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May/June 2014

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AM COVER STORY

14 More than 100 years ago the French emperor Napoleon insisted that an army marches on its stomach. So it is with the thousands of hard working seafarers. It has also been claimed that the way to a man's heart is through his stomach.

So it must be annoying for seafarers to find that many shipowners are still struggling to become compliant with the MLC 2006 3.2 regulations governing food and catering on board commercial shipping when there is less than two months before the rules come into force.

Seafarers are notoriously difficult to retain in a competitive market; a good salary helps. Generous leave and access to home and family via the Internet has been an increasingly popular lure dangled by owners and shipmanagers alike. But good, nourishing, safe food should be a right enjoyed by all seafarers. And yet just one corporation among hundreds – Magsaysay Maritime Corporation – recorded more than 3,500 cases of food related illnesses aboard vessels in one year.

The fulfillment of maritime regulations can often be expensive and time consuming. Relatively speaking MLC 2006 3.2 is not. There can be no excuse.



10



21

AM FEATURES

8 Japan

ClassNK bids for continuing dominance

10 Coatings

What next?

11 LNG

Will Singapore become Asia's first LNG trading hub?

14 MLC

Grub's up, or not

16 Ports

DP World sets out its strategy

19 Registers

Marshall Islands' inclusive strategy

21 Tankers

Slicks remain in the tanker market despite lift in 2014



6



26



28



29

AM REGULAR COLUMNS

3 Comment

Onboard entertainment

4 Briefs

Ports, yards, lines

6 News Line

P3's pooped

7 Launched

Girls hit the waves

26 Logistics

Resurgent rail option

27 Operations

Shipping operations must not be boring

28 IMO

IMO addresses Sewol

29 Green page

Shipowners set to bug IMO

31 Ship's store

Wartsila's new range

32 Review

Tim Huxley picks the best shipping reads

34 Diary

All change at SSA

36 Cartoon

That sinking feeling

DUMBING DOWN ON SMART SHIPS

HAVING JUST RETURNED from an industry event on “Smart Operations” hosted by Inmarsat I find I am both deeply impressed and horribly frustrated.

Long gone are the days when the chair at the event Arthur Bowring (managing director of the Hong Kong Shipowners Association) sailed vessels down by the head in order to make fuel savings. Now data is the name of the game – terabytes of data surging through the pipe every minute of the day. Analysis of this data can, so the vendors maintain, offer significant fuel savings, through making smart choices about ship design and modification, operational enhancements and even the behavior of the crew.

Of course, the first smart decision the operator/owner has to make is the choice of vendor. But choice you must make. As with all other aspects of the technology revolution to not join is at best to be isolated and at worse to commit business suicide. But how many technology wizards do you know standing at the helm of shipping companies?

To really be able to benefit from the advantages the new technology has to offer it is still a matter of investing in people who are technologically literate, thank God. How else could we possibly verify the accuracy of the data?

Privacy of the data we produce and receive is still a concern, which to be honest was dealt with fairly cursorily at the event. The terra firma world has been made acutely aware of just how easily data can get into the wrong hands. Why would it be different on the ocean. In fact access to data and the software automated or re-

mote controlled machinery could be a pirate's dream and an owner's nightmare.

And yet perhaps the most shocking presentation of the event was the appropriately vulgar Swank Motion Pictures. No doubt in the spirit of MLC 2006, this organization seeks to stream the best of Hollywood content to seafarers “whenever and wherever they are” 24/7. Bill Evjen, vice president and chief information officer espoused his system for the way it would enable seafarers to quickly re-bond with their families after maybe six months away from home by discussing the latest Spiderman or Batman movie. Seafarers from across the globe would now be able to compare with their families their thrills over the latest episode of Downton Abbey!

Of course another advantage of this system is that the content streams direct to the seafarer's hand held device so there will be no longer any need for him to socialise with his fellow crew members in the communal areas of the ship, unless of course he manages a moment to discuss the merits of Bruce Willis' performance in *Die Hard* 324. Aside from the all too obvious potential for accidents, which could only be dealt with by forbidding the use of such technology outside of the crew quarters – thus encouraging resentment, crew solidarity could be put under strain.

Despite what you may be thinking at this stage I truly am not a Luddite. It is simply the peremptory approach of those leading the technology revolution who should be made to answer some of the harder questions. ❁

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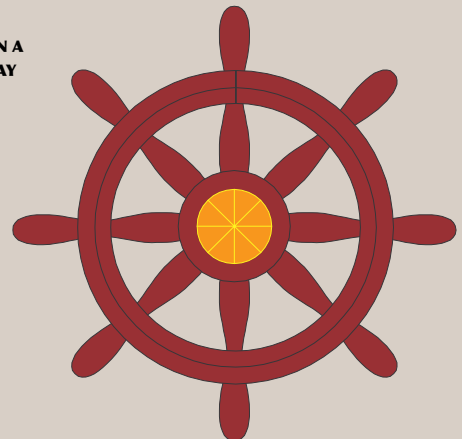
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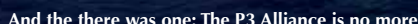
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**THIS HAS BEEN A
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PRODUCTION**





■ LINES

To the surprise of many far and wide the long heralded P3 Alliance hit the rocks in June in the face of rejection by the Chinese authorities. China's Ministry of Commerce posted its decision on June 17. P3 was a long-term operational vessel sharing agreement proposed by **MSC**, **CMA CGM**, and **Maersk Line**. The MOFCOM's decision follows a review under China's merger control rules.

Subsequently, the partners have agreed to stop the preparatory work on the P3 Network and the P3 Network as initially planned will not come into existence.

"We have worked hard to address the Chinese questions and concerns. So of course it is a disappointment. P3 would have provided Maersk Line with a more efficient network and our customers with a better product. We are committed to continuing to be cost competitive and offer reliable services," said Vincent Clerc, chief trade and marketing officer at Maersk Line.

“The decision does come as a surprise to us, of course, as the partners have worked hard to address all the regulators’ concerns. The P3 alliance would have enabled Maersk Line to make further reductions in cost and CO2 emissions and not least improve its services to its customers with a more efficient vessel network, said

Group chief executive Nils S Andersen.

In a classic tale of slow boats from China rather than the other way around, orders for lucky number 8,888 teu vessels placed by **Orient Overseas Container Line** have again be delayed. Two new-buildings placed in 2007 at **Hudong-Zhonghua** were originally due for delivery in 2010, but was deferred due to the shipping crisis. In 2012, completion was put back to 2014. The latest date is now the first half of 2015. OOCL contracted the four buildings for a total \$484.8m. Since then vessels of a comparable size have fallen out of fashion somewhat. According to **Clarkson Research Services** current newbuilding matrix suggests four comparable vessels would be worth \$354m.

May saw more Q1 results arrive some surprising, some shocking. Dry bulk specialist **Courage Marine** offered shock with a worsening bottom line loss of \$622,000 as a result of revenues rising 6% compared to an 11% rise in costs. On the other hand **MISC** surprised with a 62% profit increase to \$150.4m. Joint ventures were MISC's saving grace, especially the **Gumsat-Kakap** Semi Floating Production System after its finance lease income began in June 2013, the company said.

All the signs for the dry bulk market in June were bad: Capesize freight rates continued to fall. ☹

■ PORTS

International Container Services Inc., better known for its port ventures in developing nations, has signed a contract alongside its 90%-owned **Victoria International Container Terminal Limited** with the **Port of Melbourne Corporation** to operate the latter's terminal at Webb Dock, Melbourne.

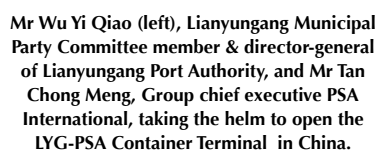
The contract calls for VICTL to design, build and operate the terminal and a container park at Webb Dock East. After investing \$509m, VICTL will operate the concession to 2040. The news of

the move down under coincided with ICTSI's sale of its domestic terminal in Cebu for a one-off gain of \$13.2m. The company's net 2013/14 income was up 6% to \$45.1m.

Almost a decade after rivals sought initial public offerings on the Hong Kong bourse, **Qingdao Port International** finally succeeded in its own IPO in the territory at the end of May. QPI and its controlling shareholder raised HK\$2.92bn (\$377m). Unusually, the IPO was a fixed-price bid. The company, which handles around 75% of Qingdao's cargo movements, said it planned to use the bulk of the funds in building oil, chemical and iron ore berths.

Early June saw the official opening of the Lianyungang-PSA Container Terminal. The investment is **PSA's** first major foray into the Yangtze River Delta region, in China which is served by the New Eurasia Land Bridge leading into central and western China.

When it is fully developed, LPCT will have a designed capacity of 2.8m teu, 1,700 metres of quay length, super post-panamax quay cranes



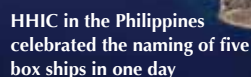
Following Australia's Port Legislation Amendment Bill 2013, the country's port authorities are due a shake up in July, when the original seven port authorities will be reduced to four. The four new regional port authorities to be established are: **Kimberley Ports Authority** (initially comprising the port of Broome), **Pilbara Ports Authority** (initially ports of Port Hedland, Dampier and Ashburton), **Mid West Ports Authority** (initially comprising the port of Geraldton) and **Southern Ports Authority** (comprising the ports of Bunbury, Albany and Esperance). ☼

From the pages of the shipping press one could get the idea that shipowners are ordering like its 2006, this does not appear to be the case at **Hyundai Heavy Industries**. According to the world's largest shipbuilder newbuilding orders for the first five months of the year have fallen 33.3% year-on-year to \$8.72bn just 29.4% of the annual order target of \$29.6bn.

Japanese yards continue to boost their orders on the back of a more competitive currency and a lead in eco-ship designs. **Imabari Shipbuilding** has picked up a contract for six bulk carriers from **Lauritzen Bulk**. The contract includes two 63,000 dwt eco-design supramax bulkers for delivery in 2017. Also part of the package is

During June Lauritzen was also busy ordering at **Namura Shipbuilding**, where the owner signed up for two 34,000 dwt handysize bulk carriers for delivery in 2017.

