Thursday July 23, 2020

Lloyd's List
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Singapore sees rising cases of coronavirus-infected crew

WARNING THAT THE entire crew change situation in Singapore may unravel, shipping agency GAC highlighted a rising number of cases of crew joining their vessels in Singapore and testing positive for the coronavirus.

GAC cited a notice from the Maritime Port Authority of Singapore that it has been actively monitoring test results conducted at the departure country of crew that are signing on and it has emerged that some of these results have either been altered or tampered with.

As a result, since the beginning of July 2020, some local shipping agencies have either been suspended or banned by MPA from carrying out further crew change applications.

GAC reminded all vessel owners, operators and manning offices to strictly comply with the MPA's crew change regulations because any non-compliance may result in any or all parties, as well as their appointed local agency, being either suspended or banned by the MPA from making future crew change applications.

The Singapore Shipping Association reiterated the seriousness of the situation in a circular, noting several cases in the past week of crew arriving in Singapore with Covid-19 symptoms, such as severe high temperatures.

"There is a clear and present pattern whereby seafarers (individually) and crew and manning operators/companies, are not seriously taking the protocol of self-imposed isolation (minimum of 14 days) when being rostered for crew change," the SSA said, warning all parties involved would be liable to be penalised by the authorities if breaches are found.

The SSA also raised concerns that continued incidence of coronavirus-infected crew in crew changes in Singapore could lead to a complete shutdown of the process at the port.

WHAT TO WATCH

Seafarers disembark after months trapped on vessel

THE crew of *Maersk Ensenada* have signed off at a UK port after months on board after being caught up in lockdowns introduced as part of the coronavirus response.

The Indian nationals, all employed by shipmanager Synergy Marine Group, spoke out about their time at sea to Lloyd's List in a series of videos recorded earlier this week, while in their last port of Le Havre.

They called for government policy makers worldwide to grant them "key worker" status to allow them to return home.

Some of the crew had been on the ship for 13 months, and all had not been ashore in five months as restrictive quarantine and immigration procedures left them unable to disembark.

Some three quarters of crew changes on the world's international fleet of 50,000-plus ships have not gone ahead since the global coronavirus pandemic restricted travel and grounded airlines in March, leaving an estimated 300,000 seafarers stranded at sea.

A further 300,000 are unemployed in their home country and awaiting to replace them, affecting nearly 40% of the world's 1.5m seafarers.

The UK, which has recognised seafarers as key workers, is emerging as one of the easier hubs to facilitate crew changes.

The US is also leading with crew transfers, based on records kept by shipmanager V.Ships and shared with Lloyd's List.

Synergy Maritime said it had also used Egypt, and the Suez Canal as another place to transfer crew, with Panama, Denmark and India all announcing seafarer-friendlier procedures during the past week.

ANALYSIS

Low fuel prices push up scrubber payback periods

CONTAINERSHIP owners are reviewing calculations on scrubber payback times following the lowered spread between high and low-sulphur fuels, according to analyst Alphaliner.

The current spread of $50 per tonne "compared starkly" to the 2020 average of $100 per tonne as prices for very low sulphur fuel oil had weakened, it said.

Low-sulphur fuel oil averaged $305 per tonne in Rotterdam last week, which represented an almost 50% drop from the start of the year, it noted. Heavy fuel oil was averaging at $255 per tonne, down 12% drop on January 1, 2020.

The lower spread reduced the potential advantages for owners and operators of scrubber-fitted ships.

"While pre-Covid-19 spreads of $150–$200 potentially offered a payback period of one to two years, spreads in the $50–$60 per tonne range now offer a stretch of four or five years until full payoff," Alphaliner said.

The increasing payback time had led to carrier holding back from sending ships for scrubber retrofits in recent weeks.

The number of units undergoing scrubber retrofit is 52 of 500,000 teu today, compared with a peak of

117 units of 1.1m teu in March, Alphaliner figures show.

