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IG chief says P&I pooling mechanism can handle claims spate

THE INTERNATIONAL GROUP pool scheme will weather two potential nine-figure million dollar payouts from *Wakashio* and *Golden Ray* as well as a run of other hefty recent claims.

Nick Shaw, the organisation's chief executive, was speaking in an interview ahead of the International Union of Marine Insurance conference.

Pool contributions are widely seen as a major factor behind clubs' drive to increase premium income at the last renewal, with a number even resorting to general increases of around 7.5%.

But despite continuing pressures on the system — with Skuld this week reporting a $25m technical deficit in the first half of the current policy year after handing more than $37m to the pool — the mechanism remains resilient, said Mr Shaw.

His comments came after market sources suggested that Japan's P&I Club's liability on *Wakashio*, which ran aground of Mauritius, could top $500m, making it likely to become the largest marine claim since cruiseship *Costa Concordia* in 2013.

That scale of loss will exceed even the $440m or more incurred on car carrier *Golden Ray*, entered with North, following its capesize off the US port of Brunswick in September 2019.

A number of other incidents will also necessitate double-digit million dollar pool claims, including *Hoegh Xiamen*, entered with Gard, and very large crude carrier *New Diamond* and livestock carrier *Gulf Livestock 1*, both entered with West of England.

The cruise sector has also generated pool claims as a result of the pandemic, led by losses on Princess Cruises' *Diamond Princess*, which are thought to have hit the region of $30m.

Under International Group pooling arrangements, individual clubs only retain the first $10m of risk for a casualty, with sums after that passing to the pool.

The IG covers the layer between $10m and $100m, although after $30m, the loss is reinsured through group captive Hydra.

After the $100m ceiling is reached, the IG's General Excess of Loss reinsurance programme provides a further $2bn of cover, and there is a final $1bn of cover available through the so-called Collective Overspill layer.

Mr Shaw sits on IUMI's legal and liability panel, and will be chairing the relevant session on 29 September, which will focus on the *Golden Ray* casualty. Cutting is due to start on the wreck at the beginning of October.

While the *Golden Ray* claim is still developing, he confirmed the current estimate that it will come in at $447m. He declined to give an estimate for *Wakashio*, although brokers and underwriters have said privately that it could run to half a billion dollars.

"The clubs absorb a lot of the claims within the pool retention, but there is no doubt there has been a more testing time in terms of pool claims over the past few years," he said. "But the resilience of system is there for everyone to see."

While many clubs have reported underwriting losses, they are able to cover their positions with returns on investment, he went on.

The impact of the health crisis will be another key theme at IUMI, which is being held online this year on account of the pandemic. From a pool claims perspective, it is still too early to assess the coronavirus backdrop's full impact.

"We are still hopeful that all claims from coronavirus will be managed within the pool system. Once all cruise passengers are off and [the vessels] have gone into warm lay-up, there haven't been any claims coming through since April or May where coronavirus was the direct cause."

Meanwhile, market sources have suggested West of England's exposure to *New Diamond* and *Gulf Livestock 1* is less than has been reported.

While *Gulf Livestock 1* saw extensive loss of life, with over 40 crew dead, most of the victims are covered by a compulsory nationally-based insurance mechanism.

There is unlikely to be either a salvage claim or a pollution claim. The 5,800 cows on board were carried free of risk to the carrier, as is standard practice.

"We can confirm that these two vessels are entered in the West of England," it said in a statement. "The club is liaising closely with our members and the relevant authorities and it would be inappropriate to comment further at this time."

Japan P&I Club has been contacted with a request for comment.

WHAT TO WATCH

IEA estimates zero-emission shipping to cost $6trn

MARITIME shipping needs an additional $6trn in investment over the next 50 years to meet decarbonisation goals, the International Energy Agency says in its report Energy Technology Perspectives 2020.

The study assessed available technologies to meet zero-emission goals across the energy sectors, with a $21trn call on additional investment for global transport infrastructure encompassing shipping, aviation and freight.

