“KOTUG Offshore chartered the tugs AHT ISA and AHT Meander for anchor handling and towage operations of the platform JB118 from the Borwin Alpha Site to the port of Rotterdam. January 13th, 2014 both tugs started on location with anchor handling operations. Given the adverse weather conditions, the tow passed Eemshaven. January 20th last, the voyage commenced from Eemshaven to Rotterdam. In the port of Rotterdam the KOTUG tugs will be assisting the transport to its berth in the Botlek-Area Rotterdam.”

Photo : FLYING FOCUS luchtfotografie - www.flyingfocus.nl (c)
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The tug MARITIME PUTRA departed with the loaded barge MARITIME COURAGE from the Larsen & Toubro yard in the port of Sohar (Oman) bound for India – Photo: Rik van Marle ©

ULSTEIN DESIGN FOR PETROFAC
CONSTRUCTI ON VESSEL
Sharjah based **Petrofac** is to build the **Petrofac JSD 6000** deepwater derrick lay vessel, a customised ZPMC yard in China and be available for construction and installation activities in early 2017. **ULSTEIN SOC 5000** developed by Dutch design company Ulstein Sea of Solutions. The vessel will be constructed at the

The dynamically-positioned **Petrofac JSD 6000** is a unique, innovative design featuring J-Lay, S-Lay and heavy lift capabilities, allowing to serve deepwater and SURF markets as well as shallow water EPCI projects.

The design features an NOV revolving main crane with 5,000 mt lifting capacity. But what makes this vessel truly unique is the combination of a 600 mt Remacut S-lay system via a centre firing line below main deck, and a 2,000 mt IHC EB J-lay system via a moonpool. This double deck configuration, a distinctive feature in Ulstein Sea of Solutions designs, allows for a large, unobstructed deck area and below deck pipe fabrication.

**Petrofac JSD 6000**

‘We are very pleased that **Petrofac** selected us for designing their first offshore construction vessel,’ says Edwin van Leeuwen, managing director at **Ulstein Sea of Solutions**. ‘We feel it is a recognition of our design capabilities for this high end market. It is the third customised version of our successful **ULSTEIN SOC 5000** design after the ‘Seven Borealis’ and ‘Aegir’, which are both already in operation. The success of the project comes for account of the close cooperation between Petrofac’s team and our project team, managed by Sjaak Jan Jiskoot.’

Main dimensions of the vessel are:

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<td><strong>Loa</strong></td>
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<td><strong>Operating draught</strong></td>
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<td><strong>Service speed</strong></td>
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<td><strong>Installed power</strong></td>
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<td><strong>Positioning</strong></td>
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<td><strong>Deck strength</strong></td>
<td>15 t/m2</td>
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**Ulstein Sea of Solutions** specializes in the design and development of ships for the offshore drilling, construction and renewable market, fully customizing them to meet client specific operational requirements. Future market trends
and end user needs are key drivers for developing and providing our designs. As world market leader in complex construction vessels we gained a solid reputation for our refreshing and innovative offshore ship designs and turning these projects into reality for our clients.

We are part of the **ULSTEIN Group**, which is active in shipbuilding, design, system and mission equipment solutions for vessels servicing the offshore oil & gas industry. Since 1917, **ULSTEIN** has been associated with innovation and quality in design and delivery. **ULSTEIN** meets the demanding offshore challenges by embracing change and identifying opportunities.

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Seatrade's **CARRIBEAN MERMAID** with the Dutch Customs patrol boat **JAN VAN GENT** passing the Schoone Waardin, Vlissingen-Ritthem - Photo : Henk Nagelhout (c)

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**Hyundai starts work on world`s biggest container ships**

South Korean shipbuilder **Hyundai Heavy Industries** said Monday it had started construction on a Chinese order for the world’s largest container ships. **China Shipping Container Lines (CSCL)** awarded the contract for the five vessels -- each with a capacity of 18,400 TEU (20-foot equivalent unit) container boxes -- to Hyundai in May.

The size broke the previous record of the 18,000 TEU container ships another South Korean firm, **Daewoo Shipbuilding and Marine**, had built for Denmark’s **A.P. Moeller-Maersk**. Since the order was made, **Hyundai** said the vessels for CSCL had been further upgraded to a **19,000 TEU-capacity** at the Chinese company’s request.
Hyundai said in a statement that the first ship would be delivered in November. Each ship will boast a 400 metre (yard) long deck, while standing 30.5 metres high and 58.6 metres wide. **Source: zeenews**

The latest new fleet addition to Boskalis is the TSHD **STRANDWAY** above seen moored in Stettin (Poland) with in front the Captains **Jan Zuiderduin** and **Cpt. Willy Hofman**. The THSD is nearly ready for transport to Rotterdam **Photo: Capt. Willy Hofman ©**

### Panama Canal Expansion: Standoff Worries Locals

On the Panama Canal—Everything about this Danish-flagged ship is big. It is longer than two football fields, as high as a seven-story building and carries 3,000 cargo containers weighing 30,000 tons. But as shipyards from India to Korea continue to build vessels that are longer, wider and taller, the **Maersk Batam** actually is a midsize ship. Some people even call it small. "Not that there's anything wrong with smaller ships," says Capt. Mike Hands, a Briton who has spent 40 of his 57 years working on ships. "Smaller ships go to smaller ports, which are always more interesting," he says, as the Batam begins its 10-hour passage through the Panama Canal.

Interesting isn't what the Panama Canal is about. Panama's government has kicked off a multibillion-dollar project to widen the canal's navigation channels and build larger locks—the pools of water that lift boats from sea level to canal level—in an effort to catch up with the industry's new standards and collect more in fees. The canal's current tale of the tape is rather modest. The biggest ship it can handle is 965 feet long and 106 feet wide. A new and improved Panama Canal, one highly anticipated by shipbuilders, will be able to accommodate vessels 1,400 feet long, 155 feet wide and capable of carrying three times as many containers as today.

But Panama's plan has suddenly run into rough waters because of ballooning cost overruns. European construction companies hired to expand the canal are threatening to bring the project to a halt as soon as Monday. With the spat nearly a month old and construction work all but shut down, the shipping industry is growing restless, especially after one of the companies warned that the planned completion date of June 2015 may be delayed by another three years. "Across the industry, especially in the U.S., there is a great deal of activity preparing for the possibilities. But until the expansion is complete we will not know the real impact of the project," says Christopher J. Wiernicki, chief executive at the American Bureau of Shipping, a certification and classification organization founded in 1862. Aboard the **Maersk Batam**, owned by Denmark's A.P. Moeller-Maersk A/S, a crew of about 10 Filipino and Indian nationals express little
interest in the canal's expansion plans. In between deck duties discussion centers on the Tom Hanks film "Captain Phillips," a seafaring movie that a crew member describes as "quite realistic."