More than 460 containerships have been retrofitted, alongside a further 105 newbuildings that were delivered with exhaust gas scrubbers. This represented 23.5% of the boxship fleet by capacity.

But falling bunker prices had helped container lines across the board during the second quarter of the year, with VLSFO falling in price by nearly 50% between April and June.

"As expected, bunker costs plummeted in second quarter of 2020, helping carriers, several of whom have indicated they will report better results for the most recent quarter than in the first three months of the year, even without a full recovery in volumes," Alphaliner said.

Both Maersk and Hapag-Lloyd have already indicated that their second quarter of the year results, which will be published next month, will be positive despite the decline in volumes caused by the coronavirus pandemic.

Wilhelmsen deal with MPC may be a paradigm shift for Hamburg

WILHELMSEN Ship Management's move effectively to take a 50% stake in MPC Capital's Ahrenkiel Steamship division could spark a realignment of the north German maritime cluster, with shipmanagement rather than ownership becoming dominant, Hamburg industry sources say.

The deal, announced this week, will see the creation of a new company — to be known as Wilhelmsen Ahrenkiel Ship Management — based in Hamburg and Rhoon.

Its 100 or so employees will manage a fleet of 72 boxships, with a focus on feeders in the 1,000–3,000 teu bracket.

While Ahrenkiel Steamship itself is assumed to be internally profitable, many of MPC Capital's other shipping businesses are under obvious strain, with Oslo-listed MPC Container Ships recently warning that its cashflow situation in the wake of the Covid-19 pandemic is becoming acute.

However, it has recently secured additional funds through a private placement on the Norwegian bourse, which should enable it to meet bond obligations, at least for now.

Initial reaction concentrated on the need for both sides to scale up, as smaller shipmanagers come to terms with the sheer weight of relative giants such as Anglo-Eastern and V.Ships.

But industry insiders detected other forces at work as well.

"This marks another stepping stone in the paradigm shift from Germany as a shipowning place to a shipmanagement center," said one local observer.

He pointed to a number of earlier consolidation moves, such as V.Ship's acquisition of Norddeutsche Reederei and NSB's joint venture with Indonesia's Temas Line.

"The old ideology was that owning and management had to be intertwined. Now the more agile firms see them separately," he said. "I always found that the transparent mix of value propositions was not helpful for a dynamic shipping hub if one needs to compete globally."

A major German owner claimed: "I was aware WMS was looking for a German-based container management company for the past six months. I was surprised they picked MPC and did not acquire Zeaborn."

In his opinion, MPC are probably well advised to cash in on the management fee income of its container fleet right now, as they are unlikely to pick up more vessels while MPC Container Ships is still a turnaround project.

"They may even be afraid to see a decline, so selling a share in the management company and taking money off the table might have had its appeal.

"The Schroeder family behind MPC may even have earned back a large part of the money they invested (and lost) in MPC Container Ships following the sharp decline in its share price," he speculated.

Wilhelmsen Ship Management and MPC Capital have been approached for comment.

MARKETS

Volatility likely to remain in dry bulk

VOLATILITY is set to remain in the dry bulk market, given the tightness being experienced, according to Breakwave Advisors, a US-based exchange traded fund.

In a report, it said the balance of supply and demand was "gradually tilting" as demand appears to be robust, while vessel supply is tightening because of healthy scrapping levels and scant new orders.

"For the first time in many years, one can say that supply of dry bulk ships looks tight," it said, adding that a near-term unexpected factor that is further tightening the market is port congestion.

Vessels are having to wait longer in ports as a result of coronavirus-related disruptions, effectively reducing the fleet, it said, noting how in the capesize segment, about 7% of the fleet is affected, which is double the level seen a few years ago.

As a result, rate volatility has increased, according to Breakwave, an early indicator of a firmer market that "can potentially lead to considerable spikes in spot freight rates as we head into the end of the year and beyond".

