

## DAILY COLLECTION OF MARITIME PRESS CLIPPINGS 2013 – 313



**Number 313 \*\*\* COLLECTION OF MARITIME PRESS CLIPPINGS \*\*\* Saturday 09-11-2013**

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The advertisement features a 3D rendering of the ship 'Deep Helder' in blue and white, with the name 'DEEPOCEAN' on the hull. The ship is shown from a side-on perspective, facing right.



**Last week at VRIJHOF anchors in Capelle aan de IJssel (The Netherlands) Students of the Maritime Institute Willem Barentsz from Terschelling tested their self designed anchors – see photos below – Photo : Piet Sinke (c)**

Your feedback is important to me so please drop me an email if you have any photos or articles that may be of interest to the maritime interested people at sea and ashore  
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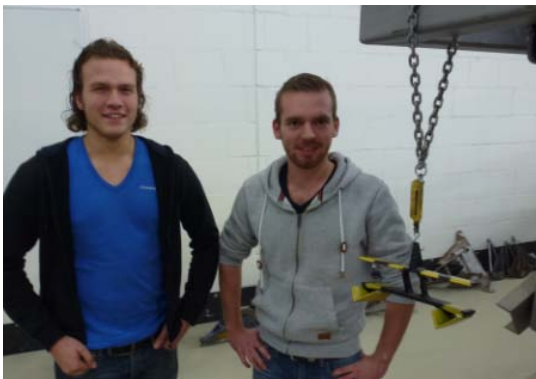
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## EVENTS, INCIDENTS & OPERATIONS



As mentioned above last week several teams from the Maritime Institute **Willem Barentsz** came together at the **VRIJHOF** premises to test their designed anchors , several anchors were tested at the beach of Terschelling prior the final test at **Vrijhof**, during this tests at the beach several clutch plates of cars were destroyed.

The anchors, as seen left received " exotic names,



and the students were all under the impression that they made the best anchor ☺ All the anchors were tested one by one and the tensions were officially recorded by the anchor experts of **VRIJHOF**.





After several hours testing and modifications and pulling again it appeared that the anchor named **POES** was the winner,



The **POES** anchor in action during the tests, with good result a maximum pull force of **801 ton** was achieved, good job guys ! congratulations for a job well done. **All photo's : Piet Sinke (c)**


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The **CMA CGM JAMAICA** outbound from Rotterdam – **Photo : Monique Davis-Mulder (c)**

## Asia-Europe GRI doubles rates at critical time

The World Container Index's Shanghai-Rotterdam freight rate assessment increased \$1,403 to US\$ 2,498 per 40ft box, today, more than doubling spot pricing following several months of dramatic declines.

The weekly World Container Index assessed by Drewry, which captures freight rates with a contract validity of up to one month, confirmed today that the price increases of \$750-\$1,000 per teu announced by container shipping lines from 1st November were largely accepted by the market.

"The recovery in pricing comes at a critical time for ocean carriers, midway through 4th quarter negotiations for 2014 contract rates," commented Richard Heath, director of the World Container Index. "Carriers will attempt to use the rally in spot rates as leverage in contract negotiations with shippers."

The recent surge in rates follows a period of tumbling pricing in which the World Container Index's Shanghai-Rotterdam freight rate assessment had fallen over 55% since it last peaked as recently as early August.

Martin Dixon, research manager freight rate benchmarking at Drewry, added: "The sustainability of current rate levels depends on what steps carriers take to limit capacity hereon. With many more ultra large container vessels (ULCCs) due to enter service, Drewry warns that a reliance on skipped sailings alone will not prevent rate erosion."

World Container Index Shanghai-Rotterdam Benchmark (US\$/40ft)

Drewry stressed that week-to-week increases in rates are less significant than how long the increase holds for.

Year to date average rates for the Asia to Europe trade are still some way below the average for 2012. Although this week's GRI has been broadly successful, it has not proven sufficient to make up for the full scale of rate erosion witnessed over the past three months (see chart).

Drewry urges shippers to consider adopting index-linking as a mechanism to avoid contract default in the current environment of major price volatility. **Source: Drewry Maritime Research**

## Hempel introduces groundbreaking hull coating concept

Global coatings supplier Hempel has launched **HEMPAGUARD®**, a groundbreaking new hull coating concept for the shipping industry which offers both outstanding resistance to fouling during idle periods and significant fuel savings. The technology, dubbed ActiGuard®, has been five years in development and is based on silicone-hydrogel and biocide science. HEMPAGUARD® sets new standards, and is available as two separate products: HEMPAGUARD® X5 and **HEMPAGUARD® X7**.

Hempel's tests show excellent fouling resistance of up to 120 days during idle periods plus fuel savings of six per cent on average with **HEMPAGUARD®**.

Hempel offers first performance satisfaction guarantee contract in the industry. Hempel is so convinced of HEMPAGUARD®'s performance that it is offering a performance satisfaction guarantee contract for vessels complying with a full HEMPAGUARD® X7 specification. Group Product Manager Torben Rasmussen explains:

"If you are not satisfied for any reason using Hempel's top tier product HEMPAGUARD® X7, Hempel will pay, under the performance satisfaction guarantee contract, for the conversion of HEMPAGUARD® back to conventional antifouling and with no questions asked."

Groundbreaking technology is a customer request

With rising bunkering costs, tightening environmental regulations and mandatory Ship Energy Efficiency Management Plans (SEEMP), fleet operators turned to Hempel for a new hull coating that really could make a much-needed difference to their business. As a result, Hempel scientists spent five years developing and testing Hempel's patented ActiGuard® technology. ActiGuard® integrates silicone-hydrogel and full diffusion control of biocides in a single coating. Surface retention of the biocide activates the hydrogel, which effectively holds fouling organisms at bay, cutting friction to a minimum while utilizing a minimum amount of biocide. It also has the long-term stability and mechanical properties required of a durable solution.

The result is a unique fouling defence system – **HEMPAGUARD®**, which ensures excellent performance during long idle periods, plus remarkable fuel savings and flexibility. This is indeed groundbreaking and will provide significant



advantages for fleet operators all over the world. "Our goal was to re-think the market. By introducing this concept and a performance satisfaction guarantee contract, that is precisely what we have done," says Torben Rasmussen.

**Increased flexibility**

**HEMPAGUARD®** is extremely flexible - a product covering most combinations of sailing routes and trading patterns. "Our tests have shown that **HEMPAGUARD®** retains its effectiveness when switching between slow and fast steaming anywhere in the world as well as during extended idle periods of up to 120 days. This is particularly interesting for bulk carriers that can be redirected at short notice, as well as larger container vessels and tankers that may wish to increase speed to meet schedules, or slow steam to achieve extra fuel savings," Torben Rasmussen says.