But when the Panama Canal Authority's two Panamanian pilots come aboard to help Capt. Hands guide the ship through the waterway's narrowest stretches, the expansion quickly becomes the main topic of conversation.

"I have no inside information, but I think the canal authority is going to take over the project and the European construction companies will leave," says canal pilot Mario Chong, 44 years old, standing on the ship's highest deck in a white T-shirt and bluejeans. "It's a beautiful design that the Europeans have come up with, but operationally, we'll have to wait and see."

The canal expansion broke ground in 2007 with a $5.3 billion budget, a third of the cost to build the entire 50-mile waterway in 1914. Now, expansion costs are estimated to reach $7 billion, in a country with an annual gross domestic product of $40 billion.

Who's going to pay for the extra costs? Since the dispute, pitting Panama's government against a consortium of European construction companies known as GUPC, began in late December, it has become "a staring contest, and so far neither side is blinking," says an official from a major shipping company.

Two builders, Spain's Sacyr SA and Italy's Salini Impregilo SpA, which together control 96% of the consortium, have given Panama's government an ultimatum. They warn that if they don't receive at least $400 million from Panama by Monday, they will halt construction altogether. Panama so far isn't giving in, a position that has widespread support in the country of 3.7 million people.

"They have thrown this project onto the floor and now they're blackmailing us for more money," says canal historian Stanley Heckadon. "This canal, and our ownership of it, not only gives us Panamanians a sense of pride, it also has been essential to our economy. It's made the country a port hub of Latin America, a banking center, allowed the economy to grow 10%-plus annually." As the deadline looms and construction slows, Panama's canal, built by American engineers, remains open for business. At 2 a.m. Wednesday under a nearly full moon, the Maersk Batam makes its way from the Pacific to the first set of locks, Miraflores. The trip through the canal is hot and steamy. But the containers on the Batam, which paid nearly $300,000 in toll fees to cross the canal, were mostly refrigerated to keep bananas from Ecuador and Colombia fresh for customers in Spain, Ukraine and Russia.

It isn't just bananas that make their way through these locks. Canal authorities also hope to attract more customers shipping natural gas, including from U.S. ports, many of which currently have to round Cape Horn at the bottom of South America. Currently, only 6% of the world's LNG traffic can go through the canal. But with the expansion, some 90% of vessels that haul LNG would be able to use the waterway, says canal authority chief Jorge Quijano. While construction delays are making the global shipping business nervous, they are creating an even bigger stir on the streets of Panama. Panama in 2000 took control from the U.S. and quickly demonstrated that it could operate and maintain the vital shipping shortcut every bit as well. Now the expansion project has the world again focused on Panama, and its citizens aren't happy that the project is waist-deep in controversy. "We're investing a lot into this canal expansion and we the people voted for it," says Caro Paredes, a Panama City street vendor. "We want to show everyone we made a good choice." 

Corrections & Amplifications With the Panama Canal's expansion, some 90% of vessels that haul LNG would be able to use the waterway, the canal authority's chief said. An earlier version of this article incorrectly said 90% of U.S. LNG exports would be able to use the canal after the expansion.

Source: Wall Street Journal
ULTRAGAS chooses Transas ECDIS Solutions

Leading ECDIS manufacturer Transas Marine was awarded a contract for the supply of Dual ECDIS to ULTRAGAS. ULTRAGAS (an ULTRANAV Company) is an owner and operator of highly specialized vessels for transportation of LPG (Liquefied Petroleum Gases) and petro-chemical gases with years of experience in this demanding segment of shipping.

As a part of the contract, ULTRAGAS has ordered Dual Navi-Sailor ECDIS Multifunction Display (MFD) sets with Radar overlay for installation onboard of five additional vessels. The order also includes delivery of the Transas Admiralty Data Service (TADS), official SENC service from Transas and Admiralty Information Overlay (T&P Notices to Mariners). ULTRAGAS will be using Transas ’Pay As You Sail’ service which will allow for a licensed access to view and pre-plan in official charts at no extra cost. All systems will be supplied by Transas Marine during January 2014.

Transas Marine offers the most advanced ECDIS & Data management solutions available in the market. Every Transas MFD workstation is equipped with ECDIS, Radar, Conning and weather module giving the mariner the ability to switch between applications at the touch of a button.

Europa’s grootste zeilwedstrijd tussen universiteiten en hogescholen

De Race of the Classics: 31 maart t/m 6 april 2014

Op maandag 31 maart staan ruim 500 studenten in de Rotterdamse Veerhaven aan de start van de 26e editie van de grootste zeilregatta voor studenten van Europa: De Race of the Classics. Honderden studenten, verdeeld over 22 teams, trotseren een week lang de Noordzee op klassieke zeilschepen en strijden onder andere om de felbegeerde eerste plaats in het wedstrijdklassement. Het doel van de race is de oversteek naar Engeland te maken. Hierna hijst de regatta de zeilen richting Brugge om via IJmuiden op zondag 6 april in Amsterdam te finishen aan de Sumatrakade.

Meer dan alleen zeilen

Tijdens de Race of the Classics staan zeilen en de competitie tussen Nederlandse Universiteiten en Hogescholen centraal. Deze zeilwedstrijd is een onvergetelijke ervaring voor studenten en een verrijking van hun studententijd. Het ‘Rees-gevoel’, een bijna onbeschrijflijk en uniek gevoel van vrijheid, saamhorigheid en levenslust, kennen alleen (ex-)deelnemers. Onder de bezielter leiding van de schippers ervaren de studenten - gedurende de race de vormen zij de bemanning - het reilen en zeilen van varen op de Noordzee op klassieke schepen. Daarnaast bevordert de Race het netwerken tussen de deelnemende studenten onderling en het bedrijfsleven.

Klassieke Schepen Fonds

in oktober. Met het Klassieke Schepen Fonds kunnen winnende schippers hun schip restaureren. Dankzij de stichting wordt de klassieke scheepvaart ondersteund in financiering van projecten die het klassieke imago van het schip ten goede komen en blijft de klassieke zeilvloot behouden.

Open Dag en showstart
Op zondag 30 maart vindt de open dag van de Race of the Classics plaats in de historische Rotterdamse Veerhaven. Hier kunnen geïnteresseerden die niet meevaren toch de sfeer proeven en de klassieke schepen van binnen en buiten bewonderen. Ook vinden er rondvaarten plaats over de Maas en zijn er diverse activiteiten op de kade voor jong en oud. De open dag is gratis en voor iedereen toegankelijk.