Increased volatility will be music to the ears of the Forward Freight Agreements market, which is expecting record volumes to be traded in what has been described as a crazy year for volatility. Brokers expect cleared volumes to hit 2m lots. That compares with the previous high in 2008 of 2.4m lots traded, 40% of which were cleared, while the rest were over-the-counter deals.

The capesize market has been particularly volatile this year, dropping to a low of $2,000 per day in May, before hitting a multi-year high of $34,000 per day in early July.

Breakwave, which is optimistic for higher dry bulk rates for the second half of the year, expects the market to "bottom over the next couple of weeks and turn back up as we enter the month of August". That is based on market movements last year.

It expects China's iron ore imports to hold, spurred by low inventories and high commodity prices. Iron ore from Canada and West Africa is also being diverted to China due to limited demand from Europe, which is boosting tonne-miles. In addition, it expects more shipments from Brazil.

Analysts at Jefferies were, too, bullish for the second half of the year, citing iron ore and coal trade growth of 1% from 2021. They are hopeful of a dramatic ramp-up in Brazilian exports during the rest of the year.

"The majority of the 2020 weakness if behind us," said the US bank's shipping analyst Randy Giveans, as China's demand for iron ore imports will continue, in order to satisfy its steel demand.

The outlook is attractive, he said on a short video accompanying a recent report, as the vessel supply side is being squeezed. The orderbook-to-fleet ratio is at 8%, the lowest since 2002, while 7% of the dry bulk fleet is more than 20 years of age, making them potential scrapping candidates.

IN OTHER NEWS

Cosco sets up tanker unit in Hainan to support national strategy

COSCO Shipping Energy Transportation has established a tanker subsidiary in Hainan, an island province that China aims to develop into the country's largest free trade port.

The Shanghai-listed company, the oil and gas shipping arm of state conglomerate China Cosco Shipping Corp, will also hand over the ownership of nine tankers under construction — four very large crude carriers, three suezmaxes and two aframaxes — to the subsidiary, according to an exchange filing.

These ships are part of the newbuilding projects financed by a Yuan5.1bn ($732m) private offering that CSET completed in March this year. Accordingly, about Yuan2.4bn of the funding will be injected into the Hainan unit.

Low-carbon pioneers compete for stake in untapped market

THERE are more than 40 organisations and initiatives seeking to have a stake in the emerging low-carbon marine market, according to a new report.

While several are larger companies, some of the identified initiatives are in the early stages of their life and need investments to develop, the study by marine and energy consultancy Blue Insight in collaboration with Bureau Veritas found.

It focuses on companies involved in the development of 11 different low-carbon fuels or technologies, ranging from ammonia and hydrogen to fuel cells and renewable crude oil.

New shipping group linked to newbuilding MR tankers

THE E4C Shipping group has been linked to a deal for two medium range product tankers being built at the Hyundai Mipo yard in South Korea.

The vessels, scheduled to be delivered in the third quarter of 2021, come at a price equivalent to $72m. There are options for two more.

The group consists of "entities and individuals" affiliated with Danish Ecco Holding, Dee4 Capital and Gunvor Group. Day-to-day operations will be overseen by Dee4.

Port of Charleston expects uptick in throughput from new Walmart facility

THE US port of Charleston expects to boost its containerised imports by as much as 5% as a result of a $220m distribution centre to be built by Walmart, the world's largest retailer.

Jim Newsome, South Carolina Ports Authority president and chief executive, called Walmart "the recognised leader in supply chain innovation and performance" and said its decision is the "ultimate vote of confidence" in the state and its ports.

John Hagerty, chairman of the Charleston Regional Development Alliance Board, said: "The Charleston region is perfectly positioned for global distribution, offering prime access to one third of the US population and the deepest seaport on the east coast."

US retailers urge national mask policy to boost demand

THE coronavirus outbreak has had two main impacts on the container industry, particularly because of the downturn in sales of retail goods such as clothes, luggage and furniture.