Biofuels and operational energy efficiencies were expected to emerge within five years as the main, shorter-term contributors to emissions reductions for the global shipping sector.

Hydrocarbon- and ammonia-based technologies were nearly a decade away from commercial viability.

From 2025 biofuel oils would be blended with very low sulphur fuel oil in increasing amounts to displace conventional residual fuel, according to the report.

"Biofuels are the most promising fuel option for shipping in the short to medium term because they can be blended at gradually higher shares as a drop-in fuel into heavy fuel oil or diesel, which avoids the need for new vessels and fuel systems," the report says.

"Biofuels could play a smaller role depending on the pace of progress of hydrogen and ammonia technologies, and on the speed of the scale up of second- and third-generation biofuels production capacity.

"However, the majority of vessels sold today run almost exclusively run on fossil fuels, and they will still be operating in 2050 unless regulations encouraging or mandating early retirements are put in place."

In the medium term, blending with biofuels is forecast to increase from today's "negligible" levels to reach 25m tonnes of oil equivalent by 2040, rising to 50m tonnes in 2060, accounting for one fifth of total energy use in shipping.

Biofuels production is estimated to scale up to 5m barrels per day over the next decade, from levels of 2m bpd in 2019, and used as an alternative to fossil fuels first for road vehicles and then for the maritime and aviation sectors.

"In the longer term, biomass-to-liquids (BTL) — an alternative technological pathway to making diesel substitutes — makes an increasing contribution in shipping energy use as BTL moves to large-scale production from about 2050, while ammonia and hydrogen come increasingly to the fore," the IEA says.

"As ships using fossil fuels blended with some biofuel reach the end of their life from 2050 onwards, they are replaced by new vessels equipped with propulsion technologies compatible with ammonia and hydrogen, two technologies that become steadily more competitive after their first use on short and medium-distance trips from 2025, gradually replacing vessels using oil and, later, LNG, as they retire.

"Together they are used on over 60% of new vessels sold after 2060."

Hydrogen use is forecast to account for 16% of global maritime bunker demand by 2070 and oil and gas for about one sixth of total shipping fuels.

Biofuels are the cheapest option for current decarbonisation measures according to the IEA, even though few companies are pursuing the technology. So-called 'scaling up' capacity is limited only by availability, with the technology favoured by the aviation sector.

The IEA's roadmap for meeting international climate and energy goals, which it calls its "Sustainable Development Scenario", assumes policies are implemented that will result in net zero emissions by 2070.

The IEA assumptions for its Sustainable Development Scenario are based on shipping emissions that are 70% lower than today's levels by 2070 but yet to reach net zero emissions.

Shipping emission are forecast to peak "in the early 2020s" to the same level as in 2019, at 710m tonnes, the report said.

If decarbonisation policies remain unchanged, shipping emissions will rise by 50% from 2019 levels, to 1.1bn tonnes by 2050, stabilising through to 2070, according to the IEA.

"In maritime shipping, biofuels, ammonia and hydrogen meet more than 80% of fuel needs in 2070, using around 13% of the world's hydrogen production," the report says.

"Energy efficiency also makes a significant contribution. These changes require further tightening of efficiency targets and low-carbon fuel standards to close the price gap with fossil fuels and de-risk investment."

The IEA highlights the dilemma facing global shipping as regulations to achieve lower greenhouse gas emissions with costly fuel alternatives clashed with the longer lifespan of vessels, which it said inhibited the uptake of new technologies.

Curbing fuel consumption by using operational energy efficiency technologies, including slow steaming, were obvious potentials the report said. Emissions-free ammonia and hydrogen fuels "look likely to be particularly important for long-range transoceanic travel", according to the report.

It was technically feasible for short-distance ships to use less energy-dense fuels and switch to battery electric power.

Technology to switch to fuels such as ammonia and hydrogen was yet commercially available, the IEA says.

Two engine manufacturers expect to have ammonia-fuelled internal combustion engines ready by 2023.

GP Global fends off 'shark attacks' amid critical financial restructure

EMBATTLED Dubai-based oil and bunker trader GP Global has hit out at "sharks" seeking a distressed asset sell-off amid a flurry of reports questioning the company's financial health.

