

Number 088 \*\*\* COLLECTION OF MARITIME PRESS CLIPPINGS \*\*\* Saturday 29-03-2014 News reports received from readers and Internet News articles copied from various news sites.





26-03-2014 : new 800 MW AC/DC Converter platform Borwin-B with destination Eemshaven under tow by ELBE (Leading Tug), Ginger and Brent.passing the "Low Light" Hoek van Holland the Platform is due for installation in april (weather permitting) with the assistence of 10 AHT's, one CTV one DSV and one Jack-up Barge in German Bight (BorWin-2 Project)

Photo : Charles de Vos (Tennet Company Rep)

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



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Hofpoort 16th Floor, Hofplein 20 3032 AC Rotterdam • The Netherlands

phone + 31 10 240 25 00 fax + 31 10 240 25 99 email sales@fairmount.nl



The FAIRMOUNT SHERPA arriving for another cargo run for the SEVAN LOUISIANA in Willemstad (Curacao) – Photo : Kees Bustraan – <u>http://community.webshots.com/user/cornelis224</u> (c)

# Hapag-Lloyd narrows loss 32.6pc while increasing operating profit 156pc

GERMANY's Hapag-Lloyd, the world's sixth biggest container line, narrowed its net loss 32.6 per cent to EUR97.4 million (US\$134.3 million) from the EUR128.3 million loss suffered the year before. At the same time it also posted 156 per cent increase in year-on-year operating profit to EUR67.2 million, drawn on revenues of EUR6.57 billion, down 4.1

Fairmount

marine

per cent. Earnings before insurance, taxes, depreciation and amortisation (EBITDA) also increased 16.1 per cent year on year to EUR389.1 million.

"Hapag-Lloyd improved its result and transport volume despite persistently tough competition. Thanks to its global liner network with almost 100 services, Hapag-Lloyd was able to take full advantage of growth opportunities in a difficult market," said a company statement.

Said Hapag-Lloyd chairman Michael Behrendt: "Both factors, the improvement in results and the higher transport volume, are clear evidence of the strength of Hapag-Lloyd in the global market."

Transport volume increased 4.6 per cent to 5.5 million TEU across all trades in 2013. But freight rates continued to sag, remaining at \$99 per TEU below the previous year's \$1,482 per TEU. Revenue declined largely due to a weaker dollar.

"Although Hapag-Lloyd continued to perform well compared to other industry players thanks to the positive operating result, this result nevertheless falls well short of our expectations for 2013 and is ultimately disappointing," said Mr Behrendt.

Said the company statement: "It was no longer possible to push through sustainable rate increases in the market from the second quarter, despite good ship utilisation at times. The important peak season in the third quarter failed to occur again as in the previous year." Cost-cutting measures paid off and contributed to operating profits. Slightly lower bunker prices of \$613/tonne helped. Overall, transport expenses were cut by EUR409 million compared with the previous year by means of savings and energy price effects.

Weaker-than-expected economic growth, particularly in the key BRIC states, had a negative impact on global transport volumes in the past year and thus on the course of business, said the company statement. "The outlook is much better for the liner shipping sector, especially as the addition of new shipping capacities will decline and an increasing number of older ships will disappear from the market and be scrapped," said Mr Behrendt. Source : Asian Shipper

### Top 10 largest Baltic Sea container ports in 2013



The previous year saw the continuation of container throughput growth in the Baltic Sea. In 2013, 10 largest Baltic Sea ports jointly handled 7.8 million TEU, which accounts for a 3-percent growth compared to 2012.

Only in 2010 the TOP 10 Baltic Sea ports handled almost 2 million TEU less than in 2013. The container throughput growth in the last three years amounted to 32%. With its throughput

generated in 2013, the Port of Gdansk remained second in the Baltic Sea. Additionally, the port recorded the highest throughput growth (+27%) among top 10 largest container ports. It also extended its advantage over the Port of Goteborg.

Except for the Port of Kaliningrad that was overtaken by the Port of Riga, all the ports preserved their positions. Aside from the Port of Gdansk, a positive throughput growth in 2013 (compared to 2012) was recorded also by: Gdynia (+8%), Klaipeda (+6%) and Riga (+5%). A drop in the throughput was recorded by: - Hamina Kotka (-1%), Goteborg (-5%) and Kaliningrad (-14%). Permanently the largest container port in the Baltic Sea, the Russian Port of St. Petersburg recorded in 2013 almost the same throughput as a year before. It was the first time since the recession of 2009 that the Port of St. Petersburg had recorded a positive throughput growth. Source : Port of Gdansk

### Caley A-Frame for Ndurance

Offshore handling systems specialist Caley Ocean Systems has supplied a high performance A-frame handling system to **Boskalis Offshore**. The A-frame is used to launch trenching vehicles and ploughs from the company's first 'N Class' cable-laying vessel, Ndurance.

Mounted on the stern of **Ndurance**, the A-frame is capable of handling loads of 70 tonnes with a maximum lift and reach of 21m up to sea state 5.

The structure of the A frame is manufactured in three sections, two leg sections and a top crossbeam. The crossbeam includes the pivot mountings for A-frame's telescopic swinging beam assembly mounted on a dampening frame, allowing the lifting system to handle a wide range of equipment. The A-frame includes an anti-pitch system incorporating two double acting hydraulic cylinders trunnion mounted to the crossbeam, together with hydraulic power unit (HPU) and winch, for maximum operational flexibility.

In addition to cable-laying, **Ndurance's** A-frame will be used for a range of other tasks, including launch and recovery of tools and equipment associated with offshore construction projects. **Source : Offshore Shipping online** 

### The world has a new piracy hotspot

Sorry, Hollywood. It's nowhere near Somalia.

Maybe God has a soft spot for pirates. That would explain the Strait of Malacca, a natural paradise for seafaring bandits. Imagine an aquatic highway flowing between two marshy coasts. One shoreline belongs to Malaysia, the other toIndonesia. Each offers a maze of jungly hideaways: inlets and coves that favor pirates' stealth vessels over slow, hulking ships.

It's a narrow route running 550 miles, roughly the distance between Miami and Jamaica. This bottleneck is plied by one-third of the world's shipping trade. That's 50,000 ships per year — ferrying everything from iPads to Reeboks to half the planet's oil exports.

The world's fascination with neo-piracy now centers on Somalia. Thanks to the 2013 thriller "Captain Phillips," in which Tom Hanks plays a cargo ship captain abducted by Somalis, even US teenagers know the anarchy-prone African state is a breeding ground for pirates. At least it was. In truth, Hollywood stumbled onto Somalia's piracy phenomenon rather late. In the last three years, pirate strikes in Somali waters have plummeted 95 percent to a meager seven incidents in 2013; none were successful.

Piracy in Southeast Asia, meanwhile, is accelerating. Attacks and attempted attacks in the waters of Indonesia — which controls much of the Malacca Strait and its environs — totalled 107 last year. That's a 700 percent increase in just five years.

The German insurance firm Allianz, which released these figures in a new report, is now sounding a warning: Southeast Asian piracy must be reined in before it's too late.

The attacks mostly amount to "opportunistic thefts carried out by small bands," according to Allianz, but these syndicates could potentially "escalate into a more organized piracy model." Somali hijackers vs. Indonesian bandits

None of this would surprise 18th-century European spice traders. They lived in terror of Malacca Strait pirates who staged bloody ship raids — all from the same shores cargo ships chug past today.

Piracy has long transfixed locals "born to the hard and dreary life of the fisherman," writes historian Donald B. Freeman in the 2003 book "Straits of Malacca: Gateway or Gauntlet?"

A pirate's life, Freeman wrote, was traditionally viewed in the region as a "passport to adventure, riches and prestige rather than a criminal occupation." This tradition, paired with the pirate-friendly terrain, "helped give the region a reputation that made merchants and legitimate seafarers tremble at the very thought of traversing the strait."

Modern-day captains plying risky waters look to a guide called the BMP. Based on intel from Western navies and shipping firms, it offers tactics on avoiding pirates and — if that doesn't work — fending them off and surviving abduction.

The guide's best advice? Go really fast. No pirates have ever boarded a ship pushing 18 knots, or nearly 21 miles per hour, the guide says. But that's practically impossible in the Strait of Malacca.