The first impact struck when the developing pandemic forced China to close factories in February, cutting off supplies of apparel, electronics and other retail goods to the world.

The second impact hit when stores in the US closed, leading companies such as Gap, Macy's, Marshalls, Nordstrom and TJ Maxx to begin cancelling orders from overseas factories.

Evergreen told to improve stowage after cargo loss

EVERGREEN Marine Corp has been told to improve stowage following a report into the loss of boxes on one of its vessels.

The Marine Accident Investigation Branch called for improved plans produced ashore as well as knowledge of bow flare slamming and lashing gear maintenance management.

UK-registered containership *Ever Smart* suffered a container stow collapse while on passage between Taipei, Taiwan and Los Angeles in October 2017.

Classified notices follow

Department for Business, Energy and Industrial Strategy

NORFOLK VANGUARD OFFSHORE WIND FARM

THE INFRASTRUCTURE PLANNING (ENVIRONMENTAL IMPACT ASSESSMENT) REGULATIONS 2017

NOTICE OF A DECISION ON AN APPLICATION FOR AN ORDER GRANTING DEVELOPMENT CONSENT FOR EIA DEVELOPMENT

The Secretary of State for Business, Energy and Industrial Strategy ("the Secretary of State") gives notice under regulation 31(2) of the Infrastructure Planning (Environmental Impact Assessment) Regulations 2017 that a determination has been made on an application made by Norfolk Vanguard Limited ("the Applicant") for development consent under the Planning Act 2008 ("the 2008 Act") for Environmental Impact Assessment development.

The Norfolk Vanguard Offshore Wind Farm comprises an offshore wind farm with a maximum of 158 wind turbines and a maximum electricity generating capacity of 1,800MW, intra array cabling, offshore electrical platforms, offshore accommodation platforms, subsea electrical cabling, onshore underground cabling and cable ducting for the proposed Norfolk Boreas Offshore Wind Farm running from Happisburgh in Norfolk to Necton in Norfolk, a project substation, an extension to an existing National Grid substation, overhead line modifications and associated works.

The Secretary of State has determined, following consideration of the report of the Examining Authority which conducted an examination into the Application, that development consent should be granted and has decided, therefore, to make an Order under sections 114, 115, 120 and 149A of the 2008 Act.

The statement of reasons for deciding to make an Order granting development consent, which has been prepared by the Secretary of State under section 116 of the 2008 Act and regulation 31(2) of the Infrastructure Planning (Environmental Impact Assessment) Regulations 2017, containing the content of the decision, the requirements imposed in connection with the development, the main reasons and considerations on which the decision is based including relevant information about the participation of the public, a description of the main features to avoid, reduce and offset any major adverse effects of the development and information regarding the right to challenge the decision and the procedures for doing so, is published on the Planning Inspectorate`s web-site:

https://infrastructure.planninginspectorate.gov.uk/projects/eastern/norfolk-vanguard/

The statement of reasons contains the information required by regulation 31(2) including information regarding the right to challenge the decision and the procedures for doing so.

Hard copies of the decision documentation will also be available to inspect at the Planning Inspectorate's offices (by appointment using the contact details below).
The Planning Inspectorate
National Infrastructure Directorate
Temple Quay House
Bristol
BS1 6PN

To make an appointment for inspection of the documents contact the Planning Inspectorate on 0303 444 5000 or email NIEnquiries@planninginspectorate.gov.uk .
Copies of the Secretary of State's decision letter and the text of the Order can be obtained by writing or sending an e-mail to the Planning Inspectorate. No charge will be made for this service.

