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Cosco sanctioned by the US over Iran crude imports

THE US GOVERNMENT HAS sanctioned subsidiaries of Chinese shipping giant Cosco for breaching sanctions on Iran, along with several other Chinese shipowners involved in transporting energy commodities cargoes via a complex ship-to-ship transfer logistics network used to obfuscate their origin and destination.

Cosco Shipping Tanker (Dalian) Co and Cosco Shipping Tanker (Dalian) Seaman & Ship Management Co were named as breaching the unilateral sanctions on Iran's energy and shipping sector.

The Office of Foreign Assets Control notice, published today, provided additional detail that explained the blocking sanctions did not apply to the ultimate parent company, Cosco Shipping Corporation, or any other of its subsidiaries or holdings.

The Ofac note added five Chinese citizens to its Specially Designated Nationals list, connected to the two Cosco subisidiaries, as well as a further three maritime companies and one oil company. Sanctions would only apply to other Cosco entities if any of these blocked people held 50% or more of the company, according to the Ofac note.

Hong Kong's China Concord Petroleum, Pegasus 88 and Kunlun Shipping, alongside Kunlun Holdings in the Virgin Islands were the other companies listed, with a total of 60 vessels affected.

This is the strongest action yet taken by the US over China's failure to comply with the unilateral sanctions as refineries continue to import Iranian crude and liquefied petroleum gas.

Calling out subsidiaries of state government-owned Cosco, a shipping behemoth that ranks in the world's top three for container, dry bulk and tanker ownership is a provocative move by the US Treasury.

Despite the Ofac reassurance, other subsidiaries remain unaffected, insurers, charterers and other marine service providers will be scrambling to ascertain and assess their exposure to the parent company as well as the other companies.

Waivers allowing eight countries to import limited crude volumes since sanctions were re-imposed in November expired in May, alongside the introduction of "maximum pressure" rhetoric to cut Iran's oil exports to zero.

Until now, the Trump administration has previously sanctioned an independent Chinese refinery for receiving a shipment of crude since the May deadline, and largely ignored widespread international reports detailing how China had revamped maritime logistics to evade sanctions detection by buying and establishing a secondary fleet of tankers and gas carriers alongside Iran's sanctioned national tanker fleet of 60 vessels.

Analysts say the pace of under-the-radar shipments of Iranian oil to China has varied from between 300,000 barrels per day to 120,000 bpd in past months. Vessels have turned off their automatic identification system signals at strategic periods to hide the loading and ship-to-ship transfers of Iranian crude, which often sails on as many as three different vessels before reaching its destination.

There is a subterfuge fleet of about 21 tankers and liquefied petroleum gas carriers that are either Chinese- or Iranian-owned that are involved in shipping Iranian crude and gas to China, Syria and Turkey, according to analysis of Lloyd's List Intelligence data.

Many of the Chinese companies cited have bought elderly tonnage in 2019 that is floating off Singapore and Malaysia, and recently Indonesia, supplying vessels with Iranian crude discharged from other ships, for onward sailing to China.

Cosco Shipping (Dalian) is the ISM manager of a fleet of 40 vessels, data from Lloyd's List Intelligence show. The second Cosco subsidiary has nine in its fleet, while the other four companies combined are connected to a further 11 taking the total number of ships directly affected to 60.

WHAT TO WATCH

Uncertain green ship rules hold back newbuild investments

UNCERTAINTY over fuel marine fuel mix, developing technologies and regulations may continue to delay newbuilding decisions.

Citing a slowdown in such decision-making from last year, MSI's managing director Adam Kent shared this view with Lloyd's List during an interview at the sideline of Marine Money Week Asia conference in Singapore.

"No one knows what the future fuels for the fleet will be," he remarked. In his opinion, this would promote a sitting-on-the-fence attitude among those looking to invest in new tonnage.

One consideration at the top of the minds of existing and potential shipowners is which fuel to burn to comply with the International Maritime Organization's 0.5% cap on sulphur in marine fuel that is taking effect from January 1.

