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## Crewing crisis: Just how many seafarers are affected?



WITH THE CREW-CHANGE crisis showing no sign of abating, how many seafarers are actually affected?

Around 400,000 are said to be trapped at sea because of coronavirus restrictions, but the United Nations has been warned that government inaction could result in as many as 1m seafarers either stuck on ships or on shore waiting to relieve them.

The widely quoted figure of 400,000 came from a survey in August of IMEC's 246 member companies, which represent many of the world's maritime employers.

The International Maritime Employers' Council asked members how many of their seafarers would still be on board on August 31 despite their original contract having expired.

It calculated about 100,000 seafarers were overdue in its members' fleet of about 15,000 ships.

If the global fleet estimate of 60,000 ships was accurate, IMEC could assume the number of seafarers on extended contracts is 400,000.

"Unfortunately, coming up with accurate real-time numbers is practically impossible," said IMEC chief executive Francesco Gargiulo.

"The nature of shipping makes it really difficult to calculate more accurate numbers because the ships are moving all the time and port regulations are also a movable feast. If you then plug in the uncertainty created by flight cancellation and limited availability, it all becomes a guessing game."

He said the response to the August survey was good but not great, with “survey fatigue” setting in among members after six months of requests for up-to-date information.

“Some have lost faith in the institutions and their frustration has meant they no longer want to invest time in helping the rest of the industry paint an accurate figure,” he said.

Mr Gargiulo also pointed to figures from the Philippine Overseas Employment Administration, which showed about 240,000 fewer Filipino crew changes in the first eight months of 2020 compared to the same period last year.

IMEC is setting up a dedicated quarantine and testing facility in Manila to assure governments that negative test results are authentic and sign-on crew have been properly quarantined. It hopes to do the same in India and Ukraine once the Philippines scheme is in place.

An ICS spokesman said more seafarers were overstaying their contracts than were being repatriated, so the overdue numbers continued to rise. There was also no central register of seafarers to find a definitive number, he said.

But the spokesman added: “The point of having a unified number is to communicate with governments so that people do not focus on the numbers, but prioritise the issue.”

InterManager secretary-general Kuba Szymanski said his association, whose members managed 35%

of world crews, had brought its numbers of overdue seafarers down from 67% in late March 27 to about 7% today — close to pre-pandemic levels.

But Capt Szymanski stressed this was no cause for celebration, because the “enormous amount of work” and extraordinary costs of chartering flights and diverting ships were unsustainable for the industry.

Capt Szymanski said some cargo owners were unwilling to recognise the human costs of sea transport.

Some governments, meanwhile, had made the right statements but failed to allow crew changes in practice. Angola, Australia, Qatar and China were still a “serious issue”, he said.

But Capt Szymanski said the industry had not stopped working and was “heading in the right direction”. “I’m frustrated, but on the other hand we are carrying on as usual,” he said.

The International Labour Organisation said the number of seafarers waiting for crew changes, and of those with Covid-19 on board ships, was unclear.

“The Covid-19 crisis is unprecedented, and there are no systems in place for collecting this information, though all concerned are doing their best,” an ILO spokeswoman said.

“The focus is on solving the problem, and doing so quickly.”

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## WHAT TO WATCH

# ‘Poor underwriting’ pushes P&I clubs to loss

THE financial performance of P&I clubs in the last policy year was characterised by bad underwriting, but they should nevertheless refrain from ramping up rates to replenish their coffers, according to top broker Tyser.

The warning is made in its annual assessment of the state of the P&I market, which this year largely eschewed its traditional light-hearted style as inappropriate for a period of pandemic, and focused sharply on statistical content.

“The overriding trend in 2019–20 was a poor underwriting performance, with an average combined ratio of 117% and only Steamship Mutual

managing a ratio under 100%, and that was 99.80%,” the report says.

However, all clubs with the exclusion of Japan, North and Standard, still came out ahead with a surplus, because of some positive investment returns.

Despite total underwriting losses of nearly \$500m, International Group free reserves still rose by nearly \$200m to more than \$5.5bn, the second-highest figure on record.