The company, a major bunker player with terminals at Fujairah and Hamriyah and a fleet of eight tankers, is two months into a restructuring process that has seen it shut down some trading desks after lenders withdrew lines of credit in the wake of coronavirus and banks started pulling back from commodity and trade finance.

While it insists that some trading activity is continuing with the support of "the vast majority" of company stakeholders, internal GP Global sources have told Lloyd's List that this activity is limited.

This week, National Bank of Fujairah arrested one of the company's bunker tankers, *GPB3*, at Pipavav port in India over unpaid invoices. And then there is the unresolved issue of an internal fraud investigation in which the company's own legal representatives warned clients late last month that GP Global employees had "colluded with external entities… to defraud the company and its customers".

Despite the turbulence, GP Global officials insist that the restructuring is on track.

In August, GP Global secured the services of chief restructuring officer Rod Sutton of FTI Consulting in Hong Kong and London-based Quantuma.

Mr Sutton insists that, despite press reports to the contrary, GP Global continues to trade with the backing of "numerous stakeholders".

"The restructuring process continues to move forward rapidly there are people looking at GP on overall business standpoint, not only on specific assets, and there is support from the vast majority of the company's stakeholders," said Mr Sutton.

"Rumours to the contrary are just classic restructuring tactics of those with only their own economic interests in mind. I'm very pleased with the constructive and professional support of the community."

Behind the official statements from Mr Sutton, however, there is growing anger within the GP Global restructuring team that the process is under attack from would-be bidders anticipating distressed asset deals and feeding inaccurate stories to the press and their lenders in a bid to force liquidation.

Officials directly involved in the restructuring of the company have identified companies that had expressed an interest in buying assets at "low-balled prices", but in each case Lloyd's List was told by those companies all allegations of making false statements to destabilise the GP Global restructuring were untrue.

Financial stress

One GP Global insider, directly involved in the operation of the company's Middle East bunker operations, said the company had ceased most new business since mid-July, with payments in most cases that he was aware of on hold until the CRO had completed an internal review.

Lloyd's List understands at least two trading clients of GP Global, one in Singapore and one in China, have not had invoices paid in the past month.

One senior GP Global official who spoke on condition of anonymity acknowledged the company was "in dire straits" two months ago but said its situation had improved since Mr Sutton's appointment.

According to GP Global, 90% of its traders are still on the payroll and banks still support the company's restructuring plans.

In response to Lloyd's List questions, GP Global said: "Our trading operations have been slightly reduced but otherwise continuing as normal.

"Restructuring of any sort [is] complex; in the midst of a global pandemic, only more so today. We of a global pandemic, only more so today. We approach each day with a professional commitment to working openly with each of our valued financial stakeholders and customers in our effort to complete the process."

Lloyd's List asked GP Global to comment on reports that several of its offices had been closed, operations had been halted in many regions and several invoices had been unpaid.

"Out of respect for the complicated process, we will not address each small item because we remain completely focused on an holistic solution best for all our stakeholders, unlike those who would look to undermine those efforts for their own selfish gain, and are using self serving rumours, inuendo and outright falsehoods," it said in a statement.

GP Global, known as Gulf Petrochem Group until 2018, is a major bunker supplier with offices across Europe, Asia and America.

The company expanded its operations last year in preparation for the IMO 2020 switch to low-sulphur fuels, hiring in several new appointments to bolster its bunkering business globally.

As recently as March 2019, it had been touting its ambition to expand into the US market and expected to supply 5m metric tonnes of bunkers to customers globally in 2020.

Fraud probe

In July, it announced an internal fraud investigation in a letter to clients written by Dubai law firm Salam Advocates & Legal Associates.

The letter, seen by Lloyd's List, said some employees had "colluded with external entities using the coronavirus (lockdown) and work from home arrangement to defraud the company and its customers".

"The fraudsters manipulated records that switched the cargo under the custodianship of GP with those goods financed by various banks and under collateral management agreement," it said.