Dubbed IMO 2020, this regulation will apply universally across all ships regardless of sizes or years in service, unlike the step-up limit rolled out for the emission of nitrogen oxide.

Only ships with pre-installed scrubbers will be exempt from the IMO 2020 sulphur rule.

Certain owners — CMA CGM and Evergreen included — have given the green light to build mega boxships either with liquefied natural gas dual fuel engines or pre-installed scrubbers.

However, others have voiced doubts over the relevance of LNG in the future marine fuel mix as international shipping is expected to meet the IMO's target of halving carbon dioxide by 2050 as compared with 2008 levels.

The roadmap to delivering this target remains unclear given that LNG and other cleaner-burning alternatives predominantly drawn from fossil sources do not satisfy the IMO's required CO2 emission profile.

Two other possible future fuels, hydrogen and ammonia, are seen as either not being widely available or as posing storage challenges.

Elsewhere, the pro-scrubber lobby argues that this abatement technology potentially has an advantage over the use of compliant marine fuel oil in mitigating shipping's carbon footprint.

However, scrubber installations committed to date as either retrofits to existing tonnage or on board newbuilds, numbered just 3,500, a tiny fraction of between 50,000 and 80,000 commercial ships reported as in service globally.

Dr Kent pointed to a prevalent wait-and-see attitude towards scrubber investments among many shipowners still wanting visibility about how the price spread between non-compliant and compliant fuel oil would move.

He also suggested that if they have not installed scrubbers before the regulatory deadline of January 1, 2020, it would make sense for shipowners to wait to act until 18 months after that deadline once they have seen what the shipping landscape looks like then.

One boxship player told Lloyd's List that thus far, the lack of clarity and assurance over a feasible pathway to comply with IMO emission targets over the next few decades would not support newbuild investments.

MSI data reflected a dramatic slowdown in fleet supply growth across the four key shipping segments from 2010s to 2020s — tankers, bulkers, boxships and gas carriers.

On a positive note, such slowing fleet growth is also attributable to a discipline the overall industry seemed to have displayed towards fleet investments.

Scrapping has picked up in certain segments and Dr Kent expects the upcoming green shipping regulations to expedite the retirement of older tonnage.

Just yesterday, ICBC Leasing senior manager, An Jingshu, pondered aloud about the options between scrapping ships coming off service from term charters or pumping more cash to retrofit them with scrubbers in a bid to extend their productive lives post-IMO 2020.

MSI predicts that shipyard capacity may bottom out in the 2020s before increasing towards the end of the same decade.

CMA CGM stands firm on LNG fuel with new vessel

CMA CGM chairman Rodolphe Saadé is standing firm on liquefied natural gas in liner shipping as the company launches the world's first supersized containership fuelled by LNG.

The *CMA CGM Jacques Saadé*, named after his father, is the first of the 23,000 teu series of nine that the French line ordered with China State Shipbuilding Corp two years ago.

A launching ceremony was held on Wednesday at CSSC's Shanghai Jiangnan-Changxing Shipyard, the builder of the ship.

The newbuilding will be delivered in June 2020, followed by the rest of the series a few weeks after, Mr Saadé told Lloyd's List on the sidelines of the event.

"This is a major milestone in the energy transition of the industry and the fight against climate change," he said.

The vessels will be fully compliant with the International Maritime Organization's sulphur cap to be implemented at the beginning of 2020.

By burning LNG as fuel, the company will be able to reduce emissions of sulphur oxides and fine particles by 99%, nitrogen oxides by up to 85% and carbon dioxide by around 20%, when compared to the use of conventional high sulphur fuel, according to the company.

While some have dismissed LNG-fuelled shipping as a transitional means into the industry's 2050 carbon reduction target, Mr Saadé said that instead of a wait-and-see approach his company preferred to take action now.

"There might be years from now, a better solution, electricity or hydrogen," he said. "But what we feel is in order to be a responsible shipping line to protect our environment, we need to be responsible by going with a recognised technology available today.