Allowing for tonnage growth, free reserves have remained stable during the past five years, which

provides a reassuring cushion following the increase in large claims over the past two years.

Pricing did harden at the last renewal round, and technical results showed that to be necessary, even though the 7.5% general increase that at one stage seemed set to emerge as the going rate could not be made to stick. However, Tysers counsels that there should be no immediate repeat.

“We feel there is a strong argument the IG should be prepared to write off 2020 as an exceptional year, accepting that members have suffered badly in both a business and personal sense, and offer a neutral renewal by deferring any perceived need for corrective action until 2021,” it said.

If current travel and meeting restrictions continue, P&I renewals will in any case have to be handled differently than in the past, and this could mean considerable frustration with the handling and outcome of negotiations on the part of both clubs and their clients.

P&I clubs have historically demonstrated their ability to weather recessions, and collectively remain financially strong, with most of them exceeding solvency margin requirements, even as many shipowners are struggling to cope with the impact of the coronavirus.

## Zim mulling IPO as it moves to pay down debt

ZIM, the Israeli container line, has confirmed reports that an initial public offering is on the cards.

“Zim is currently considering the possibility of initially offering its securities to the public and to that end retained the services of reputable international investment banks to assist it in this process,” it said in a statement.

The confirmation came as the company launched an offer to spend up to \$60m buying back debt following a strong second quarter and expectations of continued strength the container shipping market in the third and fourth quarters.

The offer is being made to holders of its series 1 and 2 senior notes, which fall due in 2023.

The company will offer to buy the debt at a price determined through a Dutch auction process and has set a maximum aggregate consideration amount of \$58.5m.

As mutuals, clubs are owned by their members, and should therefore hold off on rate rises until the big picture becomes clearer.

The report also looks at diversification, classifying clubs on a spectrum ranging from provision of P&I only (Japan, London, Shipowners and Steamship), P&I only but common management with non-IG marine mutuals (Britannia and UK), P&I and hull (American), P&I, hull and energy (Gard, Skuld and Swedish) and P&I and other products (Standard and West).

The run-offs seen at Standard Syndicate 1884 and Skuld Syndicate 1897 have shown IG clubs that Lloyd's is not an appropriate vehicle for diversification, and it is the Scandinavian Clubs are showing the market the way forwards.

Tysers expresses doubt that the six monoline clubs will change their strategy in the short term, leaving mergers as the alternative for strengthening their futures.

“We have for many years argued that 13 clubs is too many and we remain of the view that nine would be more than sufficient to provide added stability on a more cost-effective basis, while continuing the intense competition and service levels that exist,” it said.

It is offering \$0.60 on dollar on the face value of the debt as a minimum purchase price.

If that is accepted by sellers up to the value of the maximum, it will effectively clear \$100m of its debt for \$60m. If the offer fails to attract the full sum at the minimum purchase price, the company will consider offers.

Zim's bonds, which came out of its 2014 restructuring have traded below par for some time and the offer will be attractive to bondholders that have acquired them at lower cost.

Bondholders who have held since 2014, may also be encouraged to sell given the lower price that the bonds usually trade for.

The company said in the tender offer that its it expects that its results of operations and free cash flow in the third and fourth quarters will reflect an acceleration of the business improvement reflected in the first half of 2020.

The move to pay off the debt comes after the line reported its best results in a decade during the second quarter.

“As a result of the combination of this acceleration of business improvement, together with the expected positive impact of seasonality that is generally

## CMA CGM systems remain down frustrating freight forwarders

CMA CGM has been criticised about its lack of communication following the ransomware attack that shut down its servers during the weekend.

The company’s main website remains offline and no information has been provided on when services will resume.

It said in a statement on its website on September 28 it would provide an update. That has not happened and it has not responded to requests for further information.

The extent of the damage from the attack remains unknown and any attempt to determine the impact would be pure speculation, according to Sea-Intelligence Consulting chief executive Lars Jensen.

“It depends on what part of its backend systems are afflicted and how tied up the systems are,” he said in an interview. “If you look at the attack on Maersk in 2017, it spread widely throughout the systems. But the attack on Cosco in the US in 2018 was fairly contained due to the fragmented nature of Cosco’s systems.

