Supramax vessels, the jump we saw in April may point to optimism among companies focused more on minor bulks.

Lower construction activity: Positive or negative?

The weakness in construction activity suggests managers aren't in a hurry to receive orders for new ships and expect shipping rates as well as profitability to remain low for at least the short term. Still, fewer ships under construction would lead to lower supply growth in the future—which would be good for capacity growth. So, depending on the context of other variables, construction activity could either be a positive or a negative for firms such as DryShips Inc. (DRYS), Diana Shipping Inc. (DSX), Navios Maritime Partners LP (NMM), Navios Maritime Holdings Inc. (NM), and Safe Bulkers Inc. (SB). In 2014 and 2015, several analysts expect shipping capacity to grow by just 2% to 4%.

Source: Market Realist



The COLUMBUS 2 in Honfleur - Photo: Philippe Pierre BREBANT ©



## ClassNK: MOL Comfort team needs more time

ClassNK Executive Vice President Toshitomo Matsui announced that the ClassNK Casualty Investigation Team's analysis and investigation of the MOL Comfort casualty will take longer than initially expected, and will delay the release of its findings. The team began investigating the MOL Comfort casualty in mid-June when the five year old containership broke in two. Earlier this month, ClassNK said that the team expected to complete its analysis and investigation of the casualty in early September.

"However, the time consuming nature of some of the analysis work has forced the team to revise its forecast for completion," the classification society said. "The team continues to carry out its exhaustive investigation into the cause of the casualty, and now expects to release its findings to the public by the end of October 2013." Source: MarineLog

## Canal Authority says attack attempted on container ship

A "terrorist" staged an unsuccessful attack on a container ship passing through the Suez Canal on Saturday, in an attempt to disrupt the flow of ships through the waterway, the head of the Suez Canal Authority Mohab Memish said. The Suez Canal is a key global shipping line which is secured by the armed forces.

"One of the terrorist elements has carried out a failed attempt to affect the movement of ships in the Suez Canal by targeting one of the passing ships, **COSCO ASIA**," Memish said in a statement about the Panama-flagged ship.

"The attempt failed completely and there was no damage to the ship or the containers it carried. The situation was dealt with strictly by the armed forces," he said, adding that the traffic of ships is moving normally.

The statement did not specify what kind of attack it was but shipping sources told Reuters they heard the sound of two explosions as the ship passed through the waterway.

Egypt has faced a string of militant attacks in the lawless North Sinai region after the army, prompted by mass protests, overthrew the country's first elected Islamist President Mohamed Mursi on July 3.

More than 1,000 people, including 100 security officers, have died in protests demanding the reinstatement of Mursi. The government launched a crackdown on violence and militancy, arresting many leaders of the Muslim Brotherhood and Mursi supporters over accusations of inciting violence.

It was not immediately clear whether the attempted attack was related to the ousting of Mursi. U.S. warship the **SAN ANTONIO** passed through the waterway on Thursday to join other ships in the Mediterranean that could be used in any strike against Syria after a suspected chemical weapons attack.

The armed forces have issued an order to strengthen their security measures along the Suez waterway, Memish said.

Source : Reuters

## Why shipping rates for Capesize vessels continue to outperform

Unlike imports data that aren't widely available on a weekly basis, shipping rates (which reflect the difference in supply and demand) are collected daily at the London-based Baltic Exchange and published as the BDI (Baltic Dry Indexes). These indexes reflect the daily shipping rates to transport key dry bulk raw materials in the spot market. When demand outpaces supply growth, shipping rates tend to rise. But when an increase in supply doesn't meet with demand, shipping rates fall.

Capesize continues to outperform

From August 16 to 23, the Panamax BDI index continued its fall, from 923 to 903. Capesize and Supramax indexes, on the other, rose from 2,112 to 2,312 and from 916 to 927, respectively. The increase in shipping rates for Capesize likely reflects higher iron ore shipments, which are used to carry primarily iron ores and coals. While Panamax also carries them, Panamax vessels are smaller and are also used for other dry bulks, like grain. The decline in shipping rates shows that new ship deliveries for Panamax vessels remain elevated.