The **NCC DAMMAN** enroute Rotterdam – Photo : Ria Maat (c)

## **Expect more missed sailings: Carriers are reluctant to lay up ships**

More sailing cancellations are on the way on the Asia-Europe trade as carriers remain loath to risk losing market share by taking more radical capacity reduction measures in the interim. Drewry expects ocean carriers will go for another round of serious sailing cancellations over this year's winter season instead of service withdrawals. Whereas last year's programme was motivated by indecision over future trade growth, this year's is also driven by uncertainty over the P3 alliance.

The P3 is an alliance between the three largest shipping lines (Maersk, MSC & CMA CGM). Subject to regulatory approval it is due to start in May 2014 covering East-West trades. The Alliance announced its new service schedules last week. In the tradeline from Asia to Northern Europe, where no sailings were omitted in August, six were cancelled in September and another 11 in October. This means that vessel capacity was reduced by approximately 1.3% in September, followed by 1.4% in October.

While this enabled load factors to be maintained above 90%, it did not prevent a slide in rates as carriers have continued in a price war for market share. A similar pattern of skipped sailings was seen on the Asia-Mediterranean trade. A further 11 void sailings are planned on the Asia-Europe trade in November, which will result in the removal of 12% capacity on the trade. Similarly, on the Asia-Mediterranean trade six sailing cancellations have been announced, representing around 10% of capacity on the sector.

The trend means that shippers need to pay more attention to forward planning over the next six months, rather than assume that a contracted carrier will usually have a vessel offering the right port pairs on the right berth at the right time. Ocean carriers have got used to temporarily regulating vessel capacity supply to match uncertain demand over the past 12 months. So the requirement for more vigilance over schedules is not new; only its importance is escalating.

The timing of cancelled sailings will likely continue to be planned around GRI's, thereby ensuring that the filling up of surrounding vessels encourages shippers to pay up or shut up should roll-overs occur. When sailings are seriously omitted, freight rates usually jump up, although there are exceptions due to freight rate levels sometimes being dependent on other factors than vessel utilisation. In Drewry's view, ocean carriers will cancel sailings instead of

withdrawing whole services on Asia-Europe/Med trades during the northern hemisphere's winter season. This is expected to continue up until the introduction of the P3s new services in May 2014 (subject to regulatory sanction) and the onset of peak season. **Source: Drewry Supply Chain Advisors**



The **UNION GRIZZLY** operating in Rotterdam – Europa harbour – **Photo : Jan Oosterboer (c)**

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## China extends graft investigation into shipping industry

China's campaign to root out deep-seated corruption has now extended into the shipping industry, after the country's largest bulk shipper, China COSCO Holdings Co Ltd, said the government was probing one of its top executives.

Vice president Xu Minjie was "under investigation by the relevant authorities", COSCO said in a brief statement to the Shanghai stock exchange on Thursday, using shorthand generally used in China to describe corruption probes.

It gave no details other than to say the move would not have a big impact on the company, whose operations it said were continuing as normal. Calls to the company's headquarters in China seeking comment went unanswered.

A Chinese shipping industry website had earlier reported that Xu was under investigation for corruption. The story was later removed from its website, though other Chinese news portals continued to carry it.

Chinese President Xi Jinping has identified corruption as a threat to the ruling Communist Party's very survival, and has launched a sweeping campaign against it, vowing to take on both top-level "tigers" and lowly "flies".

As part of that campaign, China launched a series of graft probes into the energy sector, announcing in August and September that five former senior officials of the country's biggest oil firm, China National Petroleum Corporation, had been put under investigation for "serious discipline violations".

Xu is believed to be the first person from China's shipping industry to be caught up in Xi's crackdown.

Xu is a shipping industry veteran of more than three decades, according to his resume on COSCO's website.

COSCO has been hit by a weakening global economy and a supply glut of ships since the beginning of 2011, though it appears to be on track to return to black this year, despite analysts noting uncertainty due to lingering oversupply.

COSCO last month reported a net loss of 1.04 billion yuan (\$171 million) in July-September, according to NEWS.GNOM.ES' calculations, narrowing from a 1.5 billion yuan shortfall a year ago. The company, controlled by

state-owned China Ocean Shipping(Group) Company, has posted losses for two consecutive years, and a third year would trigger a delisting from the Shanghai stock exchange.

COSCO Chairman Ma Zehua said in August that, with the global dry bulk market improving in the second half, the company was confident of turning a profit for the full year of 2013 after a narrower first-half net loss. COSCO has sold its logistics business, stakes in a container manufacturer and office properties so far this year to try to return to profitability. COSCO also controls port operator and container leasing firm COSCO Pacific Ltd.

Source: Reuters



Stealthgas **MIYAKE** Otago Harbour, Dunedin. Photo : Rene van Baalen (c)



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## Oversupply is 'here to stay': McKinsey

The oversupply of tonnage in container shipping is here to stay, raising concerns for the long term profitability of liners and the increasing likelihood of bankruptcies, according to consultant McKinsey & Co. Boxship owners have displayed a continued interest in ordering new vessels despite the oversupplied market due largely to low newbuilding prices and the attraction of more fuel efficient ships, according to Steve Saxon, principal in the Beijing office of McKinsey.



"This means that it makes sense for owners to order new ships even when they themselves don't need the new capacity," Saxon told delegates at the World Shipping (China) Summit 2013 held in Ningbo on Thursday.

Saxon warned that the continued oversupplied market will see shipping lines struggle to breakeven at best amidst depressed time-charter rates. McKinsey expects more liner companies to exit the business or even be declared bankrupt due to the unresolved core challenge of oversupply. In the main Asia-Europe boxship trade, for instance, fleet capacity rose by 25.9% from 2003 to 2013.

With bunker fuel prices at "stubbornly high" levels, eco-design ships with fuel savings of 20-25% are considered very attractive for owners, Saxon noted. "Coupled with this, new vessels are now much cheaper than they have been for a long time," he said, pointing out that newbuilding prices have fallen by 25% from their previous peak.

"Owners may only need 10 years to pay off the capital cost of the new eco-ships, so liners will continue to order and this is depressing for the market but good news for shipyards. We see a more positive operating condition for yards in 2014-15 than we do for liners," he said.

The result of such an over-ordering of new ships will lead to a "dramatic increase in lay-ups and vessels that are just 10 years old may become obsolete", he believed. The potential significant increase in lay-ups will be followed by scrapping as owners realise their vessels will become obsolete much sooner than their operational lifespan is up.

A vessel ordered now may not see an economic lifespan of 15-20 years, which is probably the payback time, in view of rapid advancement in technology as owners play catchup, he added.

"The factors that can stop the industry hurting itself are oil prices falling back to \$50 a barrel and real liner consolidation leading to more rational behaviour with fewer players per trade," Saxon said. **Source: Seatrade Global**

## RNLI to trial new lifeboat station at Union Hall

THE **Royal National Lifeboat Institution (RNLI)** has announced that it is to trial a new lifeboat station at Union Hall. At a meeting of the RNLI Board of Trustees the decision was taken to establish an inshore lifeboat station at Union Hall for a trial period of 24 months.