"We can wait 5-10 years, but it's not our style, we are very proactive. I hope other shipping lines will follow us."

CMA CGM announced earlier this year that it will have 20 LNG-powered vessels in its fleet by 2022.

In addition to the dual-fuel propeller systems, the nine 23,000 teu ships, 400 m long and 61 m wide, also feature a string of other innovative designs.

Those include a tactical display with enhanced map views for more dynamic navigation briefings, an optimised path prediction system that can predict the vessel position in the next three minutes, a smart eye system with a bird's-eye view of the ship's surrounding area, and augmented reality screens with precise information on the ship's rate of rotation, distance from the wharf and transverse speeds.

Mr Saadé expected these leviathans, which will serve the Asia-Europe trade together with its Ocean Alliance partners, to deliver substantial economic returns despite market uncertainties fuelled by various trade disputes.

He said he was aware of some doubts over his company's decision to build these big ships at a time when the market appears to have become unstable, but he remained optimistic in the long term.

"We believe in our industry that we are looking long term not short term," he said. "The ship will allow us to look at the future, not today."

He added that his father was the image of the first ship, "a giant in shipping, innovative and bold".

ANALYSIS

Outlook seen improving for bulkers and tankers

DRY bulk and tanker freight rates will improve by the end of the year and remain positive into the first half of 2020, a shipping conference in Singapore has been told.

The improved outlook is based on easing oversupply, with owners prioritising their spending on meeting new regulations over newbuildings as well as tonnage tightness due to retrofitting of scrubbers.

"The second half of this year and the first half of next year will be quite good for the dry bulker market," said Lei Yang, managing director of China's Sumec Ocean Transportation.

The global dry bulk trade is huge, amounting to approximately 2bn tonnes a year, despite disruptions this year from the Vale dam burst and a major cyclone in Australia, with both incidents taking out some 100m tonnes of iron ore from the market, Stamatis Tsantanis, chief executive and chairman of Seanergy Maritime Holdings said.

"The market seems to be very resilient and demand for ships is there," he told a panel discussion at Marine Money, adding that the market is on a recovery path and is currently trading at higher rates compared to the year-ago period.

Commenting on the Vale incident, Per Heiberg, chief financial officer of Golden Ocean said that "volatility is not new to dry bulk shipping".

"There is the short-term volatility and the long-term volatility," he said. "We need to have a strategy where we can work on managing the long-term volatility and maintain a strong balance sheet to survive the short-term volatility."

He added that owners' indecision about ordering new ships due to the upcoming 2020 sulphur cap regulations as well as 2030 carbon reduction targets has kept a check on supply growth which is supporting the dry bulk market.

Dry bulk demand growth, measured in tonnes, is expected at 2.6%, while fleet growth is projected at 2.7% in 2020, MSI predicts.

Meanwhile, in a further boost to the bulker market, Reuters has also reported that China has given new waivers exempting several importers from extra tariffs on US soyabeans, in a goodwill gesture ahead of high-level trade talks next month. The waivers will be offered in two batches, totalling around 5m to 6m tonnes, the newswire cited sources as saying.

Meanwhile, tankers are "very, very close" to good times, director for business development at Teekay Tankers Mathew Blake said while suggesting that 2020 will be a much better year for the segment.

"2017 and 2018 were fairly terrible years and 2019 has underperformed a lot of the industry's expectations with the exception of the first quarter."

Demolition activity has been very slow this year, he noted. "Last year, we had net growth in VLCCs, suezmaxes and aframaxes of 25 to 30 ships."

"This year we knew that there were a lot of newbuildings coming and that scrapping was falling from a record year in 2018 to virtually nothing by 2019. So, net fleet growth across those three segments is about 135 new ships."

Around 20% of the ships in the VLCC segment are over 15 years old, so at some point scrapping has to start again, he said.

UN says Arctic shipping is a risk for environment

ARCTIC shipping poses environmental, health and safety risks to the surrounding ecosystem, according to a UN report that warns of rapidly rising sea levels and melting ice.