The channel is simply too crowded and too shallow. Gigantic vessels are instead forced to churn through at slow speeds that invite pirates in fast-moving skiffs. (To save fuel, today's cargo ships often travel at about 14 miles per hour. That's slower than 19th-century sail boats.)

Indonesian pirates typically have different tactics from their Somali counterparts, who've made headlines by invading vessels and demanding multimillion-dollar ransoms. In the Malacca Strait, pirates like to get in and get out. Their

"modus operandi isn't to kidnap," according to Tim Donney, an Allianz marine risk consultant. "These pirates just want the cash aboard the vessel or to rob the crew of any valuables."

In 2005, piracy in the Malacca Strait grew so rampant that Lloyd's of London, a prestigious insurer, declared it a "war zone." Regional militaries of Singapore, Malaysia and Indonesia responded by upping warship patrols in the strait.

But pirates have simply shifted into distant island chains beyond the strait's exit along the route to China.

Indonesia isn't nearly as lawless as Somalia. But both are coastal nations where poverty is rife and police are illequipped. Both also happen to be situated on routes trafficked by wealthy nations' trade vessels.

"Most piracy takes place in areas where people are poor. Their livelihood has been taken from them by globalization, civil unrest or war," writes Nigel Cawthorne, author of the book "Pirates of the 21st Century."

Somalia's turnaround is owed to several factors: NATO- and EU-backed naval patrols, ships hiring on-board riflemen and, perhaps most importantly, a new Somali government working to stabilize its lawless coast.

Somali pirates also forced the shipping industry to get creative. They've come up with effective pirate-proofing techniques that could be applied to more ships entering the Malacca Strait. The BMP recommends blasting approaching pirates with hot water, ringing ships with razor wire and even installing electric fencing. Discharging foam, according to the manual, is "effective as it is disorientating and very slippery."

Piracy poses no existential threat to the shipping industry. Considering the volume of international trade, losses from piracy "amount to little more than a rounding error," according to piracy analyst Martin N. Murphy. But the "sense of disorder" created by piracy, he writes, "may be hard to calculate in dollars."

Piracy along the Malacca Strait route should be easier to fight than in Somalia. All of the nations patrolling the strait have functioning governments, committed to fighting the problem, and are financially incentivized to maintain a bandit-free trade route.

Piracy's historical influence here is legendary. In the 1820s, the Dutch and British empires drew a line in the sea and agreed to hunt down pirates on their respective sides; that line went on to become the modern-day border between Malaysia and Indonesia. The word "boogeyman" is also inspired by fearsome pirates from an ethnic group in Indonesia known as the Bugis. Taking a longer view of history, the rise and fall of Somalia's piracy may eventually be seen as a blip — a brief aberration from the traditional order in which the Malacca Strait area is the world's top piracy zone. **Source : globalpost** 



# NEW STRATEGY TO PROTECT FISHING VESSELS IN THE GULF OF GUINEA



Multi-layered approach deters criminals and prevents unwanted boarding

Westmark BV, has recently performed a test in which passive non-lethal equipment served in a multi-layered strategy to protect fishing crews from the threat of robbery at sea. Until now fishing vessels operating in



high risk areas have been virtually unprotected. Due to low freeboard, low speed, these vessels are a vulnerable target for heavily armed criminals. Employing armed guards is not an option for these fishing boats.

During a recent experiment in Dutch waters (Haringvliet) **Westmark** equipped a fishing vessel with a multi-layered strategy to protect the vessel using two barriers of passive non-lethal equipment against sea criminals.

**Pirate Trap** 



One barrier that took the test is the P-Trap anti-piracy system, the other barrier involved a sound cannon used in an innovative way. The successful trial showed that the operation of fishing gear is not affected by the safety spread of trailing lines connected to the P-Trap. Prior to this test the system has served on board the fishing vessel for an entire week, in which it was put to the test during heavy storms on the North Sea.

The P-Trap system is operated alongside the vessel with a safety spread of multiple

protective lines in the water on both sides of the vessel. The propeller of a hostile vessel within boarding range entangled in the lines during their attack. Its engine will stall as a result of this, and the intruder will not be able to continue its attack, meaning that pirates cannot climb aboard.

#### See also : <u>https://www.youtube.com/watch?v=p-w7buXeDTc</u>



#### Sound cannon

A sound cannon test also demonstrated the usefulness of having multiple barriers to prevent unwanted boarding. The patented penetrating sound tones discourage intruders from coming too close to the vessel. The powerful sound is so irritating and potentially damaging that it discourages the attacking vessel in its approach.

#### **Combination of technical barriers**

Piracy and maritime crime is not only a problem in the East or West Africa. There are several hot spots in the world that deal with these criminals activities. Passive non-lethal anti-piracy solutions form the basis of protection and can be operated in conjunction with other

equipment seafarer's use in their daily operations on board. Crews of small vessels need protection and their functionality depends on the safe overall movement of freight by ships.

The combination of legal techniques, such as **P-Trap** and sound cannons, is currently being tested on vessels in the Gulf of Guinea, where maritime criminal activity has intensified in recent years. These sustainable protection solutions will serve as a basis for owners of fishing fleets to protect the safety of their seafarers, while allowing fishing in this area in an economically viable way, and setting the stage for testing several barriers to prevent unwanted boarding.

Dutch marine specialist Westmark developed the P -Trap anti-boarding solution and has installed systems on multiple vessel types (e.g. dredging, transport, heavy cargo vessels, as well as chemical tankers and small coasters). With the successful test of a multi-layered strategy on board small fishing vessels the company proves that its solutions can be used for protecting every vessel, irrespective of its functionality and size. P-Trap has been shortlisted for the Lloyd's List Global Awards, Seatrade Awards 2011, and was also named winner in the Security category at the 5th annual Safety at Sea International Awards held in 2011. For more information contact: Lodewijk Westerbeek van Email: info@westmarkbv.com - www.ptrap.com

### Nautisch genieten voor jong en oud!

#### Open Dag en Showstart Race of the Classics: 30 en 31 maart 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.

#### Geschiedenis

De 'Rees', zoals deelnemers 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 streeft 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. Waar er 26 jaar geleden maar vier klassieke schepen meevoeren, is dit evenement nu uitgegroeid tot Europa's grootste zeilwedstrijd tussen universiteiten en hogescholen. 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.

#### 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 bezielende leiding van de schippers ervaren de studenten - gedurende de race vormen zij de bemanning - het reilen en zeilen van varen op de Noordzee op met klassieke schepen. Daarnaast bevordert de Race het netwerken tussen de deelnemende studenten onderling en het bedrijfsleven.

Vrijwel iedere studentenstad in Nederland wordt vertegenwoordigd door een eigen teams of soms meerdere teams. Universiteiten en Hogescholen uit de volgende steden worden dit jaar door één of meer teams vertegenwoordigd: Amsterdam (4), Utrecht (2), Rotterdam (2), Leeuwarden (2), Den-Haag, Eindhoven, Nijmegen, Twente, Wageningen, Groningen, Maastricht, Breukelen en Driebergen. Daarnaast zeilen ook een interstedelijk team en een team namens de Nederlandse Marine mee. Het 22e schip wordt bemand door de organisatie.



Mcdermott vessels EMERALD SEA and LAY VESSEL NORTH OCEAN 105 off shore Malaysia pipe lay installation. Photo: Crew DSV Emerald Sea Bridge (c)



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Super Yacht A at anchor in the Marlborough Sounds New Zealand. The vessel has spent four days exploring the Sounds. Photo: John Henderson ©

# Hydrex teams up with Wärtsilä for underwater stern tube seal repair



Last month a Hydrex diver/technician team carried out underwater stern tube seal repairs on a 110-meter offshore supply vessel in Bunbury, Australia. The rope guard covering the stern tube seal assembly was missing and the seal box had come loose after a mooring rope got tangled around the assembly. An emergency on-site repair was necessary. Hydrex therefore mobilized a

diver/technician team to the vessel's location and was able to carry out the entire operation on-site and underwater. This operation saved the owner an expensive and time-consuming trip to drydock.