Following the evaluation the lifesaving charity will examine whether there is a case to establish a permanent lifeboat station at Union Hall.



Paddy O'Donovan, chairman of the Glandore Harbour Inshore Lifeboat Committee welcomed the announcement: 'We are delighted that the RNLI have taken the decision to trial an inshore lifeboat at Union Hall for 24 months.'

*Union Hall Lifeboat Station will operate an RNLI B Class lifeboat, a rigid inflatable boat measuring 7.3 metres and which can reach speeds of up to 32 knots.*

'We felt there was a strong case for a lifeboat here and we worked hard to bring the community together to make that case to the RNLI.'

'We are all very familiar with the lifesaving work of the lifeboat crews in Baltimore and Courtmacsherry and we want the lifeboat crew in Union Hall to work alongside them in making sure our coastline has strong search and rescue cover.'

Formal representations were made in May to the RNLI from the Glandore Harbour Inshore Lifeboat Committee for the establishment of a lifeboat station in the area. The committee was made up of individuals from the Union Hall and Glandore area representing the fishing industry, marine leisure and the local community.

The trial station will operate an RNLI B Class lifeboat. This lifeboat is a rigid inflatable boat measuring 7.3 metres and which can reach speeds of up to 32 knots. It is fast, manoeuvrable and very reliable and can operate in rough weather conditions. The inshore lifeboat complements the work of the larger all-weather lifeboats, which are based at the neighbouring RNLI lifeboat stations of Baltimore and Courtmacsherry.



Baltimore RNLI also operates an inshore lifeboat. These declared search and rescue assets work with the Irish Coast Guard to save lives at sea. The Union Hall lifeboat will come from the existing RNLI relief fleet and the station will be based on Union Hall Pier in Keelbeg. It is hoped to have the station fully operational and ready for service by the middle of next year. Work will shortly begin on recruitment and training.

Commenting on the decision RNLI Regional Operations Manager for Ireland and the Isle of Man, Martyn Smith said, 'The south west coast of Cork is an area of significant maritime activity. Sadly it has also witnessed its fair share of tragedy. While RNLI all-weather lifeboat cover is strong along the Cork coast we feel there is a strong case for the addition of an inshore lifeboat based at Union Hall.' This coastline has many inlets and cliffs that are suitable for the rapid response and shallow water operations of an inshore lifeboat. Therefore the charity has taken this significant step in search and rescue cover along the south west coast and we are grateful to the people of Union Hall and Glandore for their support on this project.' The RNLI already operates 44 lifeboat stations around the coast and on inland waters in Ireland. **Source : The Southern Star**



The LPG tanker **YORK** outbound from Rotterdam – **Photo : Kees van der Kraan (c)**

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## SFL - Sale of two VLCCs

**Ship Finance International Limited**, announced that it has agreed to sell the 1998 and 1999 built VLCCs **Front Champion** and **Golden Victory** to unrelated third parties. The Company has simultaneously agreed to terminate the corresponding charter parties with a subsidiary of Frontline Ltd. ("Frontline").

The vessels are expected to be delivered to the new owners in November 2013 and Ship Finance expects to receive cash proceeds of approximately \$43 million, including approximately \$11 million upfront payment from Frontline. In addition, we will receive approximately \$79 million in 7.5% amortizing notes from Frontline. The amortization profile and maturity of the notes will match the current charters for the two vessels, with reduced rates until 2015 and full

rates from 2016. Front Champion and Golden Victory were acquired in 2005 with the highest charter rates across the vessels on charter to Frontline, and the level of compensation payments for early termination is a reflection of this.

While the spot VLCC market has currently shown some signs of recovery, there is still a fundamental oversupply in the market, and the retirement of older vessels will contribute to a balancing of the market going forward. The decision to phase out Front Champion and Golden Victory has been made on the basis of individual assessments of the vessels and the costs of taking them through expensive drydockings later this year.

Divesting of older vessels is a part of the Company's strategy to renew and diversify the fleet. The majority of our charter revenues are currently sourced from the offshore segment, and in the second quarter of 2013, the adjusted EBITDA from the vessels on charter to Frontline was limited to only 18% of the total. Following this sale, the number of vessels on charter to Frontline will be reduced to 20 vessels, including 15 VLCCs and five Suezmax crude oil carriers.

Source: Ship Finance International Limited

## **Malaysia: Ship owners cling to RM3b govt lifeline**

Cash-choked Malaysian shipping industry is expecting the RM3 billion soft loan allocated in Budget 2014 to help cushion some of their financial hardship.

The much-needed financial lifeline could provide a temporary relief for dozens of players in the industry — from ship builders, vessel owners to shipyards — who are now relying on government help to revive the sector.

Since the 2008 economic crisis that crippled global trade, the shipping business took a nasty tumble as overcapacity, high fuel costs and low freight charges, especially in the dry bulk carrier segment, plummeted.

Many Malaysian companies were also caught in the turmoil, unable to repay bank loans for the procurement of new vessels, and have yet to fully recover from the five-year downturn.

"The soft loans will help sustain the industry, especially shipowners who are facing financial problems. It is a timely announcement, now they can have access to easier loans. Many of them have been suffering since 2008. "The fund will be good for the Malaysian industry, I believe (borrowing) rates are going to be attractive to support the industry," Association of Marine Industries of Malaysia president Tan Sri Ahmad Ramli Mohd Nor told The Malaysian Reserve. There are about 130 ship owners across the country. Companies like Global Carriers Bhd are under severe financial stress while others like Swee Joo Bhd, Malaysian Merchant Marine Bhd and Nepline Bhd have been delisted due to weak financials while MISC Bhd has sold its liner business after years of posting losses.

Prime Minister Datuk Seri Mohd Najib Razak announced the fund as part of the budget package to develop the maritime sector, to be channelled as soft loans via Bank Pembangunan Malaysia Bhd. Malaysia had been an active player in the maritime sector since it positioned itself as a leading exporter of finished products and exporter of crude petroleum in the region. The United Nations Conference on Trade and Development rated Malaysia as the 24th-largest registered deadweight tonnage (dwt) in the world as of January 2012, with 1,449 vessels and about 10 million dwt.

Shipping had been a premier industry in the domestic economy but its phenomenal growth was cut short.

Local shipowners splurged their money to purchase new vessels as business was roaring prior to 2008. But overspeculation and drought in cargoes, triggered by hiccups in international trade, punctured their business.

The ship builders, ship repairers and maritime equipment manufacturers earned RM7 billion in revenue in 2011, but a 4% drop compared to 2010's revenue of RM7.36 billion, primarily due to weaker demand for new vessel building and repair markets.

