

**LEAD STORY:**

Iran to release seven Stena Impero crew

**WHAT TO WATCH:**

Maersk vessel at centre of UK's biggest heroin seizure

Novatek and Sovcomflot announce joint shipping venture

**OPINION:**

Seafarer memorial on Plymouth Hoe serves more than one purpose

**ANALYSIS:**

CMA CGM seeks to lighten debt burden with China Merchants terminal deal

**MARKETS:**

Port of Miami reopens after USCG lifts hurricane restrictions

Fuel compatibility still a major concern

**IN OTHER NEWS:**

Sinanju Tankers launches Singapore's first LNG-fuelled bunker tanker

Many port states not ready for IMO 2020

## Iran to release seven Stena Impero crew



STENA BULK HAS welcomed a report that members of the detained UK-flagged tanker *Stena Impero* crew will be released.

Iranian foreign ministry spokesman Abbas Mousavi was cited as saying on state television that seven people will be allowed to leave the tanker on humanitarian grounds and could leave Iran soon.

“We have no problem with the crew and the captain and the issue is violations that the vessel committed,” he said.

Iran’s foreign ministry spokesman said Iran would release five Indians, one Russian and a Latvian. There were no indications about the fate of the remaining 16 crew, or of the vessel.

Vessel owner Stena Bulk said the Iranian government is meeting the company’s long-standing request to release non-essential personnel but has yet to receive official confirmation from Iran.

“We are very pleased that for seven crew members their ordeal may soon be over, and they may return to their families, however we cautiously await official confirmation of their release date,” chief executive Erik Hanell said in a statement.

He said Stena saw this communication as a positive step on the way to the release of all the remaining crew.

“Sixteen crew members will remain on board satisfying the vessel’s Minimum Safe Manning Certificate,” said Mr Hanell. “The MSMC is issued by the flag state, which sets the minimum number (and ranks) of crew members required on board to safely operate the vessel.”

India's Ministry of Foreign Affairs declined to comment when contacted by Lloyd's List.

The UK Chamber of Shipping said Iran must also release the remaining 16 crew.

"The ship was in international waters when it was detained and was in full compliance with all navigation and international regulations," chamber chief executive Bob Sanguinetti said in a statement. "The chamber will continue to work with the UK

government to ensure the free passage of ships through the Strait of Hormuz."

The tanker was detained by Iran's Revolutionary Guards on July 19 in the Strait of Hormuz for alleged marine violations.

It was detained two weeks after Britain arrested an Iranian very large crude carrier off the UK territory of Gibraltar. The Iranian VLCC was released in August.

---

## WHAT TO WATCH

# Maersk vessel at centre of UK's biggest heroin seizure

HEROIN with an estimated street value of more than £120m (\$146m) has been discovered on a Maersk vessel in Felixstowe in what is said to be the UK's largest ever seizure of the drug.

The UK's National Crime Agency said 1.3 tonnes of heroin was recovered from a container on *Maersk Gibraltar*.

Maersk confirmed that the drug was recovered from its vessel at the port of Felixstowe on August 30. The carrier said it has co-operated "openly and proactively" with all relevant authorities, while the recovery operation had no impact on vessel operations.

Throughout all aspects of our vessels and shore operations, Maersk is committed to conduct our business in a responsible and lawful manner with respect for the wider economic, social and environmental impacts of our activities," the company told Lloyd's List.

It said it does not accept illegal cargo and has guidelines in place to guide staff on screening and handling cargo bookings, to be alert of anything unusual or suspicions.

According to the National Crime Agency, and verified by Lloyd's List Intelligence data, *Maersk Gibraltar* arrived in Felixstowe on August 30, when officials discover 1,279 kg of heroin concealed in towels and bathrobes.

Having removed the drugs, officers returned the container to the vessel before it continued to its next port of call in Antwerp, Belgium, where it arrived on September 1.

The container was tracked by Dutch and Belgian law enforcement agencies heading, by lorry, to a warehouse in Rotterdam, where four individuals were arrested preparing to unload the haul.

"The size of this and other recent shipments demonstrate the scale of the threat we face," said NCA deputy director, investigations, Matt Horne. "We can be certain that some of these drugs would eventually have been sold in the UK, fuelling high levels of violence and exploitation including what we see in county lines offending nationwide."

A spokesperson for Hutchison Ports Holdings, which operates the port of Felixstowe, was unable to comment.