“It depends on the systems’ landscape.”

### Communications down

Freight forwarders also expressed frustration at the lack of communication, with one saying CMA CGM “has switched everything off”.

Lloyd’s List spoke to two companies on condition of anonymity as they have longstanding relationships with CMA CGM.

“We’re not getting much information out of Marseilles,” said the global head of ocean freight for an international logistics operator.

“We’re having to revert to manual processes for bookings. It seems very chaotic,” he said, adding that the effect of the attack appeared to be “quite widespread”.

experienced in the container shipping industry in the third and fourth calendar quarters, the company expects its results of operations and free cash flow for the remainder of the 2020 financial year to represent a significant improvement as compared to its past results, including the trends anticipated in the second quarter of 2020,” it said.

“We are having issues on a global basis with trying to make bookings and it is difficult to get hold of people. We are concerned that a number of bookings are not going to get loaded and shipped. It’s a very sticky process and we’re disappointed at the lack of information that is coming out, to be honest.”

Getting in touch with the CMA CGM key account manager that dealt with the company had been impossible, he added.

“We are concerned. They are taking bookings manually but can’t give a confirmation. It goes into a black hole, so it doesn’t give much confidence.”

The views were echoed by the commercial director of a UK freight forwarder, who had only found out there was an issue from a partner organisation in Europe.

“When we were trying to make export bookings they were advising they had no haulage ability at all,” he said. “Hauliers were only taking bookings that had already been made.”

He added: “We can’t track in-port containers to find out where they are, they can’t take export bookings and they can’t book with the hauliers.”

Communications with the company through its internal systems are not available, and customers have been resorting to phone calls, Facebook Messenger and WhatsApp to contact CMA CGM staff.

“We’ve had to place bookings with other carriers, which has caused extra work and we’ve had to try and match rates,” one forwarder said. “It has been frustrating.”

Mr Jensen said the effect on customers would depend on how deep the ransomware attack had gone.

“You cannot book through the website, but that does not mean you cannot book through electronic data

exchange or application programming interfaces,” he said.

“Just because the website is down, that doesn’t necessarily indicate that their backend information systems are down. We simply do not know.”

But Mr Jensen, who has a background in maritime cyber security, said the lack of information coming from the French carrier was a concern.

“That is not proof of anything, but to me it smells like this is something they don’t quite yet have their arms around yet,” he said. “If they knew the extent of it, what they were dealing with and had a timeline

for when things would be fixed, why not come out and say that?”

“Coming out with nothing gives the impression they don’t have an overview on the exact ramifications.”

The attack on CMA CGM did not mean that it had not done enough to protect itself, Mr Jensen said.

“The fact that someone gets severely affected by a successful cyber attack does not say anything about their defences. The carriers do whatever they can to keep their ships safe, but there are still fires. The key is to do whatever you can to minimise the risk then have a contingency plan.”

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## OPINION

# Post-pandemic reconstruction will drive sustainable shipping

THE shift to sustainability is a “moment of reconstruction” much like the post-Second World War or after the fall of the Berlin Wall, *writes Richard Clayton.*

It can be done, but will require “a Marshall Plan moment”, believes Rachel Kyte, dean of the Fletcher School at Tufts University, in Massachusetts.

She recalled scenarios outlined by energy majors at the World Economic Forum in Davos, Switzerland last January.

These scenarios “stipulate the need for hundreds of billions of dollars in investment over the next 10 years, not just in green fuels but also in ports and efficient transportation”.

She argues, in the latest edition of ABB Marine & Ports’ Generations publication, that sustainability is not only about moving away from coal and oil, it is what should be built in its place.

That gives context to shipping’s search for fuel alternatives to heavy fuel oil. It is part of a much wider shift to green, and not the International Maritime Organization trying to impose its environmentalism on an industry operating at the very margins of profitability.

This is a significant statement because it underlines the necessity for all shipping’s stakeholders to come together and work alongside one another if the goal is to be achieved. Stakeholders include charterers,

technology leaders, energy companies, manufacturers dependent on overseas exports, and consumers and end-users both big and small.