Op maandag 31 maart geeft de Koninklijke Marine met authentieke boordkanonnen op de Zr. Ms. Urania in de Rotterdamse Veerhaven het startschot voor de Race. Hierna presenteren alle 22 schepen zich met gehesen zeilen tijdens een spectaculaire showstart langs de Erasmusbrug en de Veerhaven. Met de hoogbouw van de Kop van Zuid op de achtergrond zorgt dit voor een prachtig schouwspel. Hierna vaart de vloot door naar open zee en strijden de schippers, de bemanning en de studenten om de Challenge Cup, het Gouden Kompas, de Media Award en de Race Achievement Award (RAA).

Over de Race of the Classics
De ‘Rees’, zoals deelnemer de wedstrijd graag noemen, is 26 jaar geleden bedacht door twee studenten van de Amsterdamse Academie, met als doel de onderlinge contacten tussen studenten van verschillende steden en opleidingen te bevorderen. Inmiddels is dit doel verbreed en streven de organisatie van de Race of the Classics er tevens naar het contact tussen studenten en het bedrijfsleven te stimuleren. Daarnaast spelen plezier en competitie een belangrijke rol bij de wedstrijd. Dit jaar zetten 13 enthousiaste studenten uit verschillende steden, met affiniteit voor organiseren en zeilen, zich een jaar lang in om een prachtig evenement neer te zetten. Bezoek de website voor een sfeerimpressie: www.rotc.nl

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Boskalis TSHD ORANJE reclaiming new land for Songdo International City on the waterfront of Incheon, South Korea
Photo: Capt. Gerrit Roest – Master Oranje ©

Inside the RNLI’s latest lifeboat

Its eye-catching boathouses and distinctive blue-and-orange vessels are part of the landscape of the British seaside — a reassuring backdrop to many a summer holiday. And yet while the RNLI is almost certainly one of Britain’s best-loved charities, it’s probably fair to say that few of us actually appreciate the organisation’s scope. It operates 500 boats from 237 lifeboat stations dotted around Britain’s rocky coastline. It designs, builds and maintains its own vessels. And while its crews are largely made up of volunteers, it employs a host of engineers and naval architects charged with maintaining and updating a fleet that has to cope with some of the toughest conditions in the ocean.

With recent weather providing a timely reminder of just how tough these conditions can be, the RNLI is going through a particularly exciting phase: the production and roll-out of the Shannon, its most advanced ever all-weather lifeboat.
Designed to replace the Mersey-class lifeboat, the Shannon is arguably one of the charity’s most ambitious projects. Many aspects of its design represent a radical step forward, and the production run of 50 vessels is the largest single run in the RNLI’s history.

The RNLB Jock and Annie Slater coming through the Sound of Harris

A prototype began sea trials around 18 months ago, and the first vessel will be delivered to Dungeness lifeboat station in February. Six other boats are currently at various stages of construction at the Berthon Boatyard and the RNLI-owned company SAR Composites, both of which are based in Lymington on the UK’s south coast.

Steve Austen, the RNLI’s head of engineering support, explained that the vessel has been designed to meet a number of demanding operational requirements.

The Shannon’s innovative launch and recovery system was designed by Devon firm Supacat another key technology is the Systems and Information Management System (SIMS) used to control the boat. Originally developed for the Tamar class all-weather lifeboat (which was launched in 2006) this system enables crew to monitor, control and operate many of the boat’s key systems without leaving their seats. But while all of these innovations make important contributions to the boat’s safety and performance, the Shannon’s bespoke hull shape is arguably its most decisive feature.

After ruling out an off-the-shelf hull early in the project, Peter Eyre, the engineer responsible for the hull, set about developing a design that was carefully optimised to reduce the risk of both vertical and sideways slamming forces.

It has to be capable of 25kts; it must be able to right itself if it capsizes; it must be able to operate for up to 10 hours in the worst conditions the sea can throw at it; and it has got to last for 50 years. ‘Everything we do — from the design of the hull through to the seating and even down to how the windscreen wipers are attached — is on the assumption that it’ll go out into that 16m sea and will come back,’ said Austen. It has also been designed with the limitations of a volunteer crew in mind. ‘Fewer than 10 per cent have any kind of maritime background,’ he added. ‘You have to make sure you take that into account so that the boat is as intuitive as possible to use.’

In technology terms, perhaps the most original feature is the use of twin water jets to power the boat. Chosen because of the need to operate the boat in shallower water, the jets also make the boat faster and more manoeuvrable than propeller-powered vessels. Peter Eyre, senior engineer on the Shannon project, explained that the improved performance stems from the moveable ‘buckets’ that alter the direction of each of the water jets and thus change the direction of the boat.

The advantage over conventional propulsion systems is that the boat can be held in a neutral position regardless of the throttle settings. And by changing the positions of the buckets — and therefore the direction of the water jets — it can perform a range of manoeuvres that would put impossible strain on conventional systems. ‘You can turn the boat on the spot, move it sideways, stop instantaneously from flat out,’ said Eyre. ‘You’ve got ultimate control.’

Another reason for choosing the water jets is that, like the boat it’s designed to replace, the Shannon will be launched from a carriage and the profile of the jets is ideal for this approach. As previously reported, Austen’s team has worked alongside engineers from Devon engineering company Supacat on the development of an advanced submersible tractor-borne carriage system that enables the boat to be launched more quickly than its carriage-launched forbears.

The range of innovations that have been made on the Shannon would have been impossible just a few years ago. But while all of these developments make important contributions to the boat’s safety and performance, the Shannon’s bespoke hull shape is arguably its most decisive feature.

After ruling out an off-the-shelf hull early in the project, Peter Eyre, the engineer responsible for the hull, set about developing a design that was carefully optimised to reduce the risk of both vertical and sideways slamming forces.
Eyre, were surprising and persuasive: the new hull cut through the waves beautifully while remaining stable in rough conditions. He added: ‘When the results came out I thought… bloody hell — we’ve seen a dramatic improvement.’

Back on dry land, there’s been considerable innovation in the design and manufacturing processes, with an emphasis on upfront detailed design helping to shorten the project’s timescale. ‘Historically we’ve gone from concept design to prototype and then prototype to pre-production model,’ said Austen. ‘But with this one we tried to put a lot more emphasis on detailed design so that the prototype was much closer to the production standard — we’ve effectively missed out a whole stage by doing that.’

Production itself follows a lean process, with two-month tack times and a series of six separate slots for different build states. A number of key innovations have helped to streamline this process, explained Austen. For instance, the wheelhouse and hull are kept separate for as long as possible, enabling more engineers to work on the boat. The team has also figured out an improved way of eventually joining these two sections together, using a bonded joint rather than lots of over-laminating.