"Lot of companies overspeculated and invested heavily, but after 2009 they incurred heavy losses and no improvement until now. "They are in heavy debts and need the bailout. The fund will help upstream players," said MIDF Research Sdn Bhd's shipping analyst Chua Boon Kian.

Observers say the fund comes at a crucial time for the industry when freight rates are showing signs of improvement due to growing global trade. But pessimism still prevails over the government-backed fund on whether it can revive the sector.

The Sarawak and Sabah Shipowners Association said companies that are suffering find it hard to get the financial aid.

"The fund won't help, unless they (banks) are keen to lend to those who are really suffering. We submit mountains of documents and after six months, the banks reject our applications. "Many are fighting for survival in the industry, volume of business is dropping and they have to repay loans and other expenses," said the association's secretary Renco Yong King Wah.



Sarawak has emerged as the main shipbuilding hub in the country — Sibu built 142 new vessels while Miri constructed 55 new units, compared to only 38 vessels in Peninsular Malaysia in 2011. **Source: Malaysian Reserve**



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## **DFDS buys 1,782,730 shares from A.P. Møller - Mærsk A/S**

**DFDS** has purchased 1,782,730 shares from **A.P. Møller - Mærsk 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.

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 **Source : PortNews**

## **ASIA DRY BULK-CAPE SIZE RATES TO RISE NEXT WEEK, VOLUMES EYED -**

**By Keith Wallis**

Rates for capesize bulk carriers on key Asian routes have come off 16-week lows and are expected to extend gains into next week as major Australian miners have revived chartering activity, although insufficient volumes may cap prices, ship brokers said.

Rio Tinto Ltd RIO.AX, BHP Billiton Ltd BHP.AX and Fortescue Metals Group Ltd FMG.AX helped drive a near \$1.50 weekly rise in rates from Australia to China, Norwegian based ship broker Fearnley said. "The outlook is flat to positive," said one Singapore-based capesize ship broker on Thursday.

"There is not really enough (chartering) volume to make the capesize market fly. The capesize market has found its feet, but there are still enough ships out there."

Australian miners are currently keeping iron ore production levels steady, but the market is worried output could suffer during the cyclone season that runs from Nov. 1 to April 30.

The country can expect an average cyclone season with up to 11 tropical storms, four of them severe, in the next six months, the Bureau of Meteorology forecast has said. Benchmark capesize rates from Australia to China were at \$9.30 per tonne on Wednesday, up from a 16-week low of \$7.85 hit a week ago, according to data from the British shipping services firm Clarkson. Capesize rates from Brazil to China rose to \$22 per tonne on Wednesday, against a 12-week low of \$19.95 per tonne reached last week, Clarkson data showed.

"The (capecize) market does, however, remain nervous, and forward-freight agreements developments do little to give a clear direction," ship broker Fearnley said in a research note. Brokers said panamax and supramax rates showed a similar lack of clear direction although sentiment remained positive. "It is a bit quiet with less cargo around," said a Singapore-based supramax ship broker. North Pacific round trip Panamax rates on Wednesday were steady at last

week's levels of about \$12,000 per day for a transpacific voyage. Gains in the capesize sector led the Baltic Exchange's main sea freight index .BADI, to climb to 1,602 points on Wednesday, a gain of more than 100 points on the week. Technical charts indicated the benchmark is expected to test resistance at 1,632 in the coming week, a break above which would open the way towards 1,829. TECH/C Source : Reuters

## CASUALTY REPORTING



## GUDRY CAPSIZED OFF NIGERIAN COAST



The 1976 built tug **GUDRY**, (ex **TYPHOON**) whilst towing an LPG tanker November 5<sup>th</sup> from the Bonny River got in problem , after the tanker ran aground the tug tried to refloat the tanker and capsized during the attempt



Photo's : crew. Reynaert (c)



## NAVY NEWS

# Details of abuse aboard navy ship emerge

A woman claims the 'inappropriate behaviour' that prompted the navy to launch an investigation into sailors involved sexual assaults on young male sailors on **HMAS Ballarat**. The Navy has confirmed the ship involved in the allegations is Anzac Class Frigate **HMAS Ballarat**, which is currently deployed on border protection operations.

Chief of Navy, Vice Admiral Ray Griggs, said the navy was being as open and transparent as it could within the limits of its investigation processes.

'Allegations such as these are serious and it is critical that the investigative process is properly followed. As such I will not speculate on any aspect of the allegations,' he said in a statement on Thursday.

'We have dealt with the allegations swiftly and I reiterate that inappropriate behaviour is not consistent with our values and is not tolerated in Navy.' The woman who made the sexual assault claims is a former navy member who alleged younger male sailors were set upon and sexually assaulted by their crewmates. 'People were set upon by other members, stripped off and had things essentially put in their bums,' the woman, identified only as Bridget, told Network Ten on Thursday. In one instance, a sailor was left with a bleeding rectum after being anally penetrated by a whiteboard marker, she claimed.

Bridget said her friends still serving in the navy had asked her to get the truth out, because people were scared.

'If it happened in a normal workplace, the police would be called, charges would be laid,' she said.

The Australian Defence Force opened a formal investigation on Tuesday after allegations against some members of an unnamed ship's company were made by a sailor.

However investigators will not be able to join the ship for several days. **HMAS Ballarat** responded to a distress call from an asylum-seeker boat off the coast of Indonesia.

Australian Customs and Border Protection and the Australian Maritime Safety Authority could not comment on Thursday. The federal government is not scheduled to brief the nation on border protection until Friday.

However Indonesian search and rescue agency, BASARNAS, has confirmed to AAP that a distress call had been received from a vessel in the Sunda Strait earlier on Thursday. The Indonesian spokesman said **HMAS Ballarat** had responded to the distress call from the boat. **Source : Skynews**



An **MV-22B Osprey** assigned to Marine Medium Tiltrotor Squadron (VMM) 266 (Reinforced), part of the 26th Marine Expeditionary Unit (MEU), takes off from the flight deck of the amphibious assault ship **USS Kearsarge (LHD 3)**.

## Submarine sinking: Navy inquiry yet to be completed

Almost three months after the **INS Sindhurakshak** sank in the Mumbai harbour area, the Navy is yet to complete its inquiry to ascertain the reasons behind the accident. "Of course, it was a tragedy that should not have happened. Lessons (from the mishap) would be learnt only after we have concluded the inquiry process. We are waiting for the floating of the boat," Navy chief Admiral D K Joshi told NDTV.

