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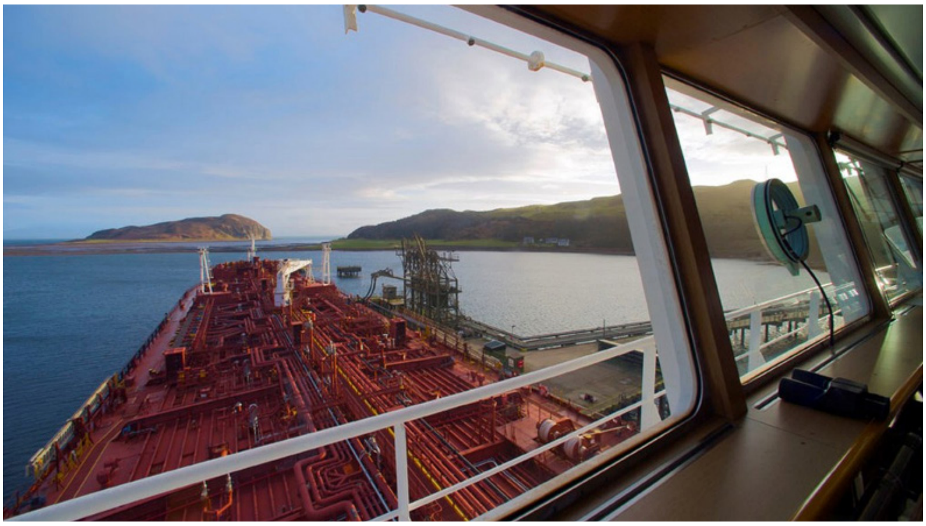
Tankers monopolise waning Greek newbuild interest



A FLURRY OF interest in tanker newbuildings has broken a near-drought of new Greek orders in recent weeks.

While the outbreak of the coronavirus pandemic and ensuing economic disruption has rung alarm bells with investors in all sectors, the Greek orderbook was already hovering around its lowest level for many years.

The latest uptick in shipbuilding activity began in early May with a widely-reported contract inked by CM Lemos for two firm suezmaxes at Hyundai Heavy Industries for delivery in early 2022. The vessels will be fitted with exhaust gas cleaning systems and the contract is said to provide options for two additional vessels.

CM Lemos' fleet, run by Nereus Shipping in Greece, already includes a quartet of suezmaxes built at Hyundai Samho in 2016-17 and another four suezmaxes delivered last year from Japan Marine United.

Another long-established blue-chip Greek name, Neda Maritime, is said by well-placed sources to be poised to order up to two long range two product tankers at another Korean yard, Daehan Shipbuilding.

The project is understood to be the subject of a letter of intent for one firm vessel and one option.

A second project for 115,00 dwt tankers at Daehan has been linked to Pleiades Shipping Agents but, although reported by some brokers, it is unclear yet if a deal has been agreed.

Lloyd's List has contacted all three owners for confirmation.

According to research by Greek shipbroking house Allied Shipbroking, prior to the beginning of May the world's largest shipowning community had signed deals with shipbuilders for a mere 10 vessels in 2020, all of them tankers.

Take away two very large crude carriers and five suezmaxes ordered at two Chinese yards by one Greek owner, Dynacom, and that leaves just three vessels.

Allied researchers identified the other orders as a pair of LR2 vessels ordered in China by Chartworld Shipping and the exercise of a medium range two tanker option by Restis-controlled Golden Energy Management at STX Offshore.

While the start to 2020 is widely seen as the slowest for newbuildings in a decade and the world orderbook is at its lowest ebb for many years, contracting by Greeks seems more modest still.

The 10 Greek tanker newbuildings were among a total of 224 vessels counted by Allied as having been ordered during the first four months of the year.

These included 42 bulk carriers — the other strength of Greek owners — that were chiefly ordered by Far Eastern owners.