LONDON RESORT COMPANY HOLDINGS LIMITED

SECTIONS 42, 47 AND 48 OF THE PLANNING ACT 2008 ("THE 2008 ACT")

REGULATION 4, INFRASTRUCTURE PLANNING (APPLICATIONS: PRESCRIBED FORMS AND PROCEDURE) REGULATIONS 2009 ("THE 2009 REGULATIONS")

NOTICE OF PUBLICATION OF A STATEMENT OF COMMUNITY CONSULTATION AND NOTICE PUBLICISING A PROPOSED APPLICATION FOR A DEVELOPMENT CONSENT ORDER FOR THE LONDON RESORT

NOTICE IS HEREBY GIVEN that London Resort Company Holdings Ltd ("LRCH") of 20 Berkeley Square, London W1J 6EQ intends to apply to the Secretary of State for a Development Consent Order ("DCO") under section 37 of the 2008 Act to create a leisure and entertainment resort which will be located on land in and around the Swanscombe Peninsula and Tilbury and falls partly within the administrative boundaries of Dartford Borough Council, Gravesham Borough Council and Thurrock Council ("the Development").

Under section 47 of the 2008 Act, LRCH has a duty to consult the local community in accordance with a Statement of Community Consultation ("SoCC"), which sets out how LRCH will undertake its consultation. This notice publicises where and when the SoCC can be inspected, pursuant to section 47(6)(a).

Additionally, LRCH has a duty to publicise the proposed application under section 48 of the 2008 Act in line with Regulation 4 of the 2009 Regulations. In accordance with those provisions, this notice also summarises the main proposals and explains where the consultation documents can be viewed.

Summary of Proposed Works

The proposed DCO application is a nationally significant infrastructure project (NSIP) under the 2008 Act and the application will be determined under that Act by the Secretary of State for Housing, Communities and Local Government or his successor. If the application is successful, the Secretary of State will grant the DCO in respect of the application.

The Development would create a leisure and entertainment resort ("the Resort"). Themed rides, shows and attractions will be inspired by globally recognised brands to create a unique, world-class entertainment destination. IP Partnerships include Paramount Studios, the British Broadcasting Corporation Worldwide, and ITV.

The Resort will include—

- the Leisure Core, comprising a range of events spaces, themed rides and attractions, entertainment venues, theatres and cinemas, developed in landscaped settings in two phases known as Gate One and Gate Two. The Gates will have entrance plazas offering ancillary retail, dining and entertainment facilities;
- four hotels providing family, upmarket, luxury and themed accommodation totalling up to 3,550 suites or 'keys'. One or more of these hotels might be located within the leisure core. One hotel will incorporate a water park;
- a 'Conferention' Centre (i.e. combined conference and convention) with a floor area of up to 11,000 m2, capable of hosting a wide range of entertainment, sporting, exhibition and business events;
- a linked building hosting a range of eSports, video and computer gaming events , with a total floorspace of up to 16,500 m2;
- a 'Back of House' area accommodating many of the necessary supporting technical and logistical operations to enable the Resort to function, including security command and crisis centre, maintenance facilities, costuming, employee administration, employee welfare, medical facilities, offices and storage;

The Development would also include the following principal elements—

- land remediation works;
- terrain remodelling, landscape works and planting;
- car parks with an overall volume of 10,750 spaces;
- the A2 Highways Works comprising a signalised at-grade gyratory junction to replace two existing roundabouts at the A2(T) / B259 junction;
- a people mover and transport interchanges;
- a Resort access road of up to four lanes (i.e. up to two lanes in each direction);
- local transport links,
- river transport infrastructure on both sides of the Thames, including floating jetty and ferry terminals and the repair or replacement of White's Jetty;
- utility compounds, plant and service infrastructure;
- flood defence and drainage works;
- habitat creation and enhancement and public access;
- security and safety provisions;
- data centres to support the Resort requirement; and
- up to 500 apartments for Resort workers, typically consisting of 4-6 bedrooms and shared kitchen and lounge facilities.

The proposed project is Environmental Impact Assessment development ("EIA development"), as defined by the Infrastructure Planning (Environmental Impact Assessment) Regulations 2017. This means that the proposed works constitute development for which Environmental Impact Assessment is required. An Environmental Statement will therefore be submitted as part of the proposed application containing information about the environmental effects of the proposed development. Preliminary environmental information can be found in the Preliminary Environmental Information Report ("PEIR"), which forms part of the consultation material.