The replacement was carried out in close cooperation with the Seals and **Bearings** Services division of Wärtsilä Netherlands B.V. With the establishment of Seals and Services Bearings the company can offer a complete package of products throughout the world. All Wärtsilä products comply with the major classification

societies and are carefully selected to make sure that the customer is given the best available solution. Wärtsilä is specialized in providing sealing solutions for stern tubes, rudders, bulkheads, waterjets, thrusters, electric pods and special applications, such as tidal and industrial power. They also offer a vast selection of bearings for various applications including stern tubes, rudders, line shaft bearings, thrust bearings and generator bearings. The company has operations in 70 countries around the world. "The cooperation with Hydrex went perfectly," says Eric Krijgsman, Sales Manager for Seals & Bearings for Wärtsilä Netherlands B.V. "Ship owners are often not in the position to go to drydock due to financial reasons or time restraints. They then ask us to perform repair or maintenance work underwater. Thanks to Hydrex we can now offer on-site solutions to our customers."

The diving team first set up a monitoring station. The operation then started with a thorough underwater inspection of the stern tube seal assembly. This revealed that a mooring rope had gotten tangled around the assembly, badly damaging it. Besides the missing rope guard, the seal box assembly bolts were broken off at the base flange ring. As a result the remaining seal box rings were hanging loose on the liner. This allowed seawater to come into the stern tube. After the inspection the divers removed the broken bolts and installed a Hydrex flexible mobdock around the

stern tube seal assembly. By doing this they created a dry underwater environment so that they could work in drydock-like conditions.

The split ring was then disconnected and brought to the surface to be cleaned. After cleaning the entire assembly, the divers installed a spacer ring to create a new running area for the seals. Next they removed the first seal and replaced it with a new one which was then bonded. This was done in cooperation with the supervising Wärtsilä specialist flown in from Sydney. The procedure was repeated with the other three seals.

The operation ended with the conducting of successful leakage tests, the removal of the flexible mobdock and the installation of a new rope guard.

Hydrex has carried out repairs and replacements on all types of seals on-site and underwater, for almost twenty years now. We constantly invest in the research necessary to continue to evolve repair techniques and procedures. Over the years the Hydrex R&D department has improved the flexible mobdock (mobile mini drydock) technique to make it possible for our diver/technicians to perform permanent repairs on seals, thrusters and almost any other part of the underwater vessel without the need for drydock. The latest generation of flexible mobdocks allow us to carry out onsite replacement of virtually any type of stern tube seals very quickly. An animation of the technique Hydrex uses, can be found here.



Hamburg-Sud's CAP SAN LORENZO made a 24 hrs stop in the port of Le Havre - Photo: Fabien Montreuil ©

### Carnival Cruise ship rescues 41 Cuban migrants in Florida Straits

A Carnival Cruise ship rescued 41 Cuban migrants from a small, overcrowded boat in the Florida Straits, the 90-mile span of water between the southern tip of Florida and Cuba, a U.S. Coast Guard official said on Wednesday. No injuries were reported and the migrants were transferred to a nearby U.S. Coast Guard ship after they were spotted on Tuesday, according to Coast Guard spokesman Gabe Somma.

"This could've been a real tragedy. There was no lifesaving or navigation equipment and the boat was taking on water," he said. The migrants will be returned to Cuba "in a couple of days," Somma said.

Carnival spokeswoman Jennifer de la Cruz said the cruise ship was traveling from Key West, Florida, to Cozumel, Mexico, with 2,650 passengers onboard. For decades, thousands of Cubans seeking to escape the communist-led island have fled on rickety vessels bound for Florida, Central America and nearby islands. A large spike came in the mid-1990s, when tens of thousands of Cubans fled toward Florida and hundreds of refugees flowed toward other Caribbean islands. Cruise ships have been involved in several previous rescues. A Carnival ship earlier this month plucked 24 migrants from a wooden boat near the Cayman Islands. Last April, the Carnival Conquest and the Disney Wonder rescued 21 Cuban migrants on stricken boats in two separate incidents in the Florida Straits. Source : Reuters (Reporting by Zachary Fagenson; Editing by Kevin Gray and Cynthai Osterman)

# KOTUG will beat 210.975 mtrs at Rotterdam Marathon



The Rotterdam Marathon will be held on Sunday 13th of April and as in previous years, **KOTUG** will participate in this prestigious event. **KOTUG** has registered the following teams, who together will beat 210.975 Meters:

- One ladies team running the relay marathon.
- One gents team running the relay marathon.
  - Two duo's doing the half marathon.
    - One single doing the full marathon.

Kotug is making there kilometers to sponsor the former salvage tug "Holland".



The tug **Holland** was delivered in 1951 in Foxhol; Groningen. During her years as Salvage tug, from 1951 until 1975, she performed 161 successful salvages. In 1975 she became idle as salvage tug but was able to perform several other duties until 1989. From then onwards her life became uncertain but due to several volunteers she was saved from demolition. Nowadays she is officially registered in the international register of historic ships. Nevertheless to keep this beautiful lady "prepared and ready to go" volunteers and donations are required.

**KOTUG** hopes that you wish to support this initiative and we kindly on the following account (if you would like to make a larger donation please

invite you to make a donation of € 50,- on the following account (if you would like to make a larger donation please feel free to do so).

#### Sleepdienst Adriaan Kooren B.V.

 IBAN
 : NL 22 ABNA 040 88 75 534

 BIC
 : ABNA NL2A

 Ref.
 : Marathon 2014

Next to the fact that we will perform the sporting challenge we will include all names of the donators on the website of the **Holland**.



28-03-2014 : ANL Whyalla MO9295359, 2005/54605gt, ex SCT Vietnam, out from Melbourne off Sorrento, Photo : Andrew Mackinnon – <u>www.aquamanships.com</u> ©

# Ton-mile growth for the VLCC tanker market to occur only if tonnage supply is moderated



The market for VLCCs is an ever changing one and while new routes are emerging and there is optimism for a projected rise in ton-mile demand, the supply side of the market needs a closer look and attention. In its latest report, Poten & Partners noted that the spate of newbuilding activity across different tanker sectors could be evidence that a lemming-like approach to supply analysis is well underway.

"Besides the obvious consequence of oversupply, short-term market players seem to propagate the myth that vessels older than 15 years will be forced into an early grave. It is important to remember that the intended useful life of a tanker is 25 years and explicit age restriction policies have never been widely adopted by the oil companies. Historically, older vessels have tended to survive, even when utilization has suffered during periods of slack demand. It is no secret that the tanker fleet is poised for significant expansion over the next few years. Even if freight rates suffer as a result, vessel removals will likely take significantly longer to materialize", Poten said.

According to the analyst, "the VLCC fleet has grown by an impressive 25% since 2009 to its current size of 629 vessels. The orderbook in 2009, however, was an astonishing 50% of the trading fleet - some vessels would never actually be delivered. While today the orderbook is a more modest 15%, the fact remains that the VLCC population is now nearly half comprised of vessels built within the past five years; vessels that could conceivably trade for the next 20.

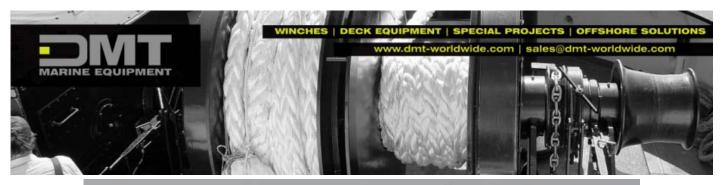
The generally weak freight conditions of the past few years have allowed oil companies to have their pick of the tankship litter. While some companies have policies limiting the age of an asset at the expiration of a time charter, age restrictions could commercially impede the negotiating position of a charterer. Not since the presence of single-hulls has there been absolute discrimination on an age basis. The average age of the fixtures is generally in line with the average of the fleet, and the maximum age reveals that the older vintage vessels are still finding work".

Poten added that "to the outside observer, the notion that newer tonnage may command a premium in the market is not far fetched. But, since not all ships are created (or maintained) equally, age is merely one factor. Most oil companies would say that technical management and operational integrity categorically trump the age of the asset. Although trade fundamentals support ton-mile growth for the VLCC sector, additional new ordering will only exacerbate the already fragile supply scenario. Collectively, shipowners and investors should consider a total fleet's size, not just vessels under 15 years of age, lest they find themselves surprised in an overtonnaged market for the foreseeable future", the shipbroker concluded.

Meanwhile, in a separate report, shipbroker Gibson highlighted the issue of the increasing oil production in Iraq, as a positive factor for tanker demand. According to the report, "in February OPEC crude supplies exceeded the 30million b/d mark for the first time in five months. A downturn in Libyan barrels did little to dent the cartels total, as a surge of Iraqi crude oil production achieved its highest level for 35 years. According to the latest IEA monthly report, Iraq's production in February rose by 0.53 million b/d to 3.62 million b/d. Exports of crude followed suit and increased by 0 .57 million b/d to 2.8 million b/d".

