Lloyd's List
Maritime intelligence | informa

Daily Briefing
Leading maritime commerce since 1734

LEAD STORY:
Summit to address crew change crisis faces calls for action

WHAT TO WATCH:
Hong Kong tightens crew change policy as infections rise

Hafnia seeks dialogue after Ardmore rejects 'takeunder'

West of England says diversification strategy is 'all for now'

OPINION:
EU emissions reforms leave much still to play for

ANALYSIS:
Tanker gloom forecast for 2021 as dry bulk booms

World boxship fleet update: A long road to rebalancing

Japan's sustainable future: Born in Tokyo, raised globally

MARKETS:
Panamaxes enjoy gains as capesize cargoes are split

Cruise lines delay new deliveries and plan for post-pandemic passenger safety

IN OTHER NEWS:
China Navigation hives off dry bulk division into separate business

MSC refutes carbon ranking claims

Dalian port to take over rival Yingkou in a $2.4bn share swap

CMA CGM tightens rules for shipping protected species

Summit to address crew change crisis faces calls for action

CALLS TO GET crew repatriated have intensified ahead of a global summit to try to break the deadlock over a crisis threatening the health and wellbeing of tens of thousands of seafarers.

The summit, called by the UK government, has been called for today, July 9, after lockdowns and restrictions as a result of the coronavirus outbreak left seafarers either stranded at sea or stuck at home waiting to join ships.

Led by UK Maritime Minister Kelly Tolhurst, the summit will take place virtually and has been described by the Department for Transport as an opportunity "to reflect on the impact of the pandemic on the global shipping industry, and what governments and industry must do to protect the welfare of crew workers around the world."

Less than one third of crew have so far been repatriated because slow adoption of industry protocols by governments has taken place.

The roadmap, developed by several organisations in May, was designed to help minimise the risk of coronavirus infections.

North P&I club, a leading International Group insurer, urged maritime stakeholders to establish "an international action plan" to solve the issue.

About 200,000 seafarers have been caught up in delays to crew changes, due to travel and border restrictions, said the club's chief

executive Paul Jennings, adding that medical attention ashore has also been denied.

"Stopgap contract extensions have been further prolonged, with seafarers trapped on board for months in a stressful limbo, despite many having had no contact with coronavirus and posing no risk," he said.

"Recent weeks have seen welcome action, especially as air routes have opened up, and certainly IG club correspondents have been working tirelessly at the sharp end to get things moving," he said. "However, this is not simply about logistics and good will."

"Crew changes continue to be hindered by quarantining, visa issues and bureaucracy, and only governments have the power to ensure that different authorities act with common purpose. It is vital that port authorities and national governments treat seafarers with the fairness and respect they deserve, and this requires an orchestrated response."

UK Chamber of Shipping chief executive Bob Sanguinetti said he is confident that something positive would come out of the summit.

Global Marine Travel's head of global sales Chris Podolsky highlighted the challenges faced in repatriation over the last few months in what has been a very fluid situation, with last-minute changes due to local government restrictions impeding the efforts.

At least the industry has had this experience to be able to quickly react more quickly if similar situations arise, he said.

There has also been a lot of work by shipmanagers in the background trying to alleviate bottlenecks and support crew and families.

The European Community Shipowners' Association also called for joint action "without further delay".

It warned that there was "no more time to lose" and urged decision-makers to "show political responsibility".

The group would like to see seafarers designated as key workers, allowing their movement "under conditions that safeguard their health and minimise the risks of infection".

Provided the correct procedures are followed, quarantine requirements should be lifted for example, it said.

"Seafarers have worked tirelessly during this pandemic to ensure people across the globe can access the essential food, medicine and supplies we all need, but thousands have been left with no way of coming ashore when faced with border restrictions," Ms Tolhurst said.

"I hope that this meeting will be a reminder of the international collaboration required by all states to bring people home."

WHAT TO WATCH

Hong Kong tightens crew change policy as infections rise

HONG KONG's convenience as a crew change hub is facing a setback after a fresh surge of local coronavirus cases.

All arriving seafarers via the city's airport are required by the Department of Health as of yesterday to give deep-throat saliva samples at a swab testing site in the nearby Asia-World Expo.

Seafarers were exempted from quarantine measures in a previous relaxation of policies to facilitate crew rotation at the Asian maritime hub. Before now, they were only asked to report their health status before entry.

"We agree that this new measure for ship crews is desirable and necessary in the interest of all," said the Hong Kong Shipowners' Association in a circular to its members.

The group noted that the government would soon take further steps by stipulating that all crew members must test negative for the virus at the place of departure before travelling to Hong Kong.

"As we understand it, the government is now working on the implementation details of this new arrangement," it said.

The association also advised its members to arrange virus tests for both incoming and outgoing crew ahead of their trips to Hong Kong "irrespective of whether this requirement is mandatory".

Lloyd's List has sought comments from the city's marine department.

The re-tightening of the controls comes as the Chinese special administrative region confirmed 38 cases of new infection — including 28 classified as local — between Tuesday and Wednesday, raising fears of a wider community outbreak.

Before that, 11 crew members on the Panama-flagged containership MSC Flavia were tested positive upon arrival at the port of Ningbo, having joined the ship in Hong Kong on June 24.

"[The stricter measure] is a good thing and we don't have any problems complying," said Anglo-Eastern Ship Management group managing director for HR Sea Staff Vinay Singh, adding that the company had been practising pre-boarding quarantine and health checks on their own in any event so there is not much change.

"We are thankful that the Hong Kong government is taking measures to help control the spread of the outbreak and we will fully comply," he added.

Capt Singh noted however that the move had meant some small logistical adjustments such as the signing on crew will need to arrive in the city a day earlier than their boarding day for the arrival checks to be completed.

One Hong Kong-based sale-and-purchase shipbroker said the city had become a popular place for ship handovers in the past one month due to its friendly environment for crew changeover.

He expected the new policy to have some impact on the business, especially if the seller's crew must do the tests in advance as well.

That will lead to renegotiations of contract terms and "it might be difficult to arrange the tests at some departure ports", he said.

Hafnia seeks dialogue after Ardmore rejects 'takeunder'

HAFNIA's failed bid for Ardmore has been described as an attempted "takeunder" by the chief executive of the target company.

A deal would have created the world's largest product tanker operator, with a fleet of 210 vessels.

But Ardmore head Anthony Gurnee told Lloyd's List the approach raised company valuation disparities.

The fallout has played out in public this week with Oslo-listed Hafnia and New York-listed Ardmore sharing their own evaluations of the deal in efforts to entice or explain themselves to shareholders.

Ardmore's board unanimously rejected the all-stock offer made for its 25 medium range chemical and product tanker operation on June 19.

It also decided that the bid did not even serve as a foundation for further negotiations with BW-controlled Hafnia, leaving little room for manoeuvring.

However, Hafnia chief executive Mikael Skov said he continued to believe shareholders of both companies would benefit from a combined entity.

Hafnia, which owns a fleet 88 product tankers and operates 184, has estimated that together the two firms could achieve between $15m and $20m in annual synergies.

"You cannot force other people's hand," Mr Skov said in an interview. "We have to respect that other people have different views."

