DAILY COLLECTION OF MARITIME PRESS CLIPPINGS 2013 – 043

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News reports received from readers and Internet News articles copied from various news sites.

The **NAVION OSLO** during offloading operation from the **BLEO HOLM**
Photo : Crew BLEO HOLM ©

EVENTS, INCIDENTS & OPERATIONS

DELTAGRACHT out from Melbourne off Police Point in Pt Nepean National Park
Photo : Andrew Mackinnon – www.aquamanships.com ©

Nigerian Ports Authority Expects 87 Ships In Lagos

The Nigerian Ports Authority (NPA), on Friday, said it is expecting 87 ships laden with various cargoes to arrive the Lagos ports from February 8 to February 27, reports the News Agency of Nigeria (NAN) NPA said this in its daily publication, The Shipping Position, made available to newsmen in Lagos. It said 40 of the ships were laden with containers while four were general cargo. Fifteen contained new and used vehicles.
According to the document, other ships will sail in with bulk salt, bulk wheat, bulk malt, petroleum products, truck heads, rice and steel products.
The document shows that two ships, **MV African Joy** and **MV Khadiza Jahan** would berth and discharge bulk wheat and rice at ENL Consortium Terminal and Apapa Bulk Terminal Limited respectively. It said that 15 other ships laden with diesel, petrol, kerosene, aviation fuel and bulk gas would berth at the various oil terminals in the port.
NPA listed the oil terminals the ships will berth as New Oil Jetty, Single Buoy Mooring, Bulk Oil Plant and Ibafon Terminal, Apapa.
Meanwhile, the Manufacturers Association of Nigeria (MAN), last week, said some of the reforms being implemented at the country's ports have impacted negatively on their production capabilities. Chairman of MAN for Kwara and Kogi, Mr Omolola Olabayo, made this known in Ilorin after the customer's forum organised by Doyin Investments. "The reforms at the port are giving us problems. Our raw materials are not cleared on time and we pay more money on import duties," Olobayo said. She said further the reforms were being implemented unannounced, adding that the association had lodged complaints at appropriate quarters.
"I don't think from the government policies that are being implemented they really understand what manufacturing companies stand for," she added. Olobayo urged Nigeria to borrow a leaf from China where manufacturers were granted tax waiver for five years.

"We can't remain giants as long as we depend on other countries for our needs, especially on manufactured goods." She assured her customers of improved productivity to meet their yearnings. **Source: Nigerian Guardian**

The yacht **PRINCESS OLGA** arrived in Gibraltar for bunkers – **Photo : Francis Ferro ©**

The **SANTA ROSA** enroute Rotterdam Eemhaven – **Photo : Jeroen Vethaak ©**

Product tankers earnings skyrocket compared to VLCCs

The abnormalities in the tanker markets have been ever so evident during the past couple of weeks, as medium-range (MR) product tankers have been fetching up to 10 times more money than the modern "Goliathans" of the tanker market, the VLCCs. "In the MR TC2 trade (NW Europe - USAC) earnings were a very respectable $18,000/day in the second half of January and have since risen to the stellar heights of $23,000-24,000/day (if only on a temporary basis). Over the same period VLCC earning's on the benchmark TD3 market (AG-Japan) have collapsed from an "ok" $20,000/day in mid-January to a disastrous $2,500/day now. How can a 5 year old product tanker valued at around $25 million earn 10 times more than a 5 year old VLCC, valued at $55 million? The answer is quite simple: we operate in an efficient and transparent market and ultimately supply & demand win out, and it only takes a small change in these fundamentals to have a huge impact on rates/earnings" London-based shipbroker Gibson said in its latest weekly report.

The VLCC **FRONT PAGE** approaching Rotterdam – Europoort - **Photo : Rik van Marle ©**

The report added that "the market for owners of MR product tankers in NW Europe has been extremely good in recent weeks. Although US gasoline stocks are not especially tight, there was an unseasonal decline in the second half of January that supported the market. This, plus weather related delays and sufficiently attractive earnings elsewhere preventing ballasters coming in to the region have all worked in owners' favour and pushed TC2 rates to WS190 from WS155 just two weeks ago. If everything has gone well for MR owners in NW Europe, then it has been the complete opposite for VLCC owners. There has been a sharp drop-off in Middle East production over the past few months, with Saudi out put down from 9.95 million b/d in October to 9.35 million b/d in December, and initial indicatins of a further 0.1-0.22 million b/d cutback in January. This has meant a 'loss' of around 10-12 VLCC loadings per month. At the same time VLCC supply is increasing (even though the pace of growth is slowing), with 6 more VLCCs now than there were in October. Looking at the numbers, it doesn't seem much of a negative swing to force such a collapse in the market, but this is what happens" Gibson said in its weekly note.