The Intergovernmental Panel on Climate Change released a 1,170-page report on the current and future state of the ocean and the cryosphere as world leaders convened this week in New York for the UN Climate Action summit.

A well-documented side-effect of global warming melting ice has been the opening of the Arctic Sea to more ships and to the potential this has for the development of a new international shipping lane.

"Increases in Arctic marine transportation creates impacts and risks for ecosystems and people, such as an increased likelihood of accidents, the introduction of invasive species, oil spills, waste discharges, detrimental impacts on animals, habitat, and subsistence activities," the IPCC report said.

China's Cosco has made Arctic shipping part of its long-term focus. Elsewhere, Arctic energy projects in Russia are boosting the demand for vessels, particularly liquefied natural gas carriers, to move cargo. This has led firms such as Sovcomflot to explicitly base their future strategy on developments in the region.

The IPCC noted that transit times in the Northern Sea Route, the corridor ranging from the Barents Sea to the Bering Strait, have decreased owing to lighter ice conditions.

The Northern Sea Route information office reported that between January and April 2019 there were 51 vessels completing 586 voyages, compared with 39 and 386 voyages in the same period in 2018. LNG vessel voyages rose to 165 from 47.

A total of 27 vessels transited across the route in 2017/18, compared with less than 20 in the two previous years. In 2014, 31 vessels navigated across the NSR.

The IPCC report also claimed to be confident that between 1990 and 2015 the distance that vessels covered in the Canadian Arctic tripled.

"If global warming is stabilised at 1.5°C above pre-industrial levels, the Arctic ocean would only be ice-free in September — the month with the least ice — once in every hundred years. For global warming of 2°C, this would occur up to one year in three," it said.

The IPCC reported that global sea levels rose by about 15cm during the 20th century and are currently rising by 3.6mm per year at an increasing rate.

"The sea level will continue to rise for centuries. It could reach around 30-60 cm by the year 2100, even if greenhouse gas emissions are sharply reduced and global warming is limited to well below 2°C, but around 60-110 cm if greenhouse gas emissions continue to increase strongly," the IPCC said.

These rising sea levels will in turn lead to more frequent extreme weather conditions in the sea.

The report's authors recognised that melting ice could offer new opportunities for polar oil and gas development and the shipping sector, but underlined the risk this would pose to ecosystems and surrounding communities.

"Existing governance may not be sufficient to limit the elevated risk on Arctic ecosystems and their dependent economies from increased shipping activities," the report warned.

The International Maritime Organization has initiated work towards a ban on the use of heavy fuel oil by vessels voyaging the Arctic Sea. Despite having agreed on working on the development of a ban, it is expected it would take a few years before governments actually finalise it and even longer before a ban were implemented.

The Clean Arctic Alliance, which has called for a heavy fuel oil ban in the region, said the IPCC report makes clear that an IMO ban on heavy fuel oil "is imperative if we are to diminish the risks to the Arctic environment from increased shipping".

A ban on the fuel is already in place in the Antarctic Sea.

Tomini Shipping aims to grow dry bulk fleet with three ultramax newbuildings

DUBAI-based Tomini Shipping has its sights set on fleet expansion in the dry bulk segment and is preparing to order new vessels, chief executive Nitin Mehta said in a recent interview.

The shipping services provider is focused on growing its shipowning business at a time when most of the industry is tightening its belt amid stricter environmental regulations.

"We are moving towards immediate ordering of three ultramaxes depending on asset prices," Mr Mehta said on the sidelines of the Marine Money Asia conference in Singapore.

Tomini is in talks with both Chinese and Japanese yards for the newbuilds, he said, adding that they are evaluating different options alongside discussions on dual-fueled engines.

Apart from these vessels, Tomini has four newbuildings on order at Cosco Shipping Heavy Industry's Yangzhou yard which are likely to be delivered in January 2020.

