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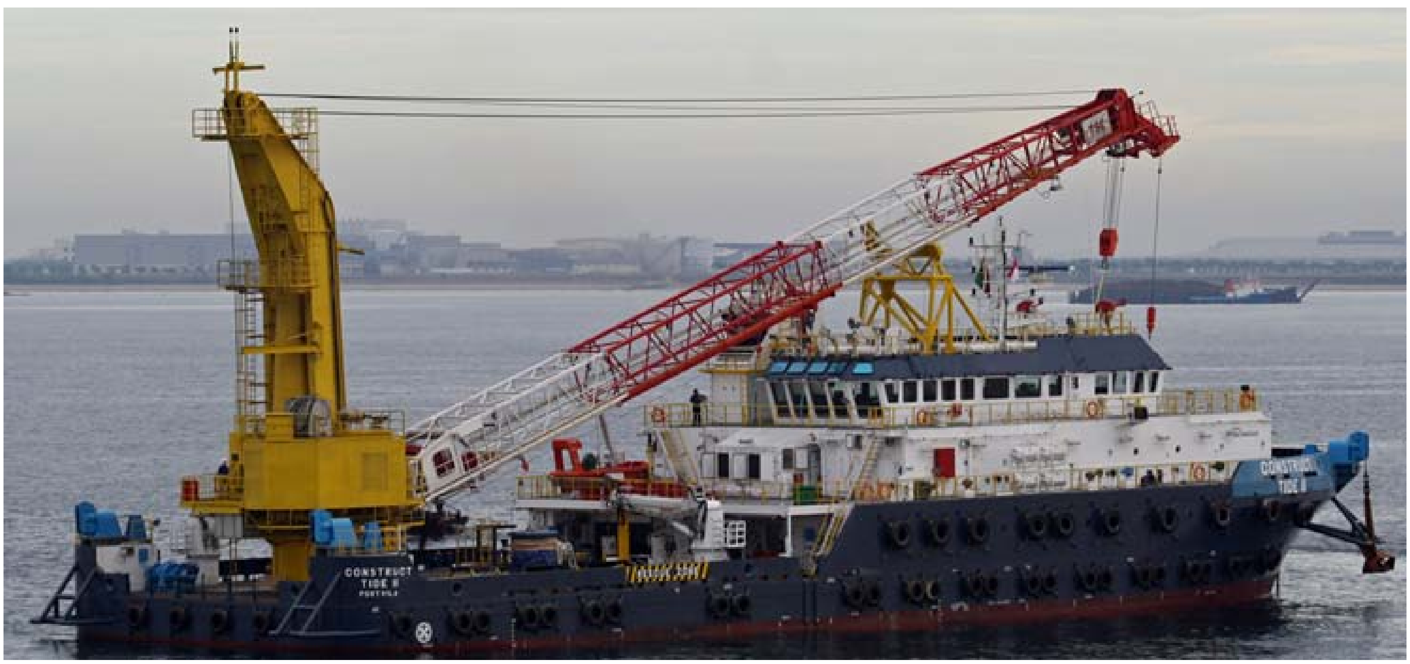
The BBC SCANDINAVIA outbound at the river Tyne – Photo : Kevin Blair ©

EVENTS, INCIDENTS & OPERATIONS



The **CONSTRUCT TIDE II** anchored at Singapore West Jurong anchorage – **Photo : Capt Neil Johnston – Master Salviscount ©**

OSD-IMT secures seismic support vessel contracts for COSL

OSD-IMT, a division of **Offshore Ship Designers**, has secured a design contract for two IMT 965 seismic support vessels with a bollard pull in excess of 50 tonnes for **China Oilfield Services Ltd (COSL)**, Beijing.

The vessels will be used to provide a range of support activities to larger seismic vessels which operate continuously for months when conducting seismic surveys. Designed to have a multi-role capability in support of the mother ship, they can be used for re-fuelling, fresh water replenishment, the provision of refrigerated stores and dry provisions, the supply of spares and general stores, emergency towing, and escort support and guard duties.

The **IMT 965** carries 980 cubic metres of cargo oil for refuelling the mother ship, either alongside or ahead. Fuel is pumped to the mother ship from a deck-mounted fuel supply module located on the working deck of the IMT 965. Up to 500 cubic metres of fresh water can be supplied in a similar way.

Cold stores and dry provisions totalling 80 cubic metres can be accessed directly from the working deck of the IMT 965, providing easy access for transfer to the mother ship, either by the ship's crane or by a crane mounted on the mother ship.

The operating cycle for the **IMT 965** requires it to be on station shadowing the mother ship for prolonged periods. During this time the **IMT 965's** activities include keeping passing vessels clear of the streamer arrays, and ensuring that there is a traffic-free area ahead of the mother ship. The vessel is classed with a DP1 notation which will allow it to shadow the mother ship at a pre-set distance for long periods.

The main **IMT 965** propulsion arrangement is a hybrid system, comprising twin CP propellers, each driven by a medium-speed diesel engine. A PTO/PTI alternator/motor is connected to each main gearbox, and two 360 kWe diesel generators are also provided. The system is arranged such that one main engine can drive both propellers for maximum fuel economy.

The **IMT 965** has accommodation for a total of 48 persons, including cabins for mother ship relief personnel. Its principal dimensions are:

LOA…………………………..64.9 metres
LBP…………………………..58.2 metres
Beam…………………………16 metres
Draught……………………….5.65 metres
Total Deadweight…………..1800 tonnes
Speed ………………………13 knots

Offshore Ship Designers Group (OSD) is a global one-stop resource delivering naval architecture and marine engineering skills to the shipping and offshore energy industries. It draws on an experienced global workforce to provide high quality feasibility studies, conceptual and detailed designs for tugs and offshore support vessels of all types. OSD is based in IJmuiden, The Netherlands, and has offices in Dundee, York, Appledore, Shanghai and Singapore. www.offshoreshipdesigners.com

HAL's **PRINSENDAM** and Princess Cruises **EMERALD PRINCESS** moored in Tallinn - **Photo : Hans Burger ©**

Young sailors not opposed pay cuts

Seafarers employed on board Danish ships could be the next group of employees who are willing to accept a pay cut to keep their jobs. According to a proposal from the Maritime Officers, made during Børsen's televised debate "Hvad kan vi danskere" (What can we Danes) on board the DFDS Oslo ferry.

"Our youngest members are prepared to go down in wages, if there is a lasting arrangement in which one can see that it provides jobs and that there is an evolution in things", says Director of Maritime Officers, Fritz Gantzhorn.

President of Danish Shipowners Association, Carsten Mortensen, welcomes the proposal. He believes that the salaries of young Danish employees are growing too fast and that this might damage motivation.

A junior officer on a Danish flagged ship costs up to three times more than a comparable employee on ships from other countries. This means that a number of Danish companies do not take students on board or do so only to a very limited extent. The Social Democrat spokesman on business, Benny Engelbrecht, says that politicians will not interfere if the social partners themselves negotiate an agreement on pay cuts. **Source: Børsen / Maritime Denmark**

Tanker oil spills lowest on record as safety advances pay dividends

A safe track record in terms of oil spills has gradually become the norm across the tanker shipping segment, despite the fact that recently there has been a spate of serious casualty incidents involving bulk carriers and container ships for which early indications suggest severe hull failure.

According to the latest report from shipbroker Gibson, "while any incident of this nature is regrettable, the shipping industries safety record has considerably improved not just because improvement in the age profile of the fleet, but also tighter regulatory measures adopted across the industry over the past quarter of a century as well as a major rethink in attitudes towards safety and the environment. Of course the focus of this report is on tankers and the latest statistics published by the International Tanker Owners Pollution Federation (ITOPF) makes the point that increased oil movements imply increased risk of spills. Over the last quarter of a century, seaborne crude and product trade has almost doubled, while at the same time tankers have also grown in size to cope with heavier demands. ITOPF's latest statistics show that no large spills were recorded for 2012 and they report that the total amount of oil lost to the environment is the lowest on record, with 7 medium spills which equates to an average of approx. 100 tons per incident", Gibson noted.