The Salam Advocates & Legal Associates lawyer responsible for the letter, Mr Arun Abraham, said he was unable to comment on the letter or the investigation. GP Global employees have been told not to talk about the fraud investigation externally.

A spokesperson for GP Global told Lloyd's List: "The appropriate authorities were notified. And as it is an ongoing investigation it is inappropriate to comment further.

"The professional restructuring team has communicated with stakeholders involved for the maximum benefit of all concerned.

"The hiring of FTI's Rod Sutton as CRO and Quantuma is a clear message to the market that the GP Global process is going to be run in a transparent and professional manner by an experienced and well-known team. And the restructuring team has made significant progress with stakeholders since, much to the dismay of those who would look to drive discord in order to gain a bargain for themselves."

Migrants from Maersk Tankers ship are landed in Sicily

MIGRANTS stranded on board a tanker in the Mediterranean for more than a month have been taken to Sicily, the non-governmental rescue organisation Mediterranea said.

The group were receiving medical treatment on Sunday after being disembarked in the port town of Pozzallo.

Their arrival after almost six weeks at sea brings to an end the "longest and most shameful stand-off of European maritime history", said Mediterranea in a Twitter post.

The migrants had been transferred on September 11 to the charity ship *Mare Jonio* after being anchored off the coast of Malta on *Maersk Etienne* since being rescued on August 4.

Mediterranea said that permission had finally been granted by the Italian coast guard and Interior Ministry for the migrants to disembark in Pozzallo for health-related reasons.

The group are "in serious psycho-physical conditions that make it impossible for them to stay on the petrol tanker", Mediterranea said.

The *Maersk Etienne*'s crew had rescued the migrants, including a pregnant woman, near Malta from a wooden dinghy that had been at sea for days and sank immediately after the rescue operation.

Malta, Italy and Libya had all refused to allow the migrants to come ashore, according to Maersk Tankers.

Hours before the migrants were taken off the tanker, Malta's prime minister had repeated his claim that they were not his responsibility. Robert Abela had maintained that the Denmark-flagged vessel and the migrants were the responsibility of Denmark. Mr Abela said during the Summit Med 7 conference: "The EU cannot leave frontliners like Malta and Italy alone over a lack of agreement between states."

The International Chamber of Shipping, the UN Refugee Agency and the International Organization for Migration had said Malta's refusal to allow disembarkation was in contravention of international law. "The absence of a clear, safe, and predictable disembarkation mechanism for people rescued in the Mediterranean, continues to pose an avoidable risk to life," said IOM director general António Vitorino.

OPINION

Time to be maritime-minded

EVERYTHING looks so clear from the sea. Until it's not.

Respecting international conventions and the humanitarian tradition of saving lives at sea, merchant ships often rescue unfortunate souls at risk of perishing on the high seas.

Companies and their masters do their simple duty and often enough one of the most heroic dimensions of their actions is that they do so in full awareness that it may very well make their lives uncomfortable

That has certainly been true for the master and crew of the product tanker *Maersk Etienne*, which has been stranded for more than a month after rescuing 27 migrants trying to cross the Mediterranean from Libya.

Parked off Malta, the Maersk Tankers vessel is under Danish flag so this is not a flag state issue per se.

Nontheless, it is a bad look for the registrar of the European Union's largest fleet.

Malta, which has little by way of an indigenous shipowning community of its own to boast of, has done good business as a flag with the support of foreign merchant shipping.

The island has said that it is absolved of responsibility for the migrants because the rescue took place outside its own search-and-rescue zone.

To be fair, Denmark appears to have concurred with this view and has now said it believes Tunisia is responsible for accepting the migrants.

There are plenty of other excuses Malta can reach for, too, chief among them is that it is hardly alone in its aversion to accepting migrants. Most EU countries are less welcoming these days.

It is frustrating — infuriating, even — that the EU in particular has not been able to pull together a humane and practical system for dealing with migrants and refugees in the Mediterranean, leaving each commercial ship or charity vessel doing a good deed to flail individually for a solution.