He said the Navy has identified five renowned salvaging firms and the force would know by Monday about the lowest bidder in the tender. Soon after the mishap on August 14, the Navy chief had said that the Board of Inquiry into the incident would be completed within a month but the inquiry is yet to be completed. The Navy chief said the forensic evidence inside the vessel would be known only after the vessel is brought up and the "BoI would be able to complete its proceedings". The **INS Sindhurakshak** had sunk before sailing out for a secret mission in the Mumbai's Navy harbour killing all 18 persons on board. The Navy chief was in Vishakhapatnam to induct the Hawk trainer aircraft at the naval base and also went on board **INS Jalashwa** on a sea sortie in the Bay of Bengal. Source : Business Standard

## SHIPYARD NEWS



## China's shipbuilding sector must consolidate to stay competitive

China's troubled shipbuilding sector must embrace painful measures and cut shipbuilding capacity by at least 30% to remain competitive amid plummeting utilization rates, a shipping industry expert said at the World Shipping Summit in Ningbo Wednesday.

"The growth rate in the demand for new ships is slowing down. This year is really bad, and I can feel the impact. Chinese shipyards have to reduce overcapacity," Bao Zhangjiang, director of the China Shipbuilding Industry Research Center, told the conference, organized by shipowner Cosco.

"Realignment of the Chinese shipbuilding industry is the crucial need of the hour, and we need the courage to eliminate the excess capacity," Bao added. "There should be a competitive transformation of the industry."

Bao said China's shipbuilding industry helped tide over the global market in the mid-2000s when higher oil and dry commodity demand created a shortage of new ships. That translated into huge shipping requirements for China.

"During the heydays of the shipping market, there had been an influx of new shipbuilding capacity, which when combined with the severe demand destruction during the global financial crisis, has led to a situation of capacity overhang in the short term," he said.

Bao expects global demand for shipbuilding to be 32 million compensated gross tonnage, or CGT, in the next two years, compared with current world capacity of 61.2 million CGT.

"The current imbalance between supply and demand will last for quite some time," he said.

CGT is an indicator of the amount of work needed to build a given ship. It is calculated by multiplying the ship's tonnage by a coefficient, which is determined according to type and size of the particular vessel. Bao said one factor that will keep Chinese shipyards competitive is a focus on quality above quantity. He said the Chinese government was reworking the industry structure document to realign the business with that goal in mind.



"We are mainly involved in building dry-bulk ships, which are low-end vessels," he said. "We want to move from being a shipbuilding country to shipbuilding power. We will streamline our capacity, and this will mark the second stage of the Chinese shipbuilding industry."

Bao expects many mergers and acquisitions in the industry. Chinese shipyards have already started reworking their strategies, with cash-strapped ones already tying up for additional capital.

For instance, China Rongsheng Heavy Industries Group Holdings Ltd. was in talks with two coastal cities and government departments in May to secure financial assistance after the nation's shipowners association forecast a slump in vessel orders through next year. The country's largest independent shipyard was in discussions with the cities of Rugao and Nantong.

COSCO (Lianyungang) Shipyard Co. Ltd. -- a joint venture of Jiangsu Lianyungang Port Corp. Ltd. and COSCO Shipyard Group Co. Ltd. -- was set to be dissolved after steep losses of Yuan 30.28 million (\$4.93 million) in 2011 and Yuan 80.98 million in 2012. The joint venture was created in early 2008 with a registered capital of Yuan 180 million.

In May, China Rongsheng Heavy Industries Group Holdings Chairman Chen Qiang doubted whether many among the more than 100 shipbuilders would survive but said the chances were brighter for the top 20 yards. Orders for new ships tumbled 43.6% last year to 20.41 million dmt in China, according to data from the Chinese Ministry of Industry and Information Technology.

Figures released in June by shipbroker Clarkson showed that China's shipyards secured contracts for just 182 ships in the first six months of this year, compared to 561 vessels a year earlier.

Although China saw a 52% drop in orders for new ships in 2011 from levels seen in 2007, it was still the world's largest shipbuilder, accounting for 41% of the global share.

According to a Singapore-based sales and purchase broker, China has some 350 shipyards that are actively in business. An estimated 2,000 yards are currently operational in China. Beijing is targeting the inclusion of five Chinese shipyards among the top 10 in the world by 2015. **Source : plats**

## Shipbuilding overcapacity sealed fate of BAE yard

It was, for Portsmouth councillor Alistair Thompson, a politically-motivated "act of lunacy". Caroline Dinenage, Tory MP for Gosport, lambasted the "sacrifice" of south-coast workers to "protect" Scottish jobs. And union Unite complained of the "huge blow to Britain's manufacturing and industrial base".

But, whatever the politics, BAE Systems decision to end 500 years of shipbuilding at Portsmouth, and axe 1,775 jobs

across its British shipyards, was as commercially inevitable.

The writing has been on the wall for years – at least since Gordon Brown pushed the proverbial boat out in 2007 and gave BAE and its partners an ill-judged £3.7bn contract to build two vast Queen Elizabeth Class aircraft carriers.

The cost of those vessels has spiralled out of control, officially now up another £800m to £6.2bn. But, costs aside, the deal also had



the effect of masking what was really going on in UK naval shipbuilding. Namely, that an industry largely consolidated by a single company is reeling from structural overcapacity. The end of the carrier contract, due in 2019, was always

going to be the moment of truth – not least in an era of defence spending cuts. With only the Type 26 frigate order to come, and that still in the design phase, something had to give at BAE's three main yards – the two on the Clyde at Govan and Scotstoun and Portsmouth on England's south coast.

As Nick Cunningham, managing partner at research boutique Agency Partners, explains: "We have had a purple patch. The carrier contract overlapped with the contract for the six Type 45 destroyers, themselves huge ships that cost about £1bn each. I doubt we will see that again in our lifetime. Now, there's not enough work in the programme to sustain three shipyards. To be honest, there's probably not enough work for two."

BAE rode this particular wave, inheriting most of Britain's shipyards with 1999's £7.7bn purchase of GEC Marconi's defence interests. Ten years later, BAE pretty much wrapped up the entire industry, paying £346m for the naval interests of VT Group, the company formerly known as Vosper Thornycroft. With that deal came the Portsmouth shipbuilder it is now closing, one whose heritage spans Henry VIII's Mary Rose, the galleons that drove off the Spanish Armada and the first modern battleship in HMS Dreadnought.

But whether BAE really wanted to buy VT in 2009 remains a moot point. The word at the time was that the UK Government – inextricably linked with BAE and today responsible for more than a quarter of the company's sales – leant on the defence group to do the deal.

Ministers wanted, the theory goes, a single company to negotiate with when it came to managing the decline of UK shipbuilding – and the air cover that goes with having a big corporate beast to hide behind when the tough decisions got made. Nothing about Wednesday's choreographed announcement scotches that theory.

What did BAE get in return? TOBA – a legally binding, 15-year Terms of Business Agreement, whereby the Ministry of Defence promised BAE a minimum level of shipbuilding work and support activity worth about £230m a year.