The London-based shipbroker added that "ITOPF records can be questioned as there are almost certainly spillages in some of the remote areas where incidents go unreported. However, the ITOPF report clearly shows the general trend is downwards and the commitment by the tanker industry of not just maintaining these standards but improving them. Tankers are probably the heaviest regulated sector of the shipping industry. Many of today's standards have been developed as a result of past spill incidents, which has led to the modern double hull fleet apparent today. With the introduction of measures to reduce bunker consumption, such as slow steaming and the advent of de-rated engines, it is possible that we could be increasing the risk of a major tanker spill unless steps are taken to ensure that these necessary solutions are not abused. ITOPF's list of major oil spills include the BRAER, which spilt 85,000 tonnes of crude of the Shetland Islands 20 years ago following engine failure in heavy weather. So we still need to ensure that the new breed of tankers have sufficient power to deal with the worst conditions that nature can throw at them", Gibson said.

It concluded its analysis by mentioning that "certainly tankers will be spending more time at sea, even if it is just waiting for cargoes - there is no room for complacency. It may be too early to tell if the above measures will impact on safety aspects within the industry. One thing that we all agree on in the industry is to maintain and even improve the excellent safety record of tankers, despite the bad press the industry still seems to attract". Meanwhile, in the crude tanker markets this week, in the Middle East, Gibson said that "a steady enough week for VLCCs in terms of volume, and there was some small compensation for higher bunker prices gained, but owners still failed to find enough muscle to power the market into noticeably improved TCE territory. The September end -game is now well underway and sentiment is certainly hardening, so any large scale pre-emptive strike by charterers on the October programme could quickly convert into something more meaningful. owners can only hope. Suezmaxes initially drifted a little lower, but activity then picked up somewhat, and rates ticked up again to 130,000 by WS 55+ to the East and close to WS 35 to the West, though nothing spectacular looks on the cards. Aframaxes struggled manfully, but in the end failed to hold the line. Rates dipped to 80,000 by WS 80 to Singapore, and look set to stay pegged for a while yet. In the North Sea, Gibson noted that "eate erosion continued steadily in the Aframax sector. Not as severely as last week, but it was still downwards, nonetheless. 80,000 Cross UKC now moves at WS 80 and 100,000 from the Baltic at down to ws57.5 with further easing possible. Suezmaxes saw the usual sprinkling of interest with 135,000 by WS 47.5 typical for US Gulf discharge, whilst VLCCs found a few rare partners for Eastern runs where rates bobbed back to an average US$33.25 million for Fuel Oil to Singapore. **Source : Nikos Roussanoglou, Hellenic Shipping News Worldwide**

The **GRANDE NAPOLI** eastbound in the Marmara Sea –
Photo : Capt. Jan de Bokx – Compass Marine Service ©

Baltic Trading Limited Completes Acquisition of Two Handysize Vessels

Baltic Trading Limited announced that it has taken delivery of the 2010-built **Baltic Fox** and the 2009-built **Baltic Hare**, two Handysize vessels of approximately 32,000 dwt that the Company previously agreed to acquire in July 2013. Both vessels have entered into the Clipper Logger Pool, a spot market-related Handysize pool operated by Clipper Bulk.

John C. Wobensmith, President and Chief Financial Officer, commented, "We are pleased to take delivery of the Baltic Fox and the Baltic Hare, as planned, and enter the vessels into a spot market-related vessel pool consistent with our fleet deployment strategy. The **Baltic Fox** and the **Baltic Hare** combine to expand our modern, high-quality fleet by approximately 10% on a tonnage basis while further strengthening our position in the global transportation of essential commodities and increasing our long-term earnings potential."

The Company also has executed a $22 million credit agreement with DVB Bank SE, as previously announced on July 8, 2013. Under the terms of the six-year facility, amounts borrowed will bear interest at LIBOR plus a margin of 3.35%. The credit facility is to be repaid in 24 quarterly repayment installments of $375,000 each, the first of which is payable in December 2013, and a balloon payment of approximately $13 million payable concurrently with the last repayment installment. The Company used the entire proceeds from the new facility as well as proceeds from its May 2013 equity offering to fund the acquisition of the **Baltic Fox** and the **Baltic Hare.**

Additionally, **Baltic Trading** has entered into an agreement to amend provisions of its 2010 senior secured revolving credit facility. Under the terms of the amended credit facility, underwritten by Nordea Bank Finland plc and Skandinaviska Enskilda Banken AB, the Company is permitted to incur additional indebtedness, subject to a new leverage covenant under which the ratio of the Company's total financial indebtedness to value adjusted total assets must not exceed 70%. In addition, the facility's commitment amount decreased from $125 million to $110 million and will be further reduced in three consecutive semi-annual reductions of $5 million commencing on May 30, 2015.

Mr. Wobensmith added, "In support of our growth initiatives, management has taken active measures to increase Baltic Trading's financial flexibility by closing a new $22 million credit facility with a global lending institution and amending our 2010 credit facility under favorable terms to allow for the incurrence of additional debt going forward. We appreciate the support that we have received from our expanded lending group and remain focused on preserving a sound capital structure as we pursue additional opportunities to take advantage of an attractive acquisition environment." **Baltic Trading Limited** is a drybulk company focused on the spot charter market. The Company transports iron ore, coal, grain, steel products and other drybulk cargoes along global shipping routes. Baltic Trading currently owns 11 drybulk vessels, consisting of two Capesize, four Supramax and five Handysize vessels with a total carrying capacity of approximately 736,000 dwt. **Source: Baltic Trading Ltd.**

Chinese-made marine engineering ship delivered to Hellas

A marine engineering ship called Envoy that was built by **Wuchang Shipbuilding Industry Co Ltd** was delivered to Greek shipowners. The ship is 83 meters long and 22 meters wide and is worth about 500 million yuan. It will mainly be used to provide towing, delivery of goods, recovery of oil as well as other services for the offshore oil and gas development platform in Greece. Since 2003, when WSIC embarked in marine engineering in Hubei province, the company has built more than 30 marine engineering ships from a total contract value of over 70 billion yuan.

Source: China Daily

The **RAWABI 14** anchored at Singapore West Jurong anchorage – **Photo : S.Hardy - Master Salvern ©**

Politicians wave goodbye to Royal Yacht

The Danish royal yacht, **KONGESKIBET**, is more than 80 years. Each year it is refurbished for tens of millions Danish kroner to keep it capable of sailing around making visits in the Danish kingdom each summer with the royal family on board. Politicians think that the ship is an expensive and unnecessary luxury for the royal family.

"Special parts have to be purchased for this ship, you can't just get them at IKEA. It must be approved, and every single time a certificate is attached, it costs more. The ship is indeed a treasure, so maintenance must be done with respect, and that certainly does not make it any cheaper", says Kristian Carøe Lind, office manager and naval architect with 20 years experience in Denmark's largest consulting naval architect company, OSK-ShipTech, to bt.dk.

Since 2005 the Ministry of Defence have spent more than DKK 115 million on the ship. This is an average of more than DKK 19 million per year on average for the repair and maintenance of the only sailing royal yacht in the world built specifically for the purpose. So shows figures from the Defense according to bt.dk.

"You have to look seriously at whether you can spend the money more wisely", says Nikolaj Villumsen from the far left party Enhedslisten. He believes that the ship is an unecessary luxury.

The proposal of getting rid of the ship is however meeting much opposition from several parties in the Folketing.

Source: Jyske Vestkysten / Maritime Denmark

UASC challenges top players

Although the top 12 ocean carriers in the world today look set to continue dominating the market up to at least the end of 2014, UASC's recent newbuild order will propel it up the ladder in a startling way.United Arab Shipping Company's confirmation last week that it has ordered 5 x 18,000 vessels and 5 x 14,000 teu vessels for delivery between late 2014 and mid-2015 is the first major challenge to the top players' vessel capacity supremacy since Coscon and CSCL burst into the container market in the late 1990's. It will increase UASC's vessel capacity offered at the end of last year by around 60%, and propel it from the bottom of the top 20 league to the lower ranks of the top 12.

MALIK AL-ASHTAR entering Tanger Med Port enroute the EUROGATE TANGER MED terminal.
Photo : Captain Dag P. Froehmcke ©

The vessel order confirms that UASC intends to expand its presence between Asia and Europe, although how it will be achieved remains unclear. The timing of deliveries means that the 5 x 18,000 vessels could combine with CSCL's 5 x 18,400 teu vessels into another major weekly string between Asia and Northern Europe, for example. At present, UASC provides only 3 x 13,300 teu vessels in the AEC8's weekly service between Asia and Northern Europe, which is shared with 6 x 14,100 teu ships provided by CSCL and 1 x 12,600 teu vessel from CMA CGM. The schedule includes a westbound and eastbound call at Jeddah.