The design and production strategy has been heavily influenced by the scale of the job. With 50 boats being built in one go, this is the RNLI’s biggest ever production run and there has, said Austen, been great investment and attention to detail. ‘All the time the guys have had in mind that 50-boat production run so have taken time to invest in jigs, tooling and production methods from the word go rather than thinking about it in small batches.’ The fact that the RNLI is its own customer has also had a huge bearing on the process. There’s simply no point trying to cut corners, said Austen. ‘If you can see the 50-year through-life cost it puts you in a much better position to say “it might cost me an extra £10,000 to build but I’m going to save £100,000 over the next five years by doing this”. It really does give you the design freedom to make those changes and get the benefit.’

Shift in oil demand from West to East will boost ton-mile ratio for tankers

Should BP’s energy outlook heading forward towards 2035 is bound to have a serious impact to the crude tanker market, if all the predictions are realized. The rise of Atlantic basin oil production, coupled with a shift of oil demand from the West to the East, will impact the crude tanker market in a positive fashion, effectively altering trade route patterns. On the other hand, the steady rise of fuel efficient vehicles, as well as a general decline in oil demand growth, will have a negative impact on the tanker market.

According to Gibson’s latest weekly analysis on the BP Energy Outlook 2035 report, which was released last week, “oil is expected to show the slowest percentile growth of all energy forms, over the outlook period up to 2035. BP estimates total global liquids demand (oil, biofuels, and other liquids) are likely to rise by around 19 million b/d, to reach 109 million b/d by 2035. This growth in demand comes wholly from non-OECD economies; China, India and the Middle East account for nearly all of the net global increase. China continues to lead the way in the increase in oil demand, growing by 8 million b/d to 18 million b/dd in 2035, surpassing the US in 20029. Within this, China’s import
requirement is projected to more than double from today’s levels to almost 14 million b/d, or 75% of demand” Gibson noted.

The London-based shipbroker added that “the non-OECD transport sector provides the majority of the hike in liquids demand growth to 2035, up 16.6 million b/d, owing largely to a rapid expansion in vehicle ownership. In the OECD countries, declines are expected, driven by vehicle efficiency improvements and the increasing use of alternative fuels. To meet this increase in global demand by 2035, OPEC production will have expanded by 7.4 million b/d, coming primarily from NGLs (3.1 million b/d) and crude oil in Iraq (2.6 million b/d). Non-OPEC supply on the other hand is expected to increase by 10.8 million b/d. The largest increments of non-OPEC supply will come from the US (3.5 million b/d), Canada (3.4 million b/d) and Brazil (2.4 million b/d), offsetting declines in mature fields such as the North Sea. The increase in US tight oil production, coupled with declining demand, will force net imports to decline from a peak of well over 12 million b/d, or 60% of demand, in 2005 to just 1 million b/d, or less than 10% of demand in 2035”, Gibson noted.

It concluded by mentioning that “all in all, the above trends will have major implications for the tanker markets. Factors such as increases in vehicle fuel efficiency and the slowdown in global oil demand growth, on the face of it, may be negative. However, with the substantial gains in Atlantic Basin oil production, coupled with the world’s major increases in oil demand taking place in the East, the shift in trade from the West to East will provide a strong boost to crude tanker tonne-miles in the future”.

Meanwhile, in the crude markets this past week, in the Middle East, “after enduring a month of steady decline, ending in a severe dumping late last week, VLCC Owners suddenly realised that they had reached a lower bottom than was perhaps justified... dug their heels in, and provoked Charterers to tempt them to trade by offering higher numbers. The process quickly fermented, and levels jumped significantly once again to end at around ws 62.5 to the East and ws 38 to the West via Cape, and next week should see sufficient activity to consolidate the position. Suezmaxes kept steady enough, but initially couldn’t make further headway as VLCCs on part cargoes capped the top end of the range, but by the week’s end, and a higher VLCC scene, that barrier was removed, and rates upticked to 130,000 by ws 102.5 East and near ws 60 to the West. Aframaxes kept in ‘same as’ territory at 80,000 by ws 115 to Singapore for most of the week, but there is now some degree of exodus to the greener grass of the Med/Atlantic, and levels are likely to move up noticeably over the coming period”, Gibson said. In the Mediterranean, “Aframaxes took rare centre stage here with strong activity layered over general delays, allowing Owners to propel the market into eye-watering 80,000 by ws 280-ish territory for cross Med, and although notorious for lack of stamina, the sector should stay close to the peaks for a little while yet. Suezmaxes were already ‘hot’, and spent the week getting hotter with an increase in Bosphoros delays aiding and abetting. Rates pushed to as high as 140,000 by ws 190 from the Black Sea to European destinations, with around US$ 5 million the mark for Med/China runs. More heat to come for next week too”, Gibson stated.

Finally, in the North Sea, “Aframaxes lagged behind the other zones for a while, but late-week played catch-up as the exuberant mood elsewhere rubbed off on sentiment, and rates moved to 80,000 by ws 175 cross UKC and 100,000 by ws 175 also from the Baltic. Charterers are now also being tempted into moving further ahead, and if that continues then the stronger market will perpetuate. Suezmaxes didn’t see as much as of late, but had alternatives to prop them up, and rates to the States operated at around 135,000 by ws 110 as a consequence. VLCCs got the odd knock, and availability was thin enough to yield US$6.5 million for fuel to Singapore, with US$6.8 million seen for a Houndpoint to South Korea movement”, Gibson concluded.

Source: Nikos Roussanoglou, Hellenic Shipping News Worldwide

Circular 2014 002 comments on recent revisions to the widely used CONWARTIME and CONWARVOY War Risk Clauses which will have an impact on the Chartering Community.

THE CHARTERERS P&I CLUB

Click on the banner above to read Circular 2014-002 !
Seabourn Finalizes Contract with Fincantieri for New Ultra-Luxury Ship

Seabourn, the world's leading ultra-luxury cruise line, has announced the formal signing of a contract for construction of a new all-suite vessel, continuing the fleet modernization that the company began in 2009 with the launch of Seabourn Odyssey. This award winning new class of ship, which includes the Seabourn Sojourn (2010) and Seabourn Quest (2011), has won acclaim from luxury cruisers, travel agents and journalists alike, one of whom proclaimed the design "...a game-changer for the ultra-luxury cruise segment."

The configuration of the new, 40,350 GRT vessel will be based on the highly popular Seabourn Odyssey-class ships, with one additional deck and new expanded public areas. The ship will be built by Fincantieri S.p.A. in Italy, with delivery scheduled for mid-2016. It is expected to carry just 604 guests, based on double occupancy of the all-suite lower berths. The design will maintain Seabourn's high ratio of space per guest and enable highly personalized service by nearly one staff member per guest on board. In addition, every suite will feature a private veranda.