The projected synergies was not enough to convince Ardmore's board that this is something worth considering as Hafnia's valuation assessments were dissuading.

Ardmore said Hafnia was being "highly opportunistic" and had "substantially undervalued" the New York-listed firm; its offer implied a $3.87 per share price payout, an approximate 18% discount of the actual share price on June 19, 2020, the day it was made.

The offering price also marked a discount of over 28% to the volume weighted average share price of Ardmore over the 30 days prior to the proposal.

"When somebody offers a takeover price that is below your current trading price that is called a

takeunder and it almost never works," Mr Gurnee said.

Ardmore shareholders would get 17.9% of the merged company, which Hafnia said would trade on both the Oslo and New York stock exchanges. It estimated a combined $1.5bn net asset value, the total price of the ships minus the debt.

But Ardmore said the proposed exchange ratio of 2.4 Hafnia shares for each Ardmore share was "materially below" the implied exchange ratio of June 19 closing share prices of each of the two companies, which it reported as 2.925. It was even worse when considering the volume weighted average share price of the 30 days prior to the offer.

Mr Gurnee stressed that Hafnia's offer effectively values Ardmore at $129m, less than half of the $270m, which it estimates to be its NAV.

Mr Skov did not comment on Ardmore's response to the offer nor did indicated whether there would be a revised bid.

"We saw the value and we still feel shareholders of both companies will have a much better company in a merged entity," he said. "In order for this discussion to go anywhere we need to see willingness from the other side to engage in that discussion. And if they are not willing to do that then there is no basis for that discussion."

An investment banking source said that if the offered exchange ratio was closer to 3 Hafnia shares per Ardmore share, rather than the proposed 2.4, things could have turned out differently.

"If we compare the three-month share price exchange ratio, the average is around 2.95 versus the offer of 2.4, which implies that Hafnia was looking for a bargain," they said. "It comes to no surprise that Ardmore rejected the offer."

Jefferies analyst Randy Giveans also said that while Hafnia's letter made the offer appear "great", Ardmore's assessment made it clear this was a "low ball offer", trying to get shares below trading value and further below NAV.

"It made a lot more sense why they shied away and turned from the deal than trying to do it," he said.

Clarksons analyst Omar Notka wrote that the lack of cash in Hafnia's offer was a likely issue for Ardmore and suggested that adding that in the deal would help bridge the gap in the valuation of the companies' shares.

"While a cash offer seems unrealistic, a higher share of the combined entity would need to be offered in our opinion to garner a more significant response from Ardmore in our view," he said in a note.

West of England says diversification strategy is 'all for now'

WEST of England's move into for-profit ventures — rolled out in three deals over the past 12 months — is the limit of the P&I club's commercial ambitions for the time being, its chief executive says.

The past year has seen West purchase an equity stake in Sweden's Nordic Marine Insurance, the launch of the Qwest joint venture with C Solutions, and the provision of seed capital for marine specialist cyber insurance start-up Astara.

But the big idea is to provide what has historically been a monoline insurer with complementary offerings in new areas, rather than to leap ahead of International Group peers, according to Tom Bowsher, who said any money made would be pumped back into the mutual product, which will remain core.

"Through diversification, West is trying not only secure the long-term financial strength of the club, but also build upon the service we provide and insulate the club from future shocks," he said. "We don't think reinventing the wheel and trying to compete in established sectors of the market is the way to go."

The capital outlay involved in the three projects combined is in the two-digit million dollar bracket, he said, without giving further details.

The effort has been self-financed, thanks to a 233% solvency position, which puts West in the upper quartile of the IG, and is well in excess of Standard & Poor's AAA requirements

Astara offers what Mr Bowsher describes as the only dedicated marine cyber consultancy in the market, with insurance solutions part of the package.

Its launch has proved timely, given that the number of cyber attacks on marine companies up 40% since February. Victims include MSC and Anglo-Eastern, as well as other West members who have not gone public on the issue.

The 45% stake in NMI has now been formally approved by Swedish regulators. Mr Bowsher said that its delay product — similar to Standard's strike and delay class, built on what was the old Strike Club — sits well with West's P&I and hull cover.

"Again, we saw this as a sector of the market we could add value to. We see a gap in the market for another player. We think we can increase the footprint of Nordic, and it gives us an important footprint in Scandinavia."

Qwest is owned 50/50 with C Solutions, and offers forensic capability, sanctions expertise, criminal investigations, and freight, demurrage and defence, without cannibalising existing West products.

In all cases, negotiations had been ongoing for some time, and it is largely coincidence that details were finalised over a relatively short timespan.

"They've all just bottlenecked into the same period, that was never by design. That was just timing."

Asked if the market could expect more of the same, Mr Bowsher stated: "I don't foresee anything on the horizon, no. We're always interest in looking at other projects, but that's it for now.

"At the moment, we're doing things in a slightly modest way. But we're not losing sight of our heritage or the fact we are a P&I club, and we're here to add value.

"I don't think the current economic climate supports aggressive diversification at the moment."

Speaking more broadly, Mr Bowsher said that the coronavirus pandemic makes it difficult to venture firm predictions for the current policy year.

This is a one in a hundred years event. Known unknowns, such as prospects for a vaccine, the outlook for the construction industry and government travel restrictions make matters impossible to call this far ahead.

"We may see less activity, we may see more vessels laid up. If that's the case, you've got fewer vessels trading and claims should reduce."

But while the coronavirus pandemic has not thrown up as many claims as initially expected, there is potential exposure to crew liability for all P&I clubs.

West reported a 107% combined ratio last time round, which would generally lead to the assumption of price hikes.

While Mr Bowsher hinted that this may be the outcome, he insisted that it was not inevitable.

"No one wants to be above 100%, but we're all mutuals and we can't lose sight of that," he said. "We're not here to make huge surpluses, we're here to provide cost-effective insurance.

"We are insuring more ships and more tonnage for lower premiums [than five years ago] and it doesn't take a rocket scientist to know that cannot continue with the level of claims we're seeing. And claims inflation doesn't seem to be easing, despite the economic situation."

West was the only club to levy a general increase in 2018, a precedent followed by most others in 2019. But there are other ways round the problem, including deductibles and a focus on owners with poorer claims records.

"Whether a GI is the right way to do things, the jury's out. I know there's a bit of a split in the market right now as to whether a general increase is the right way to deal with it," said Mr Bowsher.

OPINION

EU emissions reforms leave much still to play for

THE European Union's control over shipping emissions rules is inevitable, *writes Anastassios Adamopoulos.*

The bloc's political momentum and agenda on climate change is too popular, aggressive and all-encompassing for maritime to escape it.

Even if it wanted to, trying would be pointless and simply a bad idea, not least because shipping should be contributing to the conservation of the environment and it would only reaffirm the negative stereotypes that permeate perceptions in the mainstream.

Yet, despite this sense of destiny, the “whens” and the “hows” are still very much up for discussion. That is where the shipping industry will likely deploy its energy and political capital.

The European Parliament’s environment committee has agreed to a set of reforms for the EU’s ship fuel oil data collection system, known as the monitoring, reporting and verification system (MRV). The proposal will have to be debated and potentially amended in parliament in September. Negotiations with EU governments will follow.