"We would definitely prefer the yard in Yangzhou as we have already built 10 ships there and we are very happy with the quality of the ships. So, it will be a continuation of our co-operation that we had over a period of time," he said.

"Japan is also on our radar," Mr Mehta agreed, "but the price difference today is high for us to justify the return on capital".

"We are in the market, so we have to keep looking at different options."

The reason to order newbuilds is to keep the fleet young, in compliance with the latest environmental regulations and to keep up with fast-growing maritime technology, he said.

Earlier this year, Tomini re-sold two supramax bulk carriers, 2012-built Tomini Victory and Tomini Sincerity. Tomini bought these vessels in 2016 as secondhand values were around 30-year low levels.

"These vessels were opportunistic acquisitions and we were very clear we would sell these vessels before 2020," Mr Mehta conceded.

Tomini has a fleet of nine ultramaxes on the water and another four on order with an average age of three-and-a-half years.

MARKETS

Container shipping charter market resilient ahead of seasonal slowdown

BOX charter rates continued to hold firm in the lead up to China's Golden Week, as strong demand for ultra large tonnage propped up the wider market.

The industry is gearing up for the traditional market slowdown during the Chinese holidays in early October, when factories shut up shop and workers head home for the week prompting a notable slump in cargo on Far East trades.

Golden Week typically signals the end of the peak season and the culmination of a large number of boxship fixtures, as charterers pre-empt weaker volumes. Ship operators will then look to dip back in to the spot pool and renew or establish new charters once demand begins to pick up once more in the latter stage of the year.

However, as yet, the charter market, which has enjoyed a prosperous year to date, has held firm.

Analysts Alphaliner even noted that following a slight dip in market activity in early September, “the container charter market has turned busy again”.

Although the market will likely be impacted as the Golden Week takes hold, particularly given the spate of banked sailings announced during the period, recent developments suggests a newfound resilience.

“Demand is proving particularly resilient in the larger sizes, with further tonnage being fixed on long term charters,” said Alphaliner.

A lack of readily available tonnage of the ultra-large variety, or 7,500 teu+, and in the 5,300 teu-7,499 teu sector has meant charterers have had to look to smaller units to fit requirements.

Indeed, fixture activity was dormant in mid-September in the market for ships above 7,500 teu with chartered tonnage effectively sold out.

Amidst only a handful of fixtures in early September was the sale of a 9,600 teu vessel by Japanese carrier Ocean Network Express to Seaspan only to take it back on a 36-month charter period, according to Alphaliner. The daily rate was not disclosed.

While there was absence of fixtures at and above 11,000 teu the last done rate in late August was achieved at $43,000 per day.

At the time of writing there was also news that CMA CGM had agreed long term charters with Singapore-based Eastern Pacific Shipping for a sextet of its dual-fuelled LNG 15,000 teu containerships. The vessels are due for delivery in 2020-2022, under a 15-year charter for about $55,000 a day, as the French carrier continues to grow its LNG fleet.

In the short term though, Alphaliner said that the continued lack of tonnage in this segment is expected to maintain charter rates on a rising trend.

“Charterers will need to keep fixing tonnage on a forward basis and accept owners’ conditions or temporise with their requirements if they are unwilling to back down,” it said.

Heading into October, the dearth of available spot tonnage was repeated in the 5,300 teu-7,499 teu segment, where little if any tonnage was up for grabs.

Alphaliner noted a pair of 6,000 teu-6,400 teu due for redelivery in the coming weeks.

“Demand remains strong, with one ship of 6,700 teu securing an 18-20 month charter at $27,000 per day, a handsome rate,” it added.

Elsewhere, a 5,900 teu Imabari-built vessel was extended in Asia for a medium charter at $21,000 per day, a rate that is line with an earlier fixture of a sister vessel, said Alphaliner.

BIMCO chief shipping analyst Peter Sand noted how rates in this sector are currently at four to six-year highs, and as such are at last “profitable”.

However, there is still a reluctance among operators to sign off on charters for long-term periods, he said.