Yangzijiang Shipbuilding Group of China also had reason to celebrate after receiving its largest single order from Australian mining firm **Fortesque**. Following in the footsteps of Brazilian miner **Vale**, well known for its Valemax orders and the ensuing brouhaha in China, Fortesque has ordered four 260,000 very large ore carriers from the Chinese yard. The estimated value of the contract is \$275m. Fortesque has had a hand in the design of the contracted vessels to ensure smooth arrival at Australia's Port Hedland, which has a shallow natural harbour. ☼



CHINA POURS COLD WATER ON P3

Maersk's rocket has turned into a damp squib care of the Chinese authorities

THE BIGGEST SHOCK connected to the collapse of the Maersk, CMA CGM, MSC proposed P3 Alliance that was set to change the liner sector forever was its unexpectedness. Just days before the rejection of the alliance by China's Ministry of Commerce, trade papers across the globe were heralding P3's leap over the final hurdle of acceptance by Asia, namely China and South Korea. We shall never know what South Korea had in mind. China's rejection was enough to scupper the idea.

In the event the leader of the alliance Maersk was almost sanguine in its response.

"The decision does come as a surprise to us, of course, as the partners have worked hard to address all the regulators' concerns. The P3 alliance would have enabled Maersk Line to make further reductions in cost and CO2 emissions and not least improve its services to its customers with a more efficient vessel network. Nevertheless, I'm quite confident Maersk Line will accomplish those improvements anyway. It has delivered on those improvements over the last five quarters in the absence of P3 and I'm confident it will continue to do so," said Group chief executive Nils S Andersen.

Meanwhile analysts attempting to foresee obviously had little to say about the market going forward in the face of a non-event. Barclays Research thought the rejection of the P3 would temporarily boost investor sentiment for some Asian-based liner firms, highlighting in particular Orient Overseas Container Line and China Shipping Container Lines.

Citi's analysts also saw positives for Asian liner companies: "The

planned P3 alliance with a pooled fleet of 255 vessels could [have] put further competitive pressure on Asian liners, particularly those that have a relatively large exposure to the Asia-Europe market. Asian carriers can potentially lose their market share on the major East-West trade lines. As such, we expect liners outside of alliances struggling to remain competitive and possibly looking to deepen their existing relationships with other carriers in order to compete. In fact, earlier this year, CKYH formed a partnership with Evergreen in response to the potential P3 alliance. With the abandonment of P3, we believe the potential competitive pressure from a much stronger alliance on Asian carriers is now relieved."

On freight rate impacts, Citi claims it had always held the view that the "P3 alliance may not automatically deliver rational pricing behavior, as P3 members were traditionally not a strong price supporter," and therefore "believes the impact on freight rate rather small after the P3 rejection and the overall benefits to Asian carriers outweigh the negatives (if any)."

While Citi also believes that the collapse of P3 would have a limited impact on Asian ports. Barclays Research was quick to point out that Malaysia's Westports would be breathing a sigh of relief given that the P3 Alliance had planned to divert cargo away from the facility to other consolidation hubs in the Strait of Malacca.

In the longer term Barclays Research sees the collapse of P3 as a negative, partly because of what it sees as the true purpose behind China's rejection of the concept.

"China's rejection of P3 is likely more an effort to insulate Chinese domestic shipping companies, particularly China COSCO Holdings from competing with a more effective rival than it is an effort to maintain industry fair play, in our view," says the analyst.

"One of the dominant features of the container shipping industry is the significant involvement of national governments to support and protect domestic shipping companies. This has proven a key hurdle to industry consolidation in the past," it maintains.

"Maersk could continue to maintain a unit cost significantly lower than its Asian peers on the Asia-Europe route as it deploys more 18,000 teu vessels in 2014-15.

"The container shipping industry remains over-supplied. In our view, the best hope for improved industry earnings in the long-term was from consolidation. China's rejection of the P3 is not a positive step in that direction," it concludes. ❁

Alone again: Maersk Line



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amlaunched

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The Japanese classification society has responded quickly to a size

In September 2013, a challenge in terms of size came from DNV GL, the newly merged classification units of Norway's Det Norske Veritas and Germanischer Lloyd of Germany, which now claims to be the world's largest ship and offshore classification society.

Although it seems to be six months

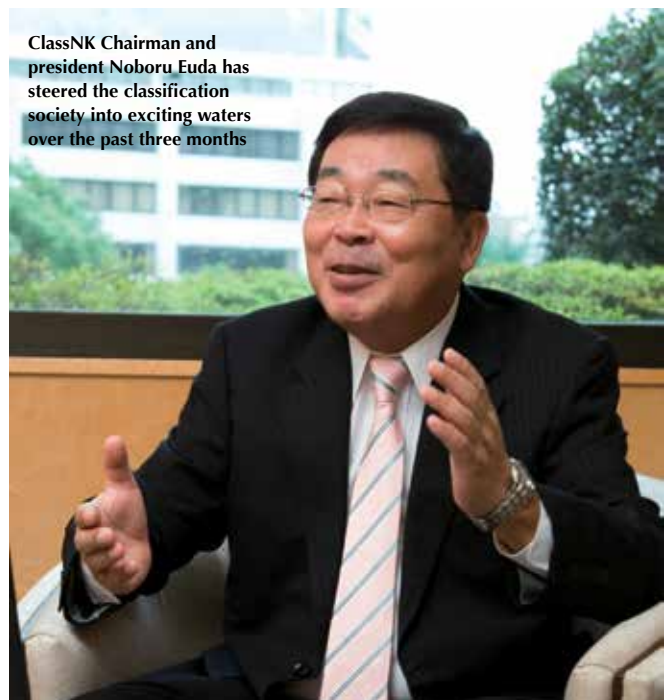
In March this year ClassNK acquired NAPA for an estimated \$69.5m, in a win-win deal with a wealth of marketing possibilities. Since NAPA walked away from its parent Wartsila in a management buyout in 1989 it has built up a clientele that means its software programmes and tools are already in situ in the offices of 90% of shipyards and nautical engineers and designers. Napa products are used by 700 organizations and have been installed aboard more than 2,000 vessels and counting.

For its part, Napa is likely to at least get an audience with those ships in ClassNK's 8,500 fleet that are not already kitted out with the software designer's software.

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The announcement has led some in the industry to question Napa's neutrality and confidentiality, a charge that both companies have rejected. ClassNK has insisted that it will be entirely hands off in its approach to Napa's research, product creation and marketing and others have pointed out that the close cooperation of close to a decade has not unearthed and incidence of so-called breach of confidentiality.

ClassNK Chairman and president Noboru Euda has steered the classification society into exciting waters over the past three months



No soft sell

In April this year, ClassNK took the opportunity presented by Sea Japan to introduce ClassNK-NAPA Green following some startlingly good test results after ClassNK had set up a trial with compatriot shipping company Kawasaki Kisen Kaisha Ltd

The software solution was tested in full-scale sea trials aboard an 8,000+ teu containership operating on a standard Mediterranean/Europe route.

The full ClassNK-NAPA GREEN suite of systems were utilized on the voyage, including speed, trim, and voyage optimization based on the ClassNK-NAPA GREEN Dynamic Performance Model, and analyzed against the captain's voyage plan.

Despite encountering heavy weather on multiple occasions over the course of the voyage, speed profile and voyage optimization reduced the fuel consumption by 2.7%, while a further 1.2% savings was attributed to optimum trim, taking the total reduction in fuel consumption from the trial to 3.8%.

While trim optimization was restricted on the voyage due to loading conditions, results from a full-scale trim optimization study, conducted during two Indian Ocean crossings aboard the vessel, indicated that trim optimization could further save fuel up to 4%. It was also found that the accuracy of the Dynamic Performance Model – the self-learning component of ClassNK-NAPA GREEN – was extremely high. In terms of fuel consumption prediction the accuracy was as high as 99.6%, which is unprecedented in the industry.

Announcing the results executive vice president for Napa Esa Hentinen said: "The results of ClassNK-NAPA GREEN's full-scale voyage optimization trials mark a landmark in the development of operational efficiency software. If "K" Line can save 4% in fuel costs for one vessel alone then the potential savings across its entire fleet is significant.

"Although software solutions to optimize fuel consumption are nothing new, the differentiating factor for ClassNK-NAPA GREEN is the software's Dynamic Performance Model. It tunes the ship specific performance model on a continuous basis to give very accurate, transparent and true performance statistics to improve voyage optimization, trim optimization and performance reporting with payback on investment realized within months. Full-scale proven bunker cost saving are significant and feedback to ship designs will improve newbuilds further," he added.

Representative director & executive vice president Yasushi Nakamura from ClassNK also enthused over the trial results: "The fuel savings revealed through the "K Line" ClassNK-NAPA GREEN sea trials demonstrate the incredible environmental and economic benefits that ship designers, operators and charterers can achieve with innovative software solutions. After 18 months of development, to have achieved this amount of savings at this stage in the project is an exciting milestone of particular significance to the container sector, which operates at higher speeds and is therefore

ClassNK enters the German market with the registration of MV Bremer Fortuna



more sensitive to speed and trim optimization than slower vessels," he said.

"K" Line is one of many operators realizing greater efficiency in operation through the application of ClassNK-NAPA GREEN, including container owners and operators such as Wan Hai Lines and Shoen Kisen. The Finnish shipping operator Bore is also currently installing the system to its fleet of Ro-Ro vessels, following successful trials onboard the 2,863 lane meter (lm) RoFlex vessels Bore Sea and Bore Song. On these two vessels the system has proven savings between 4 and 6%," he concluded.

All very satisfying no doubt, If by any chance there were owners/operators out there unaware of ClassNK-NAPA Green, many of the world's leading shipping press duly appraised them.

Marketing coup

As for ClassNK, they were not limiting their marketing offensive to software solutions. As the presentation went ahead preparations were no doubt in place for the 11 June announcement that the class society had broken down GL's German citadel with the registration of its first German-flagged vessel the MV Bremer Fortuna a 6,668 gt multi-purpose vessel owned by Kolmar-based Rord Braren Breederungs GmbH & Co, marking a significant first strike for ClassNK, which has been rapidly expanding its services in Germany.