Still subject to numerous changes, the plan has two especially consequential points: a 40% reduction in carbon intensity by 2030 compared to an undefined year and the inclusion of shipping in the EU Emissions Trading System (ETS).

In agreeing to the first, MEPs abandoned an initial proposal by Greens MEP and MRV reform rapporteur Jutta Paulus to keep the baseline based on the 2018 MRV database, the first of its kind.

They agreed instead that the European Commission will be the one to decide the baseline, based not only on EU emissions data but also the International Maritime Organization’s own global fuel oil data collection system.

The 2018 database has acknowledged shortcomings so the decision to reconsider it is not surprising. Ms Paulus herself had said last month she would open to the reduction to be based on two years’ worth of data.

The change is a positive for an industry that vehemently protested against the 2018 baseline suggestion, because the IMO, the institution these interests always champions partly because they have greater influence in it, has the same 40% carbon intensity reduction target but based on 2008 data.

What the baseline will be and therefore how much of an effort shipping companies will really have to put in meeting the target is anyone’s guess.

The second point, however, is the most important and most contentious one; shipping in the ETS. Hardly a new subject, the European Parliament had agreed to insert maritime in ETS back in 2017 only for negotiations with the European Council to lead it to a temporary exemption.

The Parliament will very likely adopt it the same position and this time around the European Commission has openly committed to including shipping in maritime. Even industry stakeholders privately acknowledge it is unavoidable.

Except that this air of inevitability masks the fact that shipping in the ETS may take longer than some people hope for.

Industry group Danish Shipping argued that a move as far-reaching as including shipping in the ETS should go through its own legislative process accompanied by an impact assessment.

“The work on this has already begun and we expect a proposal from the Commission next summer. Therefore, it does not make sense to try to get a far-reaching initiative as the ETS is through the back door,” Danish Shipping executive director Maria Skipper Schwenn said.

The industry will put its resources and whatever clout it has with governments in the fight over this point exactly when negotiations over the MRV reform get there. A separate process means not only more time, but greater room to influence the mechanics of shipping within the ETS.

In this effort, shipping will once again face opposition and public condemnation that will only intensify as the EU tries to implement its promised Green Deal.

But for a business in which one or two years can make or break you, pushing back regulations and the one in particular that it has dreaded since time immemorial may be reason enough.

ANALYSIS

Tanker gloom forecast for 2021 as dry bulk booms

TANKER demand growth is forecast to contract by 5.5% in 2021, the most since 2009, as falling oil supplies and inventory destocking lower the need for seaborne transport, according to Norwegian bank Cleaves Securities.

The downbeat assessment of all ships that transport hydrocarbons sits alongside the bank's more positive view on the dry bulk sector in its quarterly report published yesterday.

Cleaves forecast that earnings for bulk carriers will continue to rebound for at least three years as demand to carry iron ore, grains and coal outpaces the slowing supply of new vessels.

The global energy surplus is seen dragging on earnings for crude and product tankers even though oil demand is recovering faster than expected. Post-pandemic project delays will also see spot rates for liquefied natural gas and liquefied petroleum gas carriers take a hit.

Hovering in the background to upset these estimates is the prospect of a second coronavirus outbreak that may return oil demand to the very low levels seen in the March-through-May period. This would offer negative medium-term implications, the quarterly report added.

Alongside falling fleet utilisation levels, average earnings for the largest tankers are forecast to more than halve next year, reaching $23,000 daily for very large crude carriers, from an estimated $52,000 in 2020.

Similar falls are seen for suezmax tankers, dropping to averages of $17,000 daily in 2021, compared with this year's level of $32,000.

Although medium range tankers are expected to average $16,000 daily, up 17% on 2019, next year's levels are estimated at $11,000 per day, forecasts show.

The tanker orderbook is the lowest since 1997 but Cleaves believe that any meaningful improvement in earnings will not be seen until 2022.

Regulatory uncertainty over future vessel fuels technology is keeping newbuilding orders below average for both wet and dry tonnage, retarding fleet growth.

A depressing four-year oversupply looms for the LNG sector after 77% of new liquefaction capacity for 2023 was postponed.

A far more positive demand scenario is outlined for bulk carriers, with demand set to outpace fleet growth for the remainder of the year, leading to improved 2021 earnings.

Cleaves cited rising Brazilian ore exports over the next six months and "surprisingly strong" coal exports despite the Covid-19 pandemic, with seaborne volumes to fall by 8% on a tonne-mile basis.

Improved fortunes are largely attributed to China, which imports 40% of dry bulk materials by ship and is spending big on infrastructure to boost economic activity.

"We believe the second half of 2020 could be very strong and see consecutive annual gains at least until 2023," the report said.

The dry bulk orderbook is at the lowest since 2002, and represents just 7.4% of the existing fleet, the least in records going back to 1996.

Net fleet growth is estimated to reach 6% year on year by the end of 2020. This is scheduled to fall back to an estimated 3% in 2021 and 1% the following year.

World boxship fleet update: A long road to rebalancing

DESPITE some encouraging signs of recovery, some which may be no more than mirages, the 7.7% decline in container volumes in the first five months of this year is within the range of early forecasts for how bad things will be for container shipping this year.

While freight markets remain strong, thanks to strict capacity management, fleet developments show the direction of travel.

Figures from Lloyd's List Intelligence show that the world containership fleet remained almost static at 22.7m teu last month, gaining only 24,541 teu of capacity as the resumption of scrapping in the Indian sub-continent removed some tonnage as new ships were delivered.

The number of ships in the fleet even fell by five last month, although the larger capacity of those added meant there was no corresponding capacity reduction.

Owners and carriers stayed away from the temptations of the yards for another month in June and, unsurprisingly, no new orders were recorded, according to Lloyd's List Intelligence.

According to analysts at Clarksons, the 160,000 teu that has been ordered this year is down by over a third from last year, and by over two thirds from the first half of 2018.

"On the supply side, the pace of boxship deliveries has been relatively subdued so far in 2020, with increased slippage expected," Clarksons said. "Boxship capacity growth is projected at 1.6% in 2020."

But that growth has to be seen beside the decrease in demand. While slow growth in the fleet would normally help the supply/demand equation, when volumes are falling, any growth is a unhelpful.

Moreover, even this minimal growth in capacity comes on top of a decade of expansion that has seen the amount of capacity surge to its current level.

According to BIMCO chief shipping analyst Peter Sand, the buying spree of the past decade saw the containership fleet's capacity grow by 75% while demand has only grown by 46%.

"As in the other shipping sectors, the past decade saw a worsening of the fundamental balance in the shipping market," Mr Sand said. "This led to a challenging outlook even before the Covid-19 crisis. With demand set to fall this year, while the fleet continues to grow, 2020 will prove a painful year for carriers, even if freight rates are held up by record high container ship idling."

The biggest change was in the number of ultra-large containerships on the water across the decade and the increasing average size of the fleet.

The delivery of up to 30 ULCs a year in the latter part of the decade had left a shadow of overcapacity over the market, limiting the potential growth for freight rates, and highlighting the importance of cost cutting, Mr Sand said.