A further 2 x 13,296 teu UASC vessels form part of its shared AEC2 service with CMA CGM and MSC, which deploys a total fleet of 11 vessels between 13,296 teu and 16,000 teu and includes eastbound calls at both Khor Fakkan and Jebel Ali.

In the Asia/Mediterranean tradelane, seven UASC vessels of 6,920 teu form part of the AMC1/AMX1 fleet of 10 vessels, with CSCL's providing 3 x 8,500 teu ships. The schedule also includes eastbound calls at both Jeddah and Khor Fakkan. Outside of the Asia/Europe tradelane, a wide range of other schedules include 3 x 13,296 teu vessels deployed in the AGX1 service between Asia and the Mid-East.

Up to the time that UASC's order was confirmed last week, the top 12 appeared to be coasting towards even greater supremacy, with approximately 61% of all vessel capacity (cellular and other vessels) already under their control towards the end of 2012

Top 12 Carriers' Share of Global Operated Vessel Capacity (teu) in October Between 2006 and 2012

Moreover, they control approximately 55% of all cellular capacity delivered or to be delivered this year, and at least 59% of all ordered cellular vessel capacity due for delivery in 2014. The figure is difficult to define as an increasing

number of vessels are being ordered by tramp vessel owners, as explained in 'Ocean carriers continue to become asset lighter' (CIW 4 August 2013), and it is not always clear to whom they will be leased/chartered.
The top 12 also clearly have their eyes set on further vessel upgrades from between 10,000 teu and 13,000 teu to between 14,000 teu and 18,000 teu due to the economies of scale offered by the bigger vessels, as explained in 'Why size matters' (CIW 2 September 2013).

The **ALULA** outbound from Rotterdam – **Photo : Kees Torn ©**

They will not be sweating too much over UASC's order, therefore. Apart from the fact that it will add unwanted capacity to the global fleet, the Mid-East based state-owned carrier only controlled 1.5% of all vessel container capacity in October last year, and will still control less than 2% at the end of 2014, when the first vessels are due for delivery.
However, it does mean that the market is set to become more influenced by state-controlled liner companies, such as Coscon, CSCL and APL. Other Asian ocean carriers are also influenced by state interests through discrete 'soft' loans.
UASC will seek to join forces with other like-minded ocean carriers in the Asia/Europe tradelane in order to establish enough service frequency to take on the remaining big players. **Source: Drewry Maritime Research**

Europe's Containerized Exports To Asia Down 2.2 %

June's containerized exports from Europe to the Indian subcontinent and the Middle East has decreased year-over-year for the fifth straight month, according to data from Container Trades Statistics. Volumes had fallen more than 2 percent. However, a big increase was seen in shipments from Europe to the Far East.

Europe to the Indian Subcontinent and the Middle East

The containerized export trade from Europe to the Indian subcontinent and the Middle East totaled 274,000 TEUs, falling 2.2 percent from June 2012 but inching up 0.7 percent from May of this year. This was the first year-over-year decline since a six-month slump that lasted from October 2012 through March 2013. Exports from Europe in the January-June 2013 period slipped 1.0 percent year-over-year to 1,533,600 TEUs. The CTS index for the lane fell 1 point in June to 93.

To Far East Asia

Europe exported 578,300 20-foot-equivalent-unit containers to Far East Asia in June 2013, up 9.4 percent from June 2012 and up 2 percent from May. In the first half of 2013, European exports to Far East Asia grew 4.7 percent over the prior year to 3,360,200 TEUs. The index rate in this market in June as tracked by CTS slipped a point to 94.

To Australasia / Oceania

Exports from Europe to Australasia/Oceania in June jumped 9.0 percent year-over-year and 7.4 percent month-to-month to 44,900 TEUs. This was the largest increase over the year before in this lane in nine months. In the first six months of 2013, exports from Europe to Australasia/Oceania increased 5.5 percent year-over-year, to 249,100 TEUs. The CTS index of rates in this trade lane in June slipped 2 points to 86.

To North America

Containerized export volume from Europe to North America reached 312,600 TEUs in June, climbing 4.3 percent from June 2012, when the volume was 299,600 TEUs. Volume was also up 3.1 percent compared to May's level. Exports from Europe during the first six months of 2013 totaled 1,789,500 TEUs, 1.7 percent above the level seen in the same period in 2012. The CTS price index increased 1 point in June to 90.

To South / Central America

Europe exported 137,600 TEUs to South and Central America in June 2013, an 8.2 percent increase year-over-year but a 0.3 percent decline month-to-month. In the first six months of 2013, exports from Europe to South and Central America grew 4.6 percent year-over-year to 787,000 TEUs. The index rate in this market as tracked by CTS inched up from 106 to 107 in June.

To Sub-Saharan Africa

Containerized exports in June rose 3.1 percent year-over-year to 159,800 TEUs. However, export volume in the lane slipped 2.3 percent from May. In the first half of 2013, exports from Europe to sub-Saharan Africa grew roughly 8.6 percent year-over-year, to 909,800 TEUs. The index rate in this market edged up 1 point in June to 73.

Source: The Sunday Leader

HANJIN CALIFORNIA: first ship of Sungdong 3,600 teu quartet delivered

The Haifa-based non operating owner **Zodiac Maritime** has taken delivery of the 3,600 teu vessel **HANJIN CALIFORNIA,** the first of four sister ships ordered by companies related to the Ofer Family in June 2011 at the South Korean **Sungdong Shipyard**. The vessel has joined a long-term charter with **Hanjin Shipping** and she is to phase into the Korean carrier's Far East to West Coast of North America service 'CAX' (#269).

On this service, the ship replaces the 3,560 teu **HANJIN MEXICO,** which is to phase into the Straits to Australia and New Zealand loop (#2867) offered jointly by APL ('NAX'), Hanjin ('AAZ') and ANL ('KIX').

While the quartet's lead ship is managed by Israel's XT, the second ship in the series, the **HANJIN NEW JERSEY**, will be managed by Eastern Pacific of Singapore. All four units are expected to begin their commercial life on the 'CAX' service. **Source : Linervision**

"LNG Carrier **GDF SUEZ CAPE ANN** bound for YLNG terminal Balhaf (Yemen)" **Photo : Peter Broesder ©**

IMB urges vigilance off the Somalia coast

As the monsoon season in the north-western Indian Ocean starts subsiding and the weather once again becomes conducive to the operation of small pirate skiffs, the **ICC International Maritime Bureau (IMB)** has urged ship masters not to be complacent when transiting the Arabian Sea and the Gulf of Aden. It has called for vessels to remain alert and apply Best Management Practices (BMP), including its reporting requirements, when transiting the area. Overall this year, attacks in this maritime area have fallen to 10, a trend attributed to the vital action of naval vessels engaged in anti-piracy operations, compliance with the BMP and the use of professional security teams on board.

Ashore in Somalia, the government in Mogadishu, which has been in power for the last 12 months, has provided a stabilising influence – something that has been missing for decades.

“Naval forces continue to play a key role in the response against piracy in this area from the collection of intelligence on identification and disarming of suspected pirate vessels before they pose a threat to ships. It is vital they remain until the situation improves ashore so that piracy is no longer a viable option for the criminals,” IMB director Pottengal Mukundan said.

“Although attacks off Somalia have fallen we should not forget the desperate plight of the 64 crew currently held in Somalia, 38 of whom have been there for over two years,” he added. The call to remain vigilant follows a bold statement by a senior researcher from the Institute for Security Studies in South Africa that piracy will always remain a threat and can never be conquered.

Johan Potgieter told the recent Land Forces Africa conference he believes piracy can only be managed, never eradicated. He said 92% of global trade, 70% of crude oil and 90% of African trade is seaborne.

According to him the maritime domain is under great pressure being misused, exploited and destroyed. Maritime threats include terrorism, piracy, pollution, oil theft, overfishing and smuggling. **Source : DefenceWeb**

The 2012 built CHN flag and owned semi-submersible heavy lift vessel **HUA HAI LONG** loaded with the 60m barge **GSP 01** few minutes after entering Marsaxlokk Harbour, Malta to deliver the barge of which later on she was towed to Grand Harbour by local tug **SEA SALVOR** on Friday 6th September, 2013.
Photo : Ms. Maria Victoria Bonello - www.maltashipphotos.com ©

Onervaren roeiers gaan als een speer over het Veerse Meer voor Kevin

Roeien voor Duchenne Spierdystrofie

In het kader van de actie '**Sloeproeien voor Kevin**' hebben acht onervaren roeiers zaterdagmiddag 31 augustus een puike prestatie neergezet. In tweeënhalf uur roeiden ze een tocht van zeventien kilometer over het Veerse Meer. De mannen vertrokken om 12.30 uur en legden om 15.00 uur al weer aan in Kortgene, ruim een uur eerder dan ze vooraf hadden gedacht. De mannen - de vrienden van de 3-jarige **Kevin** - halen geld op voor onderzoek naar de ziekte van Duchenne. Het 3-jarige zoontje van één van de roeiers heeft deze ernstige spierziekte.