But while the failure is one of geopolitics at a higher level, this does not completely dispel the feeling that, if all else is failing, an aspiring maritime country should be maritime-minded and solve the problem itself rather than continue playing politics.

While the imperatives may be migrant policy and saving those in peril from the sea, consideration for crews and shipping companies should surely not rank far behind.

All cases are different, but keeping a significant number of rescued persons on board a merchant ship for any length of time will become a source of strain and, often enough, danger to the crew.

Meanwhile, shipping companies are left to absorb the cost of any rescue operations, just as they have largely had to bear the brunt of costs stemming from the current global crew change crisis triggered by coronavirus fears.

Over and above the migrant drama, the *Maersk Etienne* and similar cases underline that shipping remains largely outside the interests of shore, as long as the commodities and goods keep getting delivered.

Like fictional US marine Colonel Nathan R. Jessop from ‘A Few Good Men’, the maritime world still uses words like ‘honour’, ‘code’, ‘loyalty’ and is puzzled when coddled humanity on shore and its compromised political systems just don’t get it.

The difference being that in our story, shipping most of the time is the good guy and politicians just cannot handle the truth.

ANALYSIS

Focus turns to Europe on shipping’s path to decarbonisation

THE adoption of a wide-ranging decarbonisation proposal in the European Parliament could signal the start of a new era for shipping’s environmental regulations.

Though it has been a long time coming, the Parliament vote next week on a legal text to bring shipping under the European Union’s Emissions Trading System marks the official acceleration of Europe’s unilateral approach to shipping emissions compared to the world at large.

The move will impose operational efficiency measures that will affect around 11,500 vessels calling at European ports.

By the time the International Maritime Organization restarts negotiations on global short-term greenhouse gas measures during a virtual meeting in November, the EU will have officially started the process for a market-based measure for greenhouse gas emissions.

Jutta Paulus, the MEP that developed the regulatory proposal that Parliament will discuss on September 14 and vote on on September 15, has said it is unclear if lawmakers will support her suggestion that shipping be included in the Emissions Trading System starting in 2022 or endorse an alternative proposal that would push it back to 2023.

In the context of an environmental crisis, one year may seem like a long time. But any delay does not fundamentally undermine the sense of inevitability that permeates shipping’s fate with the system.

Alfred Hartmann, president of the German Shipowners’ Association, said he is concerned about the financial implications of the system for shipping, fearing that the fees paid out would eventually end up being spent outside of shipping.

“That means [less] liquidity to start a new business, better ships, more climate friendly,’’ he said in an interview. “I am a bit afraid about that.”

The World Shipping Council, the largest liner lobby, estimates the EU would generate around €3.5bn ($4.1bn) per year from shipping companies via a carbon tax on ships calling at its ports.

That, however, assumes that companies under the Emissions Trading System will have to pay allowances for every single tonne of CO_2 they emit, whereas in industries like aviation some emissions allowances are dispensed for free.

Under the proposed regulation that the Parliament will discuss, half the money from the payments would go into a newly established Ocean Fund that would help finance low emissions projects for the sector.

“Such fund could promote innovation in sustainable solutions for decarbonizing the shipping sector and, as climate crisis and biodiversity loss are closely interlinked, help protect marine biodiversity,” Ms Paulus said this week.

The World Shipping Council report, which seeks to convince EU decision-makers that the new regulations should be limited to intra-EU voyages only, drew a strong reaction, particularly for its claim that an Emissions Trading System that covers voyages outside EU waters could raise legal and diplomatic concerns.

Ms Paulus said her proposal does not change the scope of the existing regulations and it applies to all companies that use Europe’s ports and are thus subject to EU regulations.

The monitoring, reporting and verification regulation “leaves no room for interpretation or statements that this only applies to intra-EU journeys,” she said in an interview.

The Environmental Defense Fund, a US-based lobby group, refuted the suggestion that there is a legal reason why the EU could not impose climate regulation on all ships that call at its ports.