Gibson added that "much of this growth came from bottlenecking at the Offshore Basrah Oil Terminal (BOT). The removal of a pressure problem enabled both single point moorings (SPM) at the port to load simultaneously. Severe weather in the Middle East Gulf also forced 20 cargoes to be deferred from the 42--cargo January programme, providing a further boost to the country's output. Of course this has had an impact on the final production total for February but nevertheless Iragi crude production has been rising since the start of 2011. One year ago marked the breach of 3 million b/d for the first time since 1990. Over the past year, there has been much volatility in the country's production, owed largely to planned and unplanned infrastructure maintenance, and the ongoing dispute over payments between Baghdad and the Kurdistan Regional Government (KRG). The nation has set itself a production target of 3.4 million b/d in 2014, including 0.4 million b/d of KRG production, up from around 3.1 million b/d in 2013. The fundamentals are there to support this large year-on-year change, as witnessed by the strong start to the year. Export capacity is also set to expand. The start-up of new production in the south is expected to add around a further 0.5 million b/d by the end of this year. West Qurna 2 is scheduled to start-up at the end of this month, and a third SPM is expected to be completed later this year", the London-based Shipbroker noted. It concluded by mentioning that "the two governments in Irag are yet to settle any disputes related to power sharing, and it is difficult to predict what the outcome of next month's elections will mean for the country. But if problems between the north and south are resolved in the near the future, we can expect a further boost to both production and exports. As Iraqi production grows, doubt still remains whether its infrastructure and storage capacity will be able to cope with the increased demand. The requirement for shipping will follow, and as Iraq doesn't own a national tanker fleet, unlike other Middle Eastern states, this can only mean a positive outcome for our market", Gibson concluded.

Source : Nikos Rousanoglou, Hellenic Shipping News Worldwide





The TOSCA passing the Nauw of Bath – Photo : Stefan Lemmens ©

# Too Much Private Equity Funding in Shipping: Stolt-Nielsen

New private equity and hedge fund financing for shipping could add to excess capacity in the industry, **Niels G. Stolt-Nielsen**, CEO of Norwegian chemical tank company **Stolt-Nielsen** told industry news site ShippingWatch.

"Unfortunately, just as we are beginning to see a tiny profit from our tanker division, news of newbuilding orders are being announced, not by traditional operators, but by new entrants with private equity and hedge fund backing," he said.



The STOLT SPRAY – Photo : Harry Stott ©

"The amount of money entering into shipping is extremely worrisome. "The orders for new ships are being driven not by increased demand for logistical services, but by the overflow of capital available in the market."

Stolt-Nielsen warned that managers of the new financial firm-backed shipping companies get fees for making orders without having an equity stake in the ships. "Despite how conservative and restrictive the banks say they are in lending to shipping companies, they still do and are contributing to a potential new shipping crisis," he said.

Private equity is becoming an increasingly significant factor in the industry, providing backing to companies including Eitzen Chemical, Torm, Nordic Tankers, and Hafnia Tankers. Private equity investor Wilbur Ross told ShippingWatch that financial firms will promote consolidation in the shipping industry. "The funds are looking to contribute to existing businesses, and there is no natural reason that the shipping industry should be so fragmented," he said. In January, UK private equity fund Talis Capital said it would increase investment in shipping, which it said can produce yields of more than 15 percent. Source : Ship & Bunker News Team

### TERASEA HAWK HOOKED UP THE SEAIR QUEEN



POSH Terasea's 205 ton BP AHT **TERASEA HAWK** connected up to the **SEAIR QUEEN** which encountered engine problems and was drifting in



the Alantic Ocean , The **TERASEA HAWK** connected up at 27.3.14 and started towing the **SEAIR QUEEN** back to Pointe Noire for repairs. **Photo's : Capt. Neil Johnston – master Terasea Hawk** ©



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### Italian Navy rescues 128 migrants off Sicily

Among them numerous women - two are pregnant - and children

A Navy helicopter EH-101, which is deployed as part of the air and naval Mare Nostrum operation on the San Giorgio Navy ship, on Wednesday morning saw 128 migrants in a rickety boat south-east of Capo Passero, including eight women, two of them pregnant, and 13 children.



The migrants were transferred to the San Giorgio ship which is now travelling to the port of Augusta near Siracusa, Sicily, where it is scheduled to arrive at 1 pm Thursday.

The San Giorgio ship rescued the migrants who had asked for help after the boat on which they were travelling got into difficulty.

Most of those on board are reportedly from Egypt, Eritrea, Sudan and Syria. Police started operations to identify the migrants and

medical staff on board the Navy ship visited them. The air and naval operation Mare Nostrum (Latin for "our sea", as the Mediterranean was called by ancient Romans) was established as a military and humanitarian operation to boost surveillance and rescue forces at sea. The task force was triggered by the deaths of around 400 people in two separate migrant-boat disasters last October near the Sicilian island of Lampedusa, which is often the migrants' first port of call. Source : ansamed



The Korean trainingsship HAMBADA moored in Busan (Korea) – Photo : Pim Zandee ©

# ICC: Beware spurious oil fraud claims

There are fears that shipowners are facing new dangers from criminal gangs making spurious oil fraud claims. The victims'/fraudsters try to extort money from owners by bringing action against them for failing to deliver cargoes of oil they allegedly own.

Such scams were previously confined to West Africa but now appear to have spread to other countries, as a case reported recently to the ICC International Maritime Bureau (IMB) shows.

It involves a vessel that trades regularly into the Arabian Gulf. A claim has been lodged against the shipowner to recover over \$50 million, the full value of a consignment of oil. The claimant alleges that the cargo of oil it owns was loaded onto the vessel in Russia but was never delivered to the designated discharge port in the Arabian Gulf.

Moreover they apparently have documents to prove this, and a local court in the region has now been persuaded to issue a warrant of arrest against the vessel named in the claim.

The case has put the shipowner in a dilemma. He is reluctant to risk taking the vessel into the jurisdiction where the warrant was issued for fear it will be arrested and he will become embroiled in litigation to get it released.

At the same time, he is obliged to enter the region under the terms of the vessel's current charter party. Defaulting on it would mean he incurs financial penalties. Another snag in the case is that the documents presented to the court to obtain the arrest warrant appear authentic and confirm that the vessel did load the oil at the Russian port although it had not called at that load port.

IMB, which is assisting the ship owner and seen the documents, are warning other owners to be on their guard.

It notes what stands out in this new variation to the West African fraud is the fact that documents produced in this case seem extremely credible, enough to convince courts of the claim.

The new case takes the problem to a new level and presents shipowners with a much bigger danger to their operations because it could seemingly be replicated anywhere around the world and particularly in states whose legal systems are less robust.

It also allows the perpetrators to wait for the alleged offending vessel to arrive at the designated country before lodging a claim locally. This could mean that the vessel is trapped before it can act.

"This may be the first of many other similar claims to be lodged against shipowners around the world if organised crime is involved and it is important that information on similar scams are collated" IMB said. "If we can build a picture of what is happening it may be possible to identify the perpetrator or at least inform shipowners what to watch out for," IMB adds.

IMB is asking shipowners who have experience or are have suspicions of this new type of crime to contact them so that a suitable response can be coordinated. IMB offers a range of services to assist shipowners in determining the authenticity of trade documents, one of which includes detailed analysis by specialist document checkers. Source: ICC



The Chinese Salvage & Rescue tug NAN HAI JU 112 - Photo : Willem van Woercom ©

# Short term oversupply of LNG ships, but strong demand ahead

The LNG carrier market is not facing a shipping glut despite falling spot rates and 100 newbuildings on order, according to consultants Tri-Zen. Tony Regan, principal consultant for Tri-Zen said although 100 vessels had been ordered at the top of the market, resulting in a surplus at present, many more would be needed to meet projected demand for LNG by 2020.

"We are still forecasting a doubling of LNG demand between 2010 and 2020, very strong growth," Regan told a DNB Markets conference in Singapore on Wednesday. He cited figures from Mitsui OSK Lines, which although showing a surplus of 19 vessels this 160 more newbuildings would be needed to meet demand by 2020. "In 2014 we might be a bit long on tonnage, but we are going to need a lot more vessels ordered if we are to meet this demand target for 2020," he said. LNG carriers enjoyed a huge peak in spot rates in 2011 and 2012, when Japanese demand soared after the Fukushima nuclear disaster. With the number of available vessels in the market dipping as low at two at a time spot rates hit \$150,000 per day.