De mannen hadden zich ten doel gesteld met hun actie **7500 euro** op te halen. Op dit moment staat de teller echter al boven de **8.400 euro** mede dankzij de hoofdsponsoren **IHC Merwede** en **Oceanwide Safety at Sea**. (zie www.facebook.com/roeienvoorkevin voor up-dates)

De mannen hebben nu besloten om de actie voort te zetten tot en met 14 september, als de **Veerse Meer Sloepenrace** (http://www.veersemeerrace.nl) wordt gehouden. Die dag zal ook nog geld worden ingezameld. Het doel is nu **10.000 euro.** De **Stichting 'De Wilde Mossels**', onder leiding van de heer **Marcus Beerens**, heeft deze dag mogelijk gemaakt en wellicht doet het succes van deze actie smaken naar meer in de toekomst…

Check de foto's van de dag op: http://www.flickr.com/photos/sloeproeien/sets/72157635359838009/

STX Group chief to resign from top post of troubled unit

STX Offshore & Shipbuilding Co. said that its chief executive Kang Duck-soo will step down from his post, as the shipbuilder has been suffering from liquidity shortage amid the economic slowdown. Kang is also the chairman of the cash-strapped STX Group, the 13th largest conglomerate, which has seen its major affiliates struggling from liquidity shortages and mounting debt due to the downturn in the shipbuilding and shipping sectors. Last month, Kang also resigned as chief executive of **STX Pan Ocean Co.**, the country's leading bulk carrier.

Main creditor Korea Development Bank (KDB) and others have recently urged Kang to step down, as a qualified new outside figure is needed to help the shipbuilder navigate its current financial difficulty. In April, **STX Offshore & Shipbuilding** requested the creditors supply liquidity in exchange for its voluntary debt-relief and restructuring efforts. At that time, Kang gave consent to the creditors that he would take responsibility for the mismanagement and that he would not raise objection to their moves to reshape the management, according to KDB. The creditors plan to provide fresh liquidity worth about 2.15 trillion won (US$1.96 billion), making the total volume of liquidity injection reach nearly 3 trillion won. A debt-to-equity swap worth 700 billion won and capital reduction are also planned.

Source: Yonhap

Young professionals identify challenges to London's shipping role

A survey by The Shipping Professional Network in London (SPNL) has confirmed London's pre-eminent position as a global maritime centre. But almost seventy per cent of the young shipping professionals who responded to the survey warned that London faces the risk of declining influence over the next ten years unless specific measures are put in place to address the key challenges to its future development.

The survey, conducted in co-operation with leading accountant and shipping adviser Moore Stephens, canvassed the opinions of young professionals working primarily in the shipowning, shipbroking and management, chartering, advisory and associated industries.

Respondents were provided with a list of key challenges facing London in its attempts to remain a relevant global maritime centre, and asked to choose the three options which they considered to be most important, in order of priority. 'Competitiveness' was the leading choice of respondents, followed by 'taxation' and 'the ability to adapt to a fast-changing environment.'

A number of respondents acknowledged London's traditional strength in the professional services sector relating to the maritime industries, with one emphasising, "The high-value professional services such as finance, insurance, P&I, law and shipbroking underline the prime importance of having a central London office." Another said, "As long as IMO, the P&I clubs and NGOs are based in London, it will always be a maritime business hub." Elsewhere it was noted, "London must concentrate on its strengths in the legal, insurance and financial sectors to raise its shipping profile and attract fresh talent," and, "London is competitive because a huge proportion of global commodity trade is centred there."

Others, however, saw threats to these traditional strengths. While acknowledging that, "London is a leading service hub and a one-stop-shop for all ancillary shipping services," one respondent warned, "Unless it comes up with a way to retain more of the highly educated and trained people coming out of British universities, London's attractiveness will decline." Another said, "There is only a shipping industry in London because of the use of English law in contracts. But English law has become very expensive and uncertain. Currently there seems to be nothing better, but this is changing, and the legal and shipping professions are not stepping up to the changing times."

A number of respondents to the survey identified the prohibitive cost of operating in London. "London is a great city, but too expensive," said one, "and this, together with high labour costs, makes it uncompetitive." Another noted, "The cost of operating in London is now outweighing the importance of having a London address. Now it is only foreign shipowners setting up in London, and even the oil majors are moving out." Elsewhere it was noted, "Unless London faces up to the fact that many other centres are competing on costs, it will see progressive erosion of its premier status."

Respondents were more or less of one mind in identifying London's biggest competitor over the next ten years as a centre for maritime business - the Far East and, specifically, Singapore. "London has to remain more attractive than Singapore and Asia for brokerage and shipping industry-related services," said one. Others, meanwhile, felt that this was unlikely, with one commenting, "It is natural that Singapore and Hong Kong will gradually take over from London." Others still acknowledged that "places like Singapore and Hong Kong are trying to steal the attention," and, "The best people now are going to Singapore instead of coming to London."

One respondent suggested, "Work with Singapore, not against it," while another said, "Companies should partner with Far East organisations so that, if nothing else, London is their European hub."

UK taxation was cited by a number of respondents as an implicit threat to London's reputation as a maritime centre. "The UK needs to come up with a more hospitable environment in terms of taxes and regulations in order to attract more shipping companies," said one. Others advocated "a beneficial tax regime", "lower tonnage tax", "an improvement in the tax regime for foreign professionals who are not dependent on public services", and "changes to corporate taxation."

Technology was also perceived by a number of respondents as a competitive threat to London. One noted, "There is a need to understand the potential in new technology and its benefit to global trade. Asia understands this and is open to exploiting technological advantages much more than London, where a conservative approach still dominates."

SPNL chairman Claudio Chistè says, "The survey is a timely reminder of the challenges which London faces over the next ten years if it is to retain its pre-eminent position as a provider of global maritime services. Our members showed a proper understanding of London's strengths as a maritime centre, combined with a keen sense of what is happening elsewhere. These are people who are working at the coalface, as it were, who are absorbing new technology and new ideas, and who have the prospect of long careers ahead of them. They want London to succeed.

"The survey also showed that, overall, SPNL members are confident that the markets in which they operate will continue to improve over the coming twelve months, after a very difficult period for the shipping industry."

Richard Greiner, a shipping partner with Moore Stephens in London, says, "The SPNL survey contained a number of constructive observations. Of course, reducing the cost of operating in London is actually outside the control of the maritime industry, and London is by no means the only city in the world where costs are increasing. But there are things which the shipping industry in London can do, and is already doing. The UK operates a very successful tonnage tax regime, for example, which provides participating companies with a low level of tax on shipping activities, the potential to pay no tax when vessels are sold, and predictability on future tax liabilities. The UK also continues to offer significant tax advantages for individuals resident but not domiciled in the UK.

"London should embrace competition, and use it as a platform to expand and improve. The SPNL survey is a welcome addition to the ongoing debate about London's role as a global centre for maritime services. Recognising the challenge is the first and most important step towards meeting it."

Claudio Chistè concludes, "London has shown over centuries that it has the mettle and the determination to compete. The SPNL believes that it will continue to do so, provided it can meet the challenges which have been identified."

Tech deployed on the ground and in the air to secure Suez

Sources within the army say that a new network of motion sensitive cameras, equipped with night vision, have been installed along the 190 km long Suez Canal to monitor and secure the convoys of ships crossing the Suez Canal from so-called "terrorist elements".

The cameras are set 3 km deep from the waterway and on both sides, aimed at ensuring no one will be able to pass through undetected. On top of that a central operations room has been created and aircraft also equipped with high tech cameras are scanning the canal too. The increased security comes after a couple of ships were attacked in recent weeks by the al Furqan brigade, a group that has promised further, more severe strikes on the waterway. Meanwhile, the Egyptian military continues to target militants in the northern Sinai area. **Source : gulfshipnews**

The TSHD **QUEEN OF THE NETHERLANDS** passing the TSHD **PRINS DER NEDERLANDEN** in Mumbai Port.
Photo : Rene Rijnhout ©

Teekay Petrojarl Invests in Petrotechnics' Proscient™

Petrotechnics, the global leader in transforming frontline operational performance and lowering operational risk announced that Teekay Petrojarl has awarded a contract to deploy Proscient™ across its global fleet.