“The EU does not need to limit itself to emissions that occur in EU waters. This is well established as international law and is called ‘port state jurisdiction’,” international climate director Aoife O’Leary said in a statement.

Transport and Environment, a Brussels-based group that has been pivotal in the development of the legislation that Parliament will vote on next week, also criticised the World Shipping Council’s approach to the issue.

“This paper has no scientific or legal foundation and is just a compilation of the political opinions of the container industry,” said Faig Abbasov, shipping officer at Transport and Environment. ``The sector should instead embrace Europe’s climate ambition.”

Parliamentary blessing next week is just the start of what could still be a long road ahead.

Once lawmakers adopt the text, negotiations with the European Commission and the Council of the EU will ensue. Exactly when that begins is unclear though and it may be after Germany’s presidency of the Council concludes at the end of 2020.

“The German Presidency of the Council has not yet confirmed their willingness to start negotiations during their presidency term,” Ms Paulus said.

The timeline uncertainty outside, EU governments are well aware of the issue at hand and its significance.

EU transport ministers and industry representatives met in Hamburg earlier this week to discuss the future of green shipping.

Mr Hartman who attended that meeting said that the Emissions Trading System question was a central theme and that ministers had different views on the matter, with some supporting it and others opposing it.

The observation foreshadows the strategy the industry will pursue to thwart the system or at least minimise its scope; with the Parliament and the Commission explicitly supporting it, industry will lobby governments to secure desired compromises through the Council, where governments speak.

Major shipping nations like Greece, will need little persuasion to push for the financial protection of such a key industry, whose backbone at the myriad of owners with small fleets, rather than a few behemoths with dozens of vessels.

If the industry can convince enough other governments to support a limited Emissions Trading System, it might just earn itself a difficult political victory. But it attracts also more criticism from environmental groups and likely even civic society for yet again not doing enough and seeking the least responsibility possible.

MARKETS

UK port figures show extent of trade downturn

THE volume of freight tonnage moving through the UK’s ports fell by nearly a fifth in the second quarter of 2020, as the full impact of the pandemic took its toll, according to figures from the Department of Transport.

Total volumes fell by 18% to 96.1m tonnes, but the effect on unitised freight carried by containers, trucks and trailers fell by 44% to 3.2m units.

The figures followed a first-quarter fall in volumes of 6% compared with the previous year and confirmed the impact of the coronavirus backdrop on trade flows.

“The dramatic fall in unitised traffic during this period is not surprising, as containers and freight carried by trucks are a good barometer of the performance of the overall economy,” said British Ports Association policy analyst Phoebe Warneford-Thomson.

“This fall represents a decline in finished goods bound for the high street as well as raw materials for manufacturing sites, both of which largely suspended operations during the lockdown.”

The 3.2m unitised cargoes highlighted the fact that ports had continued to supply the country with essential goods throughout the period, Ms Warneford-Thomson said.

Some cargoes, such as timber products, had performed well, as had items such as toilet rolls, where there was an abundance of demand for both finished products and raw paper pulp supplies, she added.

"In the months since June, which we do not yet have official figures for, ports have maintained resilience, as they have throughout 2020. While trade flows may not be at 100% levels, we are seeing some return to normality."

Even passenger numbers passing through UK ports were beginning to improve, albeit from a low base. In April, passenger arrivals were down 97% on April 2019, but by July this had improved to being down only 67%.

"While this remains a vast decline from usual numbers, maritime was the first to see recovery and the sector is seeing a gradual increase in arrivals, especially compared to aviation, where arrival numbers remained at -90% in July 2020," Ms Warneford-Thomson said.

Despite signs of improvement, however, the ports sector now had to prepare for the uncertainties of Brexit, the BPA said.

The association, which represents more than 100 UK ports, had indicated that ports may be increasingly busy in the run-up to the end of the transition period on January 1.

This was based on a growth in throughput ahead of the original March 2019 date for exiting the European Union, when volumes rose 6% as UK manufacturers stockpiled inventory ahead of expected trade disruptions.

It was thought a similar process might occur this year, but this is less certain now, owing to the effect of the coronavirus backdrop and the recession in the UK economy.