That cost cutting appears to be on its way and container lines are now responding to the new reality of demand by trimming their operational fleet sizes, according to Alphaliner, which found that 11 of the top 12 carriers had reduced their operated fleet capacity in the first half of the year.

Maersk, the world's largest carrier by capacity, made the largest reduction in capacity, trimming its fleet by 236,000 teu to take it back down under 4m teu.

Maersk's share of the total containership fleet, which stood at 17.8% at the beginning of the year, has since dropped to 16.6%. Its decision not to follow the example of carriers which ordered ultra-large 23,000 teu ships would "not be regretted in these challenging times of reduced cargo demand," Alphaliner added.

If carriers now longer need so much capacity, the question becomes what to do with it.

Scrapping went into hiatus earlier this year as the much of the Indian sub-continent went into lockdown, closing the breaking beaches in the region.

But with the easing of coronavirus mitigation measures, those yards have reopened, and ships are queuing up to be recycled.

Lloyd's List Intelligence reported 12 vessels, comprising 32,178 teu were sold for scrap in June, including four elderly panamaxes.

"The easing of lockdown restrictions across the Indian subcontinent at the end of May has finally allowed many of these vessels to reach the scrapyards," Alphaliner said.

"Further vessels recently sold for scrap are also rapidly joining the queue. Eight containerships have already beached since the end of May, with eleven more still waiting or soon to arrive at the anchorages. In addition, there are at least half a

dozen ships anchored off Singapore and Dubai that are waiting to know their scrap destinations, before embarking on their final journeys, with more expected in the coming weeks."

The size of vessels reaching the end of their serviceable lives is increasing, however. Although not yet recorded in the figures, the 1998-built, 9,600 teu Sine Maersk is set to become the largest containership yet to be scrapped when it is recycled in Turkey. The jumboised containership breaks the record set last month by the demolition of the 1997-built, 7,402 teu Kokura, ex-Katherine Maersk.

But the capacity going to scrap still does not match the record highs recorded in 2016, Alphaliner added. Its full-year scrapping forecast remains at just 300,000 teu.

"Even with the current surge and the expected increase in the pace of scrapping in the second half of the year, the full year tally is still expected to remain within the current forecast range," it said.

The result of this will be a continued high level of idle tonnage.

According to figures from Maritime Strategies International, the idle containership fleet stood at 2.5m teu in early June, as carriers took short-term measures to manage capacity by suspending sailings.

"Looking beyond the headline statistics of the idle fleet yields a more nuanced picture, showing that the majority of the idle fleet is concentrated in the larger size segments, and as a result, and unusually, liner owned tonnage dominates idle fleet listings," MSI said.

Alphaliner noted that the inactive fleet was coming down after its previous peak in May, as carriers began to reinstate sailings they had initially blanked.

Japan's sustainable future: Born in Tokyo, raised globally

SHIPPING has no shortage of followers looking for the right group to make the difficult decisions and lead from the front. This is especially true with decarbonisation.

When a country of the size and capabilities of Japan plans for a greener future, it is far from just a national affair. Some will watch. Many may follow.

A shipowning and shipbuilding juggernaut, as well as a major energy consumer and a vocal maritime political actor, Japan has a very real responsibility and an opportunity to decarbonise shipping. However, it will need the rest of the world to act too.

Earlier this year, Japan rolled out a roadmap to achieve this goal in collaboration with others, including shipowners and shipbuilders.

It is based on meeting the International Maritime Organization's strategy and primarily the target of a minimum 50% reduction in international shipping's greenhouse gas emissions by 2050 compared to 2008.

The Japanese government envisions two different fuel compositions in 2050 for the industry to meet the target. Much of this depends on how far ship technology, infrastructure and fuel supply chains progress with hydrogen and ammonia.

Without these growing sufficiently, Japan anticipates that liquefied natural gas fuels, carbon-recycled methane or biomethane fuels will supply 75% of energy consumption in international shipping in 2050.

Hydrogen or ammonia fuels will only account for about 10%. Around 20% of the LNG-fuelled ships are also expected to have carbon-capturing and storage technology on board.

If hydrogen and ammonia do take off, the roadmap suggests shipping could reach the IMO 2050 target, with these fuels accounting for approximately 45% and LNG fuels for some 35% of energy consumption of the international fleet.

In this scenario, carbon-recycled methane or biomethane fuels would make up for around 7%, while nearly 5% of the fleet would have onboard CO_2 capturing.

Japan aims to have developed a first-generation, zero-emission ship by 2028, according to the roadmap. That is two years ahead of other industry targets.

It is a prime example of how the country will push to showcase its efforts. The roadmap also includes

concepts for zero-emission vessels like ammonia-powered ships.

Its purpose is to accelerate research and development, plus address the safety challenges of new fuel technologies and relevant crew training. Ultimately, however, Japan's government wants the progress to be international.

An official at Japan's Ministry of Land, Infrastructure, Transport and Tourism said that in order to commercialise these ships, pilots that demonstrate their feasibility would be necessary.

That could begin with smaller coastal ships and move on to larger oceangoing vessels — a transition that many outside Japan envisage, as it allows businesses and crews to familiarise themselves with new technology gradually and with lower stakes.

"It could start from coastal small ships but it is not our intention to make a standalone domestic regulation," the official said.

Masahiro Takahashi, environmental group general manager at shipping company NYK, who is heavily involved in environmental policy in Japan, believes that Japanese focus should begin straight away with larger longhaul vessels.

Spending time and energy on solutions for domestic ships that fall under domestic rather than international regulations will not help much, he said. Japan is heavily active in the international regulatory realm, a fact of which it makes no secret.

Its delegation to IMO environmental meetings is often among the largest, staffed by government and industry experts and is rarely silent on a topic under discussion at the Albert Embankment in London.

Due to the sheer size of Japan's industry and knowhow, its international clout is often evident at IMO discussions.

In the negotiations on short-term decarbonisation measures, a host of organisations and countries, including Greece, Norway and Panama, have coalesced around Japan's proposal for energy efficiency requirements on existing ships.

This not only reflects the broad spectrum of interests the country has in the maritime sector, but also the direct role that industry has in its policies.

The government may be there to assist and facilitate, but Japan's decarbonisation will be driven by its industry's actions and their willingness to spend money and collaborate. Mr Takahashi said while private companies like NYK will carve out their own paths, collaboration will be necessary.

"The achievements have to be shared among the industry so that everybody can start to build the ships almost around the same time," he said.

NYK has said it is considering ammonia as a marine fuel. Fellow Japanese behemoth MOL is leading a coalition to launch the first zero-emission electric tanker, while K Line is also exploring alternative fuels such as ammonia and hydrogen

So what is the fuel of the future for Japanese shipping companies?

"We have no answer because before shipping companies, the energy industry has to decide and send a message to the market," Mr Takahashi said.

Regardless of its status as a global powerhouse, Japan's maritime sector is dependent on the global energy majors to deliver the precious goods, just like everyone else.

"The energy industry has to narrow down to two or three alternative fuel options for longhaul vessels," he added.

Mr Takahashi also pointed out that they will have to develop the necessary infrastructure and fuelling stations in the key energy hubs around the world if Japanese companies are to commercialise zero-emission ships.