As defence analyst Howard Wheeldon puts it: "In a world that has been rapidly looking to downsize defence capability BAE's TOBA has looked increasingly unworkable. It became harder to imagine how the Government could keep its side of the bargain in providing a balanced number of new orders. Thirty years ago the Government would take just short of four ships a year – today we take on average about 0.7pc of a ship per year."

Defence Secretary Philip Hammond was particularly splenetic about TOBA yesterday, saying it obliged the Government to pay BAE even if its yards were "idle" and workers "produced nothing while their skill level faded".

But as Cunningham points out: "Either you forgive him for being badly briefed or he's being very selective in what he chooses to remember. Without that deal, it would have been Vosper Thornycroft getting closed down by the Government – or one of the Glasgow shipyards."

Yesterday's compromise was a two-parter. First, a stop-gap contract for three offshore patrol vessels, at "a marginal cost of less than £100m", according to Mr Hammond, compared to leaving the yards idle. And second, the ability to let BAE take the rap for closing Portsmouth. Of course, that did not quite wash. The Government was immediately plunged into a row over whether BAE had been put under political pressure to save the Glasgow yards to avoid whipping up more Scottish nationalist fervour ahead of next year's independence vote. BAE denied that, saying the decision was purely "commercial", given it already had most of its naval shipbuilding workers and skills in Scotland, where it employs 3,200 people versus just 1,200 engaged in shipbuilding in Portsmouth. Whether BAE now has a sustainable shipbuilding industry is still questionable, though how much that matters to a group that last year saw a transformational merger with Airbus-owner EADS fall apart is far from clear. Out of BAE's total sales last year of £17.8bn, shipbuilding made up a small part of the £4.48bn revenues it had with the MoD. This may not be the last tough decision BAE makes on British shipbuilding. **Source : The Telegraph**



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The German flagged **POLARSTERN** completed drydocking in Cape Town – Photo : Aad Noorland ©

## Aker Philadelphia Shipyard to Build Two 3,600 TEU Containerships for Matson Navigation

**Aker Philadelphia Shipyard ASA** announces that its wholly-owned U.S. subsidiary, Aker Philadelphia Shipyard, Inc. (APSI), has been selected by Matson Navigation Company (Matson) to construct two 3,600 TEU containerships. Firm contracts are in place for the two vessels with a total value of \$418 million. The vessels will be delivered in Q3 and Q4 2018 and will not require additional financing by APSI.

The 850 foot long vessels will be the largest Jones Act containerships ever constructed and will be utilized in Matson's service from the U.S. West Coast to Hawaii. The vessels are capable of carrying a variety of container sizes and are able to operate at speeds in excess of 23 knots. The vessels will be built with dual fuel engines and will be ready for conversion to LNG propulsion.

"We have a proven track record of building containerships and are greatly looking forward to being partnered with Matson again," said Kristian Rokke, Aker Philadelphia Shipyard President and CEO. APSI previously delivered four containerships to Matson between 2003 and 2006.

Matt Cox, Matson President and CEO, remarked, "Matson has been very pleased with the performance and operating efficiencies of the four containerships built for Matson by Aker. We're confident Aker will once again deliver quality ships for Matson."

Rokke continued, "The planned delivery dates for these new containerships allow APSI to continue to capitalize on tight oil opportunities by constructing eight product tankers between 2015 and 2017 while still positioning the shipyard for the renewal of the Jones Act container fleet. The winning of this order provides the shipyard significant backlog and valuable visibility out 2018, which is positive for our shareholders and other stakeholders as we expect to use this opportunity to further strengthen our competitive position."

APSI is currently constructing two 115,000 dwt crude oil carriers for SeaRiver Maritime, Inc., Exxon Mobil Corporation's U.S. marine affiliate. Both of these crude oil tankers are scheduled for delivery in 2014. Pursuant to the joint venture announced on August 9, APSI also has contracts for the construction of product tankers with Crowley. For more information on the shipyard, please visit [www.akerphiladelphia.com](http://www.akerphiladelphia.com).

Aker Philadelphia Shipyard is a leading U.S. commercial shipyard constructing vessels for operation in the Jones Act market. It possesses a state-of-the-art shipbuilding facility and has earned a reputation as the preferred provider of oceangoing merchant vessels with a track record of delivering quality ships. Aker Philadelphia Shipyard is listed on the Oslo Stock Exchange and is 71.2 percent owned by Conventio Capital Fund, which in turn is majority-owned by Aker ASA. Aker is a Norwegian industrial investment company that creates value through active ownership. Aker's investment portfolio is concentrated on key Norwegian industries that are international in scope: oil and gas, fisheries



and biotechnology, and marine assets. Aker's industrial holdings comprise ownership interests in Aker Solutions, Kvaerner, Det norske oljeselskap, Aker BioMarine, Ocean Yield and Havfisk. **Source : Wall Street Journal**

## Moscow Shipyard launches new generation boat built for Sochi

OJSC Moscow Shipbuilding & Repair Yard launched the workboat of Project WB22MT for Sochi Branch of FSUE Rosmorport. According to shipyard's press center, the boat will be delivered to the customer in late December of the current year.

WB22MT boat is being built to the project of MT-Group CJSC in line with the regulations of Russian Maritime Register of Shipping.



The boat is intended for transportation of commission members, crew members and their families; transportation of cargo of up to 0.5 t; examination and ecological monitoring of water areas; execution of pilot boat's functions.

Technical characteristics: Classification of Russian Maritime Register of Shipping: KM\* R3 Aut3, hull length – 23.0 m, hull breadth – 5.9 m, full-load draught – 1.8 m, speed – 20 knots, endurance – 500 miles.

OJSC Moscow Shipbuilding & Repair Yard (Moscow Shipyard) is one of the oldest Russian shipyards. Since it was set up in 1936, over 1,800 vessels were built here. Moscow Shipyard is the major manufacturer of river passenger vessels in Russia. In particular, it builds motor yacht of luxury class with length from 25 to 50 meters. This full cycle company has its own design bureau, hull production, painting, electric-installation, machine-assembly and interior facilities.

From 2010, the company has been building new-generation passenger motor vessels for tourism and sightseeing. The shipyard is a branch of United Shipbuilding Corporation. In September 2011, the shipyard commenced the construction of high-speed multi-purpose boats of project MPB14 for Russian seaports. Parallel to this production, from 2011 Moscow Shipyard has been building a series of 27 buoy-laying boats project 3050 and 12 buoy-laying boats project 3050.1 for servicing inland water ways. From autumn 2012, the shipyard has been building shipboard boats for Navy.