Following a comprehensive competitive review, Teekay Petrojarl has awarded Petrotechnics a two million euro contract to deploy Proscient™ across all of their assets worldwide. Petrotechnics will provide dynamic, industry leading work management tools to support Teekay Petrojarl's goal of creating a standardised approach to work management across their global operations.

This will provide a common method of increasing work management efficiency and enhancing the organisations view of the relationship between asset risk, operational risk and control of work. "This is a significant award for **Petrotechnics** and the start of a long-term relationship with an innovative and progressive company", said Iain Mackay, Petrotechnics' executive vice president. "**Petrotechnics** has led the safe system of work marketplace for the last decade and Teekay Petrojarl's award represents the market moving to a solution that is more than simply permit to work," continued Mackay. **Teekay Petrojarl**, the global leader in harshwater FPSOs, currently operates within UK, Norwegian and Brazilian sectors. **Petrotechnics** will provide **Teekay Petrojarl**, with a complete and efficient permit to work, operational performance and predictive risk solutions.

"We chose to partner with **Petrotechnics** for implementation of our electronic Control of Work system because of their solid experience and understanding of operational risk management in our industry", said Sverre Stenvaag, Teekay Petrojarl SVP Operations. "We believe Proscient™ will help improve the controls and efficiency of how we control work, hence reducing the risks involved in our operations. We also believe the implementation is an opportunity to consistently harmonise the way we handle central work processes such as Permit to Work and risk assessments across our fleet, while also safeguarding full compliance to regulatory requirements in all regions where we operate".

Frontline 2012 Ltd. delivery of first MR tanker

Frontline 2012 Ltd. is pleased to announce that the Company has taken delivery of the first of six fuel efficient MR tanker newbuildings ordered from **STX Offshore & Shipbuilding Co. Ltd.** in Korea, named **FRONT ARROW.**
FRONT ARROW is the first vessel delivered out of 60 currently on order by **Frontline 2012** with the last units being delivered in early 2016 spread across the product (MR and LR2), gas (VLGC) and dry bulk segments (Capesize).
Source: Frontline 2012 Ltd.

UKHO brings 'Implementing ECDIS Procedures' Workshop to London

The United Kingdom Hydrographic Office (UKHO) is holding its renowned workshop on EDIS bridge procedures and regulations at the IMO Headquarters in London on 11 September as part of London International Shipping Week.

Led by Captain Paul Hailwood, a Master Mariner and internationally respected expert on ECDIS and integrated bridge operations, this free workshop will present the 'ADMIRALTY Guide to policy and procedures for the operational use of ECDIS'. As well as providing expert guidance on the regulatory requirements governing the adoption of ECDIS, as well as the onboard safety management systems and bridge procedures required to fulfil SOLAS carriage obligations.
Captain Hailwood has designed this workshop in conjunction with the UKHO to meet the needs of anyone involved in managing the integration of ECDIS into their ships, including managers, owners, ship personnel, regulators and auditors. Following on from the UKHO's highly regarded Digital Integration Workshops, which provided a nine-stage guide to planning for the ECDIS transition, this new workshop offers more detailed advice on compliance with ECDIS regulations, as well as allowing plenty of time for discussions with the UKHO team.
Held as part of the inaugural London International Shipping Week, the workshop opens for registration at 10.00am on Wednesday 11 September at the headquarters of the International Maritime Organisation in central London.
Captain Hailwood commented: "London is a premier global hub for the maritime sector, with a huge number of world-leading maritime organisations based in the city, so we are delighted to have the opportunity to hold our workshop on ECDIS regulations and bridge procedures at IMO Headquarters as part of London International Shipping Week. We understand that the legal requirements for ECDIS compliance can appear complex, so our workshop will include a checklist of the items required by international standards that will help shipping companies to prepare for inspections and third-party audits. We will also look at the hazards associated with the operation of ECIDS and the appropriate control measures to mitigate those risks."
The workshop will also include one-to-one sessions with **Captain Hailwood** and UKHO experts, where delegates can discuss their own situation with ECDIS implementation and seek advice from the UKHO team.
Source: UKHO (United Kingdom Hydrographic Office)

Probe into Talisay ship collision winds up

THE **Special Board of Marine Inquiry (SBMI)** is now consolidating evidences and testimonies in its investigation on the collision of m/v **Sulpicio Express Siete** and m/v **St. Thomas Aquinas** last month. Arnie Santiago, director of the Maritime Industry Authority (Marina) enforcement office, said the SBMI chaired by Commodore Gilbert Rueras of the Philippine Coast Guard is analyzing the testimonies to determine who are lying and who are telling the truth This, as salvage tug **Trabajador 1** arrived last Saturday at the Mactan channel to siphon the oil left inside the sunken **MV St. Thomas de Aquinas**
Operated under the supervision of **Nippon Salvage** and **Malayan Towage** firms, **Trabajador 1** carried special equipment from Japan that included work barge '**Maria Bnr Delia 1**' that carries 12 oil recovery tanks. Each tank can accommodate 16 kilo liters of oil. It is also fitted with special diving equipment to enable divers to stay 50 meters underwater longer. **M/v St. Thomas Aquinas** lies some 50 meters underwater at the seabed on its port side. After the arrival of the equipment, the salvage crew started preparations for the siphoning operation.
Preparation includes securing the salvage tug with two anchors. Divers will then tie the salvage tug to the sunken vessel with two nylon hawsers. Cebu Coast Guard Commander Weniel Azcuna said the siphoning was started last Monday. He said the operation will ran for 12 days depending on how much fuel is left inside the vessel. Last Sunday, a team of divers went to the site and checked their siphoning equipment. The **Malayan Towage** and **Nippon Salvage** Team with around ten divers, composed of Japanese and Filipino divers, will lead the siphoning.

He said that, the divers will go into the sunken ship and drill holes on the vessel's tank to connect a pump which will drain the oil. A barge will be on stand-by nearby to carry the fuel. "Although we have no timeframe, we will come up with the report as soon as possible," Santiago said The masters of **Sulpicio Express** of Philippine Span Asia Carrier Corp. (PSACC) and **St. Thomas Aquinas** of the 2Go Group and crew members have given their testimonies. Santiago said that unlike the administrative investigation being conducted by Marina, the result of the SBMI investigation, which will be forwarded to the Board of Marine Inquiry (BMI), is recommendatory in nature with no punitive action. For example, if the SBMI will recommend that the Cebu Port Authority (CPA) shall install "boya" as a demarcation line between inbound and outbound lanes, and the recommendation will be approved by the BMI chaired by the PCG commandant, a copy of the report will be furnished to CPA.

In an earlier interview, Rueras said that although their report will only be recommendatory, the parties to the case (2Go and Sulpicio) may use it file charges for damages against each other, or for survivors and families of the fatalities to file damage claims against the two shipping lines. The SBMI, composed of Rueras (as chair) and Santiago (for Marina), Chief Mariner Nestor Perrero and Chief Engineer Waultrudth Tanamor, has wrapped up its hearings last week when there were no more witnesses. Santiago said SBMI will submit the results of its investigation to the BMI, which will review it. If new evidence will come up during the review, the BMI will send the report back to SBMI for consolidation.

If there is no new evidence, the BMI will approve the report and submit it to Department of Transportation and Communication (DOTC) Secretary Antonio Abaya. A copy will also be sent to Marina Administrator Maximo Mejia Jr. If DOTC will approve the report, copies will be furnished to all the government agencies concerned for the implementation of recommendations. **Source : SunStar**

India prepares legal action against Iran for detaining tanker

India has filed an appeal with a regional grouping of 16 maritime nations seeking constitution of a Detention Review Panel to review the case involving the hold-up of an Indian ship by Iran.

The appeal is an indication that India may pursue a legal action against Iran for detaining the ship for 26 days, arguing that the detention was illegal.

India and Iran are members of the Indian Ocean Memorandum of Understanding on Port State Control (IOMOU), which is one among the nine regional port state control agreements in the world. These agreements were set up at the behest of the International Maritime Organization (IMO), the global maritime regulator, to check the operation of sub-standard ships in their respective regions.

A spokesman for IOMOU, comprising nations in the Indian Ocean rim, confirmed receiving India's appeal.