Details of the consultation documents (which include plans and maps) include—

- the SoCC
- Guide to Statutory Consultation document
- PEIR (including non-technical summary of the PEIR)
- Draft DCO and Explanatory Memorandum
- Draft Works Plans
- Draft Land Plans
- Feedback Form
- Feedback Reports (from previous consultations)

The consultation runs from Monday 27 July to Monday 21 September 2020 and during this period you can view and download the consultation documents via LRCH's project website at www.londonresort.info. **The SoCC will also be available to view on the project website from Monday 27 July 2020, and hard copies of it can be obtained on request via the email, telephone number and freepost addresses given at the end of this notice.**

You are encouraged to view the consultation documents by downloading them from LRCH's website but should you require an alternative method for inspecting the consultation documents or require a free USB memory stick then please telephone 0800 470 0043 or email info@londonresort.info. Any details you provide to us via the telephone or e-mail will be subject to our privacy policy at https://www.londonresort.info/privacy-policy/. We will make every effort that is reasonable in the circumstances to allow you to inspect the documents.

The law is being changed so that we do not need to facilitate physical inspection of documents and we cannot guarantee that you will be able to do so. However if health conditions permit, we may choose to place documents for inspection at physical locations. Check our website at www.londonresort.info for the latest information.

Public webinar events

You can also attend one of our public consultation webinar events, which we are holding on selected lunchtimes and evenings throughout the consultation period. Members of the project team will present proposals and will be happy to answer questions. Dates and times, and details of how to register for a webinar, will be published on our website and will be kept up-to-date throughout the consultation period. There will be a minimum of ten one-and-a-half-hour events during the consultation period.

Charges for purchasing hard copies

The full suite of printed consultation documents will be made available for purchase at the cost of up to £300 plus postage. All document requests are limited to one per household or organisation. Copies of the printed documents or of the free USB memory stick can be obtained by emailing info@londonresort.info, by writing to FREEPOST LONDON RESORT CONSULTATION, or by telephoning 0800 470 0043 Monday to Friday between 09:00 and 17:30 or Saturday between 11:00 and 14:00.

Comments on the proposals can be made in the following ways—

- **Online**: complete or download the Feedback Form at the project website www.londonresort.info;
- **By email or post**: completed Feedback Forms, and any other comments, can be emailed to info@londonresort.info or returned by post to FREEPOST LONDON RESORT CONSULTATION.

COMMENTS MUST BE RECEIVED NO LATER THAN 23:59 ON MONDAY 21 SEPTEMBER 2020.

Responses should state the ground of representation, the nature of your interest in the proposed project, indicate who is making it, and provide an address to which any correspondence relating to the representation may be sent.

Personal information that is supplied to LRCH in response to this consultation will be treated confidentially and processed and handled in accordance with the Data Protection Act 2018. The information may be disclosed to or shared with LRCH's connected companies, agents, contractors and advisors who provide services to LRCH in connection with the preparation of an application for development consent under the 2008 Act. This will allow LRCH to fully consider the responses and use them in the preparation of application materials. Upon submission of LRCH's application for development consent under the 2008 Act or in connection with any related applications by LRCH for consents or licences, the Secretary of State may require LRCH to supply copies of all consultation responses received. If a request is made, LRCH is under a legal obligation to supply such copies. By submitting a consultation response to LRCH, a respondent agrees that we may supply a copy of their response to the Secretary of State via the Planning Inspectorate if required to do so.

How to contact us:

If you have any questions about this consultation please contact the project team by:

- **Email**: info@londonresort.info
- **Post**: write to us at FREEPOST LONDON RESORT CONSULTATION
- **Telephone**: 0800 470 0043 Monday to Friday 09:00–17:30 and Saturday 11:00–14:00

23 July 2020