More significantly, ClassNK took the opportunity to reveal it had gained expanded authorization from the German government to carry out surveys and audits for German flagged vessels. ClassNK initially obtained authorization to classify German flagged vessels and issue statutory certificates on behalf of the German government in February 2013. The authorization has now been further expanded to include audits and certification for the ISPS Code, a key part of the SOLAS convention related to ship security. ☼

TRADITION AND INNOVATION

US coatings firm Hydrex it doesn't change products for the sake of change

HYDREX'S HULL COATING product Ecospeed 2002 (the year it was released) has been satisfying customers for 2012. Deputy executive director David Phillips says: "It did what it was supposed to do then and it continues to do so. Why change something that works?"

Satisfaction with its flagship product left the company time to develop a specialist application for rudders, which has already picked up an award.

"Last year we released Ecoshield, an ultra tough coating for protecting rudders and underwater running gear from cavitation and corrosion damage, says Mr Phillips.

Steering toward an efficient rudder protection

"This is the first underwater coating, which successfully puts an end to cavitation damage on rudders. Recognition of its efficiency led to the company winning the Seatrade 2014 Innovation in Ship Operations Award," he adds proudly. Having a good product alone does not guarantee profits; speed to market is equally essential and Hydrex claims it can get its product to the customer anywhere in the world within five days.

The launch of the latest product has allowed Hydrex to occupy a sizeable niche in the market. While its presence in the hull coatings market as a whole is tiny, in the hard coatings sector its share is the largest. "We are really the only proponents of the combination of a hard coating with regular in-water cleaning as the answer to a fuel efficient hull," Mr Phillips claims.

Most coatings manufacturers claim that their products are multi-functional, offering anti-fouling capability, fuel efficiency, long lasting and corrosion resistance, not to mention the all-important cost factor. At Hydrex the company finds that customer priorities will vary from sector to sector.

Mr Phillips says: "For cruise vessels, cargo vessels and in general vessels that are steaming a lot, the requirement is for fuel efficiency over the dry-docking interval or over the life of the coating.

Durability a key requirement

"But for offshore vessels, corrosion protection for a protracted period of time is key. They want to stay out of drydock for 15 - 25 or even 40 years. They need a coating that will protect the hull from corrosion for that period of time and which can be cleaned for UWILD," he adds.

In a 2013 survey along with cost, durability was close to the top of owners/operators list of priorities a quality that varies. Soft coatings such as SPCs and silicone or fluoropolymer foul release coatings rarely last longer than five years before they need to be re-



Coatings built to last

applied (at least the top coat). And the whole coating system needs to be reapplied to bare steel between 10 and 15 years.

"Ecospeed (surface treated composite coating) need only be applied once and then it lasts the life of the hull with only very minor touch-ups at routine dry-docking," says Mr Phillips.

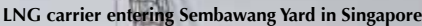
"When a paint company's business model is built on repeat business, it is "inconvenient" for a coating to last too long. The more often it has to be replaced (within the limits of what the market will bear) the better for the paint company.

"Our business model is different. We provide a system which lasts the life of the hull and which we maintain over that time to keep it at maximum efficiency. We do not depend on reapplication of the coating for our revenues," he adds.

The next step

While Hydrex claims that Ecospeed serves its purpose in most conditions the company foresees evolution in coatings products in a shift from the toxic biocidal coatings and equally toxic foul release coatings (silicone is usually catalyzed with dibutyltin diaurate, which is an organotin) to hard, long-lasting cleanable coatings combined with regular in-water cleaning.

"That's what the next big development should be," claims Mr Phillips. ☼



LOOKING FOR A TRADING HUB

Asia has long dominated the market for LNG. Maybe now it is time to buy smart

CHANCES ARE YOU have read more about liquefied natural gas as the be all and end all of the world's energy needs in the last couple of years than any alternative. Whilst it is true that natural gas is among the fastest growing energy sources, it's a fact that coal demand globally grew 3% in 2013 while the demand for natural gas increased just 1.4% over the same period. But there is more than meets the eye behind the lacklustre growth.

According to energy giant BP the past decade has seen energy demand flatten off, while non-OECD demand has overtaken it. Nowhere is this truer than in the case of China. With Beijing and other major cities being held up as examples of life-threatening pollution, the Chinese authorities have been shaken out of their torpor with the result that natural gas is rapidly taking a larger share in the

country's energy mix. In 2013 China notched up a 10.8% increase in gas consumption.

In a recent report the International Energy Agency forecast that natural gas demand in China would double over the next five years, with gas demand reaching 315 Bcm by 2019. This compares with forecast global demand growth of just 2.2% over the same period.

While BP may speak of OECD and non-OECD demand LNG consumption is an Asian dominated market. Nearly 75% of LNG cargoes are consumed in Asia. Japan remains the largest consumer of LNG with South Korea running second as Asian countries still, for the most part, eschew renewable alternatives. This situation remains despite the fact that Japan and others in the region pay a premium for their gas supplies.

So just as new sources of supply are preparing to come online, particularly in Australia, maybe it's time for Asia to take advantage of the excess capacity by fashioning a more efficient short term and spot market for the fuel.

Recent trading pattern developments

While long-term contracts have always dominated primarily because of the need for supply security, it is the case that short-term contracts (except during the worse years of the recent economic downturn) have been on the increase to 25% in 2011 and more than 30% in 2013.

In fact short-term LNG volumes began to register on the radar in the 1990's, largely as a result of deregulation in the US and Europe. With import monopolies abolished some companies found they could move in on unused capacity that was sloshing around in the market. Since then price differential has also been a driving force in the expansion of the short term/spot market. In a 2013 report Clarkson Research explained how: "Traders and charterers seek advantages in the significant price differentials between higher import prices in Asia compared to the rest of the world because a significant differential has emerged between the benchmark US 'Henry Hub' gas price, and the prices in Japan and Europe. This reflects the surge in shale production enabling US gas prices to fall, while the oil price-indexed price in Japan and the insulated European benchmark have continued to increase. The average differential between the Japanese price and that of the US stood at \$12.3/mBtu in 2012. The emergence of new trade patterns, particularly those from the Atlantic to Asia, is a result of this pricing imbalance, and the facilitation of a spot and short-term market."

A further factor, says Clarkson, is the relative decline of supply patterns that insisted upon a "one vessel, one contract, one route basis, due to the emergence of companies which have invested in a raft of liquefaction interest which then serve a portfolio of import terminals through a fleet of controlled vessels. This in turn creates demand for a larger pool of tonnage so the companies can gain the best from the prevailing market.

"A network of LNG receiving terminals is slowly emerging in Asia from Zhejian Ningbo in China to Malacca, Nusantra in Indonesia, Ma Ta Phut in Thailand and Jurong Island in Singapore"

Looking for a hub

If short term/spot trading in LNG is a sustainable and growing option the question arises as to where trading should take place? Earlier this year Singapore-based law firm Kingsley & Spalding tentatively presented the argument for an Asian LNG Trading Hub off the back of an IEA suggestion that Singapore, with its recent acquisition of an open-access export and import LNG terminal could be a natural gas trading hub for the region.

New export points

The authors first set out what they considered the necessary factors necessary to ensure that spot/short term LNG sales would continue to expand. First would be the expansion of exporters. And indeed, it is happening. K&S point to the new Papua New Guinea projects, North American shale gas projects and East African projects. On top of this there is expansion at existing projects.

Clarkson Research says: "Over 2014 and 2015, projects with a combined liquefaction capacity of 53.9mtpa are due to begin operations. This will be driven predominantly by a few large export projects in Australia, including the 15mtpa Gorgon and the 8.5mtpa Queensland Curtis projects.

"This period is also likely to see the completion of the first of the new tranche of proposed LNG export projects from the continental United States, as the first two trains at Sabine Pass on the US Gulf Coast are scheduled to begin operations in 2015. These trains would be the first completed US LNG export facilities developed in the wake of the boom of US domestic gas production.

Looking further ahead, as of July 2013, there were seven projects with a cumulative nameplate liquefaction capacity of 56.4 mtpa under construction in Australia. This is equivalent to 19.9% of current global liquefaction capacity and is likely to push Australia into second place in terms of LNG export volumes by 2017/2018, behind Qatar.

The 15mtpa Gorgon project, (which is the largest project currently under construction) was due to start up in 2014 but the latest forecast is now for some time between mid-2015 and early 2016. The 8.5mtpa Queensland Curtis export project, which is based on coal bed methane as a gas source, looks likely to be delayed from 2014 to early 2015.

Finally, construction work on Asia Pacific LNG, GLNG, Ichthys and Wheatstone, are all expected to export their first cargoes by 2016.

New importers

K&S says that another factor for the encouragement of a LNG trading hub is growth in importing countries and promptly ticks the boxes, claiming a 50% increase since 2008 with the addition of Indonesia, Thailand, Malaysia and Singapore.

K&S also points to: "The emergence of the UA as an LNG exporter and the steep fall in Henry Hub prices to \$2.75/mmBtu in 2012 (which as of January 2014 stood at about \$4.5/mmBtu),



"If short term/spot trading in LNG is a sustainable and growing option the question arises as to where trading should take place?"

Add to this a fall in destination restriction clauses in LNG sales contracts, and greater LNG vessel availability for spot and short-term charters and it becomes an open and shut case.

A network of LNG receiving terminals is slowly emerging in Asia from Zhejian Ningbo in China to Malacca, Nusantra in Indonesia, Ma Ta Phut in Thailand and Jurong Island in Singapore,

Also key to hub status is a ready made financial market to soak up LNG-related paper or financial trade. As one of Asia's leading financial markets Singapore fits the picture once again. "With regards to the development of a financial trade in LNG, Singapore has an advantage in that it is already Asia's largest oil trading centre as well as among the world's largest financial and currency trading centres. Furthermore, there is already a growing presence of gas and LNG trading companies being set up in Singapore, with BP, BG Group, Shell, Gazprom, Trafigura, and Glencore, amongst others, having commenced or expanded local gas/LNG trading operations," says K&S.

While Shanghai may possibly provide an alternative LNG trading hub in the future K&S is probably on the money when it says Singapore is one of the prime contenders for the location of a trading hub “due to, amongst other things, its geographical location, the capabilities of its LNG terminal and the potential synergies with its existing status as a major oil trading and financial centre. ☸

Shipowners and operators are under pressure

IT'S A FAIR BET that when a person decides to embark on a life at

While it is to be hoped that compliance with MLC 2006 3.2, regulation regarding food and catering which comes into effect on August 20 will deal with the many irregularities currently afflicting vessels across the seven seas, there is reason to believe it won't, at least in the short term.