The tanker named Desh Shanti owned by state-run Shipping Corp. of India Ltd was allowed to resume her journey on 6 September from Bandar Abbas port where she was detained since 12 August on allegations of causing pollution in Iranian waters. The ship was detained while on her voyage from Basrah in Iraq to Visakhapatnam on India's eastern coast carrying crude for state-run oil refiner Hindustan Petroleum Corp. Ltd (HPCL).

Port state control is a check on visiting foreign ships to verify their compliance with international rules on safety and pollution prevention.

The detention review panel will comprise India, Iran and three other member countries of the IOMOU, according to the procedure for constituting such a review panel. The panel will have to submit its findings and recommendations within 30 days, which will be binding on both India and Iran.

"If the appeal against the illegal detention of the ship is rejected by the IOMOU, India has the option of going to the International Maritime Organization (IMO) to press its case," a spokesman for the shipping ministry said. "It will be up to the Shipping Corp. of India to pursue a legal course of action against the detention depending upon the outcome of the findings of the IOMOU or the IMO as the case maybe."

A spokesman for Shipping Corp. declined to comment on this.

The ship was released after Shipping Corp. submitted a letter of undertaking to Iran's Ports and Maritime Organization which guarantees payment towards clean-up operations if the spill is proved. "Shipping Corp. has given an undertaking to Iran saying that if the pollution is proved, it will bear the cost for damages," the ministry spokesman said.

"We have not paid Iran anything. Only a letter of undertaking has been given as per practice," the Shipping Corp. spokesman said. India feels that it has a strong case against Iran. Because, before allowing the tanker to sail based on the undertaking given by Shipping Corp., Iranian maritime authorities "unconditionally" downgraded all deficiencies on the ship, which it had cited earlier as the reason for causing pollution and for holding up the ship, said a spokesman for the directorate general of shipping (DGS), India's maritime administration.

"The downgrading of deficiencies implied that they did not exist," the DGS spokesman said. "Hence, there is no evidence to prove that the ship caused pollution."

Iranian maritime authorities, however, asked the ship's captain and chief engineer to give them a signed statement saying that the tanker caused a "minor pollution" before allowing the ship to sail.
"We said nothing doing," the DGS spokesman said. "We did not relent." Iran's Ports and Maritime Organization could not be reached immediately for comment. Iran had alleged that the ship was detained because it discharged its oily ballast water 30 miles from Iran's Lavan Island in the Persian Gulf that "caused a 10-mile-long oil stain on the sea".
In order to maintain stability during transit, ships fill their ballast tanks with millions of gallons of water. This water is taken from coastal waters in one region after ships discharge waste water or unload cargo, and discharged at the next port of call, when more cargo is loaded.
India is one of the few markets for Iran's oil as the west Asian country struggles to sell crude in the face of western sanctions against its nuclear programme. Tehran says it is intended for peaceful purposes. Supplies from Iran, India's second biggest supplier, have dropped in the wake of sanctions as Western underwriters stopped insuring ships carrying Iranian crude from 1 July 2012. Iraq is now India's second biggest supplier of crude. India imports 80% of its crude requirements and 60% of this comes from the Gulf countries. The ship detention incident comes at a time when India is looking to buy more oil from Iran without breaching the sanctions as part of measures to shore up the rupee amid a record high current account deficit. **Source: LiveMint**

NAVY NEWS

Britain 'must have two aircraft carriers to be global player'

Britain must have two working aircraft carriers if it wants to be a global military player, a Foreign Office parliamentary aide has said. A Government cost-cutting proposal to mothball or sell one of two carriers being built would be a poor use of public money, Tobias Ellwood MP said in a report for a military think tank.

Trying to rely on a single carrier would also undermine the UK's ability to cope with international crises.

Mr Ellwood said: "The UK either needs a carrier capability or it does not. "If it does, then a minimum of two are required in order to have one permanently available." Running both carriers would cement Britain's position as "a global player with a military power of the first rank," he said.

The Government has yet to decide the fate of the two 65,000 ton **Queen Elizabeth class** carriers currently being built, but the 2010 defence review proposed selling one or keeping it mothballed to save money.

Mr Ellwood, in a report for the Royal United Services Institute, said: "A £3-billion carrier waiting in 'suspended animation' in Portsmouth to be activated has political consequences, as does the selling of a ship at a loss.

"Neither option is a sensible use of taxpayers' money. Indeed, the latter should be firmly disregarded." He said the lack of British carriers during the 2011 Libya campaign had meant that **RAF Tornadoes** and **Typhoons** had been forced to fly a 3,000 mile round trip from the UK to hit Col Gaddafi's forces. Even when a base became available in Italy, he said air raids were still four times more expensive than if they had been launched from a carrier in the Mediterranean.

Mr Ellwood, a former Army officer, said: "The carrier's agility and independence means it is likely to be one of the first assets deployed to any hotspot around the globe."

He said a single carrier would only be available around 200 days per year because of maintenance work.

Last week backbenchers on the Public Accounts Committee warned the aircraft carrier programme faced further spiralling costs. The project remained a "high risk" because technical problems had not been resolved and there was potential for "uncontrolled growth" in the final bill. The committee also said a decision to change the type of planes to fly from the carriers had wasted tens of millions of pounds.

The Ministry of Defence had originally opted for jump jet versions of the **F-35 Joint Strike Fighter**, then switched to the carrier variant, only to return to the jump jets again last year when costs soared.

Philip Hammond, Defence Secretary, said no decision would be made on what to do with the two carriers until the 2015 strategic defence and security review.

But money saved by reverting to the jump jet F-35s meant there was the possibility of having two operational carriers.

He said: "Of course there are operational cost implications of holding two carriers available rather than one, but we will weigh very carefully the benefits of that and the costs of that in the review." **Source : The Telegraph**

Aleksandr Nevsky N-powered submarine returns to Severodvinsk after tests in White Sea

Another stage of testing a nuclear powered submarine of the new generation The **Aleksandr Nevsky** is over, press service of the Sevmash defense shipyard, which built the nuclear-powered ship, said on Monday. During a week in the White Sea the submarine's all systems and weapons were being tested.

"The objectives the ship had were completed successfully," Sevmash's Acting CEO Sergei Marichev said. "We have completed tests of the military hardware. Everything was done normally. The crew fulfilled all the time norms for giving and implementation of fighting management." "On Friday, the strategic nuclear powered submarine **Aleksandr Nevsky** fired a Bulava inter-continental missile from the White Sea at the Kura test range in the Kamchatka Peninsula. The missile left the launch container normally, but its onboard system failed during the second minute in flight," a Defense Ministry spokesman told the media on Saturday.

According to the official Shoigu made a decision to suspend the certification tests of The **Aleksandr Nevsky** and The **Vladimir Monomakh** submarines and to make five extra launches of the Bulava missile in order to verify its technical parameters. "A commission under the Russian Navy's Commander-in-Chief, Admiral Vladimir Chirkov, is looking into the causes of the Bulava missile's failed launch," the Defense Ministry's spokesman has said. **Source : ITAR TASS**

MoD announces 'Immortal' air squadron to fly Royal Navy's newest jets

An historic naval air squadron is to be resurrected as the first Royal Navy formation to fly the UK's **Lightning II Joint Strike Fighter** aircraft.

809 Naval Air Squadron (NAS), whose motto is simply 'Immortal' is to be reformed to operate the stealth fifth generation aircraft that will fly off the Royal Navy's **Queen Elizabeth Class** carriers from 2018.

The **Lightning II** aircraft will be jointly operated by pilots from the Fleet Air Arm and the Royal Air Force. Earlier this year, it was announced by the Chief of the Air Staff that the famous 617 'Dambusters' Squadron would be the first RAF Squadron to fly the jets. Both Royal Navy and RAF pilots are already training on the Lightning II aircraft alongside the US Marine Corps at Eglin Air Force Base in Florida.

809 Naval Air Squadron, which dates back to the Second World War, has been selected by the First Sea Lord, Admiral Sir George Zambellas because of its history of striking at the enemy in operations across the globe.

In previous incarnations, aircraft from 809 supported an attack on Hitler's flagship, supported the invasions of North Africa, Italy and southern France during World War 2 and saw action in the Suez in 1956. It was last re-formed to support operations in the Falklands. 809 also flew the Navy's last **Buccaneer**, a low level strike bomber flown in the 1960s and 1970s. "The early naming of 809 alongside the RAF's 617 'Dambusters' Squadron is a very visible demonstration of a joint ambition, spirit of collaboration and shared equity in the Joint Lightning Force."