"The new ship will continue the evolution that began with Seabourn's fleet expansion, adding modern design elements and innovations consistent with Seabourn's reputation for understated elegance," said Richard D. Meadows, Seabourn's president. "With its delivery, the most highly rated cruise line in the world will also offer travelers the newest fleet of ships in the luxury segment."

The vessel will replace capacity that will be reduced when the company’s Seabourn Pride, Seabourn Spirit, and Seabourn Legend are transferred to new owners in April 2014, April 2015, and May 2015, respectively.

The contract with Fincantieri continues a longstanding relationship of more than two decades between Seabourn's parent company, Carnival Corporation & plc and the Italian shipbuilder. Giuseppe Bono, Fincantieri’s Chief executive officer, said: "An order from a new brand is always a source of great satisfaction. Today we can also add a note of pride, because the addition to our customer base of Seabourn, the Carnival Group's top-end cruise line, means that we are now building ships for all the operators in the ultra-luxury segment, a niche market that has seen strong investments in the past year". Bono continued: "This gratifying result, which gives us cause to be optimistic about the future, is the product of the cultural renewal being pursued with determination at every level of our business activity."

For more information on Seabourn's award-winning cruise vacations, contact a travel professional, call Seabourn at 1-800-929-9391 or visit www.seabourn.com

SOURCE Seabourn
On 18 January the offshore construction vessel Grand Canyon has made a portcall in Den Helder, the Netherlands. Photo: Paul Schaap ©

**French navy free Indian crew, arrest five suspected pirates**

A French navy ship intercepted a hijacked dhow off the coast of Oman, arresting five suspected pirates who had taken hostage an all-Indian crew, French defence officials said Monday. The operation took place after an aborted pirate attack on an oil tanker in the area, the joint defence staff said in a statement. The dhow's 11-member Indian crew were freed. The dhow was suspected to have served as a rear base for the pirates, who launched a failed bid to take over the Nave Atropos, an oil tanker sailing under a flag from the Marshall Islands.

A Japanese naval patrol and forces from international fleets patrolling the Gulf of Aden and Indian Ocean also took part in Saturday's operation about 75 kilometres (45 miles) off Oman's coast, the statement said. The dhow, named Shane Hind, had been hijacked several days earlier in the lawless waters off Somalia's coast. The incident comes after a remarkable fall in piracy largely thanks to an international crackdown on Somali pirates. The International Maritime Bureau said last week that sea piracy had fallen to its lowest level in six years around the world in 2013 largely due to a global operation against Somali pirates. Source: enca.com

**EU confirms vessels now permitted to carry Iran oil, petchems products**

EU-owned or registered vessels are again allowed to transport crude and oil products to certain non-EU countries after the EU suspended a key part of the sanctions imposed on Iran in 2012.

"[The EU] Council has suspended certain EU sanctions against Iran as [the] joint plan of action enters into force," the EU Council's press service said Monday. EU foreign ministers meeting in Brussels agreed to suspend sanctions on providing insurance and transport services for Iranian crude oil going to certain non-EU markets with immediate effect for six months. Ministers also suspended for six months EU sanctions on importing, buying or transporting Iranian petrochemical products, as well as on all related services such as financing and insurance, including for non-EU countries. The Japan Ship Owners’ Mutual Protection & Indemnity Association had earlier Monday commented on the impact of the EU's expected suspensions, which the EU and its partners had agreed with Iran in a joint plan of action last November. "EU-owned or registered vessels will be permitted to transport oil and petroleum cargoes from Iran, or..."
that originate in Iran," under the EU's suspension of Council Regulation 267/2012 article 11.1(c), Japan P&I Club said in a special circular obtained by Platts.

International P&I clubs will also be able to "provide cover to both EU and non-EU owned or registered vessels undertaking transportation of oil and petroleum products," under the EU's suspension of Council Regulation 267/2012 article 11.1(d), it added. Vessels "designed for the transport or storage of oil and petrochemical products" from Iran will become available under the EU's suspension of Council Regulation 267/2012 amended by Regulation 1263/2012 (article 37b), it said. But the permission will not apply to ships chartered by state entities such as National Iranian Tanker Company and Islamic Revolutionary Guards Corps, it added. Japan P&I Club has advised its membership owners "to ensure that any contract/s will be fully executed by 20 July 2014 at the latest." This is because regulators have not confirmed if there would be any grace period for run-off similar to the grace period contained in the initiating Council Regulation (267/2012 EC) if the suspensions are not extended beyond six months, it said. Japan P&I Club added that suspending articles 11.1(c) and (d) does not reinstate, or make permissible, the transport and related insurance activities of oil and petroleum cargoes that are not destined for the US National Defense Authorization Act waiver countries. A shipowner transporting and an insurer providing insurance cover for an oil or petroleum cargo from Iran to a non NDAA waiver country will be in breach of both EU and US sanctions, the club said.

Source: Platts
Firefighters at Port Taranaki have donned heavy duty protective suits to battle a chemical leak aboard a ship. Gas is continuing to leak from a 209-litre drum in the Poavosa Wisdom's holds. The drum holds aluminium phosphide, which gives off toxic fumes when it comes into contact with water. Fire crew at the scene have donned level 4 gas suits to work on stopping the leak. Level four is the highest risk level and firefighters with equipment to assist breathing have been lowered into the ship's hull. Fire Service media officer Cameron Gillespie said a change of wind direction to onshore a northeasterly meant fire engines on the wharf had to be moved. Earlier the gas was heading out to sea.

Another ship on the other side of the wharf was put to sea about 4.10pm. Another cargo ship is tied up on the next wharf, a couple of hundred metres away from the one with the leak. Mr Gillespie said there had been communication problems for the Fire Service because most of the Poavosa Wisdom's 21-strong crew don't speak English. Earlier this afternoon, Newstalk ZB reported the area was being evacuated, with boat crew, port workers and residents all told to leave after an alert was received just after 1pm. The road to the port was closed 500 metres away. The Poavosa Wisdom is carrying wheat. Source: Otago Daily Times

NAVY NEWS

Failed navy supply ship bid costs Harper government up to $8 million

The Harper government paid out as much as $8 million to settle legal claims arising from the collapse of the first failed bid to build new supply ships for the navy, The Canadian Press has learned. One of the companies that received
payment has subsequently been hired to work with Vancouver-based Seaspan Shipyards to provide the design for the new program, which hopes to deliver vessels by 2018-19.

The bid to replace the navy’s two existing replenishment ships has been long and fraught with complications — the military was forced to announce last fall that HMCS Preserver and HMCS Protecteur would retire in 2015, well before the new joint support ships are ready. Originally conceived in 1994, but not ordered until 2004 by the Liberal government of Paul Martin, the ships were meant to be the navy’s floating supply bases, but also to act as long-haul transports for the army and its equipment. The program was shut down in 2008, on the eve of the election that year, when the bids exceeded the Harper government’s cost limits. It has now been incorporated into the new national shipbuilding strategy and relaunched with a $2.6-billion purchase budget, along with an additional $4.5-billion lifetime operating plan.