Another Greek broking house, Golden Destiny, noted a solitary Greek order in the month of April.

A third broker, Cass Technava, that has been responsible for about 15% of Greek newbuilding contracts in recent years, agreed with Allied's 10-order tally but disputed one of the names.

It claims that the Golden Energy option was exercised in late 2019, but substitutes this with Evalend Shipping's fifth VLCC order at HHI that, according to Cass Technava, was firmed up early this year.

While maintaining a reliably large share of world shipping capacity, especially in the crude oil tanker and dry bulk sectors, Greek owners appear to have become more circumspect than some of their rivals about adding to the order book.

An annual study of the Greek-owned fleet commissioned by the Greek Shipping Co-operation Committee recently showed a total of 158 vessels of various types, but mainly tankers and gas carriers, on order.

This compared with 200 in 2018 and 826 a decade ago.

While orderbooks worldwide have shrunk in response to market crises, the current Greek order book equates to just 4% of the existing fleet by number of ships and 5.7% by capacity.

For the sake of comparison, total world orders represent 6.8% of the world fleet on the water in terms of number, and 8.9% in terms of dwt.

As recently as 2015, vessels under construction for Greek owners ran to a double-digit percentage of the fleet already in service.

"A combination of factors has compromised Greek owners' appetite for newbuilding," said Cass Technava director Fedon Tomazos.

"For dry bulk particularly, apart from escalating fatigue from the prolonged low markets, there is a feeling that secondhand prices reflect the distressed reality better than newbuilding prices ,which are still cost-driven," he said.

Meanwhile, tanker orders were also being kept low by Greeks' "caution" and "ambivalence towards bunkering technology", according to Mr Tomazos.

While newbuilding action currently seems restricted to tankers and to a small circle of owners, that should not be confused with a blanket reluctance to invest in shipping.

Greek owners have shown interest in resales, which do not add to vessel supply, such as the Daewoo Shipbuilding & Marine Engineering VLCC newbuilding recently acquired by Thenamaris for a price, Lloyd's List understands, of $92m.

Greek owners, too, once again are topping the year-to-date league table for secondhand sales and purchase activity.

According to Allied, Greek owners purchased 51 vessels out of 349 that changed hands in the first four months.

That put them ahead of all-comers including Chinese owners in second place with 43 acquisitions.

Although Chinese acquisitions saw nearly $1.4bn in capital invested, that amount is inflated by a couple of recent cruise ship purchases.

Allied's data shows that Greeks spent $224m on 16 bulkers, to $165m invested in 23 Chinese bulker acquisitions.

In the tanker sector, Greeks spent $561m on 25 vessels, with Norwegian owners acquiring six tankers for about $179m, enough to rank them second so far this year.

Coronavirus is said by brokers to have scuppered a couple of potential Greek containership-building projects and will no doubt further complicate new ordering as well as secondhand transactions.

But a stronger seam of scepticism than before already seems to have made many Greeks think twice before penning newbuilding orders, especially in the dry bulk market.

Said one broker: "With the exception of four newcastlemaxes ordered by Maran [Angelicoussis] in 2017, Greeks have not ordered even one capesize since 2015. Think about that!"

WHAT TO WATCH

Shipping sanctions ambiguity to extend beyond US election

THE international maritime industry will remain in the crosshairs of US sanctions enforcement no matter who wins the presidential election in November, according to New York-based shipping attorneys from Seward & Kissel.

Over the past 18 months, the US administration's 'maximum pressure' campaigns against Iran and Venezuela have translated into unilateral sanctions that prevent or hinder international trading and transport of energy commodities from both countries.

The Trump administration released long-awaited global industry guidance last week that detailed best practices to detect deceptive shipping, and recommending audited compliance programs that heavily focused on the use of vessel-tracking technology and information-sharing.

Developed with the US Coast Guard and Department of State, the Office of Foreign Assets Control measures target marine insurers, shipowners, charterers, flag registries, classification societies and banks.