A similar operation was also carried out in Felixstowe in early August, when £40m worth of heroin was found on board an unnamed vessel as part of an international police operation.

Maersk also confirmed local reports that 23 tonnes of fentanyl, a recreational drug often mixed with cocaine and heroin, was seized from one of its vessels in the port of Lázaro Cárdenas in the Michoacán region of Mexico on August 26. The vessel arrived in Mexico from China.

In June, a boxship operated by European carrier Mediterranean Shipping Company and Maersk's 2M partner, *MSC Gayne*, was detained in Philadelphia after US Customs and Border Protection officers found 18 tonnes of cocaine worth \$1.3bn on board. The raid was one of the biggest drug seizures recorded in the US.

The seizures brings the issue of cargo visibility on board containerships into question, and whether enough is being done to ensure contraband is not slipping through security checks.

The container shipping industry is under increasing pressure to address the malpractice of misdeclared and dangerous goods, which has caused a spate of fires on board vessels in recent months.

## Novatek and Sovcomflot announce joint shipping venture

SOVCOMFLOT and Russian gas producer Novatek are to set up a joint shipping venture to manage liquefied natural gas vessels for new projects.

According to Novatek, the joint venture will focus on managing the construction and operation of Arctic ice-class LNG carriers according to best industry practices and international standards, ensuring the optimised transportation of the commodity from its future LNG projects in the Russian Arctic region, including the Arctic LNG 2 project.

The joint venture company, which will be known as SMART, will work with relevant shipyards to provide technical designs for future vessels, place shipbuilding orders and supervise the technical aspects of their construction, Sovcomflot said in a statement.

“Establishing a JV with Novatek is the optimal solution, considering the high capital intensity of the projects, as well as its long-term nature and the financial resources required,” Sovcomflot’s chief executive Sergey Frank said. “It also recognises the benefits of using the latest technologies and our experience of fleet management in severe ice and climatic conditions.”

He added: “The company is potentially open for other professional investors and participants that may be considering the development of LNG-projects in the Arctic.”

Earlier this year, the two companies agreed a strategic partnership to transport LNG and gas condensate produced at Yamal LNG, Arctic LNG 2 and from other Novatek projects in the Arctic.

Novatek chairman Leonid Mikhelson said: “The efficient development of the northern sea route as a viable, year-round navigational route requires consolidating experience in ice navigation, applying new technological solutions and implementing the best international standards for navigational safety and training.

“An optimised model of transporting LNG from the Russian Arctic region via the Northern Sea Route to major global markets, including the Asia-Pacific region, will support the successful implementation of Novatek’s Arctic LNG projects as well as reaching the goal set by the Russian president to ensure an increase in annual cargo traffic along the Northern Sea Route to 80m tonnes in 2024.”

Meanwhile, Novatek also signed a memorandum of understanding with H-Energy Global to supply LNG to India on a long-term basis as well as for joint investment in future LNG terminals.

Novatek also entered into a joint venture with H-Energy to market LNG and natural gas from the Russian gas producer’s portfolio to end-customers in India, Bangladesh and other markets.

“India is one of the largest and fastest-growing LNG markets, and will be one of the main sources of future growth in global demand for natural gas,” said Mr Mikhelson.

“The memorandum of understanding is an important step towards entering the end customer market in India, which is of great interest to Novatek taking into account our strategic plans to implement new LNG projects and significantly increase our LNG production volumes.”

---

### OPINION

## Seafarer memorial on Plymouth Hoe serves more than one purpose

THE role played by merchant navy seafarers and fishermen during times of conflict is often

overlooked. There are plenty of monuments to members of the armed forces who lost their lives in

conflict but few to the humble commercial seafarer, writes *Richard Clayton*.

At one level it's understandable: the merchant navy doesn't do enough to trumpet its achievements. But at another level it's regrettable: if merchant navy and fishing fleet casualties of war were as well known as naval casualties, the general public might think a little more carefully about where their everyday coffee and beans come from.

September 3 marked 80 years since the *SS Athenia*, a transatlantic passenger liner running between Great Britain and Canada, was torpedoed and sunk. Of the 1,400 people on board, 98 passengers and 19 members of the crew were killed.

The sinking was kept under wraps until after the war, which meant the families of the crew had no memorial to their loved ones. It is estimated that more than 35,000 merchant seafaring men and women were lost at sea during the Second World War but have no national memorial.