Past patterns, support, and upsides

Historically, rates for Capesize vessels have risen during the second half of the year, as shipments out of Australia and Brazil grew. This year, we may experience the same pattern as new mining capacity comes online. Higher shipments would mean less incentive for companies to scrap or delay vessels—unlike last year, when the Capesize index fell to just above 1,200. That could limit upside potential in Capesize rates, but it also means that if rates were to fall back to just 1,200, companies would likely delay extra new deliveries and scrap old vessels again, which would support shipping rates.

#### Outlook for shipping rates and implication

Investors can look forward to higher Capesize rates during the second half of this year compared to the first half, which is positive for dry bulk shippers like DryShips Inc. (DRYS), Navios Maritime Partners LP (NMM), Diana Shipping

Inc. (DSX), Safe Bulkers Inc. (SB), and Navios Maritime Holdings Inc. (NM) that all carry Capesize vessels. If rates do fall, it would present a long-term opportunity, since rates are turning around, and it would suggest that investors shouldn't get spooked. As there are some overlaps in the kinds of dry bulks each vessel carries, higher Capesize rates will also support Panamax vessels, and to a minor extent, Supramax vessels too. Source: Market Realist



## Egypt bans Israeli ship from docking for repairs

Egyptian officials have denied permission for an Israeli container ship needing repairs to dock at a port at the southern tip of the Suez Canal. Brig. Gen. Mohsin Hamad says the ship lacked certification from the International Maritime Organization that is required for entry to Egyptian ports and the canal.

He said Thursday that a fire broke out on the ship several days ago while it was in waters near Djibouti and that its request to enter the port for repairs was rejected. Israel's Foreign Ministry said it had no information about the ship.

Egypt is the gatekeeper of one of the world's busiest water corridors and the strategic canal linking the Red Sea to the Mediterranean. Source : The New Zealand Herald

### **CASUALTY REPORTING**

## 2 ships docked near Pulau Lima catch fire

Two ships which were docked in the waters of Pulau Lima here caught fire in an incident on Saturday morning.

The Malaysia Maritime Enforcement Agency (MMEA) said it received an emergency call regarding the fire on MT Sakses Satria 1 and MT Kit 57, which are both registered in Singapore, at about 11.40 am. Tanjung Sedili MMEA operations director Commander (maritime) Mustafa Kamal Abas said its personnels rushed to the scene, which is located one nautical mile south of Pulau Mungging, and managed to rescue a crew member.

"Four other crew members were rescued by a Royal Customs boat which was in the vicinity," said Mustafa.

said two of the crew members, who suffered cuts and a suspected broken leg, were sent to the Kota Tinggi Hospital for treatment.

"According to the crew, the fire started in the main engine room of MT Kit 57 before spreading to the other ship. There were nobody on the ship at the time of the fire, making it easier for the fire to spread to MT Sakses Satria 1," said Mustafa.

He said the Department of Environment have informed of the fire and the department will monitor the scene to make sure there is no oil spill caused by the fire. Source: New Straits Times

### **NAVY NEWS**

## Damaged navy vessels back in Esquimalt after collision at sea

Two Canadian warships returned to Esquimalt Harbour Saturday afternoon after colliding during manoeuvres while en route to Hawaii. No one was hurt, but **HMCS ALGONQUIN**, a destroyer, sustained significant damage to its port side hangar, while supply ship **HMCS PROTECTEUR** was damaged on its bow.



The warships were a couple of hundred miles off the coast, southwest of Juan de Fuca Strait, when the incident occurred Friday morning, said Commodore Bob Auchterlonie, commander of the Canadian Fleet Pacific. They were conducting towing exercises at the time.

"Something obviously went terribly wrong and the ships made contact, causing damage," he said. "We're very fortunate and very lucky that no one was injured." The ships had just departed on a fourmonth Asia-Pacific deployment and were going to Hawaii before heading to the Royal Australian Navy's International Fleet Review in Sydney.