Domestically, Japan is no stranger to renewable energy. The Institute for Sustainable Energy Policies reported earlier this year that in 2019, the share of renewables in Japan's total power generation was 18.5%, up from 17.4% in 2018.

Some of Japan's biggest companies this year launched the Fukushima Hydrogen Energy Research Field, which can produce up to 10 megawatts of hydrogen, based on renewable energy. This is the type of fuel shipping companies would like to use to decarbonise.

There is, however, another fuel that Japan hopes will be a key fixture on shipping over the next decade. Japan is the world's largest LNG importer. In 2019, it accounted for 22% of global LNG imports, according to the International Gas Union.

The country has a long history with the fuel, which has become the centre of much contention in the

maritime sector.Shipping companies like NYK are big LNG proponents and Japan hopes to leverage its decades-long expertise in handling the fuel.

The prominence of LNG in the roadmap comes as little surprise. For those seeking radical change, investing in LNG fuel and infrastructure is a waste of time and money and — even worse — will prolong the reliance on fossil fuels.

For others, like the Japanese government, it cannot only be a bridging fuel but, if combined with the necessary technology, a genuine low-carbon option.

Just like decarbonisation more broadly, developing LNG-fuelled shipping — which is still just a fragment of global shipping — will not be Japan's doing alone.

However, its success over the next few years in commercialising the type of LNG-related technologies that its roadmap claims are achievable, could go a long way in determining how seriously an increasingly more green-minded world takes to the fuel.

LNG or not, any decarbonisation endeavour will be an expensive one — and, before the technology is established, a risky one at that.

The Japanese government has not yet been in contact with the Japanese finance sector about its decarbonisation ambitions or developed any kind of finance support mechanisms, a Japanese government official noted. This is an area that will require some effort to get through.

"We have not developed any mechanisms yet, but we have to think of something," the official said.

Are Japan's plans now sufficient? Not everyone thinks the roadmap goes far enough.

Dr Tristan Smith, a reader at the UCL Energy Institute, believes the very formation of the strategy and the conceptualisation of the zero-emission vessels highlighted in the roadmap are important positives for maritime.

However, he said the roadmap itself is not an ambitious one. He believes the roadmap builds a norm and narrative around the lowest possible ambitions incorporated in the IMO strategy, rather than exploring the maximum potentials.

"It is cherry-picking," Dr Smith said. "If you interpret the IMO strategy as being just a 50% cut [in GHG emissions], you are ignoring things."

This roadmap's approach suggests that Japan is not even considering what a more than 50% reduction could look like, effectively taking an increase in the targets off the table.

Dr Smith, a critic of LNG, said installing carbon-capture technologies on board ships would make them uncompetitive compared to other alternative fuels.

Decarbonisation progress at the IMO has currently been side-tracked by the coronavirus pandemic.

Scheduled environmental meetings have been postponed and, while unofficial ones are happening, those where major decisions will be taken look unlikely to happen until 2021.

The IMO has agreed to revise its decarbonisation strategy, including the targets, in 2023.

Japan's progress by then may be crucial in seeing how far the IMO changes its ambition. The world's achievements will be even more important for Japan.

MARKETS

Panamaxes enjoy gains as capesize cargoes are split

PANAMAX bulker earnings have gained as a result of capesize cargoes being split, according to market participants.

With spot capesize rates having traded above $30,000 per day for more than a week, charterers were said to have turned to the panamax market for cargo shipments. Capesize dipped in trading on Wednesday.

US-based Breakwave Advisors said that panamax rates moved higher on sentiment, as well as cargo splits.

"Sentiment has turned positive for dry bulk as the high level of capesize spot rates versus panamax spot rates makes it more economical for charterers to split a cargo to two panamax stems instead of one capesize," it said in a report.

"That provides a higher floor for spot panamax rates (at least near-term) and should also support supramax rates that have recently been hovering just above operating expense levels. We now expect a significant rally in smaller size vessels, although that might end up being short lived," it added.

The average weighted time charter on the Baltic Exchange rose 5.9% to $13,113 per day on Tuesday versus Monday's close. It increased further to $13,651 at the close on Wednesday. That was the highest since October 29.

The London-based exchange said that "the lack of available tonnage in the north Atlantic led to continued gains for both transatlantic and fronthaul rates", while charterers were said to be eyeing available tonnage in India to cover Black Sea shipments.

Levels from the east coast of South America remained steady, although "activity appeared sluggish", it said.

Forward freight agreement prices meanwhile pulled back, with August at $13,400 as of July 7 compared with $13,600 the prior day. The third quarter was priced at $13,150, down $300, and the fourth quarter was assessed at $11,600, $400 below the July 6 close, according to GFI broker figures.

Cruise lines delay new deliveries and plan for post-pandemic passenger safety

CARNIVAL, the world's biggest cruise operator, has announced that it has cancelled the departure schedule for its newest ship *Mardi Gras* planned to start in November this year.

The vessel, which was due to be the first LNG-powered ship to operate in the Western Hemisphere, will now not enter service until February 6.

Another ship, *Carnival Radiance*, which was undergoing a $200m transformation at the Cadiz shipyard, in Spain, until work was suspended due to the nationwide lockdown, will also now not be completed until spring 2021, the company said. It added that it is evaluating shipyard options to complete the transformation.

"We continue to assess the impact of the pandemic on global commerce, public health and our cruise operations," said Carnival president Christine Duffy.

"In addition to our current pause in service, there have been many other unintended consequences, including shipyard, drydock and ship delivery delays, and related changes to our deployment plans for our fleet."

Royal Caribbean has also pushed back by six months the debut of its highly anticipated *Odyssey of the Seas* cruiseship, which is being constructed at German shipyard Meyer Werft.

The company cited the coronavirus backdrop, a fire that broke out on the ship in the construction yard as well as impacts on its supply chain as the reasons behind the delay to April 2021.

P&O Cruises also confirmed this week that the 77,499gt *Oceana* will leave the fleet from this month.

Paul Ludlow, president of P&O Cruises, said: "While we and many of our guests will miss *Oceana*, her departure will allow us to focus on our remaining ships in the fleet, as capacity expands with the delivery of Iona later this year followed by her sister ship, scheduled for 2022.

"During this pause in our operations, we need to fit the fleet for the future and ensure we have the right mix of ships once we resume sailing."

Shipbuilding outlook

The delays are not unexpected considering the economic impact of the coronavirus pandemic on the cruise industry. The latest Lloyd's List Intelligence's Shipbuilding Outlook reported delivery of many new cruise vessels will be delayed beyond 2020.

The pandemic "has put pressure on travel and tourism businesses ahead of the summer season in the northern hemisphere. And even though the cruiseship companies have an unusually loyal customer base, eager to travel again, the risks of catching coronavirus and the added impact of social distancing rules at sea place a significant burden on operators," Lloyd's List Intelligence said.

There are currently 160 cruise vessels on order and scheduled for delivery in 2020-24, which is an all-time high and 107% more than the 83 deliveries in 2015-19. The strong order book will mean an increase in deliveries to an average of 32 vessels per year until the end of 2024.