When not at sea as part of the UK's carrier strike force, 809 will be based at RAF Marham in Norfolk. The joint nature of the Squadrons means Naval personnel will serve with The Dambusters and their Air Force counterparts will do likewise on 809 NAS. **Source: MoD**

Navy bats for Sagar port project

The Navy wants authorities to expedite the Sagar port project in the southern tip of West Bengal in order to ensure security in the north Bay of Bengal region. Senior officers from the Navy are on a visit to Sagar at present.

The island is left virtually unprotected as Indian warships can't use any port to the north of Paradip. Entering Kolkata and Haldia ports isn't possible either, because of inadequate draught and the narrow navigation channel.

"The Sagar port will be very crucial for the country's defences. It is expected to have a draught of nearly 13.5 metres and naval vessels can use the facility to berth, refuel and turn around without wasting much time. Large warships can't access the ports of Haldia or Kolkata due to the draught. Even smaller ones dare not enter the navigation channel since all that the enemy needs to do to block it is sink a vessel there. Any naval vessel will then get stranded for an indefinite period. Even otherwise, an operational naval vessel can't afford to waste so much time merely to negotiate the channel. The ships have to wait for the tides and require assistance from pilots," said Commodore Ravi Ahluwalia, naval-officer-in-charge, West Bengal.

Military activity at the Sagar Island is likely to increase. While the Navy's missile battery will be situated there, the island has also been selected as a location for one of the surveillance radar stations that would keep watch on vessels approaching the coastline.

The Navy said that one of the considerations that prompted the Centre to select Sagar as a location for a deep-draughted port was the country's defence requirements.

RITES is already carrying out a study on whether the port should be constructed on the eastern or western bank. The Navy has no bank preference issues on which bank is finally selected as long as there is rail and road connectivity to the mainland. Sources in the Navy said that given the military build-up by India's eastern neighbours with assistance from countries like China , greater attention will have to be paid to the northern Bay region.

"Our neighbouring country is receiving a lot of military hardware from China. A lot of investment for infrastructural development of a port in that country is also coming in from China. It is receiving Chengdu F-7BG1 fighters from China apart from naval vessels. In the last four years, it has received two new corvettes. Orders have also been placed for two old frigates, two new corvettes and two new large patrol vessels. With so much military and infrastructural support, it is unlikely that the neighbouring country will attempt to resist any aggressive move by China against India," an officer said.

The Sagar port is also crucial for the economy of the state. The Centre had all but stopped annual dredging subsidy for the navigation channel till the Kolkata Port Trust stepped in and convinced it to continue with the funding. However, this is not a permanent move.

Officials believe that once the Sagar port becomes operational, the Centre will no longer bother about dredging of the Hooghly's navigation channel. **Source : indiaTimes**

SHIPYARD NEWS

Kawasaki to build hull parts of Brazilian Drillship

Kawasaki Heavy Industries, Ltd. will build hull parts of a drillship for ESTALEIRO ENSEADA DO PARAGUAÇU S.A. (EEP), Bahia State, Brazil, of which Kawasaki holds 30% of the shares, the Company said on Monday in a press release.

The vessel is the first of six ordered by Sete Brasil (Brazilian investment company in the oil & gas industry), which will be chartered by Petrobras (Brazil's state-owned oil company). After the drillship's hull parts are completed at Kawasaki's Sakaide Shipyard, they will be transported to EEP for installation of other segments, such as the topside equipment, and will be delivered to the owner. This strategy was also agreed by the drillship owner.

Kawasaki has agreed to work in the hull of this first drillship as part of a technical cooperation with EEP. The completion of the parts undertaken by Kawasaki is expected for the 1st quarter of 2015.

It is important to emphasize that the Brazilian minimum content of all the ordered vessels will remain as determined in the contract with Sete Brasil, as well as other contractual conditions.

Kawasaki plans on building offshore vessels to meet global demands on offshore projects.

Kawasaki Heavy Industries, Ltd. comprises some 100 companies in Japan and around the globe, together forming the world's leading industrial and technological business group. The Group manufactures a broad range of products from aircraft to satellites, LNG and LPG carriers, submarines and other vessels, Kawasaki-brand motorcycles, ATVs and Jet Ski® personal watercraft, trains and subway cars, gas turbines and biomass power plants.

The **TSHD DCI DRDGE XXI** fitting out at the **IHC- Merwede** premises in Kinderdijk (The Netherlands)
Photo : Joost Roeland ©

Shipbuilder Shin Yang sees brighter prospects

Shin Yang Shipping Corp Bhd (Syscorp) sees brighter prospects ahead for its shipbuilding and ship-repair operations. Group financial controller Richard Ling said that the group's ongoing shipbuilding contracts were worth RM762mil, with most of them secured this year.

On Thursday, Dayang Enterprise Holdings Bhd said its wholly-owned unit, DESB Marine Services Sdn Bhd, had entered into a shipbuilding contract with **Shin Yang Shipyard Sdn Bhd** (100% owned by Syscorp) for the construction of an offshore accommodation workboat for RM70mil. Syscorp group is currently building about 25 vessels, including offshore supply boats, landing craft, tugs and barges.

"The order-book for new-build vessels can keep us busy for the next two years. The group is constantly looking for new business and bidding for new contracts," Ling told StarBiz. Syscorp group, which delivered a seismic vessel for the oil and gas industry and a landing craft in the April-June quarter, owns three shipyards in Miri and a fourth in Bintulu.

Ling said the group's shipbuilding capacity had increased after major upgrading works at its shipyards. They now focus on building bigger vessels.

He said Syscorp's ship-repair business grew about 15% from a year ago as more ships were docked for maintenance and repair works. For the financial year ended June 30, he said the group repaired 390 vessels, including 144 delivered in the fourth quarter. The shipbuilding and ship-repair segment's revenue in FY13 surged 70% to RM304.4mil from

RM177.8mil a year earlier. The segment's operational profit improved to RM7.6mil from RM6.9mil. On Syscorp's shipping operations, the main contributor to group revenue, Ling said containerised cargo volume had risen more than 20% in the past 12 months, contributed mainly by outbound cargo from Sabah and Sarawak to Peninsular Malaysia. "There is a significant increase in the volume shipment of fertlisers from Sabah to the peninsula. This has filled up empty containers on the return trip. "The economies of scale achieved in the shipment of more containerised cargo has resulted in the improvement of profit margin in domestic shipping although freight rates have remained stagnant," Ling said.In FY13, group revenue from the shipping segment rose to RM601.5mil from RM537.7mil in FY12.
Source: The Star

Jaya looks at strategic options

Singapore's Jaya Holdings Limited told shareholders that it has appointed advisers to conduct a "review of the strategic options available to the company with a view to enhancing and unlocking shareholder value."Jaya says its board "will keep shareholders informed in the event of any material developments," adding that shareholders should note "there is no certainty that the review will result in any proposal or strategic option being implemented." It advises them to exercise caution when dealing in the shares of the company.

The announcement comes less than a month after the company reported consolidated revenue of US$201.8 million (145% higher than the previous financial year) and net profit of US$46.1 million for the financial year ended June 30, 2013.

"Fourth quarter utilization rebounded strongly to a record 91%, Jaya's highest ever," commented CEO and Executive Director Mr. Venkatraman Sheshashayee. "We are pleased that our redoubled efforts to put our vessels to work on term charters have paid off, with many of the new charters on higher rates. Industry fundamentals remain solid, with demand for energy, and thus for oil and gas, continuing to rise, especially in emerging markets."

Jaya Holdings operates a fleet of 28 offshore service vessels and owns and operates two shipyards in Singapore and Batam, Indonesia, and has outsourcing arrangements with several shipyards in China. The two fully owned shipyards are able to build up to nine vessels of up to 130 m per year.