By contrast with 13 vessels available in the market last week spot rates have come down to around \$55,000 daily. "It will improve but probably not significantly for a year or two," Regan said. One of the issues has been delays in liquefaction plants, while shipyards have built and delivered the vessels on time, leaving newbuildings trading in the spot market until the liquefaction plants come onstream. On the demand side Regan noted three new import terminals in China last year, and two or three more this year. "So we are going to see very dramatic growth in imports."

Concerns over security of gas supply in Europe due to Russian involvement in the political crisis in Ukraine and Crimea have sparked a need to look for alternative sources of supply. "President Putin has done a wonderful service to the LNG industry and many people are now focussing on how we can replace Russian gas in Europe with LNG," Regan said.

Another factor in driving future demand is the growing use of FSRUs. "They've been very popular in South America, also the Middle East and most recently in China where the first FSRU has gone into Tianjin. If you want an import terminal this is much quicker and cheaper way of going about it, probably about one third of the cost," he explained.

Currently there are 10 FSRUs on order and around 26 FSRUs proposed around the world. Source: Seatrade Global



### Maersk's SeaLand Sets Leadership Team

SeaLand, the newly founded intra-Americas regional carrier of the Maersk Group, announced today the appointment of its executive team which the company sais will fulfill its mission of delivering greater service stability and commitment, as well as a higher level of customer-focused service tailored to the customer's needs.

The new appointees are Alfredo Di Palma, Maria Batista, Shane Sawyer, Thiago Covre and Timothy Child, who will all be on board within the next two-three months, joining SeaLand CEO Craig Mygatt.

Alfredo Di Palma will join SeaLand as Chief Commercial Officer (CCO) in charge of all commercial efforts for the company. Alfredo comes with an extensive experience in the Americas trade, including postings in APM Terminal's Port Elizabeth facility, as well as being port Manager in Puerto Cortes (Honduras). Currently, Alfredo holds the role of Commercial Manager in charge of Central America countries for Maersk Line. Maria Batista has accepted the role of Head of Customer Service. Maria has over 20 years of experience with Maersk Line and Safmarine, including postings in Miami, Costa Rica, Toronto, Charleston and Charlotte, with direct impact over export and import customer service management and documentation. She will be responsible for building collaborative relationships in order to provide a world class customer experience. Shane Sawyer has been appointed as Chief Finance Officer (CFO). Shane, who currently leads Regional Business Performance function for Maersk Line in West and Central Asia, brings 12 years of experience with Maersk Line, including roles in Dubai, Malaysia, Singapore, Honduras, Panama and Costa Rica. In his new role, Shane will play a key role in developing, monitoring and evaluating overall corporate strategy.

Thiago Covre will join the team as Chief Liner Officer (CLO). Thiago brings over 10 years of extensive knowledge in line management, having most recently served as Maersk Line's Line Manager for East Coast South America to Europe. His responsibility includes building a solid network based on innovative products, both independently and through strong VSA cooperation, his area of expertise since joining Maersk Line in 2004.

Timothy Child will be responsible for overall operations as Chief Operations Officer (COO). Tim is a Maersk Line veteran, with a career spanning 25 years in areas such as trade management (including 7 years of trade experience with Central America and Caribbean), capacity management, and external and inside sales. **Source : MarineLink** 



The AIDA SOL moored at the Amsterdam Cruise terminal – Photo : Willem Verdonk ©

### Alewijnse Maintains Turbine Installation Vessel

Alewijnse Marine Systems, the well-known system integrator, is playing a significant role in the maintenance of the turbine installation vessel MPI Resolution, owned by Vroon Group's MPI Offshore. Built in 2003, MPI Resolution arrived on March 11 at the Damen Arno Dunkerque shipyard, where the work will take place.



Its role in **MPI Resolution's** mandatory maintenance requires Alewijnse to work on the vessel's electrical systems including the alternators and electric motors. Two auxiliary alternators, four main alternators and twelve electric motors will be overhauled in a special workshop in the Netherlands. The reconditioning service includes the electric isolation of the units, their disconnection and reconnection, and their transport from and to the shipyard.

The order will be carried out by an experienced team of service engineers from **Alewijnse Marine Rotterdam**, within a time frame of five weeks. Alewijnse has recently undertaken a number of similar maintenance projects at Damen Shiprepair Vlissingen, where Alewijnse has a

permanent service and maintenance facility.

"To perform the maintenance for the key electrical components on this sophisticated vessel is a valuable vote of confidence in Alewijnse and its capabilities," said Alewijnse Marine Rotterdam Contract Manager Yuri Nieuwenhuizen. "We are very pleased to have the opportunity to demonstrate to Damen Arno Dunkerque the capabilities that we have employed in recent years at Damen Shiprepair Vlissingen. Our ability to deploy the right numbers of staff with the right skills to wherever they are required gives clients like Damen the reassurance that their exact needs will always be met, at the agreed quality and pricing levels."

**MPI Resolution** (formerly TIV Mayflower Resolution) is a turbine installation vessel designed to install turbines at offshore wind farms. She was the first self-elevating turbine installation vessel in the world. Using hydraulics, she can raise herself on her six legs to between 3 meters (10 ft) and 46 meters (151 ft) above the surface of the sea to provide a stable platform when undertaking installations. The vessel can carry and install up to ten turbines at a time. **MPI Resolution** was designed for use in the North Sea, although she can be deployed elsewhere if required.

**MPI Resolution** will be maintained at Arno Dunkerque, part of Damen Shipyards Group since December 2012. **Damen Arno Dunkerque** is the only ship repair and conversion facility in the Port of Dunkirk, France's third largest

harbor. MPI Offshore BV is part of the international shipping company Vroon Group, which has its headquarters in Breskens. The wind offshore-support activities of the Vroon Group operate under the MPI banner.

Alewijnse and Damen Arno Dunkerque look forward to undertaking further projects together in the near future based on the unique partnership between Alewijnse and Damen. Source :MAREX

### Panic over 'Crashed plane' was tug with tow



Emergency services in Spain's Canary Islands have confirmed that the object spotted in the sea was a tug boat and not a downed passenger plane. Reports that an airplane had crashed into the sea off Spain's Canary island of Gran Canaria are a "false alarm", Spanish officials have said.

Spanish media reported on Thursday afternoon that a crash had occurred two miles off the island, near the town of Jinamar, and that rescue services were heading to the scene. But Spain's airports association AENA have since said that a boat had been mistaken for a plane.

Local media have blamed the confusion on a tug towing Multraship's sheerlegs CORMORANT Source : The Local

### **ABIS DUISBURG MOBILIZE AT ROTTERDAM OFFSHORE GROUP**



Offshore Services mobilized the 7700 Sennebogen heavy lift crawler crane on board the vessel, including an ROV, accommodation and generator set. The 300 ton Sennebogen crane is especially adapted for offshore work and seafastening was done with Bureau Veritas approval.

At the Rotterdam Offshore Group yard in the Waalhaven, Rotterdam, the heavy cargo, multi purpose vessel ABIS Duisburg is being mobilised in preparation for the upcoming project in the German Baltic Sea. The DP2 vessel is being operated by Abis Shipping and Amasus Offshore. The Rotterdam Offshore Group together with **Zwagerman** 



The location was chosen by parties for its a modern yard service area that extends to over 14,000 square metres with a fully equipped state-of-the-art workshop and ISPS. Alongside the jetties there are lay-by facilities for vessels up to 190 mtr and 9,5 mtr of depth, with heavy lift cranes on the premises for mobilising and de-mobilising operations. Rotterdam Offshore's growing portfolio of business modules include de-and mobilisation and maintenance for offshore vessels.



# Stopping West African piracy is vital for Europe's energy security

The Crimea crisis has focused our attention on the vexed question of Europe's energy supplies. To a great extent Europe depends on Russia for its oil and gas, which gives Vladimir Putin disproportionate political leverage. One of the biggest possible alternative suppliers is the Gulf of Guinea, which is thought to have vast untapped reserves – but which is also a world epicentre of maritime crime. Alongside piracy and armed robbery at sea, seaborne crimes such as illegal, unreported and unregulated fishing, oil bunkering, trafficking, and the dumping of toxic waste all disrupt sea trade lanes, affect the sustainable exploitation of natural resources, and degrade the wellbeing of local populations. At the same time, there are signs that real political action might soon reshape this fraught region.