"No doubt, ports will once again play a vital role in preparing British industry for Brexit and they may see a similar increase in tonnage in fourth quarter of 2020 ahead of border changes from January," the BPA said.

"We are therefore asking the government to provide stability and certainty in these turbulent times."

IN OTHER NEWS

Venezuela-bound Iranian tankers signal route

THREE Iranian product tankers sailing for Venezuela with gasoline have signalled their position for the first time in around two weeks, as they sail around the Cape of Good Hope.

The National Iranian Tanker Co-owned ships turned off their Automatic Identification System transponders in late August as they loaded gasoline cargoes in Iran, arousing speculation they would be making a second voyage to Venezuela.

The 35,155 dwt Forest, 35,115 dwt Fortune and 31,118 dwt Faxon were among five NITC handymax tankers that previously delivered gasoline to Venezuela over late May and early June.

Malta says EU's migrant crisis cannot be solved 'one boat at a time'

MALTA's Prime Minister Robert Abela has raised the island's immigration issues with European Union partners.

Speaking as the impasse over the fate of the 27 migrants rescued by the Maersk Tankers vessel *Maersk Etienne* neared the sixth week since they were picked up, Mr Abela asked EU members to give immigration the importance it deserves if migrants are not be left stranded at sea.

The heads of France, Greece, Cyprus, Malta, Italy, Spain and Portugal had gathered in Corsica on Friday to discuss Turkey's expansion in the eastern Mediterranean.

Salvors assess New Diamond fire damage

A TEAM of three salvors managed to board the fire-damaged very large crude carrier *New Diamond* for an initial inspection before being joined by another six on Wednesday, the Sri Lankan Navy said.

On Thursday, a 17-member salvage team from salvors SMIT, alongside four from the Sri Lanka Navy, boarded the VLCC. They carried out inspections and disaster assessments.

According to sources, the appropriate course of action for employing larger tugs, as a part of salvage and towing efforts will be undertaken and the trim at the rear portion of the ship will be corrected.

Beirut port fire disrupts cargo operations

THE fresh breakout of another fire on Thursday broke the normal pace of cargo operations at Beirut port, which had been slowly recovering after the massive explosion that damaged large portions of the city in the past month.

The large fire broke out in the afternoon at the Beirut Cargo Centre logistics warehouse in the Beirut Port Freezone, according to Jamil Sayegh, of Admiral Ship Management, the Lloyd's Agency in Beirut. Firefighters, with the help of helicopters, put out the fire after three hours.

"The cause of the fire is unknown as of yet and an investigation into same has been initiated, however eyewitnesses have stated to the media that welding and cutting works were in progress at or in the vicinity of the warehouse, where cooking oil and rubber tires caught fire," said Capt Sayegh.

SMF supports digitalisation initiatives across Singapore maritime sector

WHILE the recognition that digitalisation will play an increasingly important role in the maritime sector may have come recently to many as a result of this year's coronavirus backdrop, Singapore has already forged ahead along that path and — through the Singapore Maritime Foundation — is working on training the manpower required to meet these needs.

"We envisage a growing use of digital technologies within Singapore's maritime industry, which has only accelerated this year," SMF chairman Andreas Sohmen-Pao told Lloyd's List.

"SMF realises that people are at the heart of the industry, including the implementation of digital strategies," added Mr Sohmen-Pao, who is also BW Group chairman.

Somaliland's port of Berbera advancing as regional trading hub

THE development of Somaliland's port of Berbera advanced this week after commodity trader Trafigura Group delivered a load of low sulphur gasoil, a first step in establishing the port as a trading hub for petroleum.

The development is part of a broader effort launched by DP World in 2016, saying the project to regenerate the port would open a new "point of access" to the Red Sea and complement its existing operations in Africa and the Middle East.

Trafigura delivered the gasoil to Berbera on board the 2004-built, 13,034 dwt *Omair* on September 3. The delivery came after the earlier signing of a storage agreement with Somaliland's ministry of trade, industry and tourism.

Classified notices follow