However, buried deep in National Defence documents obtained under the Access to Information Act, is a reference to a previously unknown litigation fund related to the first failed procurement. The issue of compensating defence contractors over failed procurements was front and centre last month when the Harper government announced it was cancelling a multi-billion dollar armoured vehicle program. A spokeswoman for the Department of Public Works confirmed that one of the bidders, ThyssenKrupp Marine Systems of Germany, filed a statement of claim, which was quietly settled through negotiation in late 2010.

Annie Trepanier, the department’s manager of media relations, confirmed the money was taken out of the project budget, but she refused to say how much it cost taxpayers, citing the settlement’s terms of confidentiality. The budget for legal settlements was $8 million as of 2012, according to defence documents. The figure represents a $500,000 increase from what was set aside in 2010, prior to the agreement with the European shipbuilder. Requests for comment from ThyssenKrupp Marine Systems in Germany went unanswered. The other bidder on the failed 2008 program, Montreal-based SNC Lavalin, issued a cryptic response when asked to confirm whether it had received a separate settlement, and how much it might have been.

“We are bound by confidentiality provisions with the Crown and we cannot disclose that we have settled with them, nor the terms of the settlement, without asking the permission of the Crown," public relations manager Lilly Nguyen said in an email.

The cancellation of the initial program has been a political lightning rod since the parliamentary budget office reported last year that the new program would deliver less capable ships at a higher cost — a claim disputed by both the navy and the government. Government officials say they learned a lot from the failed bid, lessons they say are incorporated in the national shipbuilding strategy. Alyson Queen, the director of communications for Public Works Minister Diane Finley, said the comprehensive approach resulted in the most open and transparent procurement plan in the country’s history. But the documents show the decision to postpone construction put the navy in a bind: separately, the federal government signed an international commitment that required it phase-out of single-hull tankers by 2015.

Source : Canadian Press

Russia hands over the second submarine to Vietnam

Interfax-AVN news agency cited the Russian shipbuilding industry group as saying that the second diesel - electric submarine named Ho Chi Minh was transferred to Vietnam on January 16.

The submarine was built by the Admiralty Verfi Shipyards under the Union Shipbuilding Corporation (USC). The source said the check-before-acceptance report signing ceremony was held on January 16.

The first submarine named Hanoi was handed over to Vietnam on November 7, 2013. It arrived at the port of Cam Ranh in Khanh Hoa province, Vietnam on December 31, 2013. On January 8, it made the first journey to the sea.

These are the submarines of the 3rd generation. According to a contract signed between Vietnam and Russia, Russia will build six Kilo submarines for the Vietnam Navy. Varshavyanka (Kilo) submarines are the most advanced type of the contemporary world. The length of the vessel is 74 meters, and width of 10 meters. Their deepest submerging level is 300 meters, and underwater speed of up to 37 km / h. The submarine can run automatically for 45 days and nights. The Kilo submarines are equipped with the "Club" missile complex which is capable of projecting power at a distance of 300 km. Particularly, the unique feature of this submarine is its extremely low noise. The Western experts call Varshavyanka submarines "black holes in the ocean."

Source : VietNamNet Bridge -
SHIPYARD NEWS

Shipbuilding industry rides wave of restructuring

Though Chinese shipbuilding has yet to come in from the cold, recent restructuring, cuts in overcapacity and upgrades have given the troubled industry more hope, a report showed. The industry received in 2013 new orders with dead weight tons (DWT) of 70 million, up 242 percent year on year, according to a report posted by the Information and Technology Ministry.

Altogether, 80 percent of these new orders went to the 20 industry leaders, the report said, up 5.5 percent on last year. The industry had attracted orders for sophisticated ships, the report said, citing 6 liquefied natural gas carriers and 4 Very Large Gas Carriers. Despite the progress, insiders believe that hard times for the industry are far from over, as it grapples with a recession caused by waning demand and higher costs, following the financial crisis of 2008. Chinese authorities have introduced a slew of measures to encourage upgrading and mergers. Zhang Guangqin, president of the China Association of the National Shipbuilding Industry, said it will take at least another five years for the influence of overcapacity be eased. **Source: ChinaDaily**

Zamakona Yards delivered the Tuna-Freezer vessel Ízaro to the Echebaster Group

The Echebaster Group received its new Tuna-Freezer vessel last Saturday at 12:00 from the hands of Zamakona Yards after its inauguration at the Maritime Cruise Station at Getxo, Port of Bilbao, the company said in its press release.

This new Tuna vessel has a length of almost 90 meters and a capacity of 1900 m3 of fish in its 20 freezers with accommodation for 42 crew aboard and a top speed of 18.2 knots. This Saturday, the inauguration of the first of a series of three Tuna-Freezer vessels of similar characteristics that Zamakona Yards will deliver to the Bermea company by next year.

The ceremony was presided over by Mr. Kepa Echebarría (Executive Representative of the Echebaster Group) and Mr, Pedro Garaygordóbil (President of Zamakona) and the “Madrina” of this Tuna Vessel will be Mrs. Mª Asunción Munitiz Torres, shareholder of the proprietor company of the vessel. The ceremony was attended by some two hundred and fifty people including distinguished representatives of the Basque and central governments, The Government of the Seychelles, The Port of Bilbao, The Bank, Consultants, Personnel from the Zamakona Shipyard, Suppliers, customers of the group and partners and staff of the fishing company. Afterwards a dinner was celebrated at the Hotel Carlton of Bilbao to mark the important event.

The “Ízaro” is construction Nº 720 of the Shipyard at Santurce; it is a project of a new design with the latest and most modern technology, built to the specifications of this Fishing Company at Bermea. Some of the innovations in the
superstructure and bridge of aluminum, the quick freezing tunnels at -60º and an innovative system of fish separation which returns non targeted fish alive to the ocean with little human intervention. The vessel is also equipped with safe zones and anti piracy measures.

This reaffirms the Echebastar Group’s leadership in quality and sustainable fishing. Actually, the Echebaster Group is in the process of evaluation by the Marine Stewardship Council (MSC) an independent organization which certifies sustainable fishing and is well organized worldwide. This is the first Spanish Fishery of Tropical Tuna to submit itself to a full evaluation by MSC.  

Source: PortNews

**Kleven signs a contract with Olympic Shipping for the building of an IMR vessel**

*Kleven* has signed a contract with *Olympic Shipping* for the building of an IMR vessel of MT 6021 design. The contract value is around NOK 400 million, and the vessel will be delivered from *Kleven Verft* in March 2015, the company said in its press release.