The classic panamax has enjoyed a fruitful 2019, with charter rates tracking comfortably above last year with double-digit percentage gains throughout.

In late September, the Hamburg and Bremen Shipbrokers’ Association New Contex showed daily prices for 4,250 teu units on a 12-month charter at $14,686, a rise of nearly 20% over the corresponding week of 2018.

Slim pickings in larger sectors has meant the industry’s former workhorses have been offered some respite off the back of a difficult two years, while the scrapping of surplus tonnage has also helped toward a rebalancing of the market.

But there has been a rise of unemployed vessels in the classic panamax frame. In mid-September Alphaliner reported six idle units having been virtually sold out a month prior.

“Redundant tonnage has been slowly building up in the last few weeks as demand fails to keep up with redeliveries, and could well continue to do so in the medium term with over a dozen vessels expected to be redelivered in the next four weeks,” it said.

While charter rates had still to be impacted by the increase of unemployed units, unless demand picks up sooner rather than later time charter equivalents could begin to head south.

The same logic applies for vessels from the classic panamax through to 2,500 teu units. Mr Sand told Lloyd's List that despite a seasonal upswing, the sector is beginning to lose steam.

Rates are though still on the rise with the HBSA ConTex showing further climb, albeit marginal, in the final week of September.

"Upward momentum remains alive," commented the HBSA.

"Tramp shipowners in the segments are still benefiting from additional demand related to the wave of scrubber retrofits, which reached a new peak this week," said the German ship broker in reference to the 465,000 teu of capacity undergoing refits reported by Alphaliner.

Unfortunately, there remains little change in the smaller sectors from 2,000 teu down, which buck the trend from the otherwise positive market sentiment. With overcapacity still rife and ailing demand for tonnage amid a slowly rising spot pool, optimism for a turnaround in fortunes in the short to medium term appears bleak. Particularly with Golden Week around the corner.

US trade war dents west coast agriculture exports to China

TRADE tariffs imposed by President Donald Trump were intended to impede the flow of China's exports into the US, but they are clearly not working.

While US west coast container ports appear to be weathering the trade war, they have written an open letter to the White House warning that the trade war is having serious effects on exporters across the country.

"The impacts of the back-and-forth tariffs between the United States and China have hit our exporters particularly hard," the letter to Mr Trump said. It was signed by port directors in Los Angeles, Long Beach, Oakland, Tacoma, Seattle and Portland.

California is the largest exporter to China of any state in the nation, but last year the state's ports "collectively saw a decrease of about 30% in exports to China".

The ports chiefs said wheat exports to China from Washington and Oregon ports on the Columbia River "have nearly ceased this year", while California's exports to China are down in soyabeans (-96.9%), grains (-85.5%), glass (-86.5%), and rubber (-74.9%).

According to figures provided by the US Census Department, the port of Portland's trade with China over the past year has fallen by 27.6%, led by a 20.1% drop in exports to $917.4m. Wheat alone fell 30% in 2019 over the year before to $437.5m.

The port of Longview in Washington saw its trade with China, its number one partner, drop by 43.1% to $283m, led by a 42.2% drop in exports to $277.57m. Exports of soyabeans fell 41.4% to $256.1m and corn fell 60% to $231.2m.

While certain segments of the exporting community have clearly been hard-hit, the container ports themselves show throughput numbers that are consistent year on year, particularly with regard to imports.

Overall, the main container ports of Los Angeles, Long Beach, Oakland and the Northwest Seaport Alliance (Seattle and Tacoma) showed a total of 960,983 teu in imports for August 2019, compared with 964,622 teu for the year-earlier period. That is a slight drop of 3,639 teu — a marginal decline at best.

On the export side, there was a larger decline. In 2018, the four major ports showed a total of 430,480 teu of exports, while in 2019 the figure dropped by 2.1% to 421,191 teu — a loss of 9,289 teu across the four gateways.

IN OTHER NEWS

Stena Bulk chief says release of tanker has stalled

IRAN has yet to release the UK-flagged *Stena Impero* even though the tanker has been cleared to leave port, its Swedish owner said.