While the full impact on the ships' sailing schedules has yet to be determined, **ALGONQUIN** will no longer deploy to Asia-Pacific as planned, Auchterlonie said. The navy regularly sends vessels to the region to build alliances and foster economic opportunities.

Auchterlonie called the damage "significant" but would not estimate the cost of repairs. The navy will conduct both a technical assessment and a damage assessment in the coming days. "Based on that investigation, we'll come up with a repair plan to get the ship back to sea," Auchterlonie said.

A Royal Canadian Navy board of inquiry will also be convened to fully investigate the incident.

The towing exercise is typically conducted at a very slow pace, said Lt. Paul Pendergast, a public affairs officer. Algonquin would have cut its engine, simulating a vessel that had lost propulsion. Protecteur would have then glided close to the ship's side and in front of it, so tow ropes could be passed between the vessels.

The manoeuvre can be dangerous, said Petty Officer first class Corey Laing, who watched from the dock as Algonquin pulled into Esquimalt about 4:30 p.m., ribbons of torn metal on its port side.

The engineer has sailed several times on the destroyer and has participated in the towing exercise. "Any time two boats are working that close, there's inherent danger," he said. "To see Algonquin like this is very sad." A number of factors, including weather, human error and equipment failure, could have played a role in the incident, said David Zimmerman, professor of military history at the University of Victoria. Zimmerman does not think the collision will affect public opinion about the navy.

"There have been incidents in the past that have perhaps been considered to be humorous or made the military look foolish, but I don't think this is going to be one of those circumstances," he said.

Retired captain Kevin Carle, who spent 33 years in the service, said the incident is a sign it's time to invest in new vessels. "Our reputation is not supported in a situation like this very well, and we don't have the flexibility to respond properly when the government wants us to," he said. "Right now, we're so thin on the ground here."

In April, another Canadian warship was significantly damaged when a U.S. fishing trawler crashed into **HMCS WINNIPEG** while it was docked in Esquimalt Harbour. Six civilians from Victoria Shipyards who were working on the ship went to hospital with minor injuries. **Source**: timescolonist

## Russian aircraft carrier Admiral Kuznetsov to be sent to Syria's Tartus

The Russian Navy has confirmed its plans to send its heavy aircraft-carrying cruiser ADMIRAL KUZNETSOV to the

Syrian port of Tartus in early December.



It said in an announcement made Friday that the visit was scheduled several months ago, will be a routine resupply call and has nothing to do with the current aggravation of the conflict in Syria. The **Admiral Kuznetsov** is based in **Severomorsk** on the Russian coast of the Barents Sea. It carries several Sukhoi jet fighters and Kamov antisubmarine helicopters. The Russian Defence Ministry said on Friday that Russia has no plans to intervene in Syria's conflict.

Source: In Serbia

### **SHIPYARD NEWS**



## Vladimir Putin slams Industry and Trade Ministry for ineffective policy in shipbuilding sector

The policy of the Ministry of Industry and Russia in the field of shipbuilding is unacceptable, Russian President Vladimir Putin told a meeting devoted to the development of civil shipbuilding in Russia.

Vladimir Putin said the main reason why foreign partners opted out from Russian shipyards projects was that the ministry and the government were not quite clear that without investment in Russia those countries would not be awarded orders from Russian companies.

"It's not the customers' concern, but the task of the government and by the way, of your ministry, to organize the work in such a way as to coordinate the work, both of our customers and of potential foreign partners, with the understanding that they will not have orders, if they do not cooperate with us and not invest in the development of

production in Russia", Putin was quoted as saying, addressing to the Minister of Industry and Trade Denis Manturov. "I think that you are doing it ineffectively, not persistently, that's the whole point!".

The discussion was triggered by a report of interim director of the Far Eastern Centre of Shipbuilding and Ship Repair Vladimir Tsybin, who said that the ambitious project of Zvezda shipbuilding cluster in the Far East remains stalled after a Korean investor pulled out of the project. **Source : PortNews** 

## Zelenodolsk Shipyard lays down missile corvette of project 21631

**Zelenodolsk Shipyard** on 29 August 2013 held a keel-laying ceremony for the sixth vessel in a series of modified Buyan-M class small-size missile ships of Project 21631. The corvette designed by Zelenodolsk Design Bureau will be named "**Vyshny Volochek**", the company said in a press release.