"The shipping industry for a long time has been in the crosshairs of OFAC and enforcement over the years has waxed and waned with different administrations and different political circumstances," said Bruce Paulsen, from US law firm Seward and Kissel.

The guidance helpfully 'freshens' up existing recommendations and collates them in once place but there is little new outlined, according to the maritime lawyer. The nuance and ambiguity in the advisory was unsurprising he said.

"OFAC's stock in trade is ambiguity and it's not the only agency, but it is an agency especially well known for its guidance, its Frequently Asked Questions, its regulations and sometimes even the underlying legislation to be drafted in a way that's capable of broad interpretation," he told Lloyd's List.

"That keeps people on their toes. With OFAC it's often not clear and when it's not clear the best advice is don't do it."

Caution is the watchword, Mr Paulsen said.

"We tell this to all our clients until we're blue in the face that, one, because of the ambiguity, and two, because of the way the political winds blow, you should take a risk-based approach to anything that touches on international sanctions and analyse the risk and take a conscious decision. The political winds can blow in a different direction tomorrow."

Even if Joe Biden was elected, the US was unlikely to return to the nuclear accord signed with Iran and European and Asian countries in 2015, he said. The US withdrew from the accord in 2018 and then placed fresh sanctions on Iran's sector.

Iranian crude exports have collapsed since then, with so-called secondary sanctions preventing the global tanker fleet from shipping that country's crude or energy commodities. That's created a network of subterfuge shipments via ship-to-ship transfers while vessel-tracking technology is turned off.

Venezuela is not subject to secondary sanctions, although some tanker charterers will decline to use a vessel if it has called in the region recently, as part of their own risk-mitigation efforts.

The effectiveness of sanctions against Venezuela is now being tested as five Iranian-owned product tankers traverse the Atlantic with gasoline cargoes for the beleaguered Maduro regime.

US sanctions prohibits US people from doing business with the government of Venezuela and its national companies which extends to the petroleum sector and therefore shipping and do not wield the same expansiveness as secondary sanctions on Iran.

Iran is not only selling the cargoes to Venezuela but news reports suggest that government officials are offering support to the moribund and failing oil production and refining sector, struggling after years of underinvestment.

Tanker stocks downgraded as oil market rallies

CLEAVES Securities has downgraded listed tanker companies to 'sell' from its prior 'hold' recommendation, citing the crude market rebalancing sooner than expected, falling demand for seaborne transport and the deteriorating contango oil futures structure.

"After a period of incredible earnings, oil tanker spot rates have now collapsed from the peaks of March and April," the Norwegian investment bank said in an update on May 20.

"We remain pessimistic towards the second half of 2020 and beyond and now transition to trough pricing of the oil tanker segment. As we think the new reality will inevitably dawn on investors, we further downgrade the segment."

Cleaves placed a 'hold' recommendation on stocks it covered on April 13. The bank covers most of the major listed tanker owners including Euronav, Teekay Tankers and Frontline.

All three companies have posted record or near-record earnings over the first quarter, as an oil price war, followed by higher demand for floating storage propelled spot earnings for crude and product tankers to stratospheric levels.

Teekay Tankers, which operates a fleet of mostly aframax and suezmax vessels, was the latest to report, with net income of $106.8m for the first three months of the year.

Earlier this week, Frontline reported $165m in first-quarter profits. Euronav, with a fleet of very large crude carriers revealed profits of $225m earlier this month.

"The oil market is rebalancing even sooner than we had expected, with the deteriorating contango in the oil price futures curve by and large removing floating storage as an option over the course of only one month," the report by analyst Joakim Hannisdahl said.

"The new reality is a large fall in demand for oil transportation with the upcoming inventory destocking cycle adding to shipowners' woes."

Tankers deployed on floating storage likely peaked at about 234.8m barrels earlier in May, as discharge delays at ports and land-based storage shortfalls that kept vessels idle is now seen easing.