**Source : portNews**

## Launch of the Amazon Warrior: FSG shows its mettle on the offshore market

**First of two innovative seismic ships launched**

Where once it was ferries that gave **Flensburger Schiffbau-Gesellschaft** its international reputation for excellence, now it is ultra-modern special ships. Yesterday the shipbuilders of Flensburg successfully launched the first of two offshore seismic vessels for the **WesternGeco** concern. The ship was Hull No. **FSG 760** and she was named **Amazon Warrior**. "What has so far been only theory has now become reality and everyone can see it", said FSG Managing Director **Peter Sierk**. "Our shipyard has successfully broken new ground and consciously taken the first steps into what is, for us, a completely new market sector – one which has a lot of potential for the future." He and all

the other shipbuilders at Flensburger, are particularly pleased that they have justified the confidence placed in them by the customer. Peter Sierk said "it was certainly a very courageous move by WesternGeco to entrust us with this



newbuilding order - simply because we had never built an offshore ship before. Despite that, our good points and our reputation persuaded WesternGeco to go ahead a year and a half ago and today we are, one and all, truly proud of this launch". Yet again, he said, it had been shown that quality, complete adherence to contract and delivery terms, broadly diversified engineering competence and passion along with tailor-made ship designs were the solid foundations upon which Flensburg's shipbuilding success rested. Hull Nos. 760 and 763 are 127 metre long seismic ships and the biggest in the customer's fleet. As far as efficiency, comfort, reliability and endurance are concerned, they satisfy the most stringent demands and guarantee safe operation throughout the world – even in the Arctic regions and in the worst weather conditions imaginable. Ships of this type spend months, even years, in uninterrupted service at sea. Because of this WesternGeco places particular value on accommodation and working areas. There is space on each ship for 76 single cabins, rooms for leisure and communal activities and a large computer centre. Here data from the ship's geological investigations are evaluated. The seabed measurement data are recorded by different types of cable streamers, hundreds of metres long, which the ships draw along behind them.

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The cruise ship **SUN PRINCESS** seen here departing Port Chalmers on her 42nd trip into the harbour. Seen here passing Taiaroa Head lighthouse and the Albatross Colony of the Royal Albatross. **Photo : Ross Walker ©**

## ONGC inducts third offshore supply vessel

**Oil and Natural Gas Corp (ONGC)** flagged off its latest offshore supply vessel (OSV), a step that will strengthen the state-owned exploration giant's operational infrastructure. **'LJ Johnson'** was flagged off from Nhava Sheva, about 50km from Mumbai, where the nation's largest oil explorer has its main base, by ONGC Chairman and Managing Director Sudhir Vasudeva.

The vessel has been named after former ONGC Chairman L J Johnson. This is ONGC's third supply vessel and the PSU will add nine more by the end of 2014, he said on the occasion.

The other two vessels have been named after the first Chairman K D Malviya and his successor P R Nayak.

OSVs are most critical components for the seamless operations in the offshore. Acquisitions of these OSVs in our fleet will provide an extraordinary strength to our offshore operations, Vasudeva told reporters at the ONGC facility.

He said the vessel will cater to the needs of the company's offshore installations. In fact, the bulk of the ONGC's production comes from the Western offshore fields, which contribute 71 per cent of oil and 54 per cent of gas.

LJ Johnson is the third OSV that has been constructed by Pipavav Shipyard, which had been given a bulk contract for 12 such vessels in 2009.

The total investment for ONGC stands at around Rs 550 crore for 12 OSVs. So, on an average each vessel is costing around Rs 45 crore, he said. Having a capacity of 549 tonne each, these vessels can carry a load of up to 1,800 tonne and are built with latest navigation and control systems.

A fleet of 28 OSVs of Sindhu and Samudrika series was inducted in 1983 and 1984 which rendered service to all the offshore installations of ONGC for close to three decades. The Maharatna PSU decided to phase out the ageing fleet of OSVs and replace them with the new ones for more reliable operations in the high seas. **Source: PTI**



The **WINDFROST** enroute Beverwijk – **Photo : Marcel Coster ©**

## New Vancouver-Nanaimo fast-ferry link proposed

There is a reason the two ferries proposed to carry passengers between Nanaimo and Vancouver have seatbelts - they move pretty fast. Photos released by Island Ferry Services Ltd. provide a glimpse of Island Tenacity, one of the two vessels the group has earmarked for the service, which is still in its initial proposal stages.

Last month, IFS unveiled parts of its plan to launch a fast-ferry service between Nanaimo and Vancouver. A lot of power will be necessary to jet passengers between the cities in 68 minutes. The 38-metre vessels pack a punch. Some



5,760 kilowatts (7,725 horsepower) of diesel power is fed through waterjets to reach a maximum speed of 41 knots or 76 km/h, according to the vessels' registrations with the Canadian Transportation Agency.

Island Tenacity's sister vessel, **Island Friendship**, has a mostly identical registration with CTA. Both ships were constructed by the **Damen Shipyard Group** in Holland between 2008-09. There will not be many passengers leisurely snapping photos or whale watching on the outer decks should these boats go ripping a cross the Strait of Georgia.

"We're planning on running at about 37.5 knots," said IFS spokesman David Marshall. "You're not allowed on the ... outer decks when the ship is at high speed. That's a regulatory requirement."

For the sake of comparison, Victoria Clipper IV shuttles passengers to and from Seattle at a top speed of about 30 knots. Island Tenacity and Island Friendship are now in Singapore as IFS waits for final details on financing.

Once that happens, the intention is to launch the service in the spring and make as many as six daily round trips between the two cities during peak season. The total value of the project has been pegged as high as \$63.5 million.

Unlike the larger vessels operated by BC Ferries, these boats will not have the luxury of an on-board kitchen, but there will be limited food service and a coffee bar on each deck. The IFS also anticipates that pets will be accommodated, but how remains to be seen.

CTA has certified the boats to run with a minimum crew of eight, which includes a captain, first officer and a chief engineer. "There's a lot more to come, I'm going to keep you guessing," said Marshall. He also said that there will be a range of fare rates.

Senior fares could fall below \$20, frequent users around \$24, and a premium fee of around \$39 for business class.

Discounts for low-traffic sailing times might also be considered. One hurdle that will have to be overcome in the coming months is a potential partnership agreement with the City of Nanaimo. The IFS proposal could see the city share in revenues from things like parking and tickets, but the group has requested a five-year grace period before that money begins to move. IFS estimated the city could see \$4 million in revenue during the first decade.

Nanaimo Mayor John Ruttan said a decision will not be made until "you hear the sound of engines."

"We want to make sure this thing is operational and into service before we offer any concession on it," he said.

Coun. Bill McKay, as former operations manager of the folded Harbour-Lynx fast ferry service, said the IFS proposal has some key advantages over previous attempts. "First of all, two boats. Second: builtin redundancy," he said. "If (Harbour-Lynx) had a problem with an engine, we were done." HarbourLynx was sunk by a catastrophic and costly engine failure, as well as a surprise \$500,000 sales tax bill from the province. McKay estimated that had Harbour-Lynx survived, it would now be carrying up to a million passengers each year. So far, officials say they have seen only an initial proposal and await more details to aid their decision making. **Source : The Vancouver Sun**



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## **GC Rieber Shipping - best quarterly result in the company's history**

**GC Rieber Shipping** maintains its good underlying operations in all segments, and delivers its best quarterly result in the company's history. The company had an overall fleet utilisation of 96 percent, corresponding to the same level in the third quarter last year. Sale of vessel has released a substantial amount of cash and GC Rieber Shipping is well positioned for further growth.