'It is a great pleasure for us to be able to contribute to the expansion of the highly advanced Olympic fleet. Close cooperation with Olympic's organisation during the building process ensures that the shipowners' experience and knowledge is being transformed into new and better solutions,' said Ståle Rasmussen, CEO of Kleven.

The Marin Teknikk design is new and developed in cooperation with the ship owner Olympic, focusing on efficient and environmentally friendly solutions. The vessel is equipped with an offshore crane, ROV hangars, and with significant accommodation capacity. Kleven now has 13 vessels in its orderbook, at a total value of around NOK 8 bn.  

Source: PortNews

**ROUTE, PORTS & SERVICES**

**VOS Discovery provides assistance in North Sea emergency**

While undertaking a routine cargo run into Great Yarmouth, the *VOS Discovery* responded to a distress call, the company said in its press release. The distress call came from the *Norfolk Tern*, a wind farm workboat, which had suffered a fire on-board. Although the fire had been successfully extinguished by the *Norfolk Tern* crew members, one of them was suffering from smoke inhalation.

*VOS Discovery* launched her daughter craft and transferred a crew member on to the *Norfolk Tern* to administer oxygen. *VOS Discovery* remained in close proximity until the injured person was airlifted to a nearby hospital for further treatment.  

Source: PortNews
Government of Canada will invest in engineering work at Blacks Harbour in New Brunswick

John Williamson, Member of Parliament for New Brunswick Southwest, today announced that the Government of Canada is undertaking engineering work at Blacks Harbour. This is part of an additional $400,000 investment in projects at small craft harbours in New Brunswick in 2013-2014. The work at Blacks Harbour consists of completing engineering designs for a future project at the harbour. The funding for Blacks Harbour is in addition to the $8.7 million announced for projects at small craft harbours in New Brunswick in 2013-14, which includes 21 major harbour projects. Source: PortNews

Stena Line asks ferry workers to accept pay freeze to avoid bringing in 'foreign' crews

Ferry giant Stena Line is asking workers to accept pay freezes and longer hours of working to avoid “large scale redundancies” and replacement with foreign crews. The company has written to its UK seafarers with a stark message about the trading performance of the firm, that employs around 400 staff in Holyhead.

Bosses warn that £10m needs to be cut in 2014 from the cost of crewing and maintaining its Irish Sea vessels, which include the Holyhead-based superferry Adventurer, fast ferry Explorer and freight boat Stena Nordica.

In a letter by head of HR Mick Ambrose obtained by the Daily Post, the company said one way to resolve the situation was moving to a non-UK crewing model, with large scale redundancy of the existing crews and paying new staff below the UK minimum wage. But Stena Line, which has not made an operational profit in Europe since 2003, say this can be
avoided with the cooperation of workers and unions by a major overhaul of pay and conditions. The first stage would see a pay freeze in 2014, a delay to pay harmonisation and the technical management of the ships to be out-sourced to the Northern Marine Group.

Discussions would then take place on increasing annual working time from 24 to 26 weeks, cuts in sickness absence, the introduction of more lower pay grade roles, and new pay rates for future employees. The letter states: “Not making change is not an option. The current structure of terms and conditions is not sustainable.

“The company has worked hard during 2013 to find an alternative to ‘foreign crew’ and tough as it may be, believes the alternative is workable and achievable.”

It adds: “The company wished to resolve the issue on the Irish Sea by retaining the principle of local UK and Irish labour, retaining as many current Irish Sea core jobs as possible and by avoiding large scale redundancy.”

It states: “We must reduce our current employment costs by at least 10% to succeed.”

The firm has already made cuts in shore management services, which saw 21 positions axed in Holyhead in handling operations and finance.

But the letter said these cuts have not been enough to meet saving targets and said the Holyhead routes had been impacted by the introduction of an additional Irish Ferries service. Mr Ambrose said: “Unless we are able to achieve a lower cost model for the manning and management of our vessels, similar to our competitors, we cannot be a successful or sustainable company.”

One worker told the Daily Post: “Morale is low, people are feeling defeated and walk around wondering who is next on the chopping block.” Steve Todd, from the RMT union, said Stena, unlike some rivals, had been committed to employing British workers up to this point and they were willing to negotiate with the firm.

But he added that while a pay freeze may be acceptable they would firmly oppose job and pay cuts.

Anglesey MP Albert Owen said: “I understand and share the concerns of workers at Holyhead receiving these letters and would urge Stena to adopt a more local approach rather than a ‘one size fits all’ for the whole of the UK. The Irish Sea operation from Holyhead is profitable overall, so I would like to see Stena investing in these services. The workers have sustained these services over a difficult period but as we come out of the recession there is an opportunity to build on these services.

“I hope the management continue to work with staff and the unions to find a solution.”

A spokesman for Stena said: “During recent years Stena Line’s European ferry business has been operating at a financial loss. “In 2013, the company initiated an extensive review of its business to identify efficiencies and help reduce costs.

“Following on from a group wide restructuring of Stena Line’s management, administration and port operational shore based teams, the company has now met with staff representatives and trade union officials to review seafaring staff arrangements.

“A spokesperson for the company said that they hoped to be able to find the necessary cost reductions by working together with the trade union officials and representatives. The company has identified some initial measures which will lay the foundation for the discussions with staff representatives and trade union officials, which includes a decision not to increase salaries for all staff in 2014.”

Source: Daily Post
Comarco completes quayside upgrade

Comarco has recently completed an upgrade of the quay facilities at its private port facility in Kilindini Harbour, Mombasa, Kenya. A concrete hardstanding comprising a slab of 300 mm reinforced concrete has been laid on the quayside, a new Kobelco 7250 250mt crawler crane purchased, fenders replaced and maintenance dredging carried out both alongside and along the approaches to a minimum depth of -7.5m CD. Comarco can accommodate vessels, both geared and ungeared, up to 120m LOA and max draft 7.0m at its facility.

The photos below shows officials from British Gas and Comarco taken after a short opening ceremony in December 2013 in time for the arrival of the first PSV, the Stanford Buzzard, seen coming alongside the Comarco Berth on January 3rd 2014. The Sunbird - 1 well was spudded offshore Kenya on January 6th 2014 and the offshore campaign is being conducted out of the Comarco Supply Base.
BW LPG confirms advanced delivery of two VLGC newbuilds

 BW LPG confirms the advanced delivery of two Very Large Gas Carrier (VLGC) newbuilds from Hyundai Heavy Industries. All required documentation is fully signed, and delivery is now expected in August and October 2015. In connection with the advancement, BW LPG has secured two additional options, for delivery in May and August 2016. These options are declarable by 28 February 2014, the company said in its press release. With the world’s largest fleet of LPG carriers which have been designed for flexible deployment, BW LPG has the capacity and flexibility to offer timely and reliable services across the globe.  