It also attempted to try to find out how will VLCC owners get out of this position they're in. According to the shipbroker, "a more cohesive response in refusing to do business at below fixed operating costs is one possibility. Major pooling arrangements or laying up tonnage are other options. All of these are effectively constraining supply. However, the reversal (and it will come) is more likely to follow a relatively small positive turnarround on the demand side. On this fundamental front, the recent surge in oil prices could lead to Mid East oil producers (mainly Saudi Arabia) raising production to ease pricing pressures and so raise VLCC demand. It is not often that someone says higher oil prices are a good thing, but at the moment VLCC owners are likely to wish for anything that will turnaround their fortunes" Gibson concluded.

Meawhile, in the Middle East market this week, Gibson said that "a steady flow of VLCC enquiry for the week prior to Chinese New Year, but not a sign of any recovery for Owners. Tonnage is in plentiful supply for the remaining February programme and a further rise in bunker prices just compounds their plight.. Present levels achieved for the East remain on the bottom at around W32 on 265,000mt and 280,000mt at around WS18 via Cape for Western destinations. Suezmaxes fairing no better as again enough enquiry to normally cause a stir but enough tonnage to break the trend and keep levels flatlined . Last done seen was 135,000mt by WS 30 for the West and 130,000mt by WS62 for the East. Aframax rates East will come under pressure as a dearth of enquiry may push Owners into conceding some points, present levels are 80,000 by ws80 to the East" it noted.

It added that in the West African markets, "Suezmax Charterers faced little to no resistance in covering their West Africa stems this week and although it has been a fairly active week levels have been firmly fixed at the 'bottom'. Owners have been willing to conclude fixtures at 130,000 x W 50 for US Gulf and W 52.5 Europe discharge and whilst tonnage remains plentiful levels will remain unchanged. VLCC's had a busier week with interest going to the East although predominantly taken care of by Eastern ballasters as naturally placed Western units benefiting elsewhere. Levels to the East have slightly firmed over the week mainly due to the rising bunker price with levels at 260,000mt by WS34 and US$2.625 last done for West Coast India discharge" it said.

In the Mediterranean, "Med Aframaxes were an interesting conundrum this week. All signs were there that the going was firm and the thoroughbred owners would be at least maintaining the status quo. However as hours became days it became clear that the majority of business was of a replacement nature, and for normal fixing dates the enquiry was thin. Not even disruption due to bad weather is helping the Owners' plight. Rates began to slide and as a result ws100 for a vanilla cross Mediterranean eventually became WS92.5; by the close the few cargoes remaining are pushing for below WS90 and few would back against them achieving this if not today then Monday. A plentiful supply of Suezmax tonnage has mopped up what cargoes that have been shown. Black Sea cargoes have been concluded at 135,000mt by WS 60 for European discharge, whilst Mediterranean cargoes discharging in the US Gulf have obtained levels of 130,000 mt in the mid WS40's" Gibson said.

The **FRONT PAGE** enroute her berth in Rotterdam-Europoort with onboard the pilots **Rik** and **Frank van Marle** - assisted by the **SMIT PANTHER** and **SMIT EBRO** -

Finally, in the North Sea, "market fundamentals are still playing against Aframax Owners in the Baltic. While this week has seen an increase in activity with Primorsk coming out of maintenance break, the market remained unshaken due to ice-class tonnage still outnumbering cargoes fed to the market. 100,000 at WS65 is the going rate here and unlikely to change before early next week. North Sea also stays flat with 80,000 by WS85 capping the market. Little Suezmax activity of note with rates now below 130,000 by WS 50 for Transatlantic discharge. VLCC interest remained minimal with Arb levels substantially lower than last done, Owners will need to recalculate as to how bad it looks" Gibson concluded. **Source : Nikos Roussanoglou, Hellenic Shipping News Worldwide** **Photo's : Rik & Frank van Marle ©**

Faversham Ships **VICTRESS** entering Cowes, Isle of Wight.- **Photo : Chris Bancroft ©**

Seadrill completes the US$2.9 billion sale agreement with SapuraKencana

Seadrill Limited completes the US$2.9 billion sale agreement with **SapuraKencana** to integrate Seadrill tender rig division into SapuraKencana Petroleum Berhad , said in a press release. Seadrill and SapuraKencana have entered into a conditional sale and purchase agreement in relation to the proposed transaction. SapuraKencana will acquire all the tender rigs in Seadrill's fleet except for the West Vencedor, T15, and T16. These three rigs are either owned or planned to be owned by Seadrill Partners LLC. Seadrill will in a transition period in co-operation with SapuraKencana retain the management of all tender rigs that are in operation outside Asia. The agreed acquisition price is for an enterprise value of US$2.9 billion and includes future capital commitments for newbuildings T17, T18, and West Esperanza. Seadrill will furthermore continue to manage and supervise the construction of the current new building program on behalf of SapuraKencana. In addition, the enterprise value includes all the debt in the tender rig business which is e stimated at US$780 million as of February 6, 2013. Seadrill has agreed to pay US$75 million to SapuraKencana at closing to compensate for cash flow from the tender rig business from February 8, 2013 to closing, netted off for lost interest income. The transaction is expected to close by the end of April 2013.

