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Shipping faces mandatory emissions cuts and caps from the EU in 2021

ONE OF THE European Union's most important environmental lawmakers has unveiled regulation that would force ships to operate under an emissions cap and trade system, increase their carbon intensity performance and contribute to a European maritime decarbonisation fund.

A draft regulatory proposal by the European Parliament's maritime emissions rapporteur, Greens MEP Jutta Paulus, calls on the EU to make January 2021 the date from which it will put into effect rules relating to the issue and allocation of carbon emissions allowances to ships using EU ports.

The proposed rules would mark the first major legally binding greenhouse gas emissions restrictions on international shipping. This would affect almost 12,000 ships and could force owners from various jurisdictions to change their business operations to comply.

This proposal is part of the early stages of what could be a long process to amend the EU Monitoring, Reporting and Verification regime. The MRV requires vessels of 5,000 gt and above that use EU ports to provide the EU with annual data on their carbon emissions, fuel consumption and energy efficiency.

Ms Paulus' amendments to a suggested text prepared by the European Commission calls on those vessels under the MRV to cut their carbon emissions per work of transport by 40% by 2030 compared with 2018. This point echoes the language used by the IMO in its initial greenhouse gas strategy, but the base year there is 2008, widely considered as a year with one of the highest level of shipping emissions on record.

The EU's 40% cut would be based on the average performance per category of ships of the same size and type included in the 2018 report of the EU MRV, the first of its kind.

The rapporteur proposes that the commission set by December 1, 2020 the total quantity of allowances for the maritime industry, in line with other sectors, the method of their allocation through auctioning, and the special provisions for the EU member states that will be administering them.

Companies in the EU currently operate under a carbon allowance system, known as the Emissions Trading System, which caps their permitted emissions. Companies can also buy more allowances from the EU or in some cases receive them without cost. They can then trade their allowances with other companies.

International shipping has been temporarily left out of the ETS, with the EU agreeing back in 2017 to hold off on action until 2023, by when the IMO should have adopted a global decarbonisation measure.

However, the status quo in the EU has changed considerably over the past few months, with the new European Commission being vocal about its intention to include shipping in the ETS, much to the dismay of the international industry, which has long opposed action from the EU in favour of global regulations.

The changes envisaged in the proposal would have enormous consequences for the shipping industry. The best hope for those in the shipping industry alarmed at what is being proposed is to start lobbying the relevant people so that substantial amendments can be tabled at the scrutiny stage.

The European Parliament's environment committee has to agree to the proposal before the parliament plenary discusses it. When that text is approved, the Council of the EU, representing the EU governments, will make its own suggestions on the proposal. This will be followed by more deliberations from the parliament and again in the council, culminating in a compromise agreement.

With both the commission and the parliament firmly in support of shipping's inclusion in the ETS, the shipping industry's strongest chance of thwarting those plans will be lobbying national governments to block or soften the undesirable parts of the text.

Another maritime research fund and new GHG rules

At least 30% of the revenues generated from the auctioning of those allowances to shipping companies would be used to finance a maritime decarbonisation fund that would run from 2021-2030, according to the rapporteur's proposal.

The fund's goal would be to "improve the energy efficiency of ships and support investment in innovative technologies and infrastructure to decarbonise maritime transport, including in short sea shipping and ports, and the deployment of sustainable alternative fuels and zero-emission propulsion technologies".

Shipping companies may also have to pay an annual membership contribution to the fund based on their ships' emissions the previous year.

Shipping groups have already suggested the creation of a $5bn international maritime research fund based on a $2 levy for each tonne of fuel ships consume. But they want that to happen through the IMO, which will discuss the proposal during an environmental meeting in London in April.

More emissions obligations for shipping companies could come within the next decade. Ms Paulus wants the Commission to review the implementation of the MRV regulation, and to propose more requirements to reduce air pollutants from vessels.

The MRV is currently used to report carbon emissions from ships. But Ms Paulus wants companies to report all of their relevant greenhouse gas emissions, not just CO2. Her proposal asks the commission to specify by the end of 2021 how companies can report those.

Lingering questions for the MRV

In 2019, the first year the emissions data of the MRV was published, the system faced significant controversy. The initial figures had been mistakenly inflated due to reporting errors, raising questions about who was taking responsibility over the database and whether it had any real credibility anyway.

What is more, despite a deadline for all reports to be submitted by April 30, 2019, the database continues to be amended and updated, resulting in fluctuations. Ships using EU ports in 2018 emitted 134m tonnes of CO2, according to the data issued in July. The latest report, however, shows they emitted 140m tonnes of CO2 in 2018.

In an apparent attempt to address some of the concerns, Ms Paulus wants the EU to give the European Maritime Safety Agency the authority and resources to check the emissions reported by the accredited verifiers.

WHAT TO WATCH

VLCCs lead tanker earnings freefall as coronavirus cuts crude demand growth

TANKER spot earnings continued their coronavirus-led freefall today as oil company BP revealed the likely scale of contracting global crude demand growth. Latest very large crude carrier charters show earnings on key benchmarks are 48% lower than six days ago.

BP said some 300,000 to 500,000 barrels per day would be wiped from 2020 demand growth estimates of 1.2m bpd because of the coronavirus outbreak when it reported quarterly results on February 4. That represents some 28 to 45 fewer very large crude carrier loadings than expected, assuming that half of the lost demand is via seaborne trade.

Last-done VLCC spot rates on the benchmark Middle East Gulf-to-Japan route now equate to earnings of $22,250 daily, based on Tankers International pool information. At the time of the first death from coronavirus on January 9, VLCC rates to China were at over $100,000 daily, Baltic Exchange data show. Daily rates to China are now at $26,000 and expected to drop further.

Yesterday, Abu Dahbi's national oil company Adnatco provisionally chartered the 2013-built VLCC *Sea Gem* at 42.5 Worldscale for a February 11-13 loading, shipping 260,000 tonnes of crude to Japan. That is $20,000 lower than the January 29 fixture on the same route at Worldscale 64.5, or $42,700 daily, according to Tankers International.

The estimated 40% cut in demand growth for 2020 triggered oil producers to consider emergency production cuts of 500,000 bpd to curtail the falling crude price, further depressing sentiment in the tanker market. Brent crude was trading at its lowest level since December 2018, at under $55 per barrel, on London's ICE Futures exchange. That's down from as much as $68/bbl on January 6, before news of the full scale and spread of the outbreak emerged.

VLCCs are leading falls, but smaller tanker sizes see comparable earnings drops on routes unconnected with Asia. All but two of the 18 VLCC, suezmax, aframax and panamax crude tanker routes assessed by the Baltic Exchange fell overnight.

Placing contracting demand growth and VLCC loadings in context, some 294 VLCCs were tracked shipped cargoes in January, a seasonally lower period, Lloyd's List Intelligence data show. During 2019, more than 2,110 VLCC loadings were recorded and tracked. However, regional availability, tonnage age, vetting requirements and loading dates also drive supply and demand fundamentals that determine spot rates for the largest tankers.

Freight derivatives trading volumes and values — an indication of future sentiment among oil traders and owners — matches widespread pessimism about tanker rates in physical trades.

Forward freight agreements settled against the TD3C (Middle East Gulf-China) route were valued at $13,958 daily for March, and $17,781 daily for April. Both are well under the $26,000 physical index price, which means rates are expected to fall further.

Volatility and uncertainty was seen in rising FFA volumes for the week ending January 31. Weekly trading levels were the second highest since October 2019, at 16,658 lots. Each lot represents 1,000 tonnes of crude or refined products. Volumes spiked in mid-October as US sanctions on Cosco tanker units spooked charterers, leading to soaring tanker rates.

Coronavirus: Crew-change headache on horizon as ports tighten controls

AS countries tighten border controls in defence against the spread of the coronavirus outbreak, inevitably an impact has started to be seen in the ship management sector.

Shipmanagers and owners have reacted to the most recent developments including the entry bans by Singapore, the US and Australia among others. While for managers, the biggest effect seems to be on crew changes and other operational elements, for crew potentially the most hard-hitting impact will be on welfare and their ability to take shore leave as well as the natural anxiety that will arise from such situations.

"The most direct impact would be shifts of crew, given that many countries have banned the entrance of Chinese citizens," said an executive at a privately run Chinese tanker firm.

With rising exports of US crude to China, he said that for example, if a very large crude carrier at berth in a US port now needed a crew change it would have to specifically fly non-Chinese seafarers there. "So it's going to be a big problem in particular for the Chinese shipowners hiring lots of Chinese seafarers," he pointed out.

"If they cannot find foreign replacements in time, they will either have to ask seafarers on board to remain on duty until the vessels go back to China [subject to safety requirements], or be troubled by delays," he added.

The shipping executive also noted that a subsidiary impact would be Chinese seafarers potentially facing unemployment for a period of time during which period their Filipino and Indian peers might gain an advantage.

Fleet Management managing director Kishore Rajvanshy elaborated on the crew issues the ship manager is facing. He said: "It has delayed crew reliefs which are being postponed to vessel's next port of call. Crew are naturally getting anxious and we are supporting them, as we must."

Mr Rajvanshy also noted that the dramatic rise in number of cases is affecting calls in China and shared Fleet's strategy in dealing with this.

"On account of the large number of cases in China, we have for now halted all shore leave and suspended all crew changes at Chinese ports — medical emergencies excepted," said Mr Rajvanshy.

"Furthermore, Fleet crew have been advised to reduce contact with shore personnel and follow standard precautions — including hand and respiratory hygiene in China and in ports of affected countries," he added.

Restricting crew changes at affected ports is also a strategy major container line CMA CGM is taking. In an advisory note, the line also warned that a potential delay to vessel schedules could occur in the event a vessel calls a port with a sick crew member on board.

In terms of other issues in China, Mr Rajvanshy said the biggest operational issues surround vessels in drydock where a general lack of labour and technicians is delaying ships.

In addition, superintendents and technicians are unable travel between provinces or fly in from outside China due to restrictions imposed by their country or organisations. Apart from routine drydocking, Mr Rajvanshy also pointed out that many ships are in the midst of fitting scrubbers and are similarly affected.

"As with any crisis, Wallem uses its contingency planning strategy and adapts the plan to the events. Wallem has advised its staff on strict hygiene behaviours, restricted travel to China and is closely monitoring the situation as reported in the media and government sources," said Wallem Group chief executive officer Frank Coles. He added that there has been no operational or commercial impact to date.

In terms of the crew change issue, Mr Coles said: "The initial disruption will mean smart crew change planning in other ports. However, if the scare continues, then ships will not visit China and there will be less ships where the crew have been to China."

In terms of crew movements in Chinese ports, he said the group was watching developments while also having essentially stopped all shore leave and crew changes in the country.

Mr Coles reiterated that Wallem was not facing any operational issues and was using contingency planning tools.

Anglo-Eastern, the other major ship management company in Hong Kong, declined to comment, citing the highly fluid nature of the situation.

Meanwhile, others such as Pacific Basin Shipping, which has a technical and crewing office in Dalian and also does substantial trade to China, said it sees no significant impact on its business so far but added that "we cannot speculate on future developments".

OPINION

Will coronavirus infect the global economy?

GLOBALISATION allows corporations to decide comfortably where to locate resources as they can move quickly from one place to another in response to a change in the geopolitical environment, *writes Antonella Teodoro*.

How quickly, though, can a company decide to relocate its factories when the cause of its anxiety in remaining where its production is based is called '2019-nCoV'?

"Not quickly enough", some would say as more and more companies based in China are now forced to put their production on hold.

The virus has spread fast around the world since the first cases were detected in Wuhan, central China, last December.

As of February 3, at least 360 people have died and more than 17,000 people have been infected; the World Health Organisation declared the outbreak a public health emergency of international concern. The virus's toll rises at a fast rate and so the associated fear.

Wuhan, a city with 11m residents, remains shut from the rest of the world and it will be forced to extend its lunar new year holiday for days (if not weeks).

Wuhan is not the only Chinese city to have been locked down. Shanghai, the world number one container port, with more than 42m teu moved in 2018 and attracting more than 260 maritime services in 2019, is also in the list.

Trying to estimate the possible impacts of the coronavirus on the global economy is far from easy. Perhaps the last health crisis that affected China, SARS, could offer a guide, but that was 17 years ago and 17 years is a long time when one looks at China's economic cycle.

Since 2003, China's share of global gross domestic product has increased from 4% to over 16%, based on International Monetary Fund data, and it is the biggest exporter of consumer goods.

The role that China plays in the supply chain worldwide is so central that companies around the world are now concerned as to what could happen should this health emergency persist.

The lunar new year usually presents as a shopping goldmine and it is a key period for economic growth in China.

With the virus emerging over the festive period, the negative impacts on GDP for the first quarter of 2020 will be inevitable as the recreational spending and impulse purchases over the holiday season have been severely curtailed.

Furthermore, as time passes, the room for manufacturers to catch up with their orders is also shrinking, impacting the supply chain around the world, for example, companies preparing their stocks for the reopening of schools will be looking at the events with apprehension. As for the impulse purchases, once a fashion trend has passed, the opportunity is gone.

As a vaccine could be months or years away, one could expect that the speed of the epidemic could tempt businesses to move manufacturing to the US or to Mexico.

Nobody knows for sure at this stage what is the best move: "wait and see" or "to go". What seems to be clear, however, is that the coronavirus is adding another level of complication in a global economy that was only just starting to breathe again after the recent relief over the lessening trade tensions.

ANALYSIS

Coronavirus: Liner carriers waive container use charges

CMA CGM and Orient Overseas Container Line have joined other carriers' moves to waive container use charges amid the prolonged holidays in China put into effect to tackle the coronavirus outbreak.

The French line said in a customer advisory on Tuesday that it would extend free time for detention and demurrage until February 9 at Chinese ports.

Detention refers to the charge that a trader pays for the use of a container outside of the terminal or depot, beyond a free time period, while demurrage refers to the same charge but is applicable to a box within the terminal.

Meanwhile, Hong Kong-based OOCL is offering an extra exemption period for detention calculation from January 25 to February 9 for inbound and outbound cargo in northern and southern China, according to a customer advisory released on Monday evening.

The waiver did not include other items such as storage and monitoring fees, the carrier added.

The moves come as many Chinese cities have extended the Chinese New Year holidays by about 10 days to February 9, as a measure to stall the spread of the disease. It has infected more than 20,000 people and killed 425 at the last count.

Other carriers that have already introduced similar fee-relief policies include Cosco Shipping Lines, Maersk and Hapag-Lloyd.

CSL, a sister company of OOCL, announced the decision last Friday to exempt all extra detention and demurrage in mainland China between January 24 and February 9, "in order to facilitate the prevention and control of novel coronaviruses and better accommodate the customers' needs in cargo arrangement during this period".

In addition to the waiver on box fees, on Monday Maersk also informed customers of the blanking of five China-related sailings in anticipation of further decline in demand. That followed the reduction of two Asia-Europe services already announced last Friday.

Earlier reports suggested the holiday extension and travel restrictions would likely cut China's output while a fall in exports will reduce container demand and lead to more blank sailings by carriers.

The Chinese port industry has also responded to the challenges. More than 25 major Chinese ports have announced that they would not charge clients for storage of loaded containers during the extended holiday period.

Coronavirus: Shippers could face price rises

SHIPPERS should be cautious about any sharp rate increases caused by supply chain disruption owing to the coronavirus outbreak, even though the disruption could lead to capacity tightness and price pressures, according to an industry group.

"We might see some adjustment in prices, but this situation should not lead to some sort of commercial 'exploitation' by certain parties," said Roger Spoel, policy manager for air freight at the European Shippers Council.

"On too many occasions, we have seen the introduction of dubious surcharges. As a sector, we should be able to prevent this from happening by spreading eventual additional costs evenly across all parties," he said. "If there is any doubt about possible misconduct in this regard, shippers should ask for a legal check of their contracts."

However, he did not seek to play down the consequences of the viral outbreak, which originated in Wuhan, China, on international trade flows and highlighted that the industrial verticals mostly likely to be affected are high tech, consumer goods and a wide variety of semi-finished products.

"The coronavirus has had an impact at multiple levels — factories are closed and workers are at home, the new year holiday is extended. The longer the factories are closed, the more serious disruptions can get, with stocks in European factories depleting.

"Furthermore, airports and seaports have scaled down productivity. More blank sailings are to be expected, which could cause a capacity crunch in maritime shipping. With the cancellation of many passenger flights air cargo capacity to and from China is tightening as well, leaving only full freighter capacity available for urgent and time-sensitive goods.

"With the capacity crunch, transport prices are expected to rise. However, with the shutdown of factories, oil prices are declining. So, these two effects may well even out to a degree."

Mr Spoel underlined that the ESC was advising shippers to analyse their supply chains "and look at ways to divert major issues by sourcing other stock or by looking for alternatives. Perhaps the rail connection between China and European Union can play a role in this if other modes are not available."

Last week, DHL's Resilience 360 Supply chain risk management platform published a report on the possible impact of the outbreak on supply chain operations. It said "the top two supply chain risks to watch out for in the coming weeks, namely the potential propagation of new city lockdowns or the extension of existing city lockdowns, as well as the delayed restart of manufacturing activities in the affected areas and other key manufacturing and logistics regions."

The report noted that in recent years, Wuhan has developed into a hub for high-tech industries such as optoelectronics and semiconductors and has become home to one of China's most advanced chip fabrication plants, which makes flash memory used in smartphones and computers.

In addition, Wuhan is known as China's 'motor city' owing to a significant manufacturing presence of domestic and foreign car makers, including Dongfeng Motors, Honda, and PSA Group. The city is also the home to hundreds of production facilities relating to global auto parts suppliers, including Bosch, Valeo, Lear, and Schaeffler.

According to Resilience 360's data, almost 50% of manufacturing locations in Wuhan and its surrounding cities belong to the automotive sector, while technology and engineering suppliers make up for 25% and 8% respectively.

"Under normal circumstances, post-lunar new year manufacturing operations would mostly have returned to normal across China between 15 and 21 February. However, this year's timeline is likely to be disrupted due to the extended holiday period as well as the decision by some other provincial governments to further delay the restart of manufacturing activities.

"Underlining the spillover effects from Hubei to other cities and provinces, authorities in Zhejiang, Jiangsu, Guangdong, Shanghai, and Beijing have ordered factories and businesses to continue to halt operations until at least February 9, with the exception of medical equipment, pharmaceutical companies, supermarkets, utilities, and logistics companies."

Coronavirus: US exporters call for extension to free time

AGRICULTURAL and forest product shippers in the US have called on carriers to give guidance on exports of good to China as the coronavirus outbreak begins to take its toll on supply chains.

A number of carriers have already confirmed that they will waive container use charges until the end of the extended Chinese New Year holidays. More than 25 Chinese ports have also agreed to suspend storage fees during the shutdown.

Agriculture Transportation Coalition executive director Peter Friedmann said that exporters appreciated the extension for free time exemptions from detention and demurrage fees through to February 9 due to the extension of the lunar new year holidays.

But with the impact of coronavirus now set to reach far beyond that date, and AgTC has called for information on export cargoes landed in China, or cargoes awaiting export.

"It would be immensely useful for members of the Agriculture Transportation Coalition (US exporters and their service providers), if each of you, our ocean carrier partners, would now announce that you will extend 'free time' beyond February 9," Mr Friedman wrote in an open letter to the container shipping sector.

"Extension until such time that WHO, national authorities and/or air cargo carriers believe normal transportation services at the ports and inland China can safely resume, would be reasonable."

Despite the open-ended nature of the request, Mr Friedman said US exporters needed assurance they would not be charged detention or demurrage while the supply chain remained "dysfunctional" due to the coronavirus outbreak.

MARKETS

Baltic Exchange starts daily container freight indices

TWELVE freight rates for containerised routes began publishing daily on the Baltic Exchange yesterday via a partnership with Freightos Group, a digital freight platform.

The Freightos Baltic Index, which has been providing assessments with the Baltic since 2018, is now overseen by the exchange in order to meet a voluntary set of global principles for price assessment agencies.

That establishes benchmark physical indices against which any exchange-traded product could be settled so that futures trading in container freight indices can potentially begin.

Over the last 20 years indices providers have tried and failed to establish a physical or derivatives market for containerised shipping, similar to forward freight agreements for dry bulk and tanker shipping.

Before the Baltic Exchange's takeover by the Singapore Exchange the previous shipbroker members had resisted expanding indices to incorporate container freight.

"With the robust, real-time data, as well as oversight from the Baltic Exchange, the FBX is positioned better than ever to provide a true pulse of the market," said Freightos chief executive Zvi Schreiber.

The indices give a daily price for 40 ft containers on a dozen key routes based on data from 1,200 global logistics providers, according to the Freightos website.

The Baltic Exchange enters a crowded field. Competing indices are provided by maritime consultancy Drewry, price assessement agency Platts, the Shanghai Containerised Shipping Index and Xeneta, which provides air and shipping benchmarks.

IN OTHER NEWS

Iran calls for review of tanker safety after Sanchi report

IRAN is asking International Maritime Organization member states to review and update tanker safety following a study conducted by the University of Tehran into the conditions aboard *Sanchi* after it collided with a bulker two years ago.

In a submission to the IMO ahead of a sub-committee meeting on ship systems and equipment being held in London in early March, Iran said the fire and thick smoke that engulfed the vessel within minutes meant it was impossible for any of the crew members to survive.

The collision between the Panama-flagged *Sanchi* and the Hong Kong-registered bulk carrier *CF Crystal* on January 6, 2018, was said to have claimed 32 lives — 30 Iranians and two seafarers from Bangladesh — who were working on the tanker. Three bodies were retrieved in the aftermath of the incident.

Owners warned not to use virus as excuse to avoid China port calls

SHIPOWNERS are being told they may not legally be able to refuse to call at Chinese ports because the coronavirus threat is unlikely to render ports "unsafe".

Maritime lawyers Clyde & Co warn of significant operational difficulties for businesses in the shipping and trading industry, in newly released guidance.

Although time charters require charterers to nominate a safe port for the vessel, this typically covers the physical characteristics of the port, or prevailing weather conditions.

Hapag-Lloyd pledges better services and transparent invoicing

HAPAG-Lloyd has pledged better booking responses, bills of lading and invoices as the first three of 10 planned quality promises, to be backed by an online transparency platform.

The German carrier said it aimed to issue booking confirmations within one business hour in 85% of cases and within eight hours in 98% of cases.

It also pledged to issue a draft bill of lading within four hours in 80% of cases and within eight hours in 95% of cases, plus a final bill of lading after one business day of vessel departure in 95% of cases.
It would give customers an accurate invoice in at least 97% of cases, the company said.

Indian shipping firms given relief as government removes VLSFO import tax

FOLLOWING the federal budget announcement last week, India has exempted very low sulphur fuel oil from import tax as the country struggles with insufficient availability of compliant fuel after the sulphur cap rules came into force at the beginning of 2020.

Under the International Maritime Organization's Marpol Annex VI regulations, all oceangoing ships are required to burn fuels with a maximum sulphur content of 0.5%, down from the previous 3.5% limit, from January 1 this year, necessitating the use of VLSFO if the ship is not equipped with an exhaust gas cleaning system.

Although production of compliant fuel has expanded in the country ahead of the implementation of the regulations, the 0.5% low-sulphur fuel, however, is not available at all Indian ports, making it necessary for India to import the product.

MOL appoints new head of chemical tanker unit

THE chemical tanker division of Japan's shipping group, Mitsui OSK Lines is appointing a new chief executive.

Akito Mitsuta will be promoted from his present role as chief operating officer of MOL Chemical Tankers to replace Tsuneo Watanabe as managing director and chief executive of the business division.

Mr Mitsuta, who turns 61 this year, first joined MOL in 1982. He has over two decades of experience in the tanker business, having joined MOLCT after spending years with container shipping, bulk carrier and other divisions of the larger shipping group.

US Coast Guard hopes to remove Golden Ray wreck before hurricane season hits

THE salvage team charged with removing *Golden Ray*, a ro-ro ship that capsized while departing Georgia's port of Brunswick last September, wants to surround the wreck with a giant mesh screen to contain any loose debris as the vessel is cut up for removal from the site.

The US Army Corps of Engineers issued a document saying the salvage team's goal is to have "all large sections" of the 2017-built, 20,995 dwt ship removed before hurricane season starts on June 1. The document did not show a timeline for complete removal of the 656 ft vessel.

The hurricane season usually extends from June 1 until November 30 in the region around Brunswick, Georgia, according to official documents.

Wariness pervades the Middle East as nations weigh support for US policies

IRAN's military may no longer be on a heightened war footing a month after the US airstrike that killed Iranian Major-General Qasem Soleimani, but Washington is still braced for further retaliation, a senior military official said.

General Kenneth McKenzie Jr, who heads US Central Command, said Iran had "de-escalated" its ballistic missile force and brought its air defence forces back to a "normal state of readiness" following its retaliatory strikes on bases housing US troops in Iraq.

Although the Islamic Republic has conducted no major direct attacks since the missile strikes, however, US officials still believe it may attempt to do so later. Gen McKenzie said it remains difficult to ascertain the intentions of Iranian leaders at this moment.

Last Word: Robotic shipping

OCEAN Infinity, the seabed search, salvage and sub-sea security company that located the sunken ore carrier *Stellar Daisy* early last year, has launched Armada, a new unit that will deploy unmanned surface ships, essentially robots, to collect data up to a depth of 6,000 m.

Armada's managing director Dan Hook said at the launch on Monday that the fleet of 15 vessels was under construction. Some of them will be operational later in the year.

"With no requirement for a host vessel, we are breaking new ground in the area of sub-sea technology and data," he said.

Baltic Exchange Begins Daily Container Freight Indices

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Classified notices follow

ELECTRICITY ACT 1989 (AS AMENDED)

THE ELECTRICITY GENERATING STATIONS (APPLICATIONS FOR VARIATION OF CONSENT) (SCOTLAND) REGULATIONS 2013 (AS AMENDED)

Notice is hereby given that Inch Cape Offshore Wind Limited (ICOL), registered under company registration SC373173 at 5th Floor, 40 Princess Street, Edinburgh EH2 2BY**,** has applied to the Scottish Ministers to vary the consent granted under section 36 of the Electricity Act 1989 on 17th of June 2019, to construct and operate an offshore generating station known as Inch Cape Offshore Wind Farm, located approximately 15-22km east off Angus coastline with a total area of approximately 150km^2 (central latitude and longitude co-ordinates: 56^o 49.457'N 2^o 19.554 'W (WGS84)).

The application made under section 36C of the Electricity Act 1989, seeks to amend the maximum generating capacity of the Inch Cape Offshore Wind Farm from approximately 700MW to 1000MW. No amendments to physical parameters of the wind turbine generators or associated infrastructure are being sought through this amendment.

Information about the variation application is available on the following websites:

http://marine.gov.scot/ml/section-36-consent-variation-construction-and-operation-offshore-windfarm-and-transmission-works

www.inchcapewind.com/publications

The variation application and supporting information are available for inspection, free of charge, during normal office hours at:

St Andrews Library (Church Square, St Andrews, KY16 9NN).

Arbroath Library (Arbroath Library, Hill Terrace, Arbroath, DD11 1AH).

Dunbar Library (Bleachingfield Centre, Countess Road, Dunbar, East Lothian, EH42 1DX).

Port Seton Library (Community Centre, South Seton Park, Port Seton, East Lothian, EH32 0BG).

Any representations should be made in writing by email to MS.MarineRenewables@gov.scot or by post to The Scottish Government, Marine Scotland Licensing Operations Team, Marine Laboratory, 375 Victoria Road, Aberdeen, AB11 9DB, identifying the proposal and specifying grounds for objection or support, not later than **11th of March 2020**, although the Scottish Ministers may consider representations received after this date. Representations should be dated and should clearly state the name (in block capitals) and the full return email or postal address of those making representation.

Where the Scottish Ministers decide to exercise their discretion to do so the Scottish Ministers shall cause a Public Local Inquiry (PLI) to be held.

Following receipt of all views and representations, the Scottish Ministers will determine the application for consent in one of two ways:

- Consent to the variation application, with or without conditions attached; or

- Reject the variation application.

<u>Fair Processing Notice</u>

The Scottish Government's Marine Scotland Licensing Operations Team ("MS-LOT") determine applications for marine licences under the Marine (Scotland) Act 2010, the Marine and Coastal Act 2009 and section 36 consents under The Electricity Act 1989 (as amended). During the consultation process any person having an interest in the outcome of the application may make a representation to MS-LOT. The representation may contain personal information, for example a name or address. This representation will only be used for the purpose of determining an application and will be stored securely in the Scottish Government's official corporate record. Representations will be shared with the applicant and/or agent acting on behalf of the applicant, any people or organisations that we consult in relation to the application, the Directorate of Planning and Environmental Appeals should the Scottish Ministers call a PLI and, where necessary, be published online, however personal information will be removed before sharing or publishing.

A full privacy notice can be found at:
https://www2.gov.scot/Topics/marine/Licensing/marine/PrivacyNotice. If you are unable to access this, or you have any queries or concerns about how your personal information will be handled, contact MS-LOT at: ms.marinerenewables@gov.scot or Marine Scotland - Licensing Operations Team, Marine Laboratory, 375 Victoria Road, Aberdeen, AB11 9DB.