On March 17 2014, the Foreign Affairs Council of the European Union officially adopted the EU Strategy on the Gulf of Guinea. That document shows just how significant African maritime security is at the international level – not least how it connects foreign policy challenges across apparently disparate regions and issues. The EU's maritime strategy is tightly focused on the gulf precisely because of the region's crucial role in European energy security. Put simply, if maritime crime isn't kept in check it will wreak havoc with severe ecomonic consequences.

The Summit of Gulf of Guinea Heads of State in Yaoundé in June 2013, adopted a "Code of Conduct Concerning the Prevention and Repression of Piracy, Armed Robbery against Ships, and Illegal Maritime Activities in West and Central Africa" which, although non-binding for now, urges states:

"...to declare their exclusive economic zones and enforce their own laws, including on fishing, piracy and armed robbery at sea, environmental protection, waste dumping and mineral resources including oil".

This contradicts the 2050 African Union's Integrated Maritime Strategy, adopted just a couple of months ago, which envisions the establishment of a Combined Exclusive Maritime Zone of Africa and the African Union's vision of "a common African maritime space without barriers". One would expect that the various agreements and initiatives aimed at minimising maritime insecurity would be aligned firstly at an intra-continental and regional level, and then at the international level, instead of conflicting with each other.

The EU strategy seems to think that lessons learned from the anti-piracy efforts in the Horn of Africa can simply be exported to the Gulf of Guinea, despite the two regions' clear differences. It is worth remembering that private maritime security companies, which have extensive experience in combating piracy in the Horn of Africa, face a completely different environment andregulatory framework in the Gulf of Guinea.

For example, in an effort to strictly regulate the private maritime security industry, Nigeria issues licences only to local operators, while foreign companies can operate legally only with the status of partnership. It is obvious that the region doesn't wish to follow the model that the EU is trying to enforce – and it remains to be seen how willing the EU is to fall in line with what West African countries prefer. Ultimately, the strategy is inevitably an economic one. Perhaps it is just coincidence that the same day as the EU Foreign Affairs Council adopted this strategy, the same EU entity confirmed the EU's new support of at least  $\in 6.5$  billion for the Economic Partnership Agreement Development Program (PAPED) for West Africa – or perhaps not. The EU imports nearly 10% of its oil and 4% of its natural gas from the region, and the proximity of the Gulf definitely offers the potential for the EU to increase its hydrocarbon imports.

Maritime security must be guaranteed first. On the one hand, this is clear evidence that development and security tend go hand in hand in general. But equally, the strategy is perfectly timed to help the EU wean itself off energy bought from Russia. The potentially deep chill in East-West relations has put a great deal at stake and the controversial Russian intervention in the Crimean Peninsula has reminded the EU just how dependent it is on a single volatile energy provider. The Gulf of Guinea, with its vast offshore oil and gas deposits, offers an ideal alternative – provided its high levels of organised crime in general and maritime crime in particular can be dealt with first. Source : theconversation



The MSC RITA moored in Cape Town – Photo : Jan van Vuuren ©

# Asia Tankers-VLCC rates hit 5-month low, to drop further on oversupply

#### By Keith Wallis

Rates for very large crude carriers (VLCCs) on the key Asian freight route plunged to a five-month low on Thursday, with a further drop in prices expected next week as tonnage continues to outstrip cargoes, ship brokers said. VLCCs trading from the Middle East to Asia are likely to fare worse than those on the West Africa route because the vessel oversupply is more acute there, brokers said. "There are way too many ships out there. I think rates for Middle East to Asia will bottom out at W32," said one Singapore-based VLCC broker on Friday.

Rates for a VLCC voyage on the benchmark route from the Middle East to Japan dropped to W37 on the Worldscale measure on Thursday, the lowest level since October, according to Reuters freight data. Charter rates are only likely to improve when charterers start fixing cargoes for the last 10 days of April and these new cargoes absorb surplus tonnage, the broker told Reuters. Average time charter rates are down to about \$11,000 per day, versus about \$62,000 in January when rates hit a two-year peak, data from British shipping services company Clarkson showed.

VLCC operating costs are \$12,085 per day this year, according to estimates from shipping consultancy Drewry Maritime Research. Charter rates fell after the volume of new cargoes dropped in March as refineries were shut for maintenance, brokers said. There were about 120 VLCC fixtures from the Middle East to Asia in March, compared with around 145 in February. Some 40 fixtures were concluded for the first 10 days of April, Norwegian shipbroker Fearnley said on Wednesday.

Charterers are expected to fix about 35 Middle East-Asia cargoes between April 11-20, with a higher number likely in the final 10 days of the month, the Singapore VLCC broker said. "Rates have continuously softened over the last week. Owners' resilience has therefore been put to severe test and charterers' continuous efforts to push the rates have been met with little resistance," Fearnley said in its note. VLCC charter rates from West Africa to Asia have shown more resilience with a slight uptick in chartering activity seen this week by Unipec and PetroChina, Reuters freight data showed. "West Africa rates are steady," the VLCC broker said. Rates for West Africa to China edged lower to W41.25 on Thursday, down from W42 a week earlier. In other trades, rates for 80,000-tonne aframax tankers from Southeast Asia to East Coast Australia continued to fall, dropping to W82, against W85 last week, as the market remained

oversupplied. Clean tanker rates to Japan from Singapore climbed to W113 on Thursday, up from W110.5 a week ago as the amount of available tonnage remained tight, said a Singapore-based clean tanker broker on Friday. "There are a lot of cargoes for mid-April loading, while the number of ships are sparse," the broker told Reuters on Friday. Rates are likely to climb another three or four points as the supply of clean tanker tonnage tightens further, he said. Source : ThomsonReuters (Editing by Himani Sarkar)

# 50 fishermen injured as Lankan naval personnel attack them

Fifty fishermen from this coastal town were injured when Sri Lankan Navy personnel allegedly attacked them with stones and bottles after firing in the air early this morning off Katchathivu islet. The Lankan naval personnel also damaged 30 boats and cut fishing nets, police said. One boat sank as it rammed into another in the rush to escape from the spot. However, the five fishermen on board were rescued by others. Police said 19 fishermen were arrested by the Lankan naval personnel and later taken to Mannar along with their boats. All the injured had been admitted to private hospitals here. Another fisherman who suffered leg injuries was later shifted to Ramanathapuram Government hospital. The injured were part of a group of 2,000 fishermen who had put out to sea last night in 400 boats. **Source : IBN Live** 

### Crew Was Asleep During 2013 Ship Grounding

The owner of a cargo ship that ran aground on the Farne Islands has been fined £60,000 for safety breaches.



The six-man crew of the 262-foot **MV Danio** were apparently asleep when it hit rocks at the islands, over a year ago. The Newcastle Crown Court heard how the vessel sailed for 90 minutes with all crew asleep. They only woke up when the Danio smashed into rocks beneath the Longstone Lighthouse, but still waited an hour before alerting the coast guard.

According to BBC News, prosecutors from the Maritime and Coastguard Agency (MCA) said the Danio had a "very basic" bridge navigational watch

alarm system, which should rung to alert the crew they were approaching the lighthouse. However, it had been switched off and with the crew asleep, the vessel was left sailing for miles on autopilot using an unapproved navigation system. German firm **Cux Ship Management** previously admitted two safety breaches under Merchant Shipping Regulations. The company was also ordered to pay additional court costs of more than £12,000. As a result of this incident, the operator has instructed that the bridge alarm must not be turned off in future, and that measures are now in place to make sure all crews employed are correctly qualified. **Source : MAREX** 

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The 2013 built 123.000 DWT m/t " Hilda Knutsen" owner Knutsen OAS Shipping, loading offshore from FPSO Norne in the Norwegian sea. Photo: Odd S Sønstabø ©

### ITF president weighs in on multi-million dollar fisheries dispute as New Zealand Parliament delays action

International Transport Workers' Federation (ITF) president Paddy Crumlin has met with key stakeholders in Auckland, New Zealand, about the ongoing campaign to secure NZD30 million in unpaid wages for fishers in the region.