Assessments of daily earnings on key routes for crude and product seaborne transport have dramatically plunged over the past month.

Medium range tankers plying transatlantic trades earned a record $87,500 daily on April 23 at the height of coronavirus-related disruptions. Earnings on this route have since dropped for the following 18 consecutive days, to $16,000 daily, according to the Baltic Exchange.

"The only thing saving oil tankers from potentially the worst down-cycle in many decades is the lowest orderbook since 1996," the report said.

"We expect that a strong rebound in oil tanker demand in 2023 against a very low fleet growth could push earnings into super-cycle territory."

OPINION

Yard Talk | A bet on a nation's fortune

FOR many years, Japanese shipowners have been the most loyal customers to compatriot shipyards and have carried them through numerous downturns. In the current slump, such countrymen's affection and ties seems to be a pattern picked up by their Chinese counterparts and it is exaggerated by state power, *writes Cichen Shen.*

For the first four months of 2020, Chinese shipbuilders won orders for 99 vessels, of which 62 were ordered by domestic owners, according to Clarksons' data.

This is a level that been rarely reached in the past and it comes against a few interesting backdrops.

The merger between China State Shipbuilding Corp and China Industry Shipbuilding Corp has brought the enlarged company — the new CSSC — bigger influence in The State-owned Assets Supervision and Administration Commission of the State Council, which oversees the country's state-owned enterprises, said a senior yard executive familiar with the matter.

The heavier weight will secure more support, when necessary, from state-owned shipowners, including large Chinese leasing houses.

In fact, these lessors contracted half of the above-mentioned 62 newbuildings. Among the headlines are 12 dual-fuel, long-range two tankers placed by Bocomm Financial Leasing linked to charters from Shell, as well as eight newcastlemax dry bulkers by CDB Financial Leasing supported by charters from RWE. Most of these orders are placed at CSSC's subsidiary yards.

Several years ago, leasing arms of large state-owned Chinese banks were under government pressure to shun newbuilding projects at foreign yards after complaints from the former CSSC and CSIC. Now, the leasing funds are only expected to be more inclined to back the new CSSC with its growing sway.

Also, bear in mind that a string of state-backed investors since 2018 have poured about $5.6bn altogether in the form of debt-to-equity swaps to rescue the financially distressed yards of CSSC and CSIC before their merger. They will make sure that their investment gets paid back.

Of course, the traditional state shipping giants are not absent from this ordering binge. China Merchants just ordered two eco-designed very large crude carriers at CSSC's Dalian Shipbuilding Industry Co. Cosco Shipping lavished nearly $780m for five supersized 23,000 teu containerships at its affiliated yard.

And their gas shipping joint venture, China LNG, is now bidding for Qatar Petroleum's $3bn newbuilding project for up to 16 large liquefied natural gas carriers at Hudong-Zhonghua Shipbuilding, another CSSC yard.

The upcoming orders are backed by the energy giant's charters. But, in essence, they are backed by China's purchasing power of the supercooled fuel.

The strength and interests of the state has sent yards in China, especially the state-owned majors, far ahead in the order-winning game when pitted against their rivals in South Korea and Japan.

The trend is likely to continue to keep the Chinese builders afloat amid the double whammy of the coronavirus backdrop and the decarbonisation uncertainty. They will need to hold on until the next shipbuilding boom, which will be driven by the maturity of carbon-free fuel.

But what are the risks on the flip side of this strategic orchestration that is showing the trappings of success?

For the leasing lenders in China — as Bill Guo, executive director of shipping at ICBC Financial Leasing, has described — they are acting increasingly as real shipowners as they order new vessels on their own. Yet the charters to back those orders are getting shorter nowadays, enough to cover just one third of the ship's life cycle in many cases.

This means the lessor will be more exposed to assets' residual value at the time when the global trade paradigm appears to be shifting its direction.