Operating income for the third quarter amounted to NOK 230.1 million, representing an increase of 10 percent from the same quarter last year. EBITDA was NOK 137.9 million, up from NOK 106.9 million, and represents an EBITDA margin of 60 percent. Increase in EBITDA margin is primarily due to termination of existing UK Tax Lease agreement for the vessel "**Ernest Shackleton**", which gave an accounting gain of NOK 22.7 million.

GC Rieber Shipping had a historical good result of NOK 439.5 million in the third quarter, compared to NOK 60.2 million in the same period in 2012. The great result is mainly due to the sale of the vessel "HMS Protector" in September 2013. Normalised profit after tax amounted to NOK 69.7 million.

"The good result in third quarter confirms the company's sound underlying operations. Through the sale of "HMS Protector", we released substantial funds, and we have strengthened our financial position further. As a part of our business model, strategic sale of vessels enables further investment in new vessels in our core markets ", comments CEO Irene Waage Basili.

As at 30 September 2013, GC Rieber Shipping had a solid contract backlog of NOK 3.1 billion with average contract duration of 2.5 years. **Source: GC Rieber Shipping**



The **BERGE NEBLINA** arriving in Rotterdam-Europoort – **Photo : Jan Oosterboer ©**

## **Dubai-based shipping firm to splurge on new fleet**

Tomini Shipping has revealed plans for further expansion following an order for nine new bulkers.

Chairman Imtiaz Shaikh has told Arabian Supply Chain that the Dubai based company has set itself a target of at least 20 new vessels over the next few years. "We intend to continue ordering new ships consistently over the next years with a minimum target of at least 20 ultramax vessels," Shaikh said. He says that while prospects in the Gulf region are bright due to their growth rate, internationally he feels there are still some years of pain before the eventual gain in the bulk carrier sector. That prompted Tomini Shipping to return to the dry cargo market, placing an order for nine new ultramax bulkers. Headquartered in Dubai, the Pakistani shipowner ordered the 64,000-dwt eco-design vessels at China Shipbuilding Industry Corp. Shaikh confirmed the order to Arabian Supply Chain, explaining the company's motives.

"We feel the timing is right time because we believe newbuilding prices have bottomed, so it's an ideal time to enter the market, and we chose this yard because we found it to be the best in quality and building standards."

He would not reveal exact details regarding the cost of the vessels.

"Due to the private and confidential nature of this deal I am unable to provide the specific price, however I can suggest a figure around \$26m each approximately," Shaikh said.

He says Tomini have arranged conventional financing "for a conservative 50% of value" and revealed that delivery of the vessels is scheduled to begin in the third quarter of 2015, concluding in the second quarter of 2016.

On its website Tomini says throughout the years it has "operated some 70 vessels on time charter and owned more than 100 vessels," including 50 dry cargo vessels up to cape size and 55 tankers. Shaikh says it has been examining

opportunities to re-enter the bulk carrier market, but only through newbuildings. "We have been second-hand players for the last 60 years, so it was about time we shifted to newbuildings." Source: Arabian Supply Chain

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The **MADRISA** in Rio Grande - Photo : Marcelo Vieira ©

## Spliethoff to launch a North Europe-Great Lakes box service

Amsterdam-based **Spliethoff** plans a container service between North Europe and Cleveland (US, Great Lakes, Lake Erie), to kick off effective the seasonal opening of the **St. Lawrence Seaway** in April (2014). The new destination is likely to be incorporated into Spliethoff's regular North America breakbulk service, which is provided by modern multi-purpose tonnage with a maximum intake of 690 TEU each. It is not the first time that a box connection with the Great Lakes is trialed. They have never come to fruition as a (any) container service just requires year-round sailings, the company said in its press release.





## "Zhenhai No.1" successfully carried out pilling test of pile legs

On October 26, three pile legs of "Zhenhai No.1" 300 feet jack-up rigs, piled into the bottom of Yangtze River near ZPMC Oil Rigs & Wind Farm Dept. at 5:00 p.m., and were raised more than 7800 tons of hull for 3 meters over the river during slack water period, which meant the pilling test of pile legs for 36 hours was completely successful. It was also another important node after the successful launch of "Zhenhai No.1", marking that the pile legs, jack-up system and locking system, designed by ZPMC, had passed the practice check similar to offshore drilling, the company said in its press release.

The platform was moved by tugboat and fastened by anchor cable and tugboat during the test. The test started from 5:00 a.m. on October 25. After a series of steps included moving, berthing, mooring cables and install boarding ladder, "Zhenhai No.1" was floated steadily on Yangtze River, 20 meters far away from the wharf. At 8:30 a.m., the jack-up system was started, the test begun, the pile legs were driven into the soil. In order to avoid the overturn and damage of platform by the severe environment, ZPMC also carried out a loading test to check whether the platform could stand in the river. After 8 hours observation, the platform stood steadily. Until now, "Zhenhai No.1" pilling test was completed successfully.

"Zhenhai No.1" was the first platform whose pilling test of pile legs was carried out in Yangtze River. Due to more sludge, softer soil, and thinner pan in the Yangtze River, experts said that such a kind of test would take more risk in Yangtze River. To ensure the success of pilling test, ZPMC set up a headquarters of pilling and wrote concrete test schedule through detailed calculation.

"Zhenhai No.1" jack-up platform would be carried out pile splice and cantilever loading tests. The success of pilling test laid the foundation for the following tests. Source : PortNews

## Ships making waves



Appledore Shipyard on Sunday evening.

The shipyard is building two patrol boats for the Irish Navy and this one is the first, which is near completion.

Babcock Marine, which operates the shipyard, confirmed the patrol boat is now 92% complete, with power being generated by the ship's machinery. The keel for the second patrol boat's hull was laid on Monday. The ships are on schedule for handover in early 2014 and early 2015 respectively. Source : thisisdevon.co.uk

THESE pictures show the first Irish Navy vessel leaving the building shed at Appledore as well as the longest vessel to ever berth Yelland Jetty.

The pictures, taken by Norman Hardaker, show the Ulrike G which arrived on Monday morning at Yelland and is 99.98 metres long. The Irish Navy vessel left the building shed at



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## **.... PHOTO OF THE DAY ....**



The tug **BUIZERD** assisting Seatrade's **SOUTHERN BAY** into Rotterdam-Waalhaven

Photo :Marijn van Hoorn (c)