A memorial to merchant navy seafarers unveiled on Plymouth Hoe this week by the Princess Royal goes some way to flagging up the sacrifice these seafarers have made. The sculpture, the *Watchkeeper*, stands in good company: alongside memorials to Sir Francis Drake who circumnavigated the world between 1577 and 1580, the Armada Memorial commemorating the defeat of the Spanish Armada

in 1588, and the Plymouth Naval Memorial remembering the sacrifices of 1914-1918 and 1939-1945.

There is, of course, a link between ignorance of the role played by the merchant navy in war and the role it continues to play in times of peace. In her brief address at the unveiling of the *Watchkeeper*, Princess Anne lamented the "slight lack of awareness" of what seafarers do.

That's rather diplomatic. Seafarers serving on the UK-flagged *Stena Impero* are still being held as pawns in a political spat, while others have suffered in the Gulf of Aden, off Somalia, and in the Gulf of Guinea. During the past decade, the IMB Piracy Reporting Centre has delivered a monthly listing of attacks on merchant ships. The totals have slipped out of the headlines — thanks partly to the help of the presence of several naval vessels in dangerous waters — so there's no chance of Hollywood making a sequel to *Captain Phillips*.

Nevertheless, the *Watchkeeper*, looking out into the Atlantic from Plymouth Hoe, serves two purposes. The statue should act as a focus for those wishing to remember the merchant navy and fishermen who made the ultimate sacrifice, and it should serve as a wake-up call to a British nation that has long forgotten the role seafarers play in the nation's economy. "Lest we forget" has more than one meaning.

---

## ANALYSIS

# CMA CGM seeks to lighten debt burden with China Merchants terminal deal

ALLEVIATING its heavy debt burden after expensive acquisitions this year is believed to be the rationale behind CMA CGM's reported seeking of a buyer for terminal assets held by its wholly-owned subsidiary CMA Terminals, according to Alphaliner.

The move was cited as congruent with CMA CGM's earlier fundraising imperatives such as the sale of 49% of Terminal Link to China Merchants for \$528m in 2013.

Following on from a Bloomberg report that CMA CGM is in talks with China Merchants Group to invest in the French line's port assets, Alphaliner said former APL chief executive officer Lars Kastrup

has been appointed to lead the sale but noted that any transaction would not be easy due to the nature of the assets.

CMA Terminals owns stakes in 32 terminals worldwide and it handled volumes of over 8.5m teu in 2018. Some of the terminals are in less strategic locations and others are in key ports. CMA CGM may face difficulties in disposing of the former, while the latter may not be for sale at all.

For example, strategic assets in CMA Terminals' portfolio are the 49% stake in the CMA CGM - PSA Lion Terminal at Singapore, a 30% stake in the Rotterdam World Gateway terminal, and a 100% stake in the Kingston Freeport Terminal.

Meanwhile, it also lists investments in niche markets such as the French West Indies and Ukraine, neither of which typically would fall

within the typical scope of operations of China Merchant, which is reported to be the front runner in the deal.

---

## MARKETS

# Port of Miami reopens after USCG lifts hurricane restrictions

THE Port of Miami has declared itself open for business, after the US Coast Guard lifted the Port Condition Zulu restriction imposed on Sunday because of the potential threat from Hurricane Dorian.

Under Port Condition Zulu, operations are suspended and no ship is allowed to enter or leave a port, unless explicitly authorised to do so for safety reasons.

A USCG advisory, signed by Captain J F Burdian and effective from 1500 hrs on Tuesday, said: “The captain of the port has determined the Port of Miami, Miami River and Port Everglades are safe for marine traffic/operations, and has lifted Port Condition Zulu... Port of Palm Beach and Fort Pierce will remain in Port Condition Zulu for this time.”

The storm itself — initially classified as category five — has now been downgraded to category two and is predicted to head up the US east coast without making landfall.

That will come as little consolation to the Bahamas, where damage has been extensive. It is not immediately clear how much impact Dorian has had on Freeport Container Port, although initial indications are that shore cranes have remained largely intact.

Insurers will also be calculating the extent of the likely payout, although it seems likely that this will be contained in the tens of billions, rather than the six-figure billion payouts necessitated by Hurricane Katrina in 2005.

## Fuel compatibility still a major concern

LOW-sulphur limits are certainly a reality for the bunker market, but specific quality issues are following in their wake.

One such concern is a lack of standards for the new fuels entering the market to meet the International Maritime Organization’s requirement that ships emit no more than 0.5% sulphur.