Ms Kyte, who is described in the Generations article as a “realistic optimist”, believes the G7 and G20 countries should be hard at work on the new Marshall Plan. But are they?

If they are not now, they soon will be.

Although there are hardly any references to the coronavirus outbreak in this publication — and none in the interview with Rachel Kyte — the pandemic may just be the impetus needed to reassess reconstruction spending on a global scale.

It is somewhat ironic that a global crisis has been required to bludgeon world leaders into dealing with a global catastrophe.

Among the many reasons why shipping has never placed sustainability at the very top of corporate agendas is that there are far too many other priorities, from piracy to protectionism, diversity and cyber crime.

The biggest challenge of all is the sheer cost of transitioning from fossil fuel-based energy to renewable and zero-carbon alternatives throughout the supply chain.

But pandemic has forced governments to plan for a brave new, post-coronavirus world. This will begin

to address the urgent need to reduce greenhouse gas emissions. However, it will only be a neo-Marshall Plan if governments work together.

And such a plan for reconstruction must involve shipping, the greenest way of moving cargoes over long distances. What shipping has lacked throughout the whole sustainability era is commitment from the public sector.

A public-private partnership as part of a wider plan that benefits both sides is the surest way of achieving the necessary goals.

To be sure, some governments have been listening to their local maritime clusters. But Scandinavia is an

exception that proves the rule. Most governments have left their shipping businesses alone, possibly in the expectation that the IMO will regulate and incentivise as obligated.

ABB Marine & Ports President Juha Koskela opens the publication with the hope that, as the shipping community begins to bounce back from the disruptions of 2020, shipowners and suppliers across the globe “will redouble efforts to comply with environmental regulations” and do their part toward ensuring a sustainable future.

“Now, more than ever,” he writes, “we need a collective response to our collective responsibility.”

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## ANALYSIS

# Sovcomflot opens books to raise \$534m on Moscow exchange

RUSSIA's largest shipowner has opened up its books as it readies to list on the Moscow Exchange.

Sovcomflot is looking to raise 42,250m roubles (\$534.5m) through the sale of as much as 17% of the government-controlled company.

That would value the company at between \$3.1bn and \$3.4bn, exceeding Frontline with a market cap of \$1.3bn, Euronav at \$1.9bn, but less than China's Cosco Holdings which is worth \$9.9bn.

After more than a decade of procrastination, state-owned Sovcomflot has eschewed previously considered stock exchanges in Singapore, Hong Kong, London and New York to list in Moscow, where the offering will price on October 7.

Sovcomflot said it has more than \$20bn in contracted future earnings, including a “total contract backlog” of \$12.8bn, with net debt reported at \$2.8bn and total capitalisation of \$6.4bn, as of June 30.

The cost of the company's order of 15 Russian-built liquefied natural gas carriers appears to be off the books, although it is uncertain whether any earnings derived from time charters have been factored in.

Sovcomflot listed for its SMART LNG joint venture with VEB RF Group undiscounted lease commitments of \$6.3bn for 10 of the vessels, mostly due after 2025.

The prospectus released on September 28 reveals oil and gas geopolitics is diminishing Sovcomflot's stated international outlook of 10 years ago as the shipowner refocuses on supporting Russian energy projects, especially LNG.

The company has a fleet of 146 owned and chartered ships of 12.6m dwt, according to the document, with 13 owned via joint ventures.

When 2019 time charter equivalent revenues are broken down by charterer, Russian customers including Gazprom, Lukoil, Novatek and Rosneft account for 45.6% of earnings.

The Group's 10 largest customers comprise 72.1% of revenues it said, with Gazprom the largest at 15.5%, followed by Sakahlin Energy, at 10.5%.

When revenues are broken down by sector, half of all its time charter equivalent earnings come from the industrial business sector, which includes the 14-ship fleet of LNG carriers. That is up from 18.3% in 2010.

“Management considers the group's industrial business to be, in effect, a seaborne extension of the Russian pipeline infrastructure,” the prospectus said.

Some 54% of vessels in its crude tanker fleet were on the spot market in 2019, Sovcomflot said. Time charter equivalent revenue from the crude and oil products sector accounted for 45% of revenue.

