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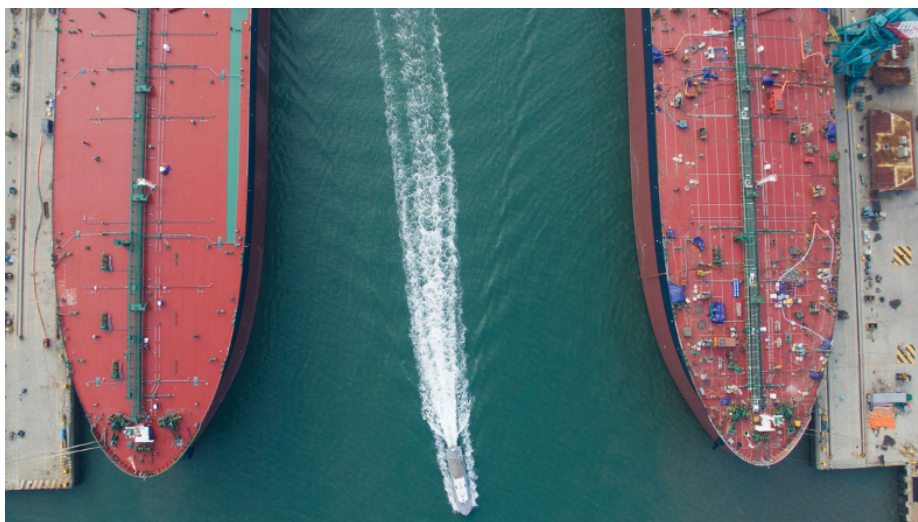
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February oil demand plunges on coronavirus



MONTHLY GLOBAL OIL demand has fallen by 3.5m barrels per day so far in February because of the coronavirus outbreak, the S&P Global Platts London Energy Forum was told yesterday. The virus could destroy as much as 1m bpd in demand in 2020, affecting 0.7% of GDP.

“Coronavirus is hitting our market hard,” said Chris Midgley, head of analytics for S&P Global Platts told the 700 delegates at the conference. Oil markets were unfazed by tanker attacks, sanctions and cuts over 2019 but global demand is dependent on Chinese refineries, which have sharply cut runs.

“We’re expecting to see a sharp recovery if the coronavirus is contained,” according to Mr Midgley, noting the rise in cases reported in Italy and South Korea over the weekend.

The Platts event kicks off International Petroleum Week in London, with a live stream of the conference introduced for attendees from around the world who couldn’t travel to the week-long gathering of the international energy sector because of the virus.

S&P Global Platts has revised its oil demand growth forecast lower for 2020 to 860,000 bpd, from 1.3m bpd estimated less than a month ago, Mr Midgley said. That was the company’s base case. Demand growth was forecast to be 320,000 bpd under a ‘worse-case scenario’.

Globally, demand was forecast at just over 101m bpd in 2020, with about half of that shipped by sea on crude tankers before the coronavirus outbreak. Contracting forecasts are most likely to impact larger tankers which dominate trades to Asia and in China.

The warmest January on record already removed 700,000 bpd out of the market, as Asian demand for gasoils and kerosene for heating slumped, Mr Midgely said. Along with the reduced jet fuel consumption within Asia this month, this has offset any anticipated rise in oil demand from the introduction of the marine fuel oil sulphur cap.

Shipowners fast take-up of very low sulphur fuel oil over marine gasoil is also affecting the market for middle distillates which include gasoil, diesel and jet fuel. Such widespread adoption was not originally forecast. The marine fuel industry accounts for about 4m bpd of global oil demand.

WHAT TO WATCH

Rapid growth of US Gulf crude exports 'nearly over'

THIS year will be the last to see the rapid growth of shale oil, delegates attending the S&P Global Platts London Energy Forum today were told.

US shale producers need \$60 per barrel to be cash-flow positive, Chris Midgely, head of analytics for S&P Global Platts, told the 700 delegates attending. A long-term view of \$55 per barrel "means they're in trouble", he said.

As a result, production growth is going to slow in 2021, while 2020 would be the last year of breakneck pace that has seen exports increase seven-fold in three years — since the US government opened up the market to international buyers in 2016.

The trade has been positive for the crude sector market: US Gulf crude exports gained 37% over 2019 to reach 2.7m barrels per day, outpacing imports over the final quarter, US Energy Information Administration statistics show. The burgeoning market also provided new employment for very large crude carriers shipping to Asia, as well as aframax and suezmaxes shipping American light sweet oil to refineries in Europe.

New marine fuel oil arbitrage routes opening for tankers

TRADING opportunities for aframax tankers shipping very low sulphur fuel oil to the US from Europe are emerging as the marine fuel oil market seeks to find equilibrium post IMO 2020.

The arbitrage, or profit, to buy VLSFO in Rotterdam and ship it to the US Gulf for sale at a profit opened in February, according to presentations given at the JBC Energy London briefing yesterday.

The aframax market has also benefited from a rapid increase in the past six months of Russian fuel oil and Urals heading to the US Gulf, providing a triangulated route to northwest Europe, boosting earnings.

Mr Midgely said many shale producers had debt maturing in 2022, estimated at \$30bn. As a result they would not be investing in drilling, and instead would divert cash to pay back debt. Furthermore, refinancing of debt for oil-related companies was now becoming very expensive, with a premium paid for capital of about 700 to 900 basis points.

"Shale [oil] is the most expensive and energy-intensive to produce in the world," Mr Midgely said.

He also highlighted the rising oil production in the Atlantic basin, including Guyana, Mexico and the North Sea, which was affecting the Brent and WTI indices. Brent futures switched to contango in trading earlier this month, suggesting a surplus that is weighing on prices. It has only just gone back to backwardation, signalling that some of this oil in the Atlantic basin has been shipped to Asia. The market is going to be very volatile, Mr Midgely said.

Traders could make approximately \$3/bbl, according to the Vienna-based energy consultancy, which gave its annual briefing today as part of International Petroleum week.

"Very low sulphur fuel oil is looking cheap in Europe and, like any other product out there that's cheap in Europe, arbitrage opportunities open up," analyst Eugene Lindell from JBC Energy told the briefing.

“We see a situation where the arbitrage both to the US Gulf as well as to Asia is open again. Not only will (European refineries) have a tendency to produce less at these levels but you have a tendency to export more outside of Europe.”

The 4m bpd marine fuel market has been in a state of flux since the fourth quarter, ahead of the January 1 transition to a 0.5% sulphur cap on the world's 60,000 trading fleet.

Volatile crack spreads — the profit or loss derived from producing different refined products — as well as volatile crude prices, has led to rapidly changing trade flows and new tanker routes, which are still evolving in 2020's first quarter.

The briefing heard that since last July there had already been a “sharp uptick” in US Gulf imports of secondary feedstock such as Heavy Fuel oil and High Sulphur Straight-Run from Baltic ports replaced missing, heavy Venezuelan grades which have high sulphur content.

Venezuelan crude has been subject to US sanctions since January 2019. The cheaper, straight-run fuel, or HFO can be used by more complex refineries in the US Gulf to produce higher-value refined products, augmenting profits.

The transatlantic arbitrage for HFO was key to balancing the global market, JBC Energy concludes. HSFO is used by vessels which have scrubbers installed allowing them to use the marine fuel but remain compliant with sulphur cap regulations. However, the JBC Energy presentation concluded that “HSFO management doesn't appear to be hard, the refining industry can easily cope” .

“The market is looking for equilibrium, it doesn't know what the price should be,” said Mr Lindell said.

India orders crews to stay on board ships at risk of coronavirus

THE Indian government has decided not to allow the disembarkation of crew of ships arriving from China, Hong Kong, Macau, Thailand, South Korea and Singapore to prevent a coronavirus epidemic.

According to a notice by the ministry of shipping, all major and non-major ports have to

“Weaker” VLSFO prices in Europe reflected an “abundant” global supply.

“It is a product that can be easily produced, many refineries around the world have already jumped on the wagon,” he said.

“What is surprising is the European picture. We thought they (refineries and traders) would be short but it's obviously long, and lower prices will lead to supply corrections. That said, there can always be a quick rebound.”

In oil trading parlance, a ‘short’ market is one where there is not enough supply to meet demand, while a ‘long’ market has a surplus of product.

The “short” Singapore market — where VLSFO prices have been as much as \$150 per tonne higher than Rotterdam — was no longer as “short” as it used to be, according to JBC Energy.

“This shows nicely that you will see VLSFO imports coming from Brazil, and Europe. When the (arbitrage) window is open you expect it to be high, but when it is closed, this is not the end of the world,” Mr Lindell said.

He also added that China was expected to start producing and selling some 300,000 bpd of VLSFO following a January decision by the Chinese government to exempt the product from sales tax. This was “groundbreaking” for the global market.

“This will also ease that situation quite nicely,” Mr Lindell said.

“Ultimately what you will see is that the big high-volume, high-stem HFO going from the Atlantic basin to Asia is kind of over and is being replaced by smaller tanker sizes of VLSFOs... so aframax and panamax from Brazil all the way to Singapore. You're not pulling in big suezmaxes and very large crude carriers any more.”

strictly comply with the direction for the suspension of landing permits or shore passes to crew.

The ships from these countries are allowed to berth but the crew will not be allowed to disembark regardless of their nationality, it said.

The berthed ships will also not be allowed to dump their garbage.

The health officer responsible for Chennai Port Senthilnathan was quoted by the local media as saying that a special focus is being placed on several categories of arriving vessels. These include ships coming from Chinese ports with or without Chinese crew; ships with one or more Chinese crew, regardless of whether they have previously called at a Chinese port; and vessels that have had crew boarding at a Chinese port regardless of whether they were Chinese or not.

He said that once a ship that has the kind of China connections set out above had berthed, the health of the crew would be monitored continuously.

Meanwhile, a number of containers that arrived in Indian ports from China post-outbreak are stranded because documents giving details of the goods inside the boxes that need to be declared to Indian consignees are stuck inside the locked offices of shippers at Chinese cities.

However, a Mumbai-based port agency told Lloyd's List that the government has issued a directive to customs authorities across the country to waive penalties usually levied for the late filing of the shipment data, subject to valid reasons.

Bills of entry are normally filed prior to the vessel's arrival at the port. Any failure to do so means consignees would face heavy penalties on a daily basis.

"There is [a] likelihood of import containers arriving from China being stranded in the port/container freight stations on account of non-receipt of basic import documents by the Indian consignees, resulting in late filing of bills of entry," customs at Jawaharlal Nehru Port Trust said in a public notice.

"In order to facilitate clearance of the consignments, it is decided that the bills of entry filed late for clearance of import consignments from China will not attract any late fee charges."

OPINION

Shipping comes to term with its future

THREE years is a long time when you are in a race to stop irreversible damage being done to the planet's climate, *writes Anastassios Adamopoulos.*

Since the last European Shipping Week held in Brussels in February 2017, the maritime sector has seen the adoption of an initial greenhouse gas strategy, the implementation of the global 0.5% limit and the ascension of sustainability as the single largest long-term topic of discussion.

And yet, looking at the European Shipping Week that unfolded last week, you could be forgiven for thinking not much had changed over the past three years.

Just like in 2017, one of the central issues was the European Union's plans to regulate international shipping emissions, primarily through the inclusion of its notorious Emissions Trading System — the so-called 'pay to pollute' scheme — an anathema to the global industry that despises regional rules and prefers global regulation through the IMO — where it also has a direct voice.

However, this year the mood among attendees in Brussels was very different.

The most striking aspect was the apparent acceptance that the EU's plans to regulate shipping emissions will materialise. Soon, ships using EU ports will have new rules to comply with regardless of who owns them or where they are flagged.

Public opposition will likely continue. What is more, those inside the shipping industry who view the EU working on its own as a nonsensical idea will use their industry organisations to push for a singular global regime. They will warn the apparatchiks in Brussels about the dangers that come with fragmented regulation.

Privately, though, officials from large and influential companies and organisations admit they know that EU regulations are coming. There was a tangible frustration and, at times, confusion about how all this red tape would work if it is going to be confined to the EU.

For the detractors, though, the pressure to impose EU-only rules — coming straight from the top via the European Commission president Ursula von der Leyen — is simply too strong for those in the shipping industry opposed to these measures to stop them.

The real question that remains is how all this is going to be done. Will it mean shipping companies actually trading carbon allowances? Will it be a direct levy on fuel? Will it include mandatory cuts to emissions? What will the repercussions of non-compliance be?

It is still early days in a process that will likely continue well into 2021, but those shipping players who oppose these measures and who are lucky enough to have a voice in Brussels alongside the bureaucrats and multi-nationals will try to push for regulations that are as undistruptive as possible, in terms of cost, operations and global competitiveness.

At this stage, there are issues that remain unclear. These outstanding matters relate to the definition of how much any new rules will affect shipping. Not least is the issue of whether owners will be able to somehow ensure through the regulation, that any costs from new rules can be passed on to charterers.

The intensifying pressure around the climate agenda, means that no single regulator, no matter what their size or scope, can work in the future expecting to be given the same level of understanding and space from other regulators as they might have enjoyed in the past.

And this also serves as an important lesson for the EU — if it is interested in getting one.

The EU would like to think that its rules will eventually serve as a template for the IMO and the rest of the world.

The new regime may also serve as a precedent for other regions, such as China, the United States and others, who may feel compelled by the need to take immediate action and introduce their own emissions rules in the future, with their own particularities, diverging from global rules and from the EU.

ANALYSIS

Disagreements over approach to decarbonisation persist

SHIPPING's long-term shift away from fossil bunker fuels may be a foregone conclusion, but within the industry there remain different visions of how easy that will be and who will be the driving forces behind it.

During a panel discussion at European Shipping Week in Brussels, Torvald Klaveness chief executive Lasse Kristoffersen said claims that the shipping industry could not afford the decarbonisation transition were inaccurate, because shipowners would end up adding the additional cost of the alternative fuels to the price of the freight.

“We all know that what will happen is that we will change the fuel and it will be more expensive... We will pass back that on to the consumer anyway. We did it already,” he said.

Mr Kristoffersen, who is also the chairman of the Norwegian Shipowners Association and is one of the most outspoken executives on emissions, said shipping needed energy efficiency measures in the short term, as those would facilitate energy transition.

The International Maritime Organization is widely expected to agree to a short-term measure this year,

with technical and operational measures on the table.

Mr Kristoffersen said the IMO would also need research and development funding, as well as the creation of a zero-emissions fuels market, for which it would require a levy on carbon to make it profitable to use these zero-emissions fuels.

“If there's one thing this industry can [do], is to move towards profit. So if this becomes more profitable... it will happen,” he said.

Mr Kristoffersen also called for a complete ban on vessels using fossil fuels in 2050, suggesting the 30 years until then offered the sector an opportunity for a complete renewal of the global fleet.

Not all shipowners feel the same way, however.

Grimaldi Group managing director Emanuele Grimaldi protested at the idea of banning vessels, supporting a more “reasonable transition”.

His argument was that prohibiting ships on a specific date would prevent owners from making improvements on their current fleet, as they would

know that those ships would not be used in some years' time.

“Those vessels will become obsolete. And how do you decide they become obsolete on a certain date?” he asked.

For others, however, Mr Kristoffersen's vision is not sufficient.

Faig Abbasov, shipping director at Brussels-based non-governmental organisation Transport and Environment, argued that banning fossil fuel vessels in 2050 was too late and that decisions needed to be taken much sooner.

“The problem is now, it is here, so the action needs to be here and now as well,” he said.

Others want a greater consideration of what asking for more would really mean.

Intercargo secretary-general Kostas Gonis said that the sector was already being asked to make a massive improvement in its energy efficiency performance.

If it wanted to raise its environmental ambitions, it needed to assume the responsibilities of the cost implications.

“As far as our sector is concerned, if we disrupt our business model, you will see an inflated bill in electricity, heating, food, the basic needs that we serve,” he said.

While Mr Kristoffersen was confident shipowners would pass on the cost of zero-emissions fuels, it is unclear whether customers and consumers are as of right now willing to dig deeper into their pockets.

MSC executive vice-president for maritime policy and government affairs Bud Darr said the company's larger customers on the container side of the business often had their own policies and pressures to be more sustainable.

That put pressure on MSC to deliver, and in certain cases customers even requested auditing rights that the company might or might not grant.

“But have we seen indications they are willing to pay for that? To this point, I have to say I have not really seen that,” he said.

Like Mr Barr, CMA CGM sustainability director Guilhem Isaac Georges said the reluctance of shippers to pay for the 2020 sulphur cap surcharges on fuel indicated some unwillingness from customers to finance sustainability efforts in shipping.

However, Mr Isaac Georges pointed out that larger customers had been more willing and even proactive in sustainability efforts, with IKEA approaching the company to participate in biofuels trials that CMA CGM then conducted.

Customers were also taking an interest in the company's plan to run more vessels on biofuels this year as well as in the carbon reports that CMA CGM produces for certain of its vessels, he added.

The Swedish MEP Jytte Guteland said she did not believe the general public had changed their consumer behaviour based on wider environmental considerations thus far.

Instead, they continued to focus on the direct emissions of products they use, such as cars. But that will change, Ms Guteland believes, with attention broadening to emissions of the wider supply chain, including shipping. “Then customers will either want to pay more or not pay at all,” she said.

However, it was not clear that customer demand would actually be enough to drive the sector to decarbonise on an industry-wide scale.

Mr Abbasov said that the most important factor in decarbonisation was the reduction in the cost gap between alternative and fossil fuels.

Experience in other transport sectors indicated that voluntary action did not close that gap and it was regulation that did the job, he said.

“Consumers want clean ships, but are not willing to pay,” Mr Abbasov said.

Additionally, early adopters of alternative fuels or technologies would be taking on huge financial and technical risks, creating a collective action problem for the industry whereby no one wants to take the first jump.

“The only way to solve the collective action problem is by regulation. We need to be regulating but we need to be regulating smartly,” Mr Abbasov said, to drive decarbonisation.

MARKETS

Glimmer of hope for the bleak dry bulk market

THE dry bulk market has started the year on a sombre footing.

Although the first quarter is traditionally weak, few could have anticipated that China — and the world — would be hit by a deadly disease: coronavirus.

Although it remains uncertain how long the outbreak will last, there are concerns that demand for dry bulk materials into China may be hit, hurting the capesize sector the most.

The concerns stem from a potential drop in economic activity. According to shipbroker Howe Robinson, when the SARS epidemic hit in 2003, China's GDP fell by 2% to 9%. The crisis then lasted six months.

However, it said the Chinese government would do whatever it takes to stimulate the economy, should it feel the need.

Although the virus is not — so far — as deadly as SARS, it has the potential to be more disruptive due to supply chain and logistics interruptions, with added concerns that quarantine periods may be extended beyond the initial 14 days.

Should the epidemic not be controlled, crew changes could be difficult and loading/unloading activities may be subject to delays.

“There may be continued bumps ahead, but we take heart that as yet there has not been a collapse in commodity prices,” the brokerage said, as was the case in 2015 that led to the exceptionally negative fundamentals of 2016.

BIMCO's chief shipping analyst Peter Sand said current earnings levels were a “sight for sore eyes”.

He noted that iron ore moving to China has taken a hit, with only 38 cargoes booked for February versus 62 spot cargoes at the same time last year.

Similarly, coal imports will take a blow, he said, as extended holidays and slower industrial production reduces demand for coal-fired power generation.

In his base case scenario, whereby the virus is contained by the start of March, the impact to the dry bulk market will be short-lived, but should the outbreak linger, construction and industrial projects

will “remain slow up until mid-March, before ascending on a gradual rebound”.

In any case, improvements for dry bulk earnings in the first quarter “will come in the shape of declining bunker prices and not by demand pick-up,” he predicts.

Combined with the virus concerns, heavy rains in Brazil prompted Brazil's mining giant Vale to issue a statement announcing that it would miss its first-quarter iron ore production targets by 5m tonnes.

However, it maintained its full-year guidance at 340m to 355m tonnes, subject to operating licences being reinstated following the deadly Brumadinho tailings dam collapse in Brazil in January last year, which led to several mining complexes being forced to close.

Cyclone Damien in Western Australia, which shut key export terminals for more than 24 hours in February, and bushfires on the east coast of Australia curtailing coal operations, have added to the woes.

So bad was the market that the Baltic Capesize Index, a measure of economic activity, turned negative at the end of January, dragged down by the C16 backhaul route, which breached its threshold, forcing the Baltic Exchange to hold a review of its indices.

While the negative BCI was ascribed to a technical anomaly, it was also seen as counter-intuitive for a headline figure to sit below zero, said Cass Business School professor Nikos Nomikos.

The BCI fell to an unprecedented low of -294 points on February 14, having dropped into negative territory for the first time on January 31 at -20 points.

The C16 backhaul route sank to -\$12,800 per day, the lowest ever, which dragged the 5TC, or the average of five routes, to \$2,445 per day, the worst since March 2016.

Last year, capesizes sank to \$3,540 per day on April 3. But the market bounced back, with rates at \$38,012 per day by September 4, highlighting how volatile this sector can be.

According to the Baltic Exchange, the capesize market was “always going to be hard pressed to make any sort of revival” due to the current confluence of negative triggers.

And, while bunker volatility was causing fluctuations for vessel earnings, voyage rates were also mostly softening, with the C3 Tubarao, Brazil, to Qingdao, China, route at \$12.94 per tonne as of February 17, and the C5 Australia to China route assessed at \$5.66 per tonne. Comparative figures for the start of 2020 were at \$18.52 and at \$7.16.

Shipbroker Braemar ACM said that although the market was in a dire state at the moment, there was a silver lining in that China’s “massive drop in demand for oil has led to cheaper crude, which in turn has led to reduced bunkers, giving owners a little breathing room”.

It said in a note that the major concern for the market was China’s supply chain, which could start to falter, leading to “a very detrimental effect” on established contracts throughout the dry bulk sector.

With levels assessed below operating costs, there could be a “wholesale idling” of vessels, it added, which would help cap further moves down.

Although this year was likely to see higher fleet growth than demand growth, Howe Robinson expects better market conditions from the second half of the year.

More US LNG cargoes cancelled as spot prices tank

SPANISH utility Naturgy has cancelled two US liquefied natural gas cargoes due to be loaded in April and May, according to reports.

Montel reported, citing unnamed sources, that Naturgy’s clients Endesa and Repsol are now eyeing cheaper spot purchases and have decided not to take in these cargoes contracted from Cheniere Energy’s Corpus Christi terminal.

Prices for LNG spot cargoes are trending at record lows in Europe and Asia as more export projects come online following months of lacklustre winter demand.

This cancellation came three months after Singapore-based Pavilion Energy cancelled the loading of an LNG cargo from the US last November.

It expects a net increase of 3.4% in supply of vessels versus a 2.3% gain on the demand side, excluding Chinese coastal coal trades.

A few bright spots are dotted against the bleak backdrop, with continued strength in bauxite trades, especially from Guinea in West Africa to China, aiding tonne-miles on bigger vessels, combined with coal import increases from Asian countries such as Vietnam and India, which is helping the smaller sizes.

In terms of iron ore, trade should pick up by 1.2%, after a similar contraction last year, according to Howe Robinson estimates, despite a rising share of scrap metal being used in arc furnaces in China instead of imported iron ore and coking coal in blast furnaces.

Grains may also just save the day, with strong projections for cargoes moving from the east coast of South America. That would mainly help panamax vessels.

While there are still many unknowns, it is fair to say that smaller sizes are winning the day as the first quarter passes the midway mark, providing steady revenues for owners and operators.

Capesize and panamax owners exposed to the spot market on the other hand, may be hoping for better days to return.

At least two Japanese buyers are considering cancelling cargoes from the US they had expected to load before summer, Bloomberg reported.

Shell’s latest annual LNG outlook suggested that Europe’s floating storage has been filled to the brim with cargoes diverted from Asia in this year’s relatively warmer winter season.

Shell’s latest annual LNG outlook suggested that competitively-priced LNG has spurred coal-to-gas switching in Europe’s power sector.

But with at least two new multi-train projects ramping up and adding to a large developing supply glut in the LNG market, one analyst questioned whether Europe has enough spare gas-fired power generation capacity to absorb further cargoes.

Japan and South Korea are struggling to overcome the constraint of limits imposed by domestic storage capacities on their ability to take advantage of cheaper spot buys.

BloombergNEF suggested that exporters of US LNG could be forced to keep gas at home in the next seven months, given that the profit margins of delivering cargoes to Europe and Asia are thin at current forward prices for gas supplies in the US and Europe.

IN OTHER NEWS

Black carbon study criticised at IMO

DEMANDS for the International Maritime Organization to ban certain blends of very low sulphur fuel oil on the grounds that such fuel worsened black carbon pollution have been criticised by opposing quarters.

Claims by environmentalists that some VLSFO blends emitted more black carbon than heavy fuel oil were aired at the IMO's pollution subcommittee last week.

The Clean Shipping Coalition, Friends of the Earth International, Pacific Environment and the WWF were among groups to have had cited a study, submitted by Germany and Finland, which found that some VLSFO blends emitted more black carbon than heavy fuel oil because of their high aromatic content.

Brazilian consultant to SembMarine jailed in bribery and money laundering case

A CONSULTANT linked to Sembcorp Marine's Brazilian unit has been convicted in Brazil on charges of corruption, money laundering and participation in a criminal organisation. He has been sentenced to 19 years and four months in prison and also fined.

In a stock market announcement, SembMarine added that further charges against the consultant Guilherme Esteves de Jesus have been filed by Brazilian federal prosecutors. Proceedings in relation to this matter are ongoing.

Among other things, the charges allege that Mr de Jesus made certain payments in connection with contracts entered into in Brazil by certain subsidiaries of SembMarine. Throughout all of this, Mr de Jesus has defended the criminal charges placed against him, SembMarine added.

China Merchants Port raises \$100m from virus-control bonds

CHINA Merchants Port Group has joined the moves by many domestic Chinese companies to issue cheap bonds that are being used to relieve some of the coronavirus-led financial pressure.

The Shenzhen-listed firm, whose business covers 38 ports in China and abroad, has issued Yuan700m (\$99.5m) of the so-called "virus control bond" on Monday with a maturity of 266 days, according to an exchange filing.

The proceeds will be used to pay debts and replenish the company's working capital in relation to anti-virus measures, the filing added.

Clarksons gains foothold in Spain

CLARKSONS, the largest shipping broker, has bought a Spanish outfit that focuses its activities in the bulk chemicals and gas markets.

The London-based company said it acquired 100% of the issued share capital of Martankers, which is based in Madrid.

"We believe this accretive acquisition will provide an

established opening for Clarksons in Spain and brings enhanced growth opportunities," said chief executive Andi Case. "It will help us gain share in the bulk chemicals and gas markets, strengthening our global market leading position."

Coronavirus: Container truck drivers returning to Ningbo port

CONTAINER truck drivers are quickly returning to Ningbo, home to the world's third-busiest box port, following policy support to help unclog the port traffic amid the fallout from coronavirus.

The number of drivers back in position has topped 7,300 as of February 22, up from about 1,700 a week ago, according to a release by the Ningbo government. The city has 21,000 container trucks with 25,000 drivers under its registration.

Daily pickups had also reached more than 3,000 boxes, compared with just 600 "during the initial stage" after the port resumed work on February 10 from the extended Chinese New Year holidays, the release added.

POSH wins major Petronas towage contract

OFFSHORE marine services provider PACC Offshore Services Holdings has secured two towage and positioning contracts to support Malaysian national oil company Petronas' second floating liquefied natural gas unit PFLNG Dua.

POSH will deploy a total of four vessels for the job. The first

contract will see two POSH 16,300 bhp vessels undertaking a tow of the PFLNG Dua from the Samsung Heavy Industries yard in Geoje, South Korea to the Rotan Gas Field offshore Sabah where it will be deployed. A third 16,000 bhp vessel will also be escorting the floating unit en route.

Both charters are expected to be completed in early April. POSH is also overseeing the overall project management for the transportation and station-positioning leg of the project. No financial details were disclosed.

StealthGas acquires gas carriers in new joint venture

STEALTHGAS has grown its presence in the medium gas

carrier segment through the acquisition of three vessels under a new joint-venture agreement.

The acquisition entails 2010-built 35,000 cu m carriers for a total of \$80m, the Greece-based company said in a statement.

"In terms of our new projects, in an initiative to expand further across the liquefied petroleum gas sector and accretively invest our cash-on-hand, while sharing the operational risk, we took the strategic decision to form a second joint venture agreement with an unaffiliated third party to jointly acquire" the three vessels, chairman Michael Jolliffe said.

Wilhelm Wilhelmsen dies, aged 82
THE fourth-generation family

owner of the Wilhelmsen group, Wilhelm Wilhelmsen, has passed away aged 82.

Joining the maritime industry group – established by his great grandfather in Tønsberg, Norway, in 1861 – at a very young age and held many positions in the company. He formally joined as partner in 1964 before becoming chairman in 1992.

With his extensive network and business relationships in Norway and internationally, he was instrumental in developing the Wilhelmsen group over the past nearly 60 years from a traditional liner company with trades all over the world to one of the largest maritime industry groups, with offices in more than 70 countries.

Classified notices follow



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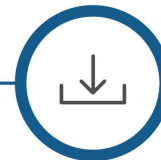
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