The small-size missile ships of Project 21631 are being constructed at the shipyard since 2010 for the Russian Navy. These are high specification 'rive-sea' class ships are armed with state-of-the-art missile and artillery weapons, and equipped with electronic countermeasure. The gunnery ships are dedicated to the defense of national economic zones of Russian Federation. Source: PortNews

### ROUTE, PORTS & SERVICES



## Panama Canal begins countdown for centennial celebration

The Panama Canal Authority has begun the countdown for its centennial celebration as it commemorates its 99th



Panama Canal Administrator Jorge L. Quijano said.

anniversary. The countdown events will highlight the waterway's contribution during the past 100 years and the efforts underway to face the challenges of the upcoming decades.

The countdown began with the presentation of the Panama Canal Centennial logo on the control house balcony at the Miraflores Locks in a ceremony attended by members of the ACP Board of Directors and Panama Canal executives.

Photo: Melanie de Vries ©

"During the year of celebration that we start today, we will pay tribute to the ingenuity that made uniting two oceans a possibility,"

Since its opening 99 years ago, the Panama Canal has become a facilitator of international trade.

"The Panama Canal has connected the world since August 15th 1914," the Chairman of the Board of Directors, Roberto Roy said. "Proof of this is the 14,000 ships that transit each year, reaching 1,700 ports in 160 countries."

"We will do our best to make this a celebration for all Panamanians and the international community alike," Administrator Quijano said. "We will hold different events throughout the year highlighting the aspects that have made the Panama Canal an international symbol." As part of the countdown, the Panama Canal Authority will host several commemoration of historical and cultural events, as well as publish books about the waterway's impact. The first event will be the exhibition "The Panama Canal and its Architercural Legacy (1905-1920) which will be inaugurated August 21 in the City of Knowledge in Panama City, with the collaboration of the Fundación Arte y Cultura. Source: Dedging News Online



The FPSO OSX 2 departing from Singapore West Jurong anchorage yesterday (Sunday) morning.

Photo: Piet Sinke (c)

## Northrop Grumman upgrades navigation equipment on Stena Line Ferries

Northrop Grumman Corporation has completed an integrated bridge system retrofit for several RoPax ferries operated by Stena Line, said in the company's press release.

Northrop Grumman's Sperry Marine business unit provided a fully networked suite of scalable navigation products from the VisionMaster FT  $^{\text{TM}}$  series, used to form the core of a ship's integrated bridge.

The **Stena Superfast VIII** and **Stena Superfast VIII** vessels were upgraded with VisionMaster FT ™ navigation radars, a voyage data recorder, and an electronic chart display and information system (ECDIS) that provides full control on both bridge wings. Meanwhile, the **Stena Europe** and **Stena Adventurer** were outfitted with the VisionMaster FT ™ ECDIS, which meets the International Maritime Organization's (IMO) regulations for paperless navigation while providing a separate, redundant backup station in case the primary ECDIS navigation station is damaged or disrupted.

"Our highly reliable, flexible navigation solution provides leading edge situational awareness capabilities and improvements in radar performance to enhance the ships' safety at sea," said Alan Dix, managing director of Northrop Grumman Sperry Marine. "Additionally, it ensures compliance with new carriage requirements for greater navigational safety standards as set out by the IMO."

In addition to equipment, Northrop Grumman provided installation and training on the VisionMaster FT ™ products. The company's customized, modular solution enables a high level of integration with the ships' current systems.

Stena Line operates ferries on 22 routes in Scandinavia, around the U.K. and to the Baltic countries. The company has a modern fleet of 38 vessels, including fast ferries, traditional combi-ferries, RoPax ferries for freight and passengers, and pure cargo ships.