However, with cruise operations suspended indefinitely and many lines putting ships into layup, those deliveries as well as those in the long-term order book could be brought into question.

There will be 26 deliveries this year, of which eight will be large ones, according to the latest forecast from Lloyd's List Intelligence

New safety measures

The vast majority of the 32m passengers that the Cruise Lines International Association projected would cruise in 2020, up from the record 30m last year, will not be on board.

According to analysis from Lloyd's List Intelligence, cruiseship port calls in mid-May were about 220 in comparison with 1,500 in 2019. A dramatic fall of 85%.

However, there are some positive signs. The cruise industry has overcome a variety of health challenges in the past, including norovirus, Sars and Mers, and has experience of getting back to business.

Royal Caribbean and another major cruise company, Norwegian Cruise Line Holdings, announced this week that they will collaborate on an approach to health and safety standards that they hope will help persuade not only their loyal customer base but also others to return.

An expert group formed by the two companies, called the 'Healthy Sail Panel', is being tasked with collaboratively developing recommendations for cruise lines to advance their public health response to coronavirus, improve safety, and achieve readiness for the safe resumption of operations.

It has already been working for nearly a month and will offer initial recommendations by the end of August.

The cruise lines said the work of the group will be "open source", and could be freely adopted by any company or industry that would benefit from the group's scientific and medical insights.

"This unprecedented disease requires us to develop unprecedented standards in health and safety," said Richard D. Fain, chairman and chief executive of Royal Caribbean Group. "Bringing on board these respected experts to guide us forward demonstrates our commitment to protecting our guests, our crews and the communities we visit."

"We compete for the vacationing consumer's business every day, but we never compete on health and safety standards," added Frank Del Rio, president and chief executive of Norwegian Cruise Line Holdings.

"While the cruise industry has always had rigorous health standards, the unique challenges posed by coronavirus provide an opportunity to raise the bar even higher."

IN OTHER NEWS

China Navigation hives off dry bulk division into separate business

CHINA Navigation Company's dry bulk business has become so successful since Swire Bulk was established as a division of the company that it will now be hived off from the Swire Group shipping arm's liner shipping and fleet management business.

CNCo will establish Swire Bulk as a standalone privately held company headquartered in Singapore after having been run as a division within the company since 2012 and growing rapidly. The target date for the separation is January 1, 2021.

Following the acquisition of Hamburg Süd Tramp from Maersk Line in 2019, Swire Bulk has become the largest part of CNCo's business, operating a fleet of up to 150 vessels predominantly in the handysize and supra/ultramax sectors, CNCo said.

MSC refutes carbon ranking claims

MEDITERRANEAN Shipping Co has again rebutted the findings of campaign group Transport & Environment that claim the carrier is the among Europe's worst carbon emitters.

Lloyd's List reported how an updated report from T&E indicated that MSC had risen in the rankings of leading European CO2 emitters, despite its emissions falling since an earlier report last December.

MSC said it was "disappointed and highly concerned by the incorrect and misleading interpretation of data" presented

by Transport & Environment in connection with the company's carbon emissions reported under the European Union's monitoring, reporting and verification scheme.

Dalian port to take over rival Yingkou in a $2.4bn share swap

DALIAN and Yingkou, two major ports in northern China, have revealed more details about their merger plan, following a briefing last month.

Dalian Port Co proposed to take over its nearby smaller rival Yingkou Port Liability Co in a share swap worth Yuan16.8bn ($2.4bn) on the Shanghai Stock Exchange, according to an exchange filing.

Each YPLC share can be converted into about 1.5 Chinese yuan-denominated shares of DPC, which is also listed in Hong Kong.

CMA CGM tightens rules for shipping protected species

CMA CGM, the French container giant, is tightening rules on the carriage of protected species as part of a corporate social responsibility policy.

Shippers must state whether a species is covered by the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), which regulates the trade, and provide the required export permits whenever animals or plants are carried.

CMA CGM will draw up a black list of exporters suspected of trafficking, train its sales agents in the CITES rules and tighten customer audit checks in coming months.

Classified notices

POOMPUHAR SHIPPING CORPORATION LIMITED

(A Government of Tamilnadu Enterprise)

692, (Old No. 473), Anna Salai, IV Floor, Nandanam, Chennai - 600 035.

Ph: 2433 0505, 2433 0807; Fax: 2434 4593, 2433 5706

E-mail : pscship@gmail.com / pscship@dataone.in

GLOBAL TENDER

NOTICE INVITING TENDER FOR SHORT TERM TIME CHARTERING OF TWO SELF- TRIMMING SUPRAMAX GEARED VESSELS WITH CAPACITY OF 50000 TO 60000 DWT

Sealed tenders are invited from the Ship owners /disponent owner for the following specification .:

Sl. No	Tender Number	Lay Days	Period	Last date for issue of Tender book	Tender closing date & Time	Tender Opening date & Time
1	TENDER NO. H/ OP/ STSGED/116/ 001/ 20-21	14.08.2020 to 02.09.2020.	6 months +/-1 month choption	06.08.2020 upto 12:00 hours	06.08.2020 at 15:00 hours	06.08.2020 at 15:30 hours
2	TENDER NO. H/OP/ STSGED/ 116/002/20- 21	20.09.2020 to 05.10.2020	6 months +/-1 month choption.	07.09.2020 upto 12:00 hours	07.09.2020 at 15:00 hours	07.09.2020 at 15:30 hours

Prospective bidders are advised to refer our website www.tamilship.com and www.tn .tenders.gov.in for specific important details. The conditions/ requirement mentioned in the website shall be met out by the bidders. This advertisement is an invitation for bid only. The details given in the website are comprehensive .
Further, all communications will be updated through our website only.

DIPR/ 2520 /Tender/2020

GENERAL MANAGER (OPNS)

Chief Executive Officer

Inland Fisheries Ireland (IFI) is the State agency responsible for the conservation, protection and management of Ireland's inland fisheries and sea angling resources.

Reporting to the Chairperson of the Board of IFI, the CEO is responsible with the Board for setting the strategic direction of the organisation in line with the mission, vision and values. The CEO is responsible for delivering on the defined objectives and statutory requirements within the framework developed under the Inland Fisheries Ireland Act 2010. The current Corporate/ Strategic Plan of IFI concludes in June 2020 and the CEO, working with the Board, will play a pivotal role in driving the development and implementation of the next five -year plan.

The successful candidate will have:

- A proven record of achievement at a senior level in the private or public sector that demonstrates the vision, leadership, governance, oversight and management skills necessary for the role;
- An understanding of the role of Inland Fisheries Ireland and the environment in which it operates, or the ability to quickly gain such understanding, together with knowledge of the legislative framework in which IFI operates;
- Sound judgment and an ability to guide the resolution of difficult and complex issues in a pressurised environment;
- A proven ability to formulate and implement strategy in a dynamic, developing and independent organisation;
- A qualification to a postgraduate degree level and/or professional qualification in a relevant discipline is desirable but not essential.

If you feel you would benefit from a confidential discussion, contact Sarah O'Neil on sarah.oneil@publicjobs.ie

The closing date for receipt of completed applications is 3pm on Thursday 23 July, 2020.