The ITF has contributed to Slave Free Seas' campaign to claim outstanding wages in the vicinity of NZD30 million through the New Zealand courts. Mr Crumlin met with senior union representatives from Australia, New Zealand and Papua New Guinea, the Slave Free Seas advocacy group and the Merchant Service Guild as part of the Regional Maritime Federation meeting. The Regional Maritime Federation brings together maritime unions from Australia, New Zealand and PNG to try to build trade union capacity in the region. Mr Crumlin, who is also Maritime Union of Australia

national secretary, said it was imperative that fisheries workers get better wages and conditions in an industry in which



24,000 people die across the world each year. "Slave Free Seas acts on behalf of fishers where they have no representation and legal redress," Mr Crumlin said. "We commend the initiative of Slave Free Seas as we try to break apart the industrial model upon which commercial fishing is built because it is akin to modern day slavery." Maritime Union of New Zealand National Secretary Joe Fleetwood said the New Zealand Parliament needed to pass its fishing slavery laws as a matter of urgency.

(L to R): Reg McAlister, Joe Fleetwood, Garry Parsloe (MUNZ national president), Paddy Crumlin, Craig Tuck (Slave Free Seas), Liz Blackshaw (ITF fisheries).

"The bill has now been pushed number 27 on the parliamentary bills list, placing it in real danger of not being addressed before the upcoming national election," Mr Fleetwood said. "This is outrageous. The New Zealand Government is missing in action when it comes to protecting the rights and welfare of fishers in our region." It is almost two years since the government concluded a ministerial Inquiry into the use of foreign charter vessels after national and international accusations of slave labour in New Zealand waters. The legislation to implement the recommendations, including a requirement that all vessels be New Zealand flagged by 2016, is yet to be passed. New Zealand's use of cheap labour on fishing boats was scathingly labelled '21st Century slavery' in a US State Department report released in mid-2012. It cited conditions of forced labour, including debt bondage, imposition of significant debts, physical violence, mental abuse and excessive hours of work aboard vessels in New Zealand waters.

The issue was mentioned more recently in the Global Slavery Index and will continue to be an embarrassing topic of discussion until the Government gets its act together and passes the necessary law. Slave Free Seas is a team of the world's foremost experts on modern slavery, including international lawyers specialising in human rights and maritime law, world-leading academics, and advocates from the private sector. While still involved with the legislative changes in the New Zealand fishing industry, the group's focus is on the development of a global legal toolbox to effectively end labour exploitation and abuse wherever it occurs in the fishing industry across the globe.

### NAVY NEWS

# Qatar Continues To Expand Naval Capabilities

Qatar is three years away from completing a new high-tech naval base as the Arabian Gulf state continues the rapid expansion of its naval capabilities. The assistant director of the Qatari National Security Shield project, Naval Staff Brig. Tariq Al Obaidli, said that requirements include building a forward naval base with facilities to support special ops forces and air force operations. Qatar's huge oil and gas reserves and its reliance on sea trade makes maritime defense of paramount importance to the country, he said. "Our resources are based on oil and gas production, mostly on the sea, and they are being exported all over the world through the sea," Al Obaidli said Wednesday at the Middle East Naval Commanders Conference here.

"The future capabilities we need to acquire include larger ships that can travel up to 30 knots, and can travel up to 5,000 nautical miles and can hold on board helicopters and aircraft," he said. "Therefore we need a number of ships with varying sizes." Requirements also include minesweepers; development of the naval helicopter fleet; intelligence, surveillance and reconnaissance aircraft; and unmanned aircraft and surface vessels. The instability in the Arab world and Qatar's hosting of global events provide challenges to the state's maritime security. "The challenges are varied and include terrorist acts in the sea, destruction of pipelines, drug trafficking, piracy, illegal fishing and oil and gas leakage, among others," Al Obaidli said. During the Doha International Maritime Defence Exhibition (DIMDEX), the Qatari forces

agreed to acquire 17 high-speed coast guard boats from Turkey's Ares Shipyard. According to the deal, Qatar will buy two 46-meter vessels, 10 33-meter ones and five 23-meter versions made from advanced composite materials. The contract is "the biggest one for the military ships category in the region," said Kerim Kalafatoglu, Ares Shipyard managing director. The Qatari fleet expansion is part of the greater National Security Shield project, Al Obaidli said.

The total area of Qatar's sea waters is about 35,000 square kilometers, three times its land area. "We depend more on the sea than on land," he said. A new naval base will be operational in 2017, Al Obaidli said.

The new Qatar Emiri Naval Forces Base will be the center for Qatar's maritime security and will be built 14 kilometers from Doha, said Lt. Col. Saleh Al Saey, a member of the technical committee of the naval base project at the Emiri Naval Force.

The project "has been studied and researched for a number of years and the plan is to develop the most technologically advanced naval facility in the world by 2017," Al Saey said. "Currently our naval capabilities are 10 years behind the most advanced ones in the region, therefore we want to acquire the latest capabilities in 2017. Furthermore, we are developing an infrastructure at the base to help support the Emiri naval development and expansion." Companies called upon to submit tenders - including Cassidian, Honeywell, Cegelec, Page Europa, Johnson Controls and Thales International — have been asked to propose only the newest technologies. The scope of work for the naval base infrastructure covers a 4.5 square kilometer area of a manmade island and on-shore area of 1.1 square kilometer, including 53 kilometers of paved roads and a 78-kilometer fiber-optic telecommunications network and 14 buildings. Source : defensenews

### A CENTURY OF AUSTRALIAN **SUBMARINES**

This year is the Centenary of Australia's Submarine Force. It all began with the arrival of two submarines just a few months before the outbreak of World War 1 in 1914. Trevor Chappell discussed this with Peter Horobin who is President of the Submarine Institute Australia and was a submariner for almost 20 years

### SHIPYARD NEWS



### N-DSQ to build LNG-fuelled vessels

Qatar's local shipbuilder, Nakilat-Damen, is planning to build LNG-fuelled vessels and looking for new orders from local and overseas clients. It will build all kinds of vessels, including naval ships to optimally utilise the company's potential, said a senior official of Nakilat-Damen Shipyards Qatar (N-DSQ).

The company will use the facilities at the Erhama bin Jaber Al Jalahma Shipyard at the Ras Laffan Industrial City port for this prupose. "We can build all kinds of vessels up to the size of 170 metres made of steel, aluminium and fibre reinforced plastic (FRP), which include commercial and service vessels, naval ships and luxury mega vatchs," Jan-Wim Dekker, Managing Director, N-DSQ, told reporters during a media tour of the facility on Monday.

Dekker said: "Technically we are also capable of building special vessels, including naval ships and submarines." NDSQ is a joint venture between Qatar Gas Transport Company (Nakilat) and leading Dutch shipbuilder, Damen Shipyards.

Nakilat owns 70 percent stakes in N-DSQ, the Damen Group 30 percent. While the shipyard was built and being managed by Qatar Petroleum, the state-owned energy giant.



On Nakilat's plans to build oil rigs, he said: "We have started working in this direction by building jack-up rigs at the shipyard. Very soon we will venture into building oil rigs also."

The company, since its operation in 2010 has delivered over a dozen vessels, and currently it is at the final stages of delivering 19 vessels for the upcoming Mesaieed Port. In addition, it has also build Ghatrousha, a 140 metre long recovery barge, which is used to recover and launch vessels into the water. N-DSQ has an installed capacity to manufacture over 25 vessels of varying sizes from 100 metres to 170 metres.

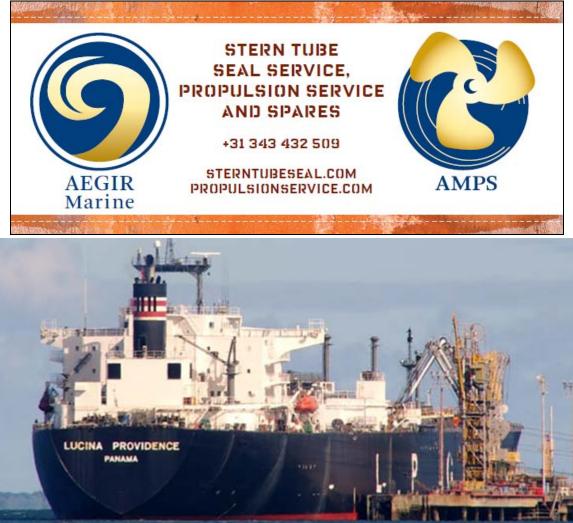
Speaking about the details of the facility, Dekker said: "Damen across the world has about 45 shipyards, but this is the biggest among all in terms of the size and height of the halls." The facility, built at an estimated cost of over \$3bn, includes N-KOM, a joint venture of Nakilat and Singapore-based Keppel Offshore & Marine, providing repair, upgrading and conversion services to all kinds of water vessels, including oil tankers, and LPG and LNG carriers. The facility has the capacity to undertake all kinds of repairs.