“Testing and examining around 400 samples of blended fuels, it is clear that the low-sulphur fuel coming out of the refinery will have compatibility issues as there is no agreed specification for the new fuels,” Seahawk Services president Wajdi Abdmessih told IBC Asia’s 9th Biennial Bunkering conference in Singapore on Wednesday. Seahawk Services offers marine fuel analysis and bunker quantity and investigation surveys.

If products are refined from oil obtained from different regions of the world, they may not be compatible fuels. There may be instances where product from the same supplier might vary. “You cannot blend any of them,” Mr Abdmessih warned, pointing that the industry faced similar issues when emission control areas were introduced in 2015.

He noted that many very-low sulphur fuel oil deliveries contained excessive aluminium and silicon (Al+Si) levels and 90% of the blends tested had ash level of more than 0.06% by mass.

Although most of the refineries have stated that VLSFO would be accessible in all the major ports, we are not clear where it would be available, he added.

Meanwhile, as the amount of sulphur in bunkers declines, catalyst fine levels have shot up. These small metallic particles are used as catalysts for cracking certain fuels and they can end up in cutter stock that is used to reduce sulphur content of bunker oil.

But with the big change in fuel demand, the availability of low-sulphur cutter stock was limited, he said. “The availability of this cutter stock will be limited to big players but for small ports it can be a concern,” he said.

Meanwhile, many laboratories do not have the expertise to work on the new type of fuels, he argued. “Testing new blended fuel must extend beyond the traditional fuel testing to ensure fuel is suitable for use.”

## IN OTHER NEWS

### **Sinanju Tankers launches Singapore's first LNG-fuelled bunker tanker**

SINGAPORE'S ambitions to lead in liquefied natural gas bunkering came to fruition as Singapore-based bunker tanker owner and operator Sinanju Tankers Holdings launched the republic's inaugural LNG-powered conventional bunker tanker.

The 7,990 dwt vessel was named *Marine Vicky* by Maritime and Port Authority of Singapore chief

executive Quah Ley Hoon at a launch ceremony held at Keppel Offshore & Marine's Keppel Nantong Shipyard.

Ms Quah said: "This is Singapore's first bunker tanker to run on LNG and signifies the momentum in the industry to adopt LNG as a marine fuel."

### **Many port states not ready for IMO 2020**

MANY countries have yet to transpose the International

Maritime Organization's global cap on sulphur in marine fuels into their national laws.

International Bunker Industry Association's director, Unni Einemo made this observation at the IBC Asia's 9th Biennial Bunkering conference in Singapore.

She also noted that only around 30 countries have experience of a sulphur fuel limit.

---

## Classified notices



### **Looking to publish a judicial sale, public notice, court orders and recruitment?**

Please contact **Maxwell Harvey** on +44 (0) 20 7017 5752  
or E-mail: [maxwell.harvey@informa.com](mailto:maxwell.harvey@informa.com)

## More classified notices on following pages

# A front row seat for your entire team

Corporate subscriptions customised to your business.

We validate and filter information from hundreds of sources,  
providing your team with trusted insight.

**To find out about tailored subscription packages,  
speak to one of our representatives**

+44 (0) 20 3377 3792 | [subscription.enquiry@lloydslist.com](mailto:subscription.enquiry@lloydslist.com)



## The Next Generation Lloyd's List Intelligence

Uniquely powerful vessel tracking, characteristics, ownership and incidents data.

At the centre of Lloyd's List Intelligence is our online vessel tracking system, Seasearcher. This gives you access to the transactional and analytical data required to make a measured difference to your business, whether you are trying to increase operational efficiencies, manage risk, or develop new business opportunities.

The new Next Generation platform was launched earlier this year to offer our customers a greatly improved service and some fantastic new features including:

- ▶ A modern, simplified search and mapping interface
- ▶ Streamlined operational workflows and geospatial tools
- ▶ Enhanced visibility of port, terminal and berth activity including new alerting and filtering tools
- ▶ Increased vessel tracking data granularity with improved AIS capabilities
- ▶ Raw data manipulation through Excel downloads

To find out more about Lloyd's List Intelligence services, please email [info@lloydslistintelligence.com](mailto:info@lloydslistintelligence.com), call **+44 (0)207 7017 5392** or visit [info.lloydslistintelligence.com](http://info.lloydslistintelligence.com)