For more information and how to apply, visit: https://bit.ly/LloydsL_Ad_ChiefEO

We are committed to a policy of equal opportunity and encourage applications under all nine grounds of the Employment Equality Act.

NET ZERO TEESSIDE

The Planning Act 2008 - Section 48 'Duty to publicise'

The Infrastructure Planning (Applications: Prescribed Forms and Procedure) Regulations 2008 - Regulation 4

The Infrastructure Planning (Environmental Impact Assessment) Regulations 2017 - Regulation 13

Notice of proposed application for a development consent order for the Net Zero Teesside Project

1. Notice is hereby given that Net Zero Teesside Power Limited and Net Zero North Sea Storage Limited (the 'Applicants'), whose registered offices are both Chertsey Road, Sunbury on Thames, Middlesex TW16 7BP, are proposing to submit an application (the 'Proposed Application') to the Secretary of State (the 'SoS') for Business, Energy and Industrial Strategy for a Development Consent Order ('DCO') under Section 37 'Applications for orders granting development consent' of the Planning Act 2008 (the 'PA 2008'), to authorise the construction, operation and maintenance of the Net Zero Teesside Project ('NZT' or the 'Project').

The Project

2. The site for NZT (the 'Project Site') comprises of land at and in the vicinity of the former SSI steelworks site in Redcar and in Stockton-on-Tees on Teesside. The Project Site extends to 1,482 hectares in total. Grid references for the Project Site and its extremities are provided in the table below:

Area of Project Site	X	Y
Power, Capture and Compressor area (Centre)	457001	525270
Boundary - Northernmost point	457170	528045
Boundary - Westernmost point	447638	522406
Boundary - Easternmost point	458898	521290
Boundary - Southernmost point	456338	519077

Plans are available within the 'Consultation Documents' (see further below) showing the current Project Site boundary.

3. NZT would be the UK's first commercial scale, full chain carbon capture, utilisation and storage project. The Proposed Application would, amongst other matters, seek a DCO for the construction, operation and maintenance of:

3.1 a combined cycle gas turbine electricity generating station with an abated capacity of up to 2.1 gigawatts output (gross), including post-combustion carbon capture plant (all at the former SSI steelworks site in Redcar); cooling water, gas and electricity grid connections in and around Teesside; a carbon dioxide (CO_2) gathering network, including CO_2 pipeline connections from industrial facilities on Teesside to transport the captured CO_2 (including the connections under the tidal River Tees); a CO_2 gathering and compression station to receive the captured CO_2 from the gathering network and generating station (also at the former SSI steelworks site); and the first part (the landward side of Mean

Low Water Mark) of a CO_2 transport/export pipeline for the onward transport of the captured CO_2 (the remainder of the transport pipeline and the offshore geological storage site beneath the North Sea are to be separately consented); and

3.2 other associated development, including external lighting; fencing and boundary treatment; security measures; surface and foul water drainage systems; water, electricity, gas and other utilities connections; hard and soft landscaping; biodiversity mitigation and enhancement measures; temporary contractor facilities and construction laydown areas; vehicle access roads, crossings, parking and pedestrian and cycle facilities and routes.

4. The DCO to be sought would also authorise, if required, the permanent and/or temporary compulsory acquisition of land and/or rights in land for the Project; the extinguishment and/or overriding of easements and other rights over or affecting land required for the Project; and/or the temporary occupation of land required for the Project; the application and/or disapplication of legislation relevant to the Project as may be required; permanent and temporary changes to the highway and public rights of way network as may be required; tree and hedgerow removal; a deemed marine licence for those parts of the Project within or affecting the tidal section of the River Tees or other sections of the UK Marine Area; the construction, operation and maintenance of associated development, including, but not limited to those items listed in paragraph 3; and such ancillary, incidental and consequential works, provisions, permits, consents, waivers or releases as are necessary and/or convenient for the successful construction, operation and maintenance of the Project.

Environmental Impact Assessment

5. The Applicants have notified the SoS in writing under Regulation 8(1)(b) of The Infrastructure Planning (Environmental Impact Assessment) Regulations 2017 (the 'EIA Regulations') that they intend to provide an Environmental Statement ('ES') in respect of the Project. The Project is therefore 'EIA development' for the purposes of the EIA Regulations and an ES will form part of the Proposed Application.

6. Information so far compiled about the Project's environmental impacts is contained in a Preliminary Environmental Information ('PEI') Report and summarised in a Non-Technical Summary.

Consultation Documents

7. The PEI Report and other documents relating to the Project, including plans and maps showing the nature and location of the Project (the 'Consultation Documents'), are available to download and view free of charge from the Project Website: https://www.netzeroteesside.co.uk/consultation/ until 18 September 2020.

8. If you are unable to access the Project Website, please telephone: Freephone 0800 211 8185 (Monday to Friday 10am to 4pm) or email: consultation@netzeroteesside.co.uk. Any details you provide to us via telephone or email will be subject to our Privacy Notice: https://www.netzeroteesside.co.uk/consultation-privacy-notice/. You will be offered the loan of a hard copy set of the Consultation Documents, the loan of an electronic tablet that the Consultation Documents have been uploaded to, or a USB stick containing the Consultation Documents. Hard copies of the Consultation Documents and the electronic tablets will be delivered free of charge and collected on a date and time that is convenient. USB sticks will be supplied and posted to you free of charge.

9. Regulation 4(3)(e) of The Infrastructure Planning (Applications: Prescribed Forms and Procedures) Regulations 2009, requires an applicant for a DCO to make the consultation documents available for inspection in at least one address in the vicinity of the relevant project. Details of a location where the Consultation Documents can be inspected free of charge are set out below. However, given the current Covid-19 pandemic ('coronavirus'), and the Government's guidance, and in the interests of health and

safety, we strongly encourage you to use the alternative methods of viewing the Consultation Documents, as described above. Inspection of the Consultation Documents at the address below will be by **appointment only** and will require up to 48 hours' prior notice. It is very important that you do not visit without an appointment. You will be asked to complete a Covid-19 Visitor Declaration prior to your visit. Appointments can be arranged by telephone: **020 7489 4830** or email: **consultation@netzeroteesside.co.uk**. Visiting arrangements will be explained to you prior to your visit. Visiting arrangements and opening times may be subject to change by the Applicants or operators of the inspection location.

Inspection Location	**Opening Times - By Appointment Only**
South Tees Development Corporation, Teesside Management Offices, Redcar, TS10 5QW	Monday to Friday between 10am and 4pm excluding public holidays.

10. It is important that you observe all the latest government guidance and laws in force if planning a visit. Under current NHS guidance, you should not visit an Inspection Location if you are at high risk or very high risk from coronavirus (https://www.nhs.uk/conditions/coronavirus-covid-19/people-at-higher-risk-from-coronavirus/whos-at-higher-risk-from-coronavirus/). Do not visit the inspection location if you are unwell, have symptoms of coronavirus, or have recently been in contact with someone with coronavirus.