After all, the future earnings and value of most of these newbuildings will arguably still rely on how well China can maintain its "world factory" position and the corresponding appetite for commodity trade.

In this regard, the ordering is not only an investment in the future of Chinese shipbuilding, but also part of a bet on the nation's fortune.

P&I club correspondents on frontline as sector navigates pandemic

THERE have been various ways in which the coronavirus backdrop has affected the maritime industry, one of the most significant being the international travel bans that have been put in place by governments across the world, *writes Rebecca Hamra of The Standard Club.*

Media attention has centred on how the restrictions affect the ability for cruiseships to disembark passengers and crew. Equally important is the fact that these restrictions have left crew members on all types of ships stranded at sea and those who service them unable to board.

The inability to send crew replacements, surveyors and other casualty responders from international locations presents difficulties for marine risk managers and insurance providers.

Fortunately, protection and indemnity clubs that are part of the International Group of P&I Clubs — which provides P&I liability cover for 90% of the world's ocean-¬going tonnage — have long recognised the need to maintain competent representatives in almost all ports worldwide. This person is often referred to as the "club correspondent".

Thanks to this network, International Group clubs continue to support their members by providing on-the-ground assistance and a physical presence to assist with any marine incident or casualty that may arise.

Almost since their inception, the International Group member clubs have built up an international network of correspondents.

The first record of a club correspondent being appointed was in 1875; today, there are close to 1,400 correspondents worldwide. A listing of club correspondents can be found on each club's website, arranged by country and port.

There are a variety of different types of individuals who serve as a club correspondent. This includes local maritime lawyers, specialist P&I club representatives, ship agents and surveyors. The relationship between the club and correspondent is, typically, long-standing. Correspondents often visit the club's headquarters and regional offices to maintain connections with claims handlers.

The International Group provides additional support for these relationships through the International Group correspondent sub-committee. Correspondents also have access to the International Group's P&I Qualification programme, which provides high-quality, targeted training in all aspects of P&I for those working with the clubs.

Although the relationship is managed by the club, the main function of a P&I correspondent is to protect the interest of the club's member. There is no legal or agency relationship between the club and correspondent.

The correspondent can be contacted at all hours of the day and night to attend the member's ships. The correspondent is expected to give guidance on local procedures to be followed after an incident to reduce the member's potential liability and to help save costs.

Correspondents also provide regular updates about the status of the ports and local conditions. They arrange surveys, assist with the release of the ship under arrest and, on occasion, provide security on behalf of the club/member. They are often relied upon to advise on the defence of claims and arrange local legal representation and advice.

Of particular importance at this time, club correspondents play a vital role in the repatriation of crew members and arranging medical assistance for those in need. This is often done in tandem with the member's local agent but is especially valuable if the member has deviated for emergency medical repatriation and has no local agent to assist.

Another service the correspondent provides is facilitating the repatriation of a crew member's remains to their home country after a death on the ship or in port.

Another crucial function of the club correspondent is their local knowledge of regulations.

In the early days of the lockdown, local regulations changed frequently and made it difficult for shipowners to stay abreast of requirements to enter port waters. To assist the member, the clubs have used their global team of correspondents to publish local port regulations and advice on the club's website.

Additionally, earlier this month, the International Group launched its online digital dashboard to deliver up-to-date coronavirus information. This dashboard includes information for ports worldwide. It is sourced from the entire network of club correspondents and is now accessible in one location.

The international network of P&I club correspondents illustrates the ability of P&I clubs to maintain a standard level of service despite the restrictions that have occurred due to the health crisis.

There is a saying that no International Group club could operate without the correspondent network. Indeed, they are front-line workers for the marine insurance industry, providing an essential service to shipowners and the club.