John Fredriksen, Chairman, President and Director of Seadrill says in a comment, "We are pleased to have reached an agreement with our long-term partner, SapuraKencana, regarding the sale of our tender rig fleet. We look forward to support the integration of the tender rig fleet and are excited to start a new phase of our long and profitable relationship. Seadrill is as a large shareholder of SapuraKencana and is excited to contribute building SapuraKencana into the leading offshore service provider in South East Asia. Seadrill will as stated before use the net proceeds from the transaction to continue to aggressively grow our modern ultra-deep-water and jack-up exposure."

Vroon's **SEBRING EXPRESS** inbound Pointe Noire last Thursday – **Photo : Marc Veenstra ©**

10-02-2013 : bulker **TBC PROGRESS** outbound in Vancouver harbour **- Photo Robert Etchell ©**

Bangladesh ferry sinking, ITF comment

Commenting on Friday's Bangladesh ferry sinking, Nick Bramley, chair of the ITF inland navigation section and Nautilus International national secretary in Switzerland, said: "This is another totally avoidable accident that – like so many in Asia and Africa – will doubtless be linked to failing regulation, lack of enforcement, dangerous working and overcrowding. This latest incident shows the crying need for decent standards for vessels, for proper enforcement, and for training and certification for crew members." He continued: "These dangerous conditions are exactly what ouraffiliated union the Bangladesh Noujan Sramik Federation has been repeatedly warning about for years."

Dockwise **TARGET** loaded with the jack up **WEST JANUS** in Singapore- **photo : Dockwise ©**

CASUALTY REPORTING

Cruise ship adrift off Mexico after fire

The **CARNIVAL TRIUMPH – Photo : Patrick van der Linden ©**

The **Carnival Triumph**, a cruise ship owned by **Carnival Corp** under its Carnival Cruise Lines brand, was adrift 241km off southern Mexico's Yucatan peninsula on Sunday after a fire that caused no injuries, the company said in a statement. The engine room fire, which took place in the morning, had been extinguished and the ship was without propulsion, and operating on emergency generator power, the company said. None of the 3 143 guests nor 1 086 crew were injured, and a tugboat was on its way to drag the vessel to the Mexican port of Progreso, where it was expected to arrive on Wednesday afternoon, Carnival said. The company said the US Coast Guard had been notified.

"Another Carnival ship, the **Carnival Elation**, is currently on scene and transferring additional food and beverage provisions to the **Carnival Triumph**," the statement said.

In January last year, the **Costa Concordia**, a 114 500 ton luxury cruise ship operated by the Carnival Corp-owned Costa Cruises, capsized and sank off the Tuscan island of Giglio in Italy, killing 32 people. Last month, Costa Cruises said Italian investigators were looking into the vessel owner's potential responsibility for the shipwreck. The **Carnival Triumph** set sail from Galveston, Texas, on Thursday, and was due back on Monday 11 February.

Carnival said all passengers would receive a refund and "cruise credit equal to the amount paid for this voyage". The ship's next two voyages, scheduled for departure next week, were cancelled, the company added. **Source : News 24**

NAVY NEWS

Another photo of the Indian Kilo class submarine **SINDHURAKSHAK** moored in Tromso (Norway) – **Photo : Lawrence Evans ©**

Saudi Arabia To Buy German Patrol Boats

The Kingdom is expected to spend $2 billion on ships from a Bremen-based dockyard.

Saudi Arabia is looking into buying patrol boats worth 1.5 billion euros ($2 billion) from a German firm, and appears to have won the Berlin government's approval despite widespread public criticism of arms deals, a newspaper reported on Sunday.

The Arab kingdom was exploring a deal to buy the ships, each costing between 10 and 25 million euros, from Bremen-based dockyard **Luerssen**, Bild am Sonntag newspaper said. Arms exports are a sensitive issue in Germany given the country's Nazi past and the role arms makers like Krupp played in fuelling numerous 19th and 20th century wars.

Germany's national security council, which includes Chancellor Angela Merkel and the ministers of defence, development, economy and foreign affairs, had already given the deal a preliminary nod, according to the newspaper.

The council has to approve such deals in Germany but its decisions are not made public. A spokeswoman for the economy ministry, which oversees such deals, declined to comment.

No one at Luerssen was immediately available for comment.

The newspaper did not say why Saudi Arabia might be seeking the vessels. But Saudi Arabia's foe Iran has repeatedly threatened to close the Strait of Hormuz, a route for oil exports from the Gulf, if Iranian nuclear sites are attacked by Israel, which believes Tehran is trying to develop an atomic bomb – a charge Tehran denies.