Albert Kee, General Manager-Operations at N-KOM, said: "We have two huge dry-docks. The biggest one is 400-metre long and 80-metre wide, which is capable of providing all kinds of maintenance services to some of the world's biggest vessels, including wide-bodied aircraft carriers." "Our strategic location along the Arabian Sea provides us with a competitive advantage. It is cost-efficient and time-saving," said Kee while explaining about the repair facilities. Apart from the two VLCC-sized dry-docks (11- and 12-metre depth) fitted with dock arms and jib cranes with lifting capabilities ranging from 30 to 100 tonnes, N-KOM is embarking on the construction of two floating docks with lifting capacities of 6,500 and 80,000 tonnes. Source : The Peninsula



The **DINA MERKUR** maneuvring to get in line with the Synchro Lift at **Damen Shiprepair** in Harlingen **Photo : Lourens Visser** <u>www.navcom.org</u> ©

### **ROUTE, PORTS & SERVICES**



The LUCINA PROVIDENCE at the Long Island Point Terminal at Hastings 22 March. From Western Port the next port of call is Japan Photo : Bill Barber ©

# APM Terminals investing US\$2.5bn in Latin American ports

Hague-based port operator **APM Terminals** is investing US\$2.5bn in its five Latin American port terminals between 2012 and 2018, Joe Nielsen, the company's Latin American director told BNamericas.

"We like what we see in Latin America and that is why we have committed to invest these US\$2.5bn," Nielsen said on the sidelines of **BNamericas' LatAm Ports & Logistics Summit** in Panama City.

APM's terminals include one at Santos port in Brazil and another at Callao in Peru, and the company is currently building a container terminal in Moín, Costa Rica and a container terminal at the Mexican Pacific coast port of Lázaro Cárdenas.

The company sees more potential in Latin America than many other regions around the world due to the changing demographics that continue to drive up consumption. Business in the region has increased much faster over the past five years "than anyone with a crystal ball would have thought possible," said Nielsen. The most interesting countries from a macroeconomic point of view are those in the Pacific Alliance, he said, namely Chile, Peru, Colombia and Mexico, "but we still have a very keen eye towards Brazil, even though the macroeconomics might not have lived up to

expectations over the last 12 months." However, APM Terminals' experience in Latin America has not been without its difficulties.

Hong-Kong based Hutchinson Port Holdings (HPH) contested APM's concession for a second container terminal at Lázaro Cárdenas, while the full opening of the company's terminal in Santos has been delayed by 18 months due to the local authority's failure to complete dredging works.

APM Terminals invested some US\$1bn in the terminal but although construction is complete it cannot receive the larger vessels due to the lack of dredging. "The loss due to delaying cargo around Santos port has been estimated at US\$700mn per year," said Nielsen.



"28 march 2014, Dutch National Pancake day on board the FORTE. On behalf of the crew: thank you very plenty Chief Cook A. Ramos, for your delicious meal! Photo: Elmer Fillekes ©

### Foundation stone for PERN Oil Terminal in the Port of Gdansk

With high officials of the Republic of Poland present, on 26 March 2014 a foundation stone for PERN Przyjazn SA Oil Terminal was ceremonially laid in the Port of Gdansk. The ceremony was attended by Prime Minister Donald Tusk accompanied by Mr Wlodzimierz Karpinski, Minister of State Treasury, and Mr Tadeusz Aziewicz, Chairman of the Parliamentary Treasury Committee. In the presence of Mr Mieczyslaw Struk, Marshall of the Pomerania Region, the foundation document was signed by Mr Ryszard Stachurski, Governor of the Pomerania Region, and managers of the investment, namely Mr Marcin Moskalewicz, President of the Board of PERN Przyjazn SA and Mr Andrzej Napierski, President of the Board of IDS-BUD which is the leader of the consortium selected to implement the project.

A symbolic ceremony inaugurated the first phase of the investment. By the end of 2015, six crude oil tanks of 375 thousand cubic metres in capacity and ancillary infrastructure will have been constructed in the immediate vicinity of the Liquid Fuel Terminal in the Northern Port.

The second phase of the project provides for the construction of successive tanks of 325 thousand cubic metres in capacity to store oil-based substances, aviation fuel JET-A, bio-additives for fuels and chemicals, a rail siding and a station for road tankers. This phase is projected to be completed in 2018. Implemented on a 28-hectare plot leased from Port of Gdansk Authority SA, the project is the first investment of this kind in Poland and one of sixteen to be completed in the world. As a result, Poland will join the group of countries trading in crude oil, fuels and chemicals on an international scale. Prime Minister Donald Tusk said: "The terminal will make Polish economy more competitive as it is part of the programme designed to diversify the sources of electricity, natural gas and liquid fuels. Additionally, it is a fundamental part of Poland's energy security. Therefore, it is of great importance that a nearly billion zlotys' worth of

the Gdansk terminal is fully funded with Polish capital and it will be operated by a company solely owned by the State Treasury." Source : Port of Gdansk

### Maersk Oil declares jackup rig option with Northern Offshore

Maersk Oil has exercised a contract option on a jackup rig owned by Norway's Northern Offshore. The declared option is the second of three one-year options for the jackup Energy Enhancer, Northern Offshore announced.

The commencement date of the new option period is approximately mid-July 2014 for the rig to work in the Danish sector of the North Sea until July 2015. "This extension further supports our optimistic view that the North Sea market will continue to provide our jackup units with stable contract backlog for the foreseeable future," said Gary Casswell, president and ceo of Northern Offshore. The option exercise will add approximately \$52m to Northern Offshore's contracted revenue backlog. Source : Seatrade Global

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### **MARITIME ARTIST CORNER**



Beautiful painting of the British India liner **SIRDHANA** bound for Calcutta made by maritime artist retired Captain **David Bray FNI** see more of David's work at : <u>www.nauticalnostalgia.com</u>

### BOOKREVIEW Door : Frank NEYTS

### "Tugs in Colour - Worldwide".

Distribution : daily to 28900+ active addresses

Coastal Shipping Publications recently published "Tugs in Colour - Worldwide ", written by Andrew Wiltshire. Tugs have played a vital role around the maritime world for well over a century and continue tot do so to this day. They fulfil the roles of harbor tugs, ocean-going and salvage tugs right through to the more specialized inland waterways vessels. In this fascinating book, we see a huge variety of tugs in an equally wide variety of locations. Areas such as North America, the Caribbean, Australia, south-east Asia, and South-Africa are featured along with tugs on waterways such as the St Lawrence and the River Rhine and River Danube. Tugs are instantly recognizable, but upon close inspection it soon becomes apparent that they come in all shapes and sizes, and this is often reflected in their country of origine. There is an astonishing selection of some old and some modern tugs, and working in many different environments. This book is a superb pictorial reminder of some of the types of tugs that have been hard at work during the last five decades – and even earlier. This book will appeal to all ship lovers. Strongly recommended! "Tugs in Colour - Worldwide" (ISBN 978-1-902953-63-2) is a hardback book, handy size, of 80 pages, 106 illustrations, all colour. The price is £16.50, exclusive P&P (£3 European postage). Ordering via the bookshop, or Coastal Shipping, 400 Nore Road, Portishead, Bristol BS20 8EZ, UK. Tel/Fax: directly via the publisher, +44(0)1275.846178, www.coastalshipping.co.uk , e-mail: Bernard@coastalshipping.co.uk

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Berghaven .... PHOTO OF THE DAY .....



"Under the rainbow lies a ... pot of Black Gold" in the Roncador Field, offshore Brazil with the FAR SAMSON <u>https://www.farstad.com/fleet/subsea-vessels/subsea-fleet-list/far-samson</u> and Ship of the Year 2009 <u>http://www.shipoftheyear.com/ship-of-the-year-2009/far-samson-the-designer/</u> Photo: John de Wet, onboard Saipem FDS ©

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