**Sperry Marine** is a business unit of **Northrop Grumman's Navigation and Maritime Systems Division**. Headquartered in New Malden, U.K., with major engineering and support offices both in New Malden and in Hamburg, Germany, **Northrop Grumman Sperry Marine** provides smart navigation and ship control solutions for the international marine industry with customer service and support in numerous locations worldwide.

Northrop Grumman is a leading global security company providing innovative systems, products and solutions in unmanned systems, cyber, C4ISR, and logistics and modernization to government and commercial customers worldwide.



### Hapag-Lloyd introduces new South America East Coast Service

Hapag-Lloyd offers its new South America East Coast Service (SEC), said in the company's press release. This new service will provide weekly direct connections between ports in Brazil and Argentina and ports on the East Coast of the United States. The port rotation will be:

New York • Philadelphia • Portsmouth • Charleston • Jacksonville • Port Everglades • Suape • Santos • Buenos Aires • Rio Grande • Itapoa • Santos • Rio de Janeiro • Salvador • Pecem • New York

The first sailings will be as follows:

Southbound: MV Cap Jervis 69S, ETD New York October 17, 2013 Northbound: MV Cap Jervis 69N, ETD Buenos Aires November 10, 2013

Also Hapag-Lloyd discontinues the Brazil Express Loop 1 (BX1). The last sailings will be as follows:

Southbound: MSC Michaela 340A, ETD Portsmouth October 5, 2013 Northbound: MSC Michaela 344R, ETD Buenos Aires November 1, 2013

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## Piraeus port sale put on the fast track

The government is set on expediting the privatization of the Piraeus Port Authority (OLP), following an agreement in principle with China's Ocean Shipping Co (COSCO) for a 224-million-euro expansion of container terminal facilities last week. We wish to deepen our strategic relationship with China," Merchant Marine Minister Miltiadis Varvitsiotis told Kathimerini in an interview. He said the government had opted to sell the majority of shares in the facility and a timetable for the tender will be announced soon.

Well informed sources, close to COSCO subsidiary Piraeus Container Terminal which has operated two piers at the port since 2009, have confirmed the company's interest in the tender. Other sources argue that the state-controlled Chinese company intends to develop a large logistics center in Western Attica and, possibly, set up a manufacturing park for the final assembly of products that would thus acquire a European "passport."

The development has also attracted US interest, given the large number of American firms that manufacture products in China and export them to Europe. Source: Ekathimerini

## Grand Kenya port plan faces headwinds

A mega-port project on the north Kenyan coast conceived in the 1970s may finally be gaining traction based on commercial oil finds in Uganda and Kenya, but it needs more financing to compete with a Chinese-backed port in Tanzania and other rivals.

Initial work has started on a mangrove coast near the ancient Arab trading post of Lamu that could in a few years be a bustling container port and crude terminal, creating an export hub for east African states and their oil.

But Kenya must shore up regional commitment for the \$25.5 billion Lamu Port-South Sudan-Ethiopia Transport (LAPSSET) plan that by 2030 envisages a port, new roads, a railway and pipeline.

It must also overcome environmental worries and make a clearer economic case to avoid creating one more African white elephant.

The prize will be to bolster Kenya's primacy as east Africa's trade gateway and capitalise on a bonanza from one of the world's hottest undeveloped oil provinces, where exports from Uganda and Kenya alone could reach 500,000 barrels per day.

Experts say the Lamu port and transport links are viable, if not on such a huge scale. Some South African banks are watching closely. But emerging markets now face tougher times raising cash and no big donors, such as China, have thrown their full weight behind the plan. Other pitfalls also lurk.

"The big obstacle is really a political one and making sure all the discussions that need to happen, happen," said Clare Allenson, analyst at the Eurasia Group consultancy, referring to a region where rivalries can run deep even within the east African trade bloc.

"This is a very grandiose scheme and there are ample examples of this type of thing never coming off the ground (in Africa)," she said. Initially predicated on convincing South Sudan to switch its oil exports to Lamu from the regularly disrupted pipeline it now uses via Sudan, the Kenyan scheme has found a new raison d'etre. Source : Reuters

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