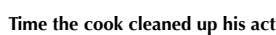
David Steel, director of Food Inspection and Training Ltd, says: "I don't think that the Ship's Cook Convention 1946, is lacking that much, although it is rather basic in what it states that a food handler on board a vessel should in terms of approved training by a recognized organization.

The ILO 2006 menu

The key points that came out of the ILO 2006 convention in Geneva was a set of Guidelines for the training of ship's cooks or for the person responsible for catering on board any vessel above 499 GWT.

The key points that came out of the ILO 2006 convention in Geneva was a set of Guidelines for the training of ship's cooks or for the person responsible for catering on board any vessel above 499 GWT.

- Understandings various types of menus and their differences
- To be able to read, understand and follow a recipe, cultural and religious requirements, and be able to apply this knowledge when menu planning.
- Be familiar with the company menu book, if one applies
- Be familiar with the rules of menu composition
- Be able to estimate the amount of leftovers and include their use in menus, reducing food wastage both in the longer term and in day-to-day planning.



- It's quiet a list of demands, including some that you have do doubt found sadly unfulfilled at restaurants safely on land. This is where F.I.T. steps in to inspect, audit and offer training. But the list is very extensive and surely some of the requirements can only be answered subjectively, after all what might constitute an attractive looking meal to you could deter others. Mr Steel begs to differ and as an expert maybe he's right.

Multi-tasking

"The cook of today is wearing a few more hats than he has been used to. He is also doing the job of the now defunct Chief Steward position, which means he is now in a middle management position. In the catering world," that you are only as good as your last meal", 9/10 of preparing and serving food is visual the other 1/10 is taste, if your eyes do not like what they see, you will not put it in your mouth," he adds.

Fast food

Believe it or not many shipping lines and managers have responded to the new requirements by offering their catering crews a quick fix through two-hour "train the trainer" sessions.

At F.I.T. staff have tried to offer more substantial training but have been constrained to a one-day session. "I agree that one day is very short," says Mr Steel. "More like ten days would be better for training, which is what is suggested, as there are many areas that need to be covered. In catering you are always learning, different food items, different ways of cooking, different ways of presenting, so life-long learning should be very much part of this new training."

Having received one day's training can ship's cooks be sure that their knowledge will be fit for purpose when Port State Control comes sniffing around?

"We at F.I.T. use the Highfields training system, which is used by many top global companies for training their work forces," says Mr Steel.

"The certificate is issued under the UK education OFQUAL. Recently in the Port of Liverpool I invited the Port Health Authority on board for an impromptu inspection, to clarify that what we are training and putting on board was in line with what they are looking for, we had a resounding tick in all the boxes to prove that what we are doing is correct."

But with just a matter of weeks before 3.2 comes into force have the trainers and others bitten off more than they can chew? Mr Steel thinks that maybe they have.

"My experience over the last three years is that the galleys on board have been the last area to be brought into the 21st century. As far as compliance of the MLC 2006 reg. 3.2, the majority of owners, are saying that they have their DMLC 2006 Cert in order, which is fair enough, but in reality, there are not many if any Class inspectors or PSC inspectors trained yet to completely understand the full implementations of the MLC 2006 reg. 3.2, and what it means. Therefore it will only be a matter of time before these organizations get properly trained to carry out the role correctly, then the fines and detentions will, I am sure increase."

In a case of non-compliance with the rules, ordinarily Mr Steel suggests that the buck stops with the cook "but if he has not been trained or educated correctly, or given the correct tools or equipment to carry out his duties diligently, then the buck must stop with the owner."

F.I.T. has covered well over 60 vessels, for auditing and training, and a few revisits to make sure that the training and Food Safety Management system is working. It has also done a few in-house training sessions to the HSE teams, so that they fully understand the system.

"It's important to have an audit at least once a year to make sure that everything is working satisfactory, as sometimes the system needs to be altered to suit a particular company. But the basics of the FSM remain the same."✿

David Steel director F.I.T.



"It's important to have an audit at least once a year to make sure that everything is working satisfactory, as sometimes the system needs to be altered to suit a particular company. But the basics of the FSM remain the same."

THE WORLD OF DP WORLD

Asia Maritime's exclusive interview with DP World's chief executive Mohammed Sharaf

ALTHOUGH DUBAI PORTS WORLD International was established in 1999, it's probably fair to say that it first grabbed the world's attention in 2006. By that time it had merged with the Dubai Ports Authority to form DP World and in an audacious business move it purchased P&O, the world's fourth largest terminal operator at the time, for \$7bn. While political resistance in the US to the takeover of six of the country's ports previously owned by P&O meant that the initiative was not entirely successful the investment along with its earlier acquisition of CSX World's collection of terminals put DP World firmly amongst the top tier of global port operators.

Just three years later in 2009 all the hard work looked as if it would come to naught as Dubai World, its main investor with an 80% stake, floundered in an economic crisis of epic proportions, from which to the parent is still seeking to extricate itself. Throughout those dark times and now that the company is once again close to being on broad sunlit uplands it has pursued single-mindedly a strategy that will provide it with the most advantageous portfolio of port terminals across the globe.

Since 2010, London Gateway has been the most high profile development. DP World's chief executive Mohammed Sharaf says

of the prestigious project: “DP World London Gateway port will provide the most efficient link between deep-sea shipping and the largest consumer markets in the UK.

Luring shipping lines

“We are seeing an increasing number of shipping lines calling at our facility and since the turn of the year we have had eight unscheduled calls at DP World London Gateway, including an Asia-Europe service, as our port was less impacted by adverse weather highlighting its sheltered location.

"In November 2013, we announced the arrival of the first ship the MOL Caledon operated by MOL. The ship is part of the South African Europe Container Service (SAECS) made up of a consortium of shipping lines including MOL, Maersk, DAL and Safmarine. We are also in discussions with a number of shipping companies to use LG but cannot give names at this stage as this is commercially sensitive.

DP World London Gateway is also in discussions with a number of businesses for the logistics park. In late April commercial property group Prologis announced it would develop a 316,000

Following a period of ground preparation and development of key infrastructure by DP World, Buckingham Group is now mobilising to start construction, with the new logistics centre planned for completion in Q1 2015. The 375,000 sqf multi-purpose specialist cargo handling centre will be built in two phases and will be fully integrated with the new deep-sea container port London Gateway.

The New World Alliance (APL, HMM, and MOL), which previously operated a similar service to the PA2 previously called at Felixstowe port, however, through the G6 Alliance (APL, HMM, MOL, Hapag Lloyd, NYK, & OOCL) the service will now call at DP World London Gateway.

"This [London Gateway] will be the new hub port for the UK to handle cargo from around the world. The country needs more ability to handle bigger ships and London Gateway provides that capacity. We do not have any concern over any slowing of the Chi-

Asia a target

"We are currently building a new terminal at Nhava Sheva and have a development project also in Kulpi. Once constructed, the 330m terminal at Nhava Sheva will add 800,000 teu of container capacity to the port when it becomes operational in 2015. DP World is investing US\$200m to build it," says Mr Sharaf.

A number of terminal operators investing globally have been selective in the amount of automation that install at terminals with the greater investments being made in developed economies where labour costs are higher.

"Our new terminal (T3) in Jebel Ali, which will be the world's largest semi-automated facility when it opens for business later this year, will be one of the finest modern marine terminals in the world, with a quay length of 1,860m, a 70 hectare storage yard, and a draft of 17m. With 19 highly sophisticated automated quay cranes and 50 automated rail mounted gantry yard cranes, T3 will be at least 30% more carbon efficient than a conventional terminal operation," says Mr Sharaf.

“Importantly, automation will transform the workplace at the port, creating around 1000 skilled jobs. It will position Jebel Ali as the only port in the region capable of handling 10 of the giant new generation vessels at the same time.

It is of course the up-scaling of vessel size which is causing mayhem around the world, especially at older ports. Mr Sharaf believes that DP World have taken the right approach.

"Our investments are focused on ensuring that we have the

"We believe automation has a key role to play in emerging economies where it can make a difference increasing efficiencies and reducing costs."

right capacity in the right locations and the right services to meet our customers' needs," he says.

"The opening of additional capacity was supported by the implementation of the latest technology across our portfolio, to speed up our customers' supply chains and bring goods more swiftly to market.

"We continue to invest in our portfolio for future growth. Over the course of 2013 we spent \$1.063bn in capital expenditure, predominately at our greenfield London Gateway port and logistics park project, Embraport (Brazil) and the expansion of our flagship Jebel Ali facility in the UAE all of which are geared to handle the next generation of larger ships.

"We are well placed to invest today to meet the long-term needs of our customers whether it is in developed markets requiring increased efficiencies or the capability to handle the increasing size of vessels or in developing markets requiring increased port capacity to meet demand or dated infrastructure. This includes facilities to handle larger ships that cascade down to more minor routes as the next generation of ultra large containerhips feature on major routes.

We will continue with the \$3.7bn capex guidance for 2012-2014 with about \$1.9bn invested this year.

"In terms of future investment, we constantly look for opportunities to invest and grow around the world with a particular focus on emerging markets and those where we can add value to customers," he concludes.

Ports and pollution have been a perennial problem. While global port operators have been uneven in their approach most have replaced diesel-powered cranes with electric or hybrid vehicles. DP World has gone the extra mile with a water conservation system.

"Environmental measures are always uppermost in our mind as a matter of policy there is no priority list as such," says Mr Sharaf.

"We aim to minimise the environmental impact of all our global operations with a goal of zero harm. The focus is on reducing resource consumption, preventing pollution, conserving biodiversity and managing emissions.

"Our focus on emissions has resulted in a 15% intensity reduction of KgCO2e/per modified teu) from our 2009 baseline. We have implemented a freshwater data and monitoring system to capture data across our portfolio to help us implement freshwater conservation techniques. For example, in Jebel Ali we have saved almost 64m litres, installed water-recycling plants saving around 75% of water consumption by the technical department workshop," he adds.

Outlining the company's overall approach to environmental issues Mr Sharaf says: "It is vital to embed rigorous environmental planning and management resources in business and work with partners in the various locations to drive forward green measures that can bring positive change. It has to be a priority for the business and front of mind at all times."