Remote pilotage should be a last resort even in a health crisis

A GROWING number of ports are enforcing remote pilotage on ships that arrive from countries where there is a high risk of coronavirus infections or where crew members from high risk countries have joined the ship recently, *writes John Dolan, head of the Standard Club's loss prevention division in the UK.*

Standard Club's advice remains for the procedure to be performed only when it is a mandatory requirement according to port regulations. It should not be undertaken in any other circumstances unless there is an emergency or compelling need for the safety of the ship or crew members.

The practice has been used for many years, particularly in northwest European ports, when adverse weather conditions outside of specific ports prevent the efficient movement of shipping over a sustained period.

Given the potential shortage of key port staff during this pandemic, Standard Club has received several enquiries in recent weeks from members seeking guidance relating to remote pilotage.

The club's loss prevention team have consulted several senior pilots to assess the situation and examine the risks masters and bridge teams may encounter when remote pilotage is required.

Remote piloting allows qualified pilots, situated on land or on a pilot boat, to guide the vessel remotely. Experienced Vessel Traffic Service personnel, seated at their screens in the control centre ashore, may also provide instructions to the master.

During remote pilotage, the pilots do not have direct access to data from the ship's navigational equipment. They need to rely on information from their own tracking device or on the vessel's information being relayed by the bridge team over the very high frequency or other means of communication.

Indeed, technology, ashore and afloat, has evolved and improved greatly in recent years and communication, radar systems, Ecdis and Global Navigation Satellite systems can now provide real time information to the users, reliably and accurately. However, some concerns must not be overlooked.

Experienced pilots have advised us that despite the improved technology and navigation systems, they still malfunction, occasionally in a manner that is not detected by the bridge team in time to prevent a casualty.

There are also concerns relating to inconsistent performance standards of the bridge teams, language barriers causing communication challenges among cosmopolitan crew and shore personnel.

Just as critical are concerns that VTS personnel ashore often lack experience and the necessary 'feel' for the ship.

These fears among experienced pilots are often dismissed by VTS operators and the providers of sophisticated and technically advanced hardware as traditionalists' biases. This assumption is wrong and, in the club's view, elevates the risk of serious errors.

The pilotage should be limited to taking the ship from the port's usual pilot boarding position to the customary anchorage where vessels wait for their berths. We would not recommend remote pilotage for berthing or unberthing nor connecting tugs during the transit.

Our caution arises from our practical shipboard experience, P&I claims records, and from consulting with pilots who advise that remote pilotage will always lead to less efficient control of the ship.

This is principally due to a lag in communication between the ship and the remote pilot who is monitoring and guiding the master.

Additionally, masters should always be aware of the risk that the advisor ashore may not be a qualified and experienced pilot.

That individual may have satisfied the competency requirements to be a VTS operator but may lack the detailed knowledge of the ship and its handling characteristics. This presents an elevated risk which the master must always be alert to.

This pandemic presents a major challenge to the global shipping industry. Marine insurers, especially Standard Club, are aware that social distancing is necessary for the protection of both the pilots and crew during port calls.

We are also aware of the need to keep ships operational and cargoes moving, so remote pilotage could be considered appropriate when there are elevated risks of cross-infection.

As experienced mariners, we understand the challenges associated with remote pilotage on rare occasions.

We would recommend that the operation is only conducted when it is enforced by port regulations or in extreme emergency situations. Even then, we would limit the passage to the period between the pilot station and the customary anchorage for the port.

We would not recommend remote pilotage when the ship is berthing or unberthing. These operations require the presence and advice of an experienced pilot who has extensive local knowledge and who is usually assisted by port tugs.

Finally, Standard Club's extensive network of correspondents globally is a resource that members should not hesitate to use if there are particular concerns or practices in specific ports that members wish to clarify.

ANALYSIS

James Sherwood, containerisation pioneer and entrepreneur, dies at 86

JAMES Sherwood, one of the early pioneers of containerisation who founded Sea Containers and revived the Orient-Express, has died. He was 86.