While Iran's navy lacks a modern combat capability, its Revolutionary Guards have a wide range of more modern missile patrol boats armed with Chinese and Iranian-made anti-ship missiles, Western defence analysts say.

With less than eight months to go until Germany's federal elections, the news drew criticism from opposition politicians. "The government apparently wants to totally arm Saudi Arabia and has not learned anything from the public protests against weapons deliveries to this country," said Thomas Oppermann, parliamentary floor leader for the opposition Social Democrats.

Germany has refrained from exporting heavy weapons to Gulf states in the past because of its relationship with Israel and more recently because of the Arab Spring revolts.

However, according to a government report, Berlin approved the export of 5.4 billion euros worth of arms in 2011, after studying requests from different countries, a 14 percent increase from the previous year. Of those arms, 42 per cent went to countries outside the European Union or NATO. In December, Bild am Sonntag reported the German government was close to completing a 100-million-euro arms deal for "Dingo" armoured vehicles and Der Spiegel magazine reported Saudi Arabia wanted to buy several hundred BOXER armoured fighting vehicles. In 2011, Saudi Arabian security sources said the country was buying hundreds of tanks from Germany in a multi-billion euro deal that German opposition lawmakers at the time said contravened export guidelines for military hardware. After World War Two, successive West German and later united German governments placed tight restrictions on arms exports, especially to regions where there were armed conflicts or where human rights were poorly respected.

"It's time to stop all weapons exports to Saudi Arabia," said Jan van Aken of the Left party, adding his party would make that demand in parliament. Source : Gulf Business

SHIPYARD NEWS

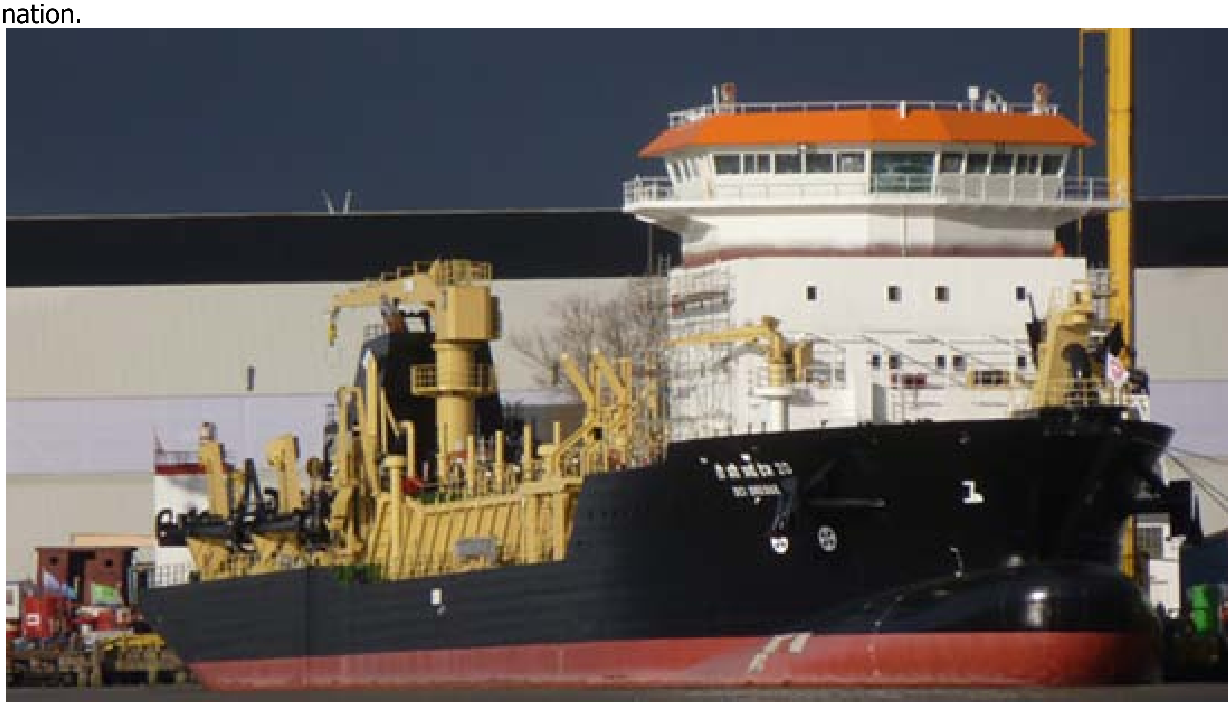
Okskaya Shipyard launches V.F. Tanker-17 Project RST27

On February 8, 2013, **Okskaya Shipyard** launched the seventh serial tanker of Volga-Don max class Project RST27, the **V.F. Tanker-17**. The vessel is being constructed for the shipping company **V.F. Tanker**, the project designer Marine Engineering Bureau said. The contract sea / river deadweight of 6,980/5,378 tons of **V.F. Tanker-11** was added by 50 tons to 7,030/5,428 tons. The test speed was 11.7 knots.