From this framework and planning, other measures could include:

- Completing detailed energy consumption assessments across the business
- Developing a freshwater usage footprint
- Introducing and piloting renewable and alternative energy options into core business functions
- Developing and expanding capability to recycle and manage waste with the wider stakeholder group for the whole supply chain. 🌱



Mohammed Sharaf, chief executive of DP World

"In terms of future investment, we constantly look for opportunities to invest and grow around the world with a particular focus on emerging markets and those where we can add value to customers,"

LIBERIA PLEADS FOR BREAK ON NEW RULES AND CONVENTIONS

The Liberian Registry insists on effective implementation of existing rules over the creation of new regulations

IN JUNE THE chief executive of the Liberian International Ship & Corporate Registry, Scott Bergeron knocked a number of heads together in a sweeping condemnation of the propensity of shipping's regulators to issue more and more rules while others fail to implement extant regulations.

"It is the job of ship registries and other regulators to ensure the effective, efficient and practical implementation of rules and regulations," says Mr Bergeron.

"Unfortunately, the entire industry does not operate in this way. There are regulators who are not enforcing the rules effectively and this is troublesome because the result of ineffective implementation is yet more regulation. The industry already has enough regulations, creating new ones as a political or public reaction to accidents is short-sighted."

Asked to specify what rules he felt were not being enforced by which regulators, Mr Bergeron told Asia Maritime: "I look to the independent measurements of compliance and enforcement – how many flag states find themselves low on the port state control white lists – or even the grey and black lists? More significantly, I look to the flag states, particularly in North America and the EU that have a very poor ratification record when it comes to international conventions and treaties.

"These conventions have been negotiated in good faith, often at the insistence of the very governments that then do not ratify the conventions. For example – how many EU countries still have not yet ratified the ILO's Maritime Labor Convention of 2006 or the IMO's Ballast Water Convention, 2004? Recently a member of the

EU took a politically motivated step of arresting a ship due to a ship recycling claim, yet neither that state, or any other EU member has actually ratified the Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships, 2009," he says.

"Effective implementation of the existing regulations begins with ratification and domestic legislation. Procedures and policies must then be developed and finally a robust global enforcement regime must be put into place. Liberia led the ratification and development of globally recognized procedures and interpretations for the ISM Code, the ISPS Code and more recently the MLC.

"We shared these openly with the industry. Our policies have been downloaded from our website by countless other maritime administrations. Yet, Liberia is still the only flag state that has trained an extensive global network of ship inspectors and auditors rather than simply handing the responsibility off to the Class Societies and Recognized Organizations. We are fulfilling our commitment to the shipping industry and the public at large – too many flag states cannot say the same," he adds.

An unexpected consequence of the current impasse is a situation where shipowners feel squeezed by the amount of regulations pouring endlessly through, while the general public perceives the industry as an unregulated and somehow rouge sector. Mr Bergeron insists that the dichotomy can only be addressed: "Not with new regulation, but with the effective enforcement of the abundance of regulations that already exist."

While there appears to be something close to a consensus among flag states regarding the Liberian Register's position there are some mountains to climb, politically as well as finding the will to do what is necessary.

"While many of the other successful flag states do agree, we have done a poor job voicing our opinions in unison or effecting the necessary change within the industry. So-called block voting by EU membership is troubling as the active and knowledgeable EU maritime administrations are often required to follow the collective EU position. This practice puts political opinion ahead of goal-based standards and achievable outcomes," he says

"One proposed solution to improve enforcement is the effective use of the IMO Member State Audit, which has finally become mandatory. For those flag states that have not yet been audited, we suggest they make the audit a priority. We also ask all flag states to follow Liberia's lead and publish findings of their Audit indicating steps being taken for improvement."



Chief executive of the Liberian International Ship & Corporate Registry, Scott Bergeron

MARSHALL ISLANDS AHEAD OF THE MLC PACK

The Marshall Islands Register has an MLC compliant fleet despite rapid growth

“WE WERE ONE of the first flags to be ready for MLC 2006. And we had the DMLC Part One ready almost two years ahead of most of the other flags,” says Richard Dias regional technical manager for International Registers, the administrators for the Marshall Islands flag.

Mr Dias concedes that with the Marshall Islands being a young jurisdiction the many regulations that had to be passed got through the administration somewhat quicker than in other countries.

“Getting in first also helped multi-flag fleets to comply because they went through the process with us first on their Marshall Island flagged ships,” says Mr Dias proudly.

“In the case of offshore units we have our own code for offshore units we have said if you comply with our offshore code and if you comply with our maritime regulations we consider you to be substantially compliant with MLC 2006. For them we give them a statement of compliance because they don’t need to have a certificate,” he adds.

By the time 20 August 2013 arrived 80% to 90% of the vessels on the Marshall Islands flag had obtained MLC certification.

“We had few problems in ensuring certification,” says Mr Dias. While certification was delegated out IRI inspects every vessel once a year and part of the annual inspection includes a segment on MLC 2006.

“It is not new. It was always there – our inspectors always included inspection of the working conditions and accommodation. It’s just that now it is officially part of the overall inspection process as part of MLC.”

At IRI it is felt that there should be little in the way of diverse interpretation at least as far as the mandatory items are concerned but the administration concedes that the guide lines are open to different interpretations.

“We have seen cases applying to the design of the vessel. For example shipyards have come to us seeking advice on the acceptable proximity of Crew cabins to recreation rooms, because it can be noisy. It is a guideline and common sense needs to prevail if it is a small vessel there may not be an option. In the case of a larger vessel, then maybe alternative arrangements could be made,” says Mr Dias.

Rest hours and working hours had been an issue in some cases,” says Mr Dias

“In this instance we had decided on the rest hours interpretation as the ruling we would follow,” he says.



Annie Ng Regional head of Asia for IRI

“Some owners argued that the Master or the cadets might not be interpreted as seafarers so that they could be excluded from the strict rules allowing for a set number of rest hours. But we have been very firm in insisting that cadets and Masters are seafarers. Any other interpretation would not be in the spirit of MLC 2006.”

In the case of non-compliance MLC directs that every ship must have an onboard complaint procedure for the crew and the procedure should be available at all times. If it does not work the seafarer has a number of options approaching the flag is one of them. “We will look into all complaints,” says Mr Dias.

In fact the IRI has always followed an inclusive approach with shipowner and crew alike when it comes to navigating safety and other regulations.

“We have a large delegation to IMO especially for MEPC and MSC and sometimes if an owner expresses an interest we may let them tag along, says Annie Ng head of Asia for IRI.

“In addition we have a Marshall Islands Quality Council which meets shipowners regularly. We have in-house and expert speakers from many aspects of the maritime industry coming in to make presentations to shipowners. Representatives of stakeholders meet two or three times a year to exchange information and opinions. Then based upon feedback we decide what we shall bring to IMO.”

With more than 105m tonnes now registered with Marshall Islands, it’s obviously a winning formula. ☼

SAILING TOWARDS A MORE BALANCED HORIZON

Analysts suggest that the darkest hour has passed for the tanker sector but dawn is a little way off yet

AT THE END of 2013, one might have hoped that the worse was over for the tanker sector looked at overall. But the new year saw the end of the 2013 spike fall, if only marginally. At that point the market had 12 months to look forward to an estimated 1.3% increase in global seaborne trade to underpin a forecasts of anything from 0.8% to 1.6% growth in crude tanker demand largely supported by Chinese demand for crude that would have a particularly positive effect for very large crude carriers.

VLCCs

The market at the beginning of the year while positive did not seem to support a new wave of optimism for the sector but in its tanker report industry body Bimco saw good reason for hope in reported asset transactions.

"In January and February, new orders for 12 VLCC were signed, all for 2016 delivery," it noted.

"Last year, 49 were ordered of which 29 were placed in December. The tide is definitely turning for VLCCs since the ordering drought in 2011/2012. Another example of more confidence being

around was the re-sale of seven VLCC orders, placed in South Korea in December 2013, all due for delivery in 2016 and booked at a price tag of \$93m. The resale price of \$100m confirms both the increased optimism in the VLCC tanker market as well as owners opposite expectation for the future," it added.

But by April VLCC rates were falling precipitously by 2% month on month to \$17,059 per day on the spot market. Looking ahead Clarkson Research Services paint a mixed picture for VLCCs forecasting a 1.1% increase in 2014 because of increased demand from China, which it says will "more than offset the continued decline in US imports". On the supply side Clarkson Research says the VLCC fleet will grow 2.3% to 190.5m dwt after delivery of 7m dwt. At the end of April the orderbook stood at 27.5m dwt.

Aframaxes

Even BIMCO finds it hard to get excited about prospects for the aframax sector, but hinted that a new realism amongst owners and operators might lift the market at an undetermined time in the future. In the first quarter of the year no new aframaxes hit the water

and only 14 are expected to be delivered this year, yet another low after only 18 vessels were delivered in 2013, which was a 12-year low for this class of vessel. As a result the size of the fleet shrank for the first time since 1985, Bimco said. Even this number may be diminished by Bimco's forecast of a 25% postponement/delay of the orderbook.

By the end of the first quarter of 2014, the lack of ordering activity over the previous 12 months appeared to assist Aframax freight rates, which increased 11% month-on-month to \$16,389 per day. Longer term Clarkson Research predicts some small relief with China's increased demand for crude propping it up, hampered only by decline in demand in the Mediterranean and Black Sea as exports decline from Algeria and Libya because of "civil unrest and ageing fields and infrastructure". In fact by June exports from Libya had fallen away entirely. In line with Bimco's predictions Clarkson Research estimates a 1% increase primarily because of deliveries in the product tanker fleet. This appears to suggest that owners and operators could have better rewards by 2015.

Suezmaxes

Bimco had earlier predicted that May would see all tanker sectors earning more than \$10,000 per day in May, and VLCCs earning as much as \$25,000 per day. With regard to VLCCs the Bimco prediction proved to be wildly optimistic (see above) but it was on the button with Aframax (see above) as well as Suexmaxes that were earning \$11,751 per day by April, after a fall of \$4,000 from highs in 2013. Suezmaxes surged to \$30,000 per day in the second half of May.