Although best known outside the maritime world for his flamboyant lifestyle as he built up a portfolio of interests in luxury brands that included the Cipriani hotel in Venice, Orient Express group, and Harry's Bar in London's Mayfair, Mr Sherwood's most far-sighted venture was in the decidedly unglamorous field of container leasing.

The American-born Anglophile founded Sea Containers in 1965 when container shipping was in its infancy.

He went on to establish a diverse and eclectic business empire that ranged from plantations, vineyards, and real estate, to the Corinth Canal, Illustrated London News, rail franchises, and chains of hotels, as well as containerships, ports, and cross-Channel ferry services. Container leasing, however, remained the core activity.

"Jim is now in the pantheon of global containerisation pioneers," said Richard Lidinsky, former Federal Maritime Commission chairman, who worked for Sea Containers for 20 years as vice-president responsible for governmental affairs.

Maurice Storey, honorary chairman of Evergreen Marine (UK), joined Sea Containers in 1976 to run Sea Containers' ship operations division,. He described Mr Sherwood as "one of the most charismatic personalities" in the industry.

"He was a hard task-master but full of brilliant ideas and a great guy to work for," he recalls.

Sea Containers initially built up a fleet of small containerships ranging in size from 119 teu to 1,500 teu that were chartered out to lines such as Maersk and ScanDutch. It eventually owned 49 containerships, mostly ordered from new although three were secondhand.

Mr Sherwood bought the Sealink ferry operation in 1984 from British Rail, and also acquired through that deal several UK ports including Harwich, Folkestone and Newhaven, plus more on the west coast.

Stena Line later acquired a 5% stake in the Sea Containers' ferries and ports business, but wanted full control. Mr Sherwood and Stena's chief executive Dan Sten Olsson ended up in a hostile takeover battle that the Swedish group eventually won in 1990, leaving Sea Containers with just a single port.

Sea Containers also ran hovercraft operations between Britain and France for several years.

Mr Sherwood's interest in containerisation dated back to when he worked for US Lines and met the man credited as the founder of container shipping, Malcom McLean. The two remained friends as they went on to change the course of shipping.

Mr Lidinsky described his former boss was "a visionary" who recognised that a shipping container was more than a simple metal box, with many different types and sizes needed as more cargo was containerised.

"So as Malcom McLean became known as the father of containerisation, James Sherwood achieved the title of father of container leasing," says Mr Lidinsky.

The conglomerate filed for Chapter 11 protection from bankruptcy in 2006 and was subsequently dismantled under the weight of ballooning debts.

However, its London-headquarters on the south bank of the River Thames retains the name Sea Containers House.

In recent years it has been converted into a hotel by members of a powerful shipping family, so retaining its maritime links. The panoramic view across London from Mr Sherwood's top floor office suite was said to be the envy of his shipowner clients.

Sea Containers' box leasing business subsequently teamed up with General Electric to become GE Seaco, and is now branded Seaco under Chinese ownership.

BIMCO secretary-general Angus Frew, who joined Sea Containers in 2002 and subsequently was promoted to senior vice-president of Sea Containers' container division, and then president and chief executive of GE SeaCo, recalls that there was no project too big for Mr Sherwood.

"He had an incredible eye for the detail and a strong point of view — we had a long written dialogue on Brazilian tax and how it affected our domestic container fleet — quite frankly he knew much more on the subject that I did," says Mr Frew, who is a chartered accountant.

"He would joust with the best if he felt they weren't paying a fair rental for his containers — for instance, there were often heated discussions between Jim and [CMA CGM's] Jacques Saadé on the subject. "

Frequently described as a bon viveur, and for many years one of the most colourful personalities in shipping, he commissioned James Sherwood's Discriminating Guide to London back in the 1970s which listed the best places to dine and shop in the capital, which had become his adopted home.

Just recently, a new edition was published, by a food critic who coincidentally shared the same name.

James Sherwood, who never lost his interest in fine dining, wrote the foreword to this edition, recalling that when he first arrived in London from Paris, there had been no restaurant guide for the discerning customer comparable to those in France.