## Largest shareholder

After the offering, the Russian Federation will own 75% of Sovcomflot, plus one share, to remain its largest shareholder, and nominate a majority of the board of directors.

The biggest financial commitment appears to be the 15-ship order for the LNG carriers, which are to be built at Russian shipyards, in a joint venture with South Korean shipbuilder Samsung Heavy Industries.

Even assuming a very basic cost of \$200m per ship, the order would exceed \$3bn, without allowing for technology developments and transfers that should place a further premium on the vessel building cost.

Almost a third (31.4%) of Sovcomflot's time charter equivalent revenues for the year ending June 30 came from floating storage and offloading units. The

LNG and liquefied petroleum gas segments accounted for 12.3%, and crude transport some 36.5%, the prospectus added.

Oil products transportation generated \$122.7m, or 15.7%.

Sovcomflot has 102 live vessels, and eight on order worth \$4.34bn, according to sale and purchase broker VesselsValue.

Its Novoship subsidiary has 42 ships and another on order and is worth \$763.6m, VesselsValue data shows. This excludes the Smart LNG joint venture.

Joint global co-ordinators and joint bookrunners are VTB Capital, Citigroup Global Markets, JSC Sberbank CIB and Sberbank CIB (UK), JP Morgan Securities, and Merrill Lynch International. The co-manager is ING Bank.

# Dry bulk at risk from crew change crisis

THE dry bulk market is being vexed by logistical issues, and these could have upside potential for freight markets, according to shipping consultant Maritime Strategies International.

In 2021, a recovery in demand growth will support small year-on-year gains in the fleet utilisation rate, the London based consultancy said. "Incremental demand of 29m dwt next year will outmatch supply growth of 26.1m dwt, driving a small uptick in the total fleet employment rate from 80.6% this year to 81.5% next year."

However, the extension of the current logistical issues represents an upside opportunity for bulker freight earnings.

The dry bulk market has been heavily impacted by the spread of coronavirus and its accompanying effects on crew changes, with several nations (including China) banning any non-local crews from disembarking.

Due to the long period of time in 2020 for which crew changes have been impractical, if not impossible, there are reports of a significant number of crews trading long past their contracted terms.

Pressure is mounting on the owners and operators of these vessels to safely change crews as soon as possible in any way available.

Australia, for example, has started to detain vessels calling at their ports with crews having served on board for more than 11 months.

Crews are also adding pressure on owners and operators to find a near-term solution, with several reports of strikes.

Still, options for crew change now are few and far-between. Perhaps the most prominent example is the Philippines, which in early July put in place "green lane" measures to enable crew changes within its waters.

The Philippines is well-placed geographically for several key dry bulk routes, such as iron ore from Brazil and Australia to China, offering a location for changing crews with only a minor diversion from the normal trade route.

The diversion to Manila, for example, will add around half a day's voyage time for the fronthaul route from Australia to China, and one day for Brazil to China, estimates MSI analyst Will Fray estimated.

Port and anchorage operations and the crew change process will add more time, depending on factors such as the ranks that are changing and any problems that may emerge.

"Overall, 1.5 days addition is a reasonable assumption to add to the voyage time on both routes

for changing crew; for Brazil to China a total diversion time of 2.5 days adds a 6% increase in the fronthaul voyage time, but for Australia to China, an additional two days corresponds to a more significant relative increase of 15%," Mr Fray calculated.

As of early September, seven capesize vessels were at anchor in Manila Bay with two more en route. "It is

an example of the many logistical constraints still being imposed on the dry bulk market as a result of Covid-19," said Mr Fray.

Although, it is difficult to quantify the combined impact of it, beyond recognition that the fundamentals alone do not explain the pace and scale of the recent spike in capesize earnings, he added.

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## MARKETS

# Capesize rates get boost from Brazil

THE capesize market has been given a boost by Brazilian activity and reported tightness in the Atlantic and Pacific basins.

The Baltic Exchange noted how "Brazilian trade activity was the driving force" through last week.

The average weighted time charter on the London-based exchange was at \$23,813 per day at the close on Tuesday, up almost 50% from the \$16,089 quoted on September 21. That compares with \$24,178 on September 25, the highest since the end of July.