Although that proved to be a spike the outlook for Suezmax for the rest of the year seems positive with demand forecast to grow by 5% this year. Clarkson Research sees the support coming from increased demand on AG-India routes and AG-Med. Countering this growth is an expected increase in the Suezmax fleet of 1.5% as expected deliveries of 1.6m dwt is countered somewhat by demolition of 1.1m dwt, says Clarkson Research. Overall this provides a brighter picture especially in the rest of the second half of the year where the market is beginning to sense that a long period of dwindling oil supplies is drawing to an end.

Panamax

But the panamax sector may prove to be the exception that proves the rule when it comes to forecasting improved markets. Certainly Clarkson sees only a bleak outlook for the sector that saw freight rates decrease 9% in April to \$13,172 per day. For the remainder of the year the analyst expects crude shipments to decline 40%, as aframax and suexmax gobble up the available volumes. Only a shrinking crude panamax fleet, which is expected to shrink by 2% during 2014, will be of any assistance.

Despite a fairly grim appraisal of the various crude tanker sectors overall sentiment says the tanker market may well have turned the corner and will follow the lead set by product tankers that have



"The panamax sector may prove to be the exception that proves the rule when it comes to forecasting improved markets."

seen demand outstrip supply two years in a row despite a large orderbook. Bimco highlights the growth of the fleet.

"Whichever way you look at it, 2014 will be the year of the MRs," it says.

Last year, 74 new MRs were delivered – year-to-date deliveries had already reached 19 by mid-March. In the size range of 40,000-60,000 dwt, 270 product tankers are on order, of which 93 are scheduled for delivery in 2014. Bimco expects actual deliveries to fall short of scheduled ones.

"As regards the entire product tanker orderbook, it has actually dropped down to 406 units by end-March, from 420 units two months ago.

Certainly, Clarkson Research suggests tankers might look forward to a more balanced future. This can't be a bad thing considering that: "In the period between 2001 and 2014 crude tanker supply growth has grown approximately three times as quickly as dwt demand growth in the same period, according to Clarkson Research.

"Seaborne crude trade is relatively mature and growth has averaged 1% over the last decade. So, the expected similar pace of supply and demand growth in 2014 and 2015 is likely to be welcome news for owners in the short term as they attempt to resolve supply overhang issues. However, with the recent uptick in the pace of VLCC and Suezmax ordering (7.3m dwt of contracts placed in these sectors in the year to date) it is very possible that crude tanker fleet growth will not remain at such limited rates of expansion in the future," the analyst says with a degree of caution. ☼

TANKER CODE OF CONDUCT COMES INTO FORCE

Amidst less than satisfactory freight rates for tanker owners and operators the struggle for prompt payment goes on

ALMOST EXACTLY A year ago the tanker industry's representative body, Intertanko hit out at oil majors and other charterers for their shoddy payment practices and declared they would draw up a voluntary code of conduct aimed at delinquent members and stakeholders.

A year later in a very public demonstration of solidarity council members of Intertanko endorsed the Code of Conduct during a meeting in New York by signing it on a large banner.

To keep up the impetus Intertanko says it will seek further engagement with members and associate members as well as other stakeholders.

Tanker clean up

"Intertanko remains determined to identify ways to make tanker shipping more sustainable and viable in the long term. While continuing to be involved with the environmental and social aspects of sustainability, the strategic focus of members is on those commercial aspects which remain constant whether the market is low or high, such as specifically driving down the cost of vetting, rebalancing eroded charter party terms, and monitoring charterers' payment performance for freight, demurrage and other claims," the organization said in a release to the press.

Following the signing Intertanko's senior manager for communications and external relations, Bill Box told Asia Maritime that the next step would be to set up a payments performance system,

a benchmarking database tracking members' freight and demurrage payments.

"Members will be able to compare their payments record with that of the member average, will be able to see where one particular charterer sits compared to others, and will be able to see what these payment delays are costing them in terms of increased working capital requirements," says Mr Box.

Mr Box makes it clear that the latest initiative is not a result of a market chronically affected by debilitating poor freight rates but the case remains that sustainability is an issue in the sector.

Sustainability still a concern

"Intertanko has never pleaded special case status because of low freight rates. A volatile tanker market is part of what you sign up for when you commit to operating oil tankers. This does not however mean that tanker owners are not disappointed by the poor returns generated for the last few years. Years of poor and sometimes negative returns are extremely hard to live with when operating costly assets to the highest possible standards," he says.

Mr Box would appear to concede that tanker owners and operators may to some extent be the authors of their own misfortune if only by being over enthusiastic in adding to capacity. It is uncertain how any owner/operator can gain an advantage in such a difficult market.

"The tanker order book is pretty full right now even if new-

"Intertanko remains determined to identify ways to make tanker shipping more sustainable and viable in the long term"



Tanker market has sustainability issues.

"Ships with the 'eco' label should in theory show an economic advantage rate-for-rate compared to an older vessel when fixing on the spot market, but at the same time the vessel with the lowest break-even may often be the one that can take the business when rates are at rock bottom," adds Mr Box.

In other news, Intertanko's Tim Wilkins, senior manager for the environment has spoken out in favour of the approach of Asian nations and their shipowning representatives for sticking to the IMO line as opposed to knee jerk reactions and draconian measures from Europe and the US.

"In general terms Asia tends to be more aligned with the IMO



Senior Manager, Environment at Intertanko Tim Wilkins praises Asian approach to pollution issues

when it comes to environmental issues and the introduction of international legislation or guidance," he says.

The US and to some degree the EU have initiated unilateral legislation on the same issues, for example, ballast water and ship recycling respectively, but I do not foresee any Asian countries going down the path of unilateral legislation. In fact, it is noticeable how much some of the main Asian shipping nations such as China, Japan and Singapore now positively contribute to the IMO debate on environmental issues," he adds.

"I would argue that this alignment with IMO environmental legislation by these Asian states covers pretty much all of the issues dealt with by the IMO's Marine Environmental Protection Committee with the exception of the debate in which we see some diversion of opinion on the Asian countries status within the UN's Framework on Climate Change," Mr Wilkins concludes. ❁

Problems ahead?



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LET THE TRAIN TAKE THE STRAIN

Kazakhstan rail service can cut 30 days off Asia to Europe container journeys

RAILWAYS, ONE WAY or another, appear to be having a new lease of life. From the extraordinary Beijing-Guangzhou high-speed railway to the UK's frustrated attempts to upgrade its railways and Brazil's high-speed project, the world appears to be waking up once more to the potential of rail – faster than ocean transport and cheaper than airfreight.

Tapping in to the new enthusiasm is Kazakhstan Railways 100%-owned subsidiary KTZ Express, which opened a new office in Hong Kong on June 24, to lure import and export trade between Central Asia, China, Asia and Europe. The Hong Kong branch is headed up by industry veteran Henrik Christensen.

Specifically to gain marine cargoes from Asia KTZ has invested \$100m in an intermodal freight and logistics centre at the port of Lianyungang on China's eastern seaboard. The 21-hectare facility will include capacity for 500,000 teu per year and provide direct access to Central Asia for shippers from Japan, South Korea and South East Asia, moving cargo by sea to Lianyungang and then by rail to Kazakhstan.

"Shippers from Asia currently have to use ocean freight to Europe and then truck or rail to Central Asia. Now they can access these markets directly by rail from China saving time and cost," says Sanzhar Yelubayev, president of KTZ Express.

In other developments a new inland container port is under construction at Khorgos on the China-Kazakhstan border. This is aiming to provide a regional distribution centre for the growing trade between China and Kazakhstan, Khorgos East Gate is a Special Economic Zone with customs bonded area and visa free access.

"Khorgos distribution hub designed for Chinese freight forwarders to access Central Asian markets by road and rail with minimal customs regulations and tariffs," Mr Christensen.

Up until now the KTZ Express has been slow to catch on. In 2013 just 3,500 teu was transported to Europe via Kazakhstan railways. No cargos have come back from west to east.

Currently there is only one train a week making its way from China to Western Europe although there are plans to up the frequency to 160 per year.

Despite Mr Yelubayev's claim that the rail option wins over through speed and cost this probably only applies to transits from China to Europe or Central Asia. In interview the company said that rail was 40% more expensive than ocean freight alone. And



"Shippers from Asia use ocean freight to Europe then truck or rail to Central Asia. Now they can access these markets directly by rail from China saving time and cost,"

this may be the central conundrum faced by the company. When a shipper is faced with having to send urgent products they will frequently if reluctantly use airfreight. Without the need for speed they will choose ocean freight for its relative cheapness. With rail being more expensive than ocean freight but still taking 15 days from Asia to Europe rather than 45 days how often is rail the best option?

Other considerations might be the frequent swapping of the cargo to new rail tracks due to the change in rail gauge in Kazakhstan and Poland. But with a low carbon footprint and the new Hong Kong connection a little more flag waving and perhaps a further branch in Singapore there should be expected an increase in demand for shippers with cargoes that are not suitable for airfreight and can benefit from a considerably shorter transit time. ❀

HUMANS IN CONTROL

Michael Grey on the risks of reducing seafarers to minders

AUTOMATION IS ALL very well. But if it goes wrong, how can we expect the prompt intervention of a human being, who is only present for that very reason?

It is a question that is increasingly asked these days, as more and more computerised systems insert themselves between marine machinery and the human being. A perfect example of this dilemma surfaced recently at the Annual General Assembly of the International Federation of Ship Masters' Associations, with a lecture being given by Professor Kjell Overgaard on human error and near misses. He asked his audience of master mariners to consider the role of the human operator of a dynamically positioning drillship, in position, over the hole on the sea bed, kept in perfect position by the DP system.

It is possible for that ship to be in position for months and even more than a year and equally likely that the hugely reliable system may develop an error perhaps once a year. That human operator, said Professor Overgaard, will have some 25 seconds (out of that whole year of oversight) to react to this exception from the normal, if bad things are not to happen.

Less dramatically, in more normal ships, we are also asking people who once would have been "hands-on" navigators or engineers, to stand back and "merely" ensure that the electronic systems are fulfilling their various functions as they should.

While fatigue is often blamed for individuals failing to stay alert while watch-keeping, the lack of stimulation brought about by the mind-numbing task of merely monitoring clever machinery may be the culprit. The watchkeeper should be in charge of the situation, but if the system he is monitoring appears to be functioning properly, there is no real challenge and every temptation for minds to wander or focus on some other task. After all, the course has been input into the computer, the various proximity and depth alarms have been set, so the watch alarm which requires to be regularly reset manually is merely a distraction from the job in hand.