"At this point we are simply waiting for the guards on board to leave and for the ship to receive clearance to sail," Stena Bulk chief executive Erik Hanell said in a text message, reported by Reuters.

Iranian forces seized *Stena Impero* on July 19 in connection with alleged marine violations two weeks after British Royal Marines detained *Grace 1*, an Iranian tanker, off Gibraltar.

MISC, NYK and Mitsubishi partner on LNG newbuilds

MALAYSIA's MISC and Japan's NYK and Mitsubishi have agreed to co-own two LNG vessels that will primarily serve the LNG Canada export facility.

The 174,000 cu m vessels will be built by Hyundai Samho Heavy Industries and be delivered in 2021. They will go on an 18-year charter to Mitsubishi's subsidiary Diamond Gas International.

"This tri-party partnership is in line with MISC's strategy of diversifying our business ventures to support the expansion of our third-party business portfolios and further broaden our revenue sources," MISC president and chief executive Yee Yang Chien said in a statement.

Eagle LNG gets the nod for Jacksonville export and bunkering facility

EAGLE LNG Partners has received US building approval for its proposed on-water Jacksonville liquefied natural gas export facility.

The project is among only a small number of greenfield LNG project proponents to obtain a Federal Energy Regulatory Commission order, said Eagle LNG president Sean Lalani.

It is the only project "devoted to provisioning small-scale LNG projects in the Caribbean basin," he said in a statement.

NYK builds world's biggest LNG-fuelled car carrier

NYK is keeping up its green ambitions with the order of the world's largest liquefied natural gas-fuelled pure car and truck carrier.

The keel for the 7,000-unit PCTC was laid at Shin Kurushima Toyohashi Shipbuilding last week and the vessel is scheduled to be delivered in 2020, NYK said in a press release. It will also be the first large LNG-fuelled PCTC to be built at a Japanese yard. No order value was disclosed.

The company's medium-term management plan is dubbed "Staying Ahead 2022 with Digitalisation and Green".

Transocean gives up two drillship newbuildings at Samsung Heavy

SAMSUNG Heavy Industries' woes continue to mount, with the troubles of others in the embattled offshore sector taking its toll as Transocean bailed out of two massive drillship contracts.

Swiss-based Transocean said in a press release that it had relinquished its interests in two drillships under construction. The total estimated future costs associated with delivery and placing the drillships into service would have been approximately $1.1bn, Transocean added, suggesting a capital preservation rationale behind the move, although SHI claimed no reasons were given for the sudden termination.

The construction contracts are not guaranteed by Transocean and the rigs were part of the fleet that the company had its sights on acquiring when it took over Ocean UDW in a 2018 cash and share deal worth $2.7bn.

US extends sanctions over Venezuela oil trade

THE US has imposed sanctions on four more companies linked to oil trades between Venezuela and Cuba.

The US Treasury Department announced that one Cyprus-based and three Panama-based companies have violated sanctions against Venezuelan oil.

Cyprus's Caroil Transport Marine was sanctioned on the grounds that the three vessels it operates were all involved in oil movement between the two countries.

BIMCO's Frew to step down in 2020

BIMCO chief executive Angus Frew will step down from the world's largest shipping association in mid-2020 after seven years at the helm.

Mr Frew said he had decided to leave the Denmark-based organisation in order to "spend more time in the UK and less time working".

Prior to taking charge of BIMCO in 2013, he served as secretary-general of the UK Chamber of Shipping. Before then he had been president of GE Seaco.

Interorient names Maurice Baker as managing director

INTERORIENT Shipmanagement, the Cyprus-based shipmanager, has named shipmanagement veteran Maurice Baker to succeed Peter Bond as managing director.

Capt Baker, most recently a director with V.Ships in Glasgow, is no stranger to Cyprus, having served with Columbia Shipmanagement for 17 years.

For the past three years of that spell, he was Columbia's managing director.

For classified notices please view the next page.

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.

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- 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

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