The new tanker of mixed river-sea sailings is the evolution of other projects of Odessa-based firm MEB and features increased river function. The vessel deadweight was increased by 732 tons versus Armada series. The double-sides and double-bottom hull ensures enhanced environmental safety. The vessel is of R2 sailing region, or II region due to old RS classification.

The hull form is a product of the scientific work carried out by the Marine Engineering Bureau and Digital Marine Technology in 2010. It was defined with the use of computational fluid dynamics (CFD modeling and tested at the towage tank of CSRI of Academic A.N.Krylov. The tanker is designed for transportation of crude oil and oil products (two types of cargo), including gasoline, with no flash point.

The RST27 project was developed to the class of Russian Maritime Register of Shipping KM Ice1 R2 AUT1-ICS OMBO VCS ECO-S Oil tanker (ESP). The vessel's main characteristics: sea / river DWT - 7022/5420 tons, LOA - 140.85 m, beam - 16.86 m, depth - 6 m. The shipyard is to build 15 tankers of Project RST27. The head vessel of the Project was keel-laid on October 20, 2011; launched on April 27, 2012 and put into operation on July 17, 2012.Okskaya (Oka) Shipyard based in Navashino of Nizhny Novgorod region was founded in 1907. The modern Okskaya Shipyard JSC was established through privatization of the state enterprise Navashino Shipyard "Oka". The firm specializes in building multipurpose river and sea-going vessels. In 2004, Okskaya Shipyard became part of VBTH, majority owned by Universal Cargo Logistics Holding. Nizhny Novgorod-based V.F. Tanker LLC, a shipping division of international transportation group UCL Holding, was founded in 2001 in conjunction with Volga Shipping Company. The Company operates more than 40 ships of total tonnage of more than 170,000 tons. VF Tanker specializes in shipping of oil products via inland waterways from refineries (Belaya and Kama rivers) to St. Petersburg and further by seagoing ships to the ports of destination.



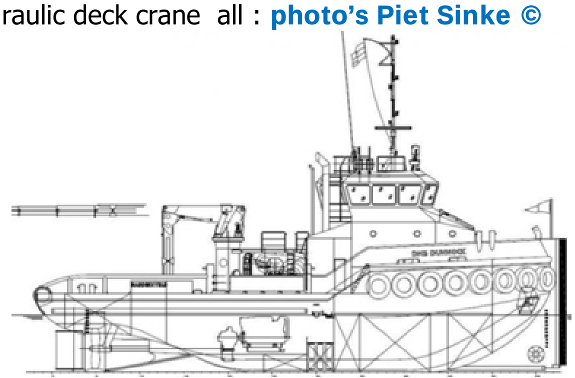
The Indian **THSD DCI DREDGE XX**, fitting out at the **IHC MERWEDE** premises in Kinderdijk
Photo : Henk Bender ©