Years ago, during the research instigated by the UK authorities to examine the feasibility of One Man Bridge Operations, an industrial psychologist, who also had been a senior deck officer, was commissioned to undertake a number of voyages on small ships with a sole officer of the watch at night. His role was merely to note the degree of alertness of that officer and not in any way to communicate with him, thus gaining some useful evidence about the practicability and safety of OMBO. But more than once the psychologist Dr Martin Dyer-Smith found he needed to intervene to prevent a collision, with the officer of the watch apparently oblivious of the approaching danger. The officer, he said, was not asleep, his eyes were open, but he had failed to respond to the stimulus of an approaching ship on a collision course, even though the observer had passed his hands in front of his eyes. He

was, suggested the psychologist, in a "catatonic trance", for which boredom was largely responsible.

A more recent reminder of the effects of boredom was provided by the Horizon project at Warsash and Chalmers University in Sweden, where simulators were used in real time with volunteer "watchkeepers" to replicate voyages of a small ship operating intensive voyages in busy waters. The watchkeepers were filmed and the cumulative effects of six-hour watches became obvious as the tour of duty progressed. On more than one occasion watchkeepers were found nodding off in their chairs or a near collision was averted only by the intervention of an instructor.

Equipment manufacturers are naturally required to design cleverer and cleverer equipment and systems, to attract sales to owners who will be impressed by the improved precision, reliability etc. Rather

more covert will be the implication that less skilled seafarers will be required to deliver these things, because of the amazing abilities of the system. But the downside may well be the demotivation of seafarers who might have taken a pride in their skills, which have been downgraded or made redundant by the clever computerised systems. ☸



PASSENGER SHIP SAFETY A PRIORITY IN WAKE OF SEWOL SINKING

Sandra Speares reports from the IMO

THE INTRODUCTION OF THE Polar Code moved a step closer in May when the IMO's Maritime Safety Committee approved the draft code and amendments to make the code mandatory under the Safety of Life at Sea convention (SOLAS).

April saw the entry into force of two conventions. The Athens Convention relating to the Carriage of Passengers and their Luggage by Sea, 2002, which substantially raises the limits of liability for the death of, or personal injury to, a passenger on a ship. The second convention to enter into force was the Nairobi International Convention on the Removal of Wrecks.

Among several provisions, the Convention will place financial responsibility for the removal of certain hazardous wrecks on ship-owners, making insurance, or some other form of financial security, compulsory.

According to the IMO, the convention will fill a gap in the existing international legal framework by providing the first set of uniform international rules aimed at ensuring the prompt and effective removal of wrecks located beyond a country's territorial sea. The convention also contains a clause that enables states to 'opt in' to apply certain provisions to their territory, including their territorial sea.

Other recent developments include adopting a regional approach to implementing the Djibouti Code of Conduct, which aims to tackle piracy issues in the African context.

The May meeting saw the MSC approve, in principle, the draft Polar Code, in conjunction with the adoption of the associated draft new SOLAS chapter XIV, at the next MSC meeting in November.

The Polar Code is also set to be on the agenda at the newly amalgamated Sub-Committee on Navigation, Communications and Search and Rescue (NCSR), which meets at the end of this month, to discuss navigation and communications issues.

The draft Polar Code covers the full range of design, construction, equipment, operational, training, search and rescue and environmental protection matters relevant to ships operating in the inhospitable waters surrounding the two poles.

However, concerns have been raised by some industry observers that the Polar Code does not go far enough in addressing the risks to vessels operating in the harsh weather conditions and high latitudes.

Passenger ship safety was also very high on the agenda at the Maritime Safety Committee, not least in the light of the latest casualty the Sewol, which sank in April with the loss of over 300 lives.



Athens Convention relating to the Carriage of Passengers and their Luggage by Sea, 2002, substantially raises limits of liability for death of, or personal injury to, a passenger on a ship

The MSC agreed a revised long-term action plan on passenger ship safety, following extensive discussion in a working group on the topic.

Damage stability and survivability of passenger ships issues were referred to the Sub-Committee on Ship Design and Construction (SDC) for further work, including those related to the operation of watertight doors and consideration of double hull requirements in way of engine rooms. The SDC was also instructed to consider the need to develop new SOLAS amendments to require damage control drills for passenger ships. The Sub-Committee on Human Element and Training (HTW) was instructed to include enhanced damage stability training in its planned outputs.

With concerns over container weights arising once again from the MOL Comfort casualty, MSC approved, for adoption at MSC 94 in November, draft amendments to SOLAS chapter VI to require mandatory verification of the gross mass of containers, either by weighing the packed container or by weighing all packages and cargo items and adding the tare mass.

Given the ongoing concerns over the safety of crew members entering enclosed spaces a new draft SOLAS regulation¹ it was also agreed that ships be required to carry an appropriate portable atmosphere testing instrument or instruments, capable of measuring concentrations of oxygen, flammable gases or vapours, hydrogen sulphide and carbon monoxide, prior to entry into enclosed spaces and, a draft MSC circular on early implementation of the new regulation was also approved.

Deaths resulting from entry into enclosed spaces continue to be of major concern in the industry, despite the mass of information and training available.✱

Shipowners' unease with the way that IMO is seeking to push through the ballast water management convention has gone viral



It costs up to \$1.5m to retrofit a ballast water treatment system onboard and up to \$400,000 to install in a newbuilding

“With around 62,600 merchant ships operating or on order, according to Clarksons data, the potential bill is up to \$30bn for equipment that might not be compliant.”

some leadership in a way that can assist us through this crisis,” said Arthur Bowring, managing director of the Hong Kong Shipowners’ Association.

“The shipping industry has lost its faith in the IMO. The next MEPC meeting (in October) is the fourth attempt to make type-approval guidelines more robust. We don’t think the type approval guidelines are good enough. The IMO continues to bury its head,” says Mr Wilkins.

Mr Wilkins said systems need to be tested independently using a range of water temperatures, turbidity and sediments with different types of organisms. Systems have been tested with a flow rate of 60 cu m per hour but have actually been installed on board to handle flow rates 100 times higher, he added.

Shipping groups are made a submission for the MEPC meeting in October, which, if accepted, could constitute a draft guideline.

This submission includes a call for a review of the current situation on ballast water treatment systems; grandfather clauses for ballast water systems already installed onboard to protect shipowners from any penalties if the equipment failed to perform; and the alignment of port state’s ballast water testing regime with IMO type approval of systems.

The shipping industry’s position is being supported by several governments including nations who have already ratified the convention.

“A great deal of lobbying will now take place to ensure that there is sufficient support for the industry paper at the next MEPC,” says Mr Bowring. ✿

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RELY ON IT

CARGOSMART LIMITED HAS released SSM+, a new version of its sailing schedules application for Android™ and iPhone®. For the first time, shippers and logistics service providers can view schedule reliability rankings in the sailing schedule search results screen so that users can quickly compare services and select the schedules that are the best fit for their supply chain planning.

Expanding ocean carrier alliances, skipped sailings, and slow steaming to conserve fuel are causing an increase in vessel schedule changes. Visibility to schedule reliability along specific routes provides transparency for shippers and logistics service providers to benchmark their carriers' on-time performance.

SSM+ allows users to access the latest sailing schedules and schedule reliability information anytime, anywhere. The free mobile application includes sailing schedule information for 27 ocean carriers and schedule reliability information for the top 30 ports, over 250 port pairs, 20 leading ocean carriers, over 12,000 vessel schedules, and over 200 services each month along four major trade lanes including Asia-Europe, intra-Europe, trans-Atlantic, and trans-Pacific. ☼

GET IT ALL IN YOUR TANK

SCANJET MARINE AB and Scanvent ApS are combining product ranges to create a comprehensive in-tank equipment package available for tankers and FPSOs.

Scanjet's current product range consists of tank cleaning equipment, tank management solutions with monitoring, control and alarm system for cargo and service tanks, while Scanvent offers a novel range VOC efficient dual nozzle high velocity valves, ranging from barges to VLCCs and FPSOs, and MSC/Circ. 1324 flame screen upgrade kits spares for most existing p/v valves. ☼

HEAVENLY AGREEMENT

INTELSAT SA, a provider of satellite services, has entered into a strategic agreement to provide access to its global C- and Ku-band broadband mobility network to SpeedCast, a global satellite communications and maritime service provider.

Under the agreement, Intelsat will provide SpeedCast access to Intelsat's global C-band and Ku-band satellite capacity and its terrestrially managed network, IntelsatOneSM. The agreement will provide SpeedCast access to Intelsat's global broadband mobility network, which comprises 13 Ku-band mobility beams on ten satellites spread around the geostationary belt.

SpeedCast will leverage Intelsat's satellites and terrestrial network to deliver enhanced broadband and mobility solutions to the Maritime, Oil & Gas and Enterprise markets with expanded coverage and greater flexibility.

"This new strategic arrangement between SpeedCast and Intelsat is another exciting step in the transformation of SpeedCast into a major global player in the satellite communications markets, on land and at sea" said Pierre-Jean Beylier, chief executive, SpeedCast. ☼

WARTSILA ENGINES PASS THE AUDITION

BOTH THE WÄRTSILÄ X72 and the Wärtsilä X62 two-stroke engines have recently successfully passed tests that verify various performance criteria.

The engines have been ordered to power four 115k Aframax Product Carriers being built by the HHI Gunsan shipyard.

Both the Wärtsilä X72 and X62 engines feature Wärtsilä's second-generation version of its well-proven, electronically controlled, common rail system with time-controlled fuel injection. This provides excellent fuel efficiency and reliability, as well as lower operational costs. The Wärtsilä Generation X engines also feature a higher stroke to bore ratio than the RT-flex engines, thus achieving lower engine speed and lower brake specific fuel consumption. The fuel injection and cylinder lubrication are controlled by a single electronic module, part of the state-of-the-art UNIC-flex control system, which is based on Wärtsilä's UNIC (Unified Controls) platform. ☼



SHIPS REGISTERING ON PUBLIC RADAR

Two recently published books should deserve a place on the bookshelf of maritime professionals and interested bystanders alike, says Wah Kwong chief executive Tim Huxley

OIL SPILLS, PIRACY or other calamities are the only time shipping seems to make the press. Two recently published books by a pair of British authors go beyond the occasional headlines and provide compelling reading for anyone who has an interest, not just in shipping, but in how the modern world works. Horatio Clare's 'Down to the Sea in Ships' and Rose George's 'Deep Sea and Foreign Going' both feature as a central theme a trip from Felixstowe to the Far East onboard a Maersk containership, but both weave their story in very different and highly readable forms.