Source: PortNews
Teekay Tankers and Teekay Corporation Announce the Creation of a New Tanker Company

Teekay Tankers Ltd. and Teekay Corporation (Teekay) (TK) jointly announced the creation of Tanker Investments Ltd. (TIL), which will seek to opportunistically acquire, operate and sell modern secondhand tankers to benefit from an expected recovery in the current cyclical low of the tanker market. TIL has completed a $250 million private equity offering in which Teekay Tankers and Teekay have co-invested $25 million each for a combined 20 percent ownership interest in the new company. The balance of the privately placed TIL shares, which will trade on the Norwegian over-the-counter market, have been purchased by a group of institutional investors primarily based in the United States, Norway and United Kingdom.

Transaction Summary

• A portion of the net proceeds from the private equity offering will be used to acquire four 2009 and 2010-built Aframax crude oil tankers for an aggregate purchase price of approximately $116 million.
• TIL will also acquire four 2009-built Suezmax crude oil tankers from Teekay for an aggregate purchase price of approximately $163 million, which TIL will pay for by assuming an equal amount of indebtedness already secured by those vessels.
• TIL intends to use the remaining net proceeds from the private equity offering to acquire additional tankers in the near future and for general corporate purposes.
• In addition to the private equity offering and related transactions, the Teekay and Teekay Tankers' Boards of Directors have agreed in principle to the sale to Teekay Tankers of Teekay's conventional tanker commercial and technical management operations (Teekay Operations), including direct ownership in three commercially managed tanker pools, which currently generates fees from commercially managing a fleet of 82 vessels and technically managing a fleet of 49 vessels.
• The TIL fleet will be managed by Teekay Operations. Upon completion of the sale of Teekay Operations, the corresponding fees associated with the management of TIL's vessels will be earned by Teekay Tankers.
• Teekay and Teekay Tankers together will receive warrants to acquire up to an additional 1.5 million shares of TIL's common stock, linked to TIL's future share price performance.

The TIL private equity offering is expected to close on Friday, January 24, 2014 and TIL's acquisition of the initial eight tankers is expected to be completed in the first half of 2014. TIL intends to undertake a public listing of its common stock on the Oslo Stock Exchange in the first quarter of 2014.

“Our investment in TIL provides a new avenue for Teekay Tankers' shareholders to benefit from a tanker market recovery,” commented Bruce Chan, Teekay Tankers' Chief Executive Officer. “This transaction complements our existing strategy of owning and in-chartering conventional tankers. In addition, our planned acquisition of Teekay Operations represents the final step in Teekay Tankers' evolution into a full-service conventional tanker platform, which we believe will allow us to better serve our customers and generate greater value for Teekay Tankers.”
Peter Evensen, Teekay Corporation's President and Chief Executive Officer commented, "With the sale of our last four owned conventional tankers to TIL, Teekay Corporation is one step closer to achieving its strategy of becoming an asset-light company primarily focused on increasing the value of its daughter entities."

DNB Markets acted as exclusive financial advisor to Teekay Tankers and Teekay on the formation of TIL. DNB Markets and Pareto Securities acted as joint bookrunners on the private equity offering for TIL.

Ardmore Shipping Announces Expansion of Operating Fleet

Takes Delivery of its Third Eco-design Newbuilding and 2006-built Eco-mod Tanker

Ardmore Shipping Corporation (ASC) announced that, on January 17, 2014, it took delivery of the newbuilding Ardmore Seavantage, a 49,999 Dwt IMO 3 Eco-design MR product and chemical tanker built at SPP Shipbuilding Co., Ltd. in South Korea. Following delivery, the Ardmore Seavantage commenced operating under an existing charter arrangement with the Vitol Group. Ardmore also announced that on January 7, 2014 it took delivery of the 2006-built Ardmore Seamariner, a 45,726 Dwt MR product tanker built at Minami Nippon Shipbuilding Co., Ltd. in Japan and acquired by the Company in October 2013. Following delivery, the vessel entered drydock, where it is being upgraded to Eco-mod in conjunction with its scheduled intermediate survey. Upon completion of the drydocking, the Ardmore Seamariner will commence a three-month time charter at a rate of $16,050 per day.

With the addition of these two vessels, Ardmore’s fleet stands at 10 ships in operation and 11 Eco-design MR product and chemical tankers on order, with the next newbuilding vessel, the Ardmore Seavanguard, scheduled to deliver from SPP in February 2014.

Ardmore also announced that it has committed the 2013-built Ardmore Seavaliant, a 49,999 Dwt Eco-Design IMO 3 MR product and chemical tanker, to a 12-month time charter commencing February 2014 at a rate of $17,100 per day, which represents an increase in time charter rates for Eco-design MR tankers of approximately $2,000 per day compared to one year ago.

Additionally, in late December 2013, the Company commenced planned upgrades on the Ardmore Centurion to improve fuel efficiency and commercial capability in chemical trades. The upgrades will allow carriage of a broader range of cargos and reduce cleaning time, which will enhance the vessel's earnings potential. Following completion of the upgrade program, the Company expects that the vessel will resume operating in product and chemical trades in late January 2014.

Anthony Gurnee, the Company’s Chief Executive Officer commented:
“We welcome the Ardmore Seavantage and Ardmore Seamariner to our fleet. These additions represent our commitment to well-timed growth through the acquisition of Eco-design newbuildings and Eco-mod vessels, and our dedication to service excellence through the operation of a modern, high quality fleet with particular focus on fuel efficiency. Furthermore, we are pleased to have identified a window in the Ardmore Centurion’s trading schedule to complete upgrades, thus positioning the ship to benefit more fully from an improving product and chemical tanker market.”

Mr. Gurnee continued, “We look forward to taking delivery of the fourth Eco-design newbuilding, Ardmore Seavanguard, from SPP next month. Upon delivery, we will have more than 50% of our fleet on the water and generating cash flow.”

MARITIME ARTIST CORNER

Oilpainting from Hans Breeman. The painting shows the Amsterdam harbour with the central part of the city in the background as it looked in the 60's The ships which are shown on the IJ are: The Wijsmuller Tug Cycloop, the KNSM cargoship Ganymedes, with assistance from two harbour tugs, the trainship Prinses Beatrix and a Belgian Spits (river cargoship). www.hansbreeman.nl

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.... PHOTO OF THE DAY .....
STEMAT's **NOVA K** pulling alongside AVRA's **NORTHWIND** Offshore/ Banana /Congo.

*Photo: Capt Geert Dijkema – Master Northwind ©*