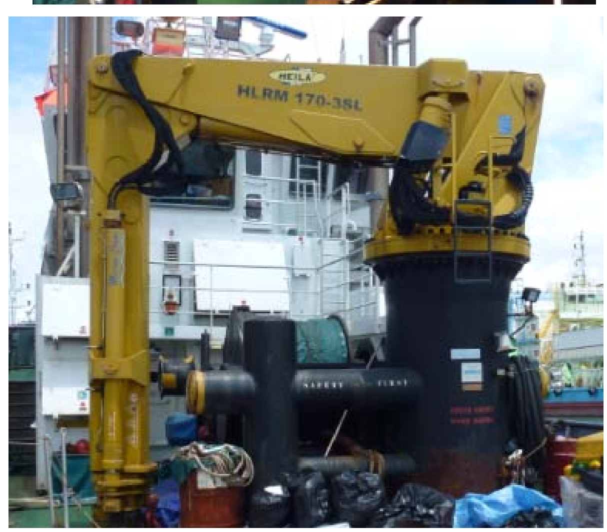
ROUTE, PORTS & SERVICES

"COASTAL VICTORY" the latest addition to the "ACTA MARINE" fleet

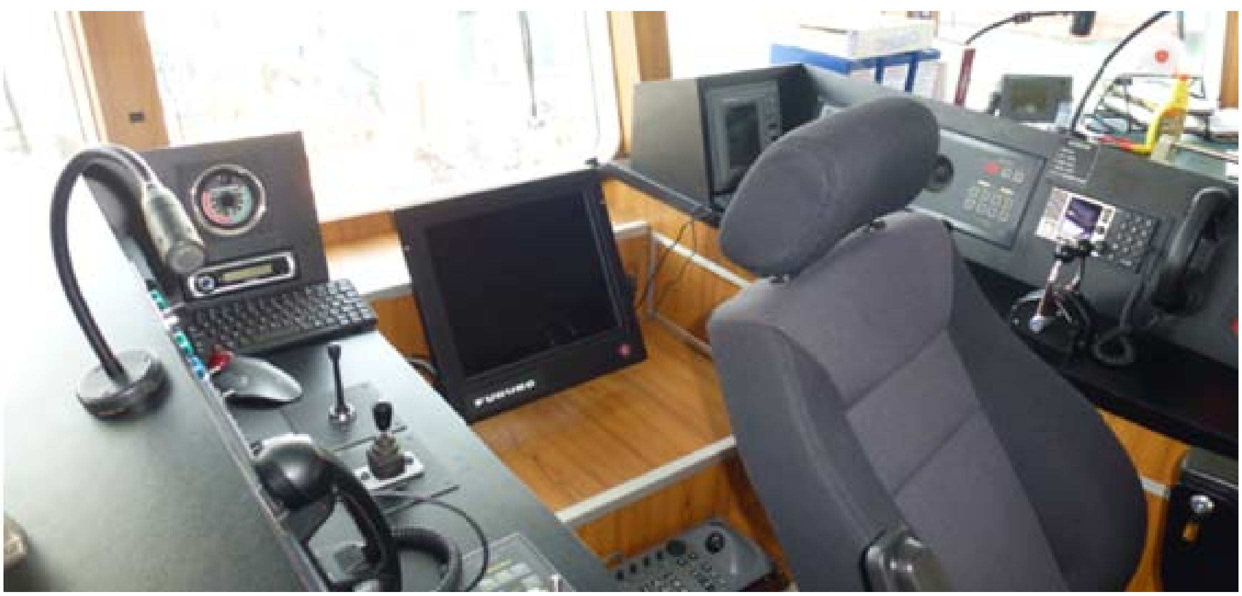
In Singapore, yesterday at the **ASL shipyard** officially the 2007 built, **Damen Shoalbuster 3009 DMS DUNOCK** was renamed in **COASTAL VICTORY,** the 30.08 mtr long **COASTAL VICTORY** is powered by 2 **Caterpillar** main engines (left) with a total output of 3344 hp for max 46 ton Bollard pull, both propellers are in nozzles and a bow thruster is fitted

On deck an 10 ton pull , / min , 600 mtr 52 mm AHT winch is installed furthermore a 140 tm 8.1 ton at 14 mtr Heila Hydraulic deck crane all : **photo's Piet Sinke ©**





Below : the well equipped wheelhouse of the **COASTAL VICTORY**



[www. actamarine.com](http://www.actamarine.com)

The **DOCKWISE VANGUARD** loaded at the **Samsung yard** in Okpo (Korea) her first cargo, the hul for the **Jack / St. Malo** semisub hub production facility for transportation to the US Gulf

Rotterdam's NileDutch upgrades links to Abidjan with CMA CGM-Delmas

ROTTERDAM's **NileDutch** is to enhance its coverage to the Ivory Coast's main city of Abidjan in a direct call to the port on its jointly operated Europe/West Africa service (WEWA) with **CMA CGM-Delmas.**

It will be the first West African port on this service with the first southbound sailing offered from April 1. It will make a northbound Abidjan call twice a month, which will allow for a direct link to Europe. This will allow for connection between East Asia and Brazil to Abidjan through transhipment at Pointe Noire to and from WEWA and its Far East-Africa service.

It will offer very competitive transit times to Europe increasing capacity in a seventh vessel at average capacity of 2,500-3,000 TEU. Rotation will be slightly increased from 60 to 62 days from a sailing every nine days to an average of 10 days instead.

The new port rotation will be as follows: Antwerp, Le Havre, Leixoes, Lisbon, Abidjan, Pointe Noire, Luanda and Lobito. Source : Asian Shipper

The 1991 **Stocznia Szczecinska im. A. Warskiego, Szczecin, Poland** built 157 mtr long ferry **NICOBAR** moored in Port Blair (Andaman Island) Requisitioned 3-99 by the Indian Navy from the **Shipping Corporation of India**, Mumbai (which operated the **Nicobar** for the Government of India Andaman & Nicobar Islands Administration), for military logistics support to the Andaman and Nicobar Islands, with two holds forward and a large helicopter platform aft. As commercial vessels, had 63 cabins accommodations with, 300 berth, and 900 deck passengers. Can carry 39 standard 20-ft. cargo containers. Have NAVSAT and commercial SATCOM gear. **Photo : Roel Knigge ©**

Will a merger between Germany's two premier container

THE two leading German container carriers - **Hapag-Lloyd (HL)** and **Hamburg Sud (HS)** - are in tie-up talks to create the world's fourth largest container carrier after Denmark's Maersk Line, Switzerland's MSC, and CMA CGM of France.

The two carriers announced on December 18 that they were investigating if and under what conditions a merger would be beneficial to each other.

If the merger materialises, the new HL+HS group will be a giant carrier with a fleet of 250 vessels with an annual revenues of more than EUR10 billion (US$13 billion), according to Germany's Der Spiegel.

The combination seems naturally fit for both carriers. Der Spiegel said the two carriers would "complement each other well" because Hapag-Lloyd specialises in major Asia-Europe and transpacific trades, while Hamburg Sud focuses on services to North and South America, one of the fastest-growing emerging markets today.

The two shipping lines are among the top 15 carriers in the world. According to Alphaliner Top 100, Hapag-Lloyd ranks sixth with a container market share of 3.8 per cent, while Hamburg Sud is 12th with 2.5 per cent market share.

The merger would create the world's fourth largest container carrier.

Maritime analyst Alphaliner said the combined capacity of Hapag-Lloyd (634,000 TEU) and of Hamburg Sud (416,000 TEU) would reach 1.5 million TEU, accounting for 6.2 per cent of the global capacity.

In contrast, Maersk Line, the world's largest carrier, currently absorbs 15.4 per cent market share with a total capacity of 2.6 million TEU; MSC, the world's number two carrier, possesses a market share of 13.3 per cent with 2.2 million TEU, and CMA CGM, the number three carrier, has 8.3 per cent with 1.4 million TEU. Initial comments from industry analysts are positive. SeaIntel analyst and CEO Lars Jensen told Denmark's ShippingWatch that the merger of the two largest German carriers would form a "formidable player on the market to and from South America," as well as on the entire reefer segment.

The **SANTA ROSA** passing the Maeslant keering enroute Rotterdam
Photo : FLYING FOCUS luchtfotografie - www.flyingfocus.nl ©

"As opposed to **Hapag-Lloyd, Hamburg Sud** has an extensive order book, consisting of 40 per cent of the tonnage employed by the shipping company. Over the next year, Hamburg Sud will take delivery of a series of 10 ships, of just under 10,000 [TEU]. The shipping company has a very high intake of reefer containers, and thus the shipping company, with 1,700 reefer outlets on its ships, matches the major reefer-designated ships that Maersk Line has acquired for the routes to South America," Mr Jensen said. **Source : Schednet**

Vizag Port focuses on capacity augmentation to regain lost glory

After giving up hope of retaining second slot among major ports due to variety of reasons, Visakhapatnam Port has decided to focus on timely completion of its capacity augmentation projects so as to regain its lost glory in a couple of years.

Loss of transhipment cargo led to snatching away of its premier port status by Kandla in 2007-08. Apart from slowdown in cargo handling due to the ongoing mechanisation works, Visakhapatnam Port lost iron ore and transhipment cargo significantly. All cargoes put together, the port registered a shortfall of 8.79 million tonne (mt) during current fiscal (as of February 4) compared to last year accounting for a drop by 15.17 per cent.

With an investment nearly of Rs.14,000 crore on mechanisation/modernisation, the capacity of the port is projected to go up to 139.67 mt by 2016-17 and 148.67 mt by 2019-20. Figures (in mt) released by Indian Ports Association reveal that Kandla is ahead of all other ports by handling 78.15 followed by Jawaharlal Nehru Port Trust (JNPT) 53.76, Visakhapatnam 49.15, Mumbai 48.52, Paradip 46.61, Chennai 44.33, Kolkata (including Haldia Dock) 32.40 and New Mangalore 30.49 mt.

Though all the ports suffered due to sluggish economy, Visakhapatnam Port’s projections went haywire due to combination of factors. The port with a capacity of 66 mt is likely to finish with 60 mt by March 31. The target set for it by the Ministry of Shipping is 70 mt and the projected throughput is 64 mt. A port official said as of now, they have a shortfall of four mt iron ore, which is mainly attributed to recession in domestic steel industry and fall in imports by China. The installation of two single buoy moorings at Paradip has led to diversion of more transhipment cargo. It is estimated that Visakhapatnam Port lost 2.5 million tonne port of loading (POL) to Paradip. Due to cut in production by Visakh Refinery (HPCL) due to pollution problem, there was shortfall of one mt import cargo. Increasing prices led to falling demand of fertilizer and a loss of one mt for the port. RINL and NTPC have been handling coking coal from Gangavaram ever since it launched its operations. The only positive side this time is continuation in the growth rate in handling of container cargo. **Source: The Hindu**

Second Aframax Tanker Delivered to Gulf Energy Maritime

Gulf Energy Maritime (GEM) continues to expand its fleet, with the delivery of **Gulf Valour**, its second Aframax vessel. After two months since the delivery of **Gulf Vision**, its first Aframax vessel, GEM received **Gulf Valour**, which was also built by **Samsung Heavy Industries.** Standard Chartered arranged a Korean Export Credit Agency (ECA) to back the vessel's financing.

The delivery of GEM's second Aframax vessel reflects GEM's leadership of responding to the market's requirement as the industry gradually improves from the impact of the global financial crisis.

"Prior to the delivery of Gulf Vision, we have been cautious but optimistic on the tanker market. As such, we have constantly maintained our product development and offering as we aim to be a step ahead once the market stabilises and recovers," said Ahmed Al Falahi, CEO of GEM. "It is indeed another milestone for GEM to receive Gulf Valour as we remain steadfast with our commitment of excellence across oceans and responsiveness to the needs of our customers and the market."

Other VIPs and dignitaries present at the ship delivery event were Captain Robert Ferguson, GEM's Head of MSEQ; Ovijit Roy, GEM's Head of Fleet; and Krunal Bhatt - Director Origination & Client Coverage of Standard Chartered Bank.

Gulf Valour, like Gulf Vision, is equipped with state-of-the-art equipment that meets all international environment safety requirements with a capacity of 114,700 DWT capable of carrying both clean petroleum products and dirty products.

Gulf Valour joins GEM's existing fleet which is currently composed of one Aframax, nine modern Panamax tankers, six MR tankers, and three Handysize tankers. GEM is certified by Lloyd's Register Quality Assurance to the ISO 9001-2000 Quality Management System and ISO 14001-2004 Environment Management System for the operational and technical management of its fleet. **Source: Gulf Energy Maritime**

Maersk poised to advance in Kingdom

With more than 750 port calls planned this year, **Maersk Line,** part of the **AP Moller Maersk (APMM) Group**, is set to play a key role in the kingdom's import and export trade. Back in 2010, the number of port calls was 450, so the additional calls effectively amount to an increase of 56 per cent. "This growth illustrates Maersk Line's strategic value for the Saudi market, and it is backed up by operational excellence, product enhancement and human resource development," a Maersk Line statement said.

"New services were introduced in 2012 to cover emerging markets in the west particularly, and from both eastern and western provinces of the kingdom. These have been appreciated by customers as transportation time has been reduced, and direct connections to emerging markets have been established."

The APMM Group has pledged to contribute positively across Saudi Arabia and continue to invest in services and skills development to strengthen trade activities. It indicated it was in a sound position to capitalise on the projected boom in the kingdom with expertise for easing cargo handling and facilitate commerce. More than $400 billion has been budgeted for spending on Saudi infrastructure development in the coming three years. The Saudi retail business is estimated to be worth $83 billion in 2012 and projected to reach $131.2 billion by 2016. Saudi Arabia has largely a young population and personal disposable income levels are expected to grow at 10 per cent CAGR over the next five years, making the country one of the most attractive markets for retail business. Saudi Arabia is a key player in global petrochemicals manufacturing. More than $10 billion has been invested in the sector over the past two years and additionally $10 billion is planned to be invested for the next two years primarily in the industrial hub cities of Jubail and Yanbu.

"Exports and imports have grown more than 15 per cent in 2012 over last year, and APMM is looking forward to assisting in this challenging period," Sunil Joseph, managing director of Maersk in Saudi Arabia, said.

As delays in delivery schedules could mean loss of future business for customers, APMM will "continue to go the extra mile" to ensure schedule integrity and reliability, he added. Maersk Line said its vessels maintained on-time departures at more than 90 per cent accuracy during the period of congestion. "The company held its competitive edge: while other carriers were waiting for days before they could berth in the terminal, Maersk was able to maintain weekly calls as per schedule, as the only carrier in the industry. The good experience was appreciated by customers," it said.

Rigo Van Loy, freight forwarding advisor of ExxonMobil, says: "Maersk Line is the only carrier with a fixed window and the only shipping company that maintains schedule integrity. All other carriers that we work with require three to four days' buffer in their schedules." Another important focus area for Maersk Line is efficient and hassle-free processes.

"The on-line systems developed by Maersk Line to process bookings and track shipments, for example, are the best across the industry today," commented Joseph. In addition to its product offerings and transit times, Maersk Line is committed to working with various stakeholders across the ministries of transportation, ports, customs and related departments. The goal is to implement process improvements in the current not very efficient setup for giving smooth cargo handling and clearance opportunities to Saudi customers. For example, Maersk Line's staff has assisted customers in adopting new methods of transporting cargo. The dry exports in reefer equipment, popularly called NOR (non-operating reefer), has more than doubled in 2012 as Saudi customers realised the importance of equipment availability and seamless operations. They were quick to embrace the concept and reap the benefits.

Maersk Line has noted there is high wastage in the shipping industry across Saudi Arabia and space on vessels is not utilised to its full potential. The container turn time and free time is much longer than in neighbouring markets. Additionally, the availability of equipment is a challenge due to the east-west imbalance, and the process of positioning empty equipment is long and cumbersome. There are fewer direct products in the Saudi market with rates being far less than in neighbouring markets which offer higher returns on investment. Maersk Line's says its response to these challenges is having professionals in the industry who work closely with customers and other stakeholders, such as terminals, customs and transportation and shipping ministries to provide solutions aimed at sustaining growth.

Source: Al Bawaba

…. PHOTO OF THE DAY …..

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