Responding to this notice

11. If you wish to respond to this notice or make comments or representations in respect of the Project, these should be sent to the Applicants. Please include your name and an address where any correspondence relating to the Project can be sent. Comments and representations may be submitted in the following ways:

Email: **consultation@netzeroteesside.co.uk**
Post: **Freepost NET ZERO TEESSIDE PROJECT CONSULTATION**
Telephone: **Freephone 0800 211 8185 - lines will be open 10am to 4pm Monday to Friday**
Website: **https://www.netzeroteesside.co.uk/consultation/**

12. Any comments received will be analysed by the Applicants and any appointed agent of the Applicants, and copies may be made available in due course to the SoS, the Planning Inspectorate and other relevant statutory authorities so that your comments can be noted. For certain parties, those who own an interest in land or are affected by the Project, the Applicant is under a statutory duty to publish names and addresses as part of its DCO application. In respect of other people we will request that your personal details are not placed on public record and these will be held securely by the Applicants in accordance with the Data Protection Act 1998 and the General Data Protection Regulation and used solely in connection with the consultation process and subsequent DCO application and, except as noted above, will not be passed to third parties. Please refer to our Privacy Notice: https://www.netzeroteesside.co.uk/consultation-privacy-notice/.

13. Please note that all comments and representations must be received by the Applicants **no later than 11.59pm on 18 September 2020.**

14. If you would like any further information in respect of this notice or the Project, please contact the Applicants using one of the contact methods set out above.

Net Zero Teesside Power Limited & Net Zero North Sea Storage Limited

9 July 2020

THURROCK POWER LIMITED

Thurrock Flexible Generation Plant
Planning Inspectorate Reference Number: EN010092

Notice of Acceptance of an Application for Development Consent Order

Section 56 Planning Act 2008 and Regulation 9 Infrastructure Planning (Applications: Prescribed Forms and Procedure) Regulations 2009

Notice is hereby given that the Secretary of State for Business, Energy and Industrial Strategy has accepted for examination an application ('the Application') for a Development Consent Order ('DCO') under Section 37 Planning Act 2008, as amended ('the Act'), submitted by **Thurrock Power Limited** ('the Applicant') of 1st Floor, 145 Kensington Church Street, London, W8 7LP, to authorise the construction, operation and decommissioning of a gas fired flexible electricity generation plant and battery storage facility in Thurrock, Essex ('the Proposed Development').

The application was submitted to the Secretary of State, via the Planning Inspectorate ('the Inspectorate'), on Wednesday 27th May 2020 and accepted for examination on 24th June 2020. The reference number applied to the application by the Inspectorate is **EN010092.**

The Thurrock Flexible Generation Plant Development
The Proposed Development is located on land south west of Station Road near Tilbury, Essex. The British National Grid coordinates are TQ662766 and the nearest existing postcode is RM18 8UL.

The Proposed Development consists of: reciprocating gas engines with net electrical output totalling 600 MW, batteries with net electrical output of 150 MW and storage capacity of up to 600 MW, associated electrical and control equipment, creation of temporary and permanent private access routes for construction and access in operation including a permanent causeway for the delivery of abnormal indivisible loads by barge, a gas pipeline connection to the gas national transmission system, an electrical export connection via underground cables to the immediately adjacent National Grid Tilbury

Substation, and habitat creation or enhancement for protected species translocation and biodiversity gain.

Environmental Impact Assessment

Due to the nature and size of the Proposed Development, it is classified as Environmental Impact Assessment ('EIA') development under the Infrastructure Planning (Environmental Impact Assessment) Regulations 2017. The application is therefore accompanied by an Environmental Statement, which provides a detailed description of the Proposed Development and the findings of the EIA undertaken.

Copies of Application Documents

The application form and its accompanying documents, plans and maps, including the Environmental Statement and draft DCO, are available to view electronically and download, free of charge, on the Inspectorate's project website:
https://infrastructure.planninginspectorate.gov.uk/projects/south-east/thurrock-flexible-generation-plant
and in the 'Documents' section of the Applicant's website:
http://thurrockpower.co.uk

If you require alternative methods for inspection of the application documents, please telephone the applicant on: 0207 186 0580 or email: contact@thurrockpower.co.uk

We will consider your request and are able to provide guidance on using the project website, provide a USB stick containing the application documents free of charge, and/or offer free loan of the application documents on an electronic document reader during the period for making Representations (see below). Loaned electronic document readers will be delivered to your chosen address by courier arranged by the Applicant and collected after 18th August 2020.

The Applicant would normally make available at least one location for viewing the application documents in the vicinity of the application site. However, due to the current COVID-19 (coronavirus) pandemic and the UK Government's advice relating to health and safety, we are unable to provide hard copy documents to view at a deposit location in the locality of the proposed development site. The Applicant notes that the Government has issued guidance that a website is a 'place' for the purposes of inspecting documents across all planning regimes. We therefore strongly encourage you to take

advantage of the electronic methods of viewing the application documents set out above.

Hard copies of the application documents can be requested but will be subject to a maximum charge of £500 for each copy. Requests for electronic or hard copy documents can be made in the following ways:

- Email: contact@thurrockpower.co.uk
- Telephone: 0207 186 0580

The application documents will be available for inspection until 18th August 2020.

Making Representations about the Proposed Development

Any person may make representations (including giving notice of any interest in, comment on, or objection to the Application) by registering with the Inspectorate as an Interested Party. All representations must be made using the Inspectorate's Registration and Relevant Representation Form, and give the grounds on which it is made. The form can be accessed and completed on-line from 10th July 2020, using the following web address:

https://infrastructure.planninginspectorate.gov.uk/projects/south-east/thurrock-flexible-generation-plant

Please note that, due to the current health crisis in the UK, the Inspectorate can no longer send or receive paper forms. If you are unable to complete a registration form online and would like to register your interest, please call the Inspectorate helpline on: 0303 444 5000, quoting the name of the Application and Inspectorate reference: **EN010092**.

All representations must include details of the maker's name, address and telephone number, along with an outline of the points intended to be made at the examination stage.

Please ensure that you quote reference **EN010092** in all correspondence with the Inspectorate about the Application.

The Inspectorate's Advice Note 8.2: How to Register to Participate in an Examination (version 2, December 2016), provides further detailed guidance

on how to register as an Interested Party and how to make Relevant Representations. This advice note can be found at can be found at:

https://infrastructure.planninginspectorate.gov.uk/legislation-and-advice/

Please note that representations can be made from 10th July 2020 and must be received by the Inspectorate by 23.59 on 18th August 2020.

All representations submitted will be published on the Inspectorate's website and will be subject to their privacy policy, which can be viewed at: https://infrastructure.planninginspectorate.gov.uk/help/privacy-and-cookie/.

It should be noted that the Inspectorate is reviewing its procedures due to the coronavirus outbreak, so please monitor their website for periodic updates. You can sign up for updates using the 'sign up' link on the website.

Further information about the Application can be obtained from the Applicant using the following contact details:

- Email: contact@thurrockpower.co.uk
- Telephone: 0207 186 0580

Thurrock Power Limited

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

For EMEA please contact **Maxwell Harvey on +44 (0) 20 7017 5752**
or E-mail: maxwell.harvey@informa.com
For APAC contact **Arundhati Saha - Mobile: +65 9088 3628**
Email: Arundhati.Saha@informa.com