For those of us for whom shipping is our livelihood, its always refreshing to hear of the awe of newcomers of the sheer scale of shipping, and Clare in particular conveys this superbly. Clare was employed by Maersk as 'writer in residence' and 'Down to the Sea in Ships' is in part a travelogue, with Clare quickly becoming an enthusiast for ships and shipping as he embarks on his journey to US East Coast via Asia. If his book was to become a documentary, you feel that Michael Palin would be the ideal narrator as he relates the sights, sounds and smells of Suez, Nansha and Hong Kong, but perhaps the book's greatest triumph is how he conveys the hard work onboard interspersed with the humdrum life that goes with it. Clare develops respect and affection for his fellow shipmates, but the loneliness and isolation of seafarers comes through in what the crew don't say rather than any great tales of seafaring life.

The brief runs ashore he manages in China and Hong Kong reflect that there isn't much glamour in seafaring today and you are left with the impression that the modern mega-containership is a fairly soulless place to spend the bulk of your life. Clare follows up his voyage East with a fine narrative of a run across the North Atlantic from Antwerp to Montreal in mid winter on another Maersk ship, but this time not a modern leviathan but a former P&O Nedlloyd liner, which might have more character but lacks a little in creature comforts. Again, the tough life the crew live and their paltry wages comes across with the enthusiasm with which the crew volunteer to unleash the cargo in freezing temperatures as they approach Montreal.



‘Deep Sea and Foreign Going’ has a more investigative journalism feel to it. In addition to undertaking the voyage- George stays onboard through the pirate waters off Somalia, whereas Clare had to get off and rejoin when in safer waters- she covers a patrol in the Indian Ocean onboard a Portuguese warship, goes in depth on the issue of flags of convenience and gives an informative history of seafarers welfare institutions, indeed the Missions to Seafarers emerges as one of the heroes of both books. George’s anger at how seafarers are treated when things go wrong or the lack of accountability that exists in the shipping industry come through strongly, and both authors superbly interweave stories of heroism and horror at sea from both past and present seafaring life. Clare’s harrowing account of the Battle of the Atlantic and George’s recreation of the tale of Diana Jarman, who survived the sinking of the CITY OF CAIRO in 1942, only to die on the ship that rescued her after 37 days in a lifeboat are important stories that deserve an airing in a contemporary book.

One of the real characters who comes across is Capt Glenn, Master of the MAERSK KENDAL on which George sails. Nearing the end of his career, he laments the fact that no cadets can now use a sextant and his disgust at the fact that 'Head Office' has issued a decree that kitchen roll should be used instead of paper napkins, thus saving \$50,000 a year across the fleet, is just one of many aspects which reflect the passing of an era. ☼

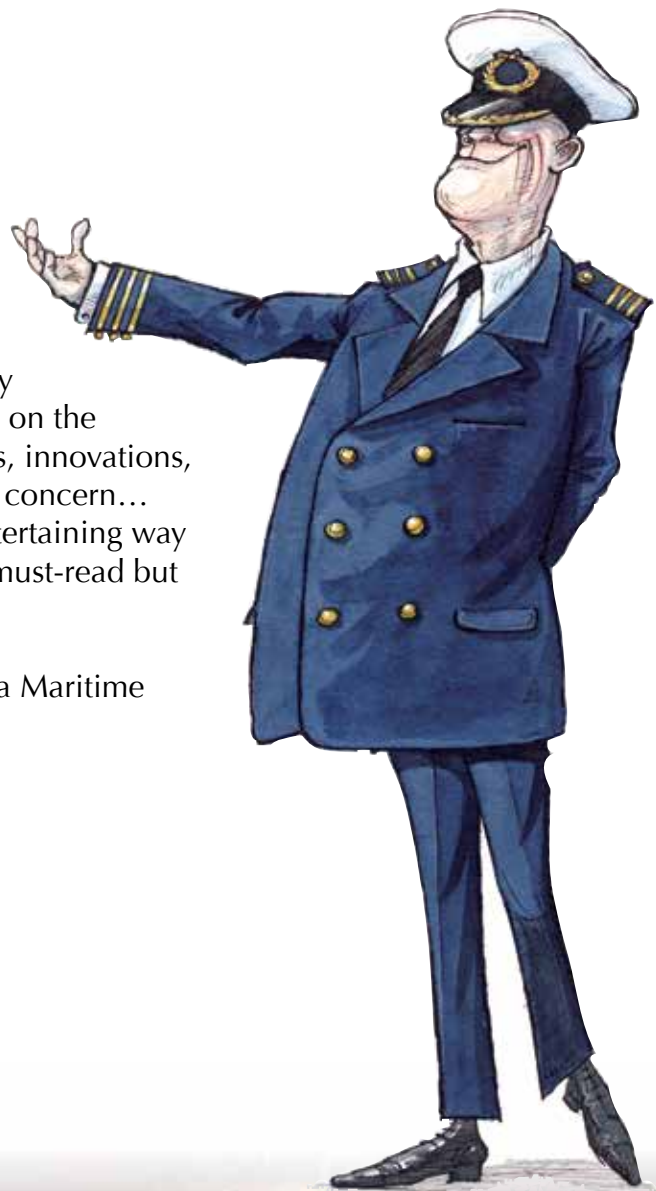
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Marine Insurance/Philippines



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END OF AN ERA AT SSA

ONE OF SINGAPORE'S leading lights, Singapore Shipping Association, executive director Daniel Tan is stepping down after 29 years dedicated to Singapore's premier shipping body.

Mr Tan will be replaced by Michael Phoon on 1 August. Previously Mr Phoon enjoyed a successful career at Hewlett Packard where he most recently held the position of director & general manager of the HP Enterprise Networking Business Unit for Southeast Asia, Taiwan and Hong Kong. Mr Phoon is also a certified master coach (he graduated in 2009 at the Graduate School of Master Coaches at the Behavioural Coaching Institute in California) and has won a number of top awards including the HP CEO President's Club in 2005 and 2007.

Welcoming the new appointment, SSA honorary secretary Esben Poulsson, who headed up a committee of four elected SSA Councilors to undertake the search for the next Executive Director, said: "The process of choosing a successor to the Association's long-serving and extremely talented executive director Daniel Tan has been a big challenge, given how difficult it will be for anyone to succeed such an illustrious and well respected industry figure as Daniel." ❀



Daniel Tan steps down from SSA after 29 years



Michael Phoon steps up

MOL PLEDGES ASSISTANCE IN OCEAN TRANSPORT OF MOBILE LIBRARY VEHICLES TO SOUTH AFRICA

ITSUI OSK LINES has announced plans to assist the non-profit organization South Africa Primary Education Support Initiative with the ocean transport of mobile library vehicles to the Republic of South Africa, the fourth time since 2009 that MOL has contributed to this initiative.

MOL previously transported 32 vehicles, and in this phase, it will transport six more. Those will be transported by MOL's car carrier, Sunshine Ace, which departs Japan at the end of

May, and is scheduled to arrive at the Port of Durban at the end of June.

On May 22, a ceremony for the departure of the six mobile library vehicles-donated from all over Japan-was held at the South African Embassy in Tokyo, with participants including South African Ambassador in Japan Her Excellency Mohau Pheko and MOL Senior Managing Executive Officer Takashi Kurauchi. ❀

SINGAPORE GRABS TOP SHIPPING HUB TITLE

IT PROBABLY COMES as a surprise to nobody that the 2014 Xinhua-Baltic Exchange International Shipping Centre Development Index Report found Singapore to be the world's leading shipping hub. In second slot was London, followed by Hong Kong, Rotterdam, Hamburg, Dubai, Shanghai, Tokyo, New York and Busan. Perhaps the most interesting part of the survey is that despite a shift eastward in all things maritime over the last 20 years the number of hubs is almost equally split between east and west even today.✿

DATES

Offshore Marine Forum

9 September 2014

Grand Hotel, Oslo

Norway

Contact: www.tradewindsevents.com

The 9th Annual Ship Recycling Conference 2014

30 September – 1 October 2014

Kensington Close Hotel, London

UK

Contact: www.informamaritimeevents.com

SIBCON 2014

14-17 October 2014

Resorts World Sentosa, Singapore

Contact: www.sibconsingapore.com

The 15th Asia Pacific Manning & Training Conference

26-27 November 2014

Hotel Sofitel Philippine Plaza, Manila

Philippines

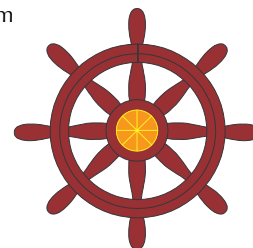
Contact: www.informaglobalevents.com

Sea Asia

21-23 April 2015

Marina Bay Sands, Singapore

Contact: info@seatrade-asia.com



WORLD PAYS TRIBUTE TO SEAFARERS

ON JUNE 25, countless maritime organizations around the globe followed the International Maritime Organization in paying tribute to the world's seafarers. Among the maritime bodies to call on recognition of the global merchant fleet the International Transport Federation led the way with a tribute from the seafarers section chair Dave Heindel who said: "The Day of the Seafarer gives everyone a chance to celebrate the vital role that seafarers play in everyone's lives. It's an opportunity and a request for help that the ITF and its unions are always happy to respond to."



Meanwhile in Singapore, Asia the Maritime and Port Authority of Singapore, the Singapore Maritime Officers' Union and the Singapore Organization of Seamen, jointly distributed 600 hampers to ships that call at Singapore, reaching out to some 9,000 seafarers.

"Seafaring is a challenging profession due to the nature of the job and the harsh conditions at sea. Singapore is committed to address seafarers' welfare needs," said Mr Faishal Ibrahim, to the 200 guests who attended the ceremony.

MPA's assistant chief executive (Operations), Captain M Segar, presented a financial grant of S\$100,000 to the Mission to Seafarers.✿

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