As of August 14, there were four vessels under construction at the Batam yard (a PSV, two ROV subsea operation vessels and a multi-purpose maintenance work offshore vessel). Two AHTSVs were under construction at the Singapore yard and two more PSVs were building in Chinese yards. All these vessels were under construction for Jaya's own fleet, though the yards have also previously built vessels for external customers including Gulfmark Offshore and Edison Chouest **Source : MarineLog**

ROUTE, PORTS & SERVICES

PIL starts to slot on Yang Ming's Far East to Middle East Gulf loop

Singapore-based Pacific International Lines has added a new weekly link between the Far East and the Middle East to its portfolio, by slotting on Yang Ming's 'CGX' service (#856). PIL now offers weekly departures fom China and Taiwan to the United Arab Emirates and Saudia Arabia via Singapore and Malaysia. PIL therewith joins Hub Line, which began to slot on the loop in May. Yang Ming's 'CGX' serves Shanghai, Ningbo, Kaohsiung, Xiamen, Shekou (Shenzhen), Port Kelang, Jebel Ali, Dammam, Port Kelang, Singapore, Kaohsiung and Shanghai. The loop turns in six weeks with six panamax-beam vessels of about 4,250 teu. The service used to call at Bandar Abbas until June, when the Iran call was dropped in favour of Dammam, in accordance with UN sanctions against the Theran government **Source : Linervision**

The **CAP CORTES** in Santos (Brazil) – **Photo : Paulo Galvão ©**

G6 Alliance further slows down Far East Europe loop

The member carriers of the G6 alliance have stepped on the brake and slowed down further one of their main Far East to Europe services. As of this week, the G6 'Loop 6' begins to turn in 12 weeks instead of 11.

An additional ship, the 10,070 teu **APL CHONGQING**, has already been injected into the service's fleet. The loop now employs six 8,750 teu ships from Hapag-Lloyd, three +9,000 teu units from NYK and three +10,000 teu ships from APL. **Source : Linervision**

TALL SHIPS ARRIVED AT WILIAMSTOWN

10-09-2013 From Left to Right **: TECLA, YOUNG ENDEAVOUR, EUROPA, LORD NELSON** and **OOSTERSCHELDE** moored at Workshops Pier Williamstown **all photo's : Photo : Andrew Mackinnon – www.aquamanships.com ©**

Left : **ENTERPRIZE CASTLEMAIN** and below the Dutch **TECLA**

Carriers hope worldwide rate hikes stick in September and October

CMA CGM and Maersk have announced rate hikes for October 1 on the Asia- Europe route as increases follow hikes that were for September 1. Hong Kong's OOCL also says it will levy increases for October 1 on the Europe-Asia trade lane. Starting September 15, CMA CGM will increase rates on its trade from all Asian ports, excluding Japan, to Persian Gulf ports. It will also boost rates from all Japanese ports to Persian Gulf ports.

Beginning October 1, Mediterranean Shipping Co (MSC) will raise rates from south east Asia to Australia by $250 per TEU. OOCL will also increase rates from south east Asia to Australia by $250 per TEU and $500 per FEU, starting on the same day.

On the transatlantic trade, NYK, Evergreen, CMA CGM and Maersk Line plan to implement rate hikes on its transatlantic trade lane starting October 1.

NYK Line will boost rates on its eastbound trade from US ports to northern Europe. The hike will be US$80 per TEU, $100 per FEU and FEU high-cube and 45-foot container. For dried nuts and fruit moving via US west coast ports, the increase will be $200 per TEU and $300 per FEU and FEU high-cube.

Evergreen Line will increase eastbound and westbound rates on its transatlantic rates for all commodities. For westbound rates, the hike will be $150 per TEU and $250 per FEU. For eastbound rates, the increase will be $150 per TEU and $200 per FEU and FEU high-cube container.

CMA CGM will raise rates from north Europe to the US east coast and Gulf Coast, Canada and Mexico, and the hike will be $150 per TEU and $200 per FEU. From the Mediterranean to the US east coast and Gulf Coast, the increase will be $200 per TEU and $300 per FEU. From north Europe to Colombia, Chile, Ecuador and Peru, Maersk will increase rates $100 per TEU and $200 per FEU and 45-foot containers. Maersk will also hike rates from Europe to the US. From the Mediterranean to the US, and from north Europe to the US east coast and Gulf Coast, the increase will be $150 per TEU and $200 per FEU, FEU high-cube and 45-foot container. From north Europe to the US west coast, it will be $300 per TEU and $400 per FEU, FEU high-cube and 45-foot containers. **Source : schednet**

The passengerliner **DEUTSCHLAND** assisted by Iskes tug **SATURNUS** enroute the Felison Terminal in IJmuiden.
Photo : Peter Maanders – Iskes Tugs ©

DFDS purchased own shares from A.P. Moller-Maersk

DFDS has recently purchased 1,782,730 shares from **A.P. Moller - Maersk A/S**, equivalent to 12.0% of the total shares issued in **DFDS.** The price per share was DKK 352.50 and the total purchase price was DKK 628.4m, the Company said in a press release

As stated previously, DFDS intends to cancel the majority of the purchased shares at the next ordinary annual general meeting, except for shares to be used for hedging of DFDS' incentive program. DFDS owns a total of 14.4% of the share capital, including the shares purchased. Following the completion of the transaction, DFDS' equity ratio is estimated to have decreased to 50% from 52%, and the ratio of net interest-bearing debt to operating profit (EBITDA) is estimated to have increased to 2.4x from 1.8x (pro forma calculation using latest available figures as per 30.06.2013).

A.P. Moller - Maersk A/S informed **DFDS** that its shareholding in DFDS has been reduced from 31.3% to 0.0% after sale of 4,657,365 shares. The Lauritzen Foundation has today informed DFDS that its shareholding in DFDS has increased from 36.3% to 38.3% after purchase of 300,000 shares. **Source : PortNews**

Solis Marine Expand into Hong Kong

After a successful first year of operations, **Solis Marine Consultants** has announced the opening of a new office in Hong Kong to expand on current work in the UK and Singapore. Managing the office will be **Mike Harrison**, a structural engineer specialising in fixed object damage (FOD), who joins **Solis** with over thirty years of experience in the field. Mike is also heavily involved in PIANC preparing industry standards for berthing speeds of large vessels as well as having extensive knowledge of electronic navigation and positioning systems.

Solis Marine Hong Kong will be operating as of 7 October 2013 and will also offer master mariner and naval architecture consultancy in addition to the FOD services provided by Mike. For more information see **www.solis-marine.com** , email **m.harrison@solis-marine.com** or follow **@SolisMarine** on Twitter.

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Guangxi Beibu buys 40% stake in Malaysian port

China's **Guangxi Beibu Gulf International Port Group** is taking a total of 40% stake in Kuantan Port Consortium for RM334.42m. Road Builder Holdings and Essmarine Terminal, two units of IJM Corp Bhd, are selling a 38% stake and 2% stake to Guangxi Beibu respectively.

"There is no profit impact at the group level. However, the disposal would increase the reserves positively and enhance the group's balance sheet," the consortium said, adding that proceeds from the disposal would be used for port expansion and working capital of the group. IJM said its partnership with Guangxi Beibu would bring best practices of port management, and its network of clienteles would enhance the capacity utilisation of Kuantan Port. **Source : SinoShipNews**

The 228 mtr long **HELLESPONT PROTECTOR** at the Westerschelde - **Photo : Henk Nagelhout ©**

B O E K B E S P R E K I N G

By : Frank NEYTS

"Electronics, Navigational Aids and Radio Theory".

Adlard Coles Nautical issued a most comprehensive and authoritative book entitled **'Electronics, Navigational Aids and Radio Theory for Electrotechnical Officers'**. The book has been written by Steve Richards. It is Book 15 in the series 'Reeds Marine Engineering and Technology'.

Comprehensive and authoritative, this bestselling series is highly regarded among maritime educators around the world. Written by leading experts, each title maps the syllabus content of the relevant Certificate of Competence (CoC) for Marine Engineering and Deck Officers, following the STCW Code, including the 2010 Manila Amendments, laid down by the International Maritime Organization (IMO). An essential resource for students and professionals in the maritime industry, each volume distils the latest maritime technology and contains up-to-date technical drawings and specimen examination questions.

Divided into three sections of Basic Electronics, Navigational Aids – Theory and Fault Finding, and Radio Communications, this latest book covers the complete syllabus for Electrotechnical Officers as specified by the Association of Marine Electronic and Radio Colleges (AMERC).

The book introduces basic electronics, the theory of how a range of navigational aids works, and radio communications including GMDSS. Fault finding to component and sub system level is also included, along with a series of worked examples. Fully illustrated with technical diagrams, this is the essential text for students undertaking an ETO course leading to examinations in electronic principles, navigational aids and radio maintenance.

"**Electronics, Navigational Aids and Radio Theory**" (ISBN 978-1-4081-7609-2), is a softback of 186 pages and costs £35. The book can be ordered at any bookshop, or direct with the publisher, Adlard Coles Nautical, 38 Soho Square, London W1D 3HB,UK. www.adlardcoles.com

…. PHOTO OF THE DAY …..

The **HHL VALPARAISO** passing the Singapore Strait – **Photo : Capt Neil Johnston – Master Salviscount ©**