US-based Breakwave Advisors, an exchange-traded fund, said in a note that the "significant move has now woken up market participants from the lethargic" activity of the past few months. It added that any correction from this point on will be short lived as "near-term fundamentals look supportive of higher rates".

"We believe the capesize market can take out the summer highs sometime in the next two months, something that is not priced in the futures curve that is now backwarddated in a period that historically has produced the strongest returns for capesizes," it continued.

The futures market was mildly backwarddated, with November quoted at \$21,000 per day, while the

fourth quarter of the year was priced at \$20,850 per day, as of Monday, according to figures from futures brokerage GFI.

The first quarter of the year, which is typically the weakest, was at \$10,150 per day, GFI figures showed.

Oslo-based Cleaves Securities also sees further upside potential next month given that there will be a "slim list of available vessels in the Atlantic during the next 30 days, in addition to the healthy iron ore exports from Brazil".

Its shipping analyst Joakim Hannisdahl estimates an average spot rate of \$25,000 per day in the fourth quarter, with spikes towards \$35,000 per day and troughs around \$18,000 per day.

Meanwhile, market analysts expected minimal impact to freight rates from Vale's announcement that it was ordered to shut its Viga mining operations in relation to public civil action.

Brazil's mining giant Vale estimated that the temporary stoppage would result in the loss of 11,000 tonnes of iron ore fines per day.

It reiterated that the Viga operations fulfil the necessary requirements for its dam operating permit and will contest the court's decision.

# Saudi Arabia ships first cargo of blue ammonia to Japan

SAUDI ARABIA has shipped 40 tonnes of blue ammonia to Japan as part of a pilot study in zero-carbon power generation, with a view to opening the way for further use of green fuels in the country's energy system.

The announcement came as shipbuilders explore ways to utilise ammonia as a marine fuel and as an ambitious new \$5bn green hydrogen and ammonia plant takes shape in Saudi Arabia to meet demand for the eco-friendly fuels.



Blue and green ammonia are both carbon-free fuels. But blue ammonia is produced by methods that employ fossil fuel technology, while green ammonia is made only with sustainable electricity, water and air.

Describing the initial 40-tonne cargo as “a significant step towards a sustainable hydrogen usage and a circular carbon economy”, Aramco said it will be used in Japan for zero-carbon power generation.

The shipment came as part of a three-year study which is being conducted by the Institute of Energy Economics, Japan and Saudi Aramco in partnership with Saudi Basic Industries Corp.

“Blue ammonia is critical to Japan’s zero-carbon emission ambitions to sustain the balance between the environment and the economy,” said Masakazu Toyoda, chairman and chief executive of the Institute of Energy Economics, Japan.

“About 10% of power in Japan can be generated by 30m tonnes of blue ammonia,” Mr Toyoda said. “We can start with co-firing blue ammonia in existing power stations, eventually transitioning to single firing with 100% blue ammonia.”

The IEEJ predicts that the annual quantity of ammonia deployed for power generation could reach about 186m tonnes and a 51% share in the country’s power generation by 2050.

Aramco’s chief technology officer Ahmad Al-Khowaiter underlined that potential as the use of hydrogen is “expected to grow in the global energy system” and that the current shipment represents an “exciting opportunity” for Aramco.

Blue ammonia is considered transitional to a fully green future, and Saudi Arabia is hoping to make that transition as a supplier.

While the present shipment is intended for electrical power generation in Japan, other uses for ammonia – including ships’ bunkers – are now being considered by many firms.

Indeed, in its 2020 “Energy Prediction” report, the International Energy Agency said the use of ammonia and hydrogen as vessel fuels will expand and will account for 60% of marine fuels by 2060. Other organisations also tout the fuel.

“Ammonia is attracting interest as a potential carbon-free fuel for shipping due to its high

liquefaction temperature and energy density compared to hydrogen,” Gibson Shipbrokers said last week, adding that “the potential for ammonia as a bunker fuel is significant”.

Underlining that view, Lloyd’s Register last week granted approval in principle to Samsung Heavy Industries for an ammonia-fuelled tanker