"But it all began with his spark of imagination beyond that basic 20 ft box," says Mr Lidinsky. "And like all great entrepreneurs, Jim grew the company in many directions over the years — but the box was the keystone of all future pursuits and the pride of his vast, varied empire."

Mr Sherwood passed away in London on May 18.

IN OTHER NEWS

Brightoil settles with creditors

PRIVATELY run Brightoil Petroleum has announced it has reached settlement with most of its creditors.

The latest agreement was signed with Petrolimex Singapore, the subsidiary of Vietnam National Petroleum Group. This was in relation to more than $30m of debts, according to a company release.

The resolution will lift Hong Kong-listed, China-based

Brightoil's founder and former chairman Sit Kwong Lam out of bankruptcy, it added.

HHI wins $178m twin VLCC order

SHIPYARDS are continuing to reap the benefits of interest in tanker newbuildings, with Hyundai Heavy Industries sealing a deal worth Won220bn ($178m) to build two very large crude carriers for unnamed European companies.

The 300,000 dwt vessels will be delivered by the first half of 2022, the group said in an exchange filing.

Earlier in May, Hyundai won a contract worth Won149bn to build two 158,000-tonne crude oil carriers. The suezmax tankers were also ordered by an undisclosed European owner. The group has secured new orders of $1.4bn for the year to date.

MOL joins project to launch first zero-emission electric tanker

MITSUI OSK Lines has built on its electric-powered vessels tie-up with three other Japanese companies — Asahi Tanker, Mitsubishi Corporation and Exeno Yamamizu Corp — to expand into a wider group with more broad-ranging objectives of establishing new ocean shipping infrastructure services.

MOL has established the e5 Consortium together with another three companies — Idemitsu Kosan, Tokio Marine & Nichido Fire Insurance and Tokyo Electric Power Company — with the goal of establishing new ocean shipping infrastructure services through various initiatives to develop, realise, and commercialise zero-emission electric vessels.

MOL, Asahi Tanker, Mitsubishi Corporation and Exeno Yamamizu Corp initially set up e5 Lab Inc in August 2019 with the aim of building the world's first zero-emissions tanker.

Ports call for continued UK government support

THE UK government is being urged to continue its medium-term business support for shipping and scale up the country's infrastructure ambitions as part of its plans for the economic recovery that will be needed following the coronavirus pandemic.

The British Ports Association has published a recovery plan highlighting the policies it said would create opportunity at ports and protect and promote sustainable growth in the sector.

"The coronavirus crisis has been unprecedented in both the speed at which it has hit and the depth," said BPA chief executive Richard Ballantyne. "Many ports have seen significant drops in volumes in activity which were impossible to predict and the impact is likely to be felt over the medium term as the health crisis eases but the economic impact bites."

New UK terminal completes trial ahead of opening

THE UK's newest ferry terminal will open next week following the completion of successful ship trials at the Tilbury2 facility on the Thames.

A full test of the terminal's facilities was undertaken by two of P&O's chartered freight ferries, *Bore Song* and *Norstream*, to ensure systems were fully operational ahead of the commercial opening.

Tilbury2, which is run by Forth Ports, will become the largest unaccompanied freight ro-ro terminal in the country.

Ports must push for recognition of vital role in supply chain

EUROPEAN ports must take advantage of the role they have played during the coronavirus pandemic to push for support in the difficult months that will follow, according to the European Sea Ports Organisation.

Coronavirus has presented an unprecedented crisis for ports, but they had developed strategies and contingency plans that had allowed them to remain operational during the peak of the crisis, even in the hardest hit countries such as Italy and Spain, said the organisation's secretary-general Isabelle Ryckbost.

"This is something that has been recognised from the policy side," she said. "It also benefits the maritime sector, seeing the critical role of ports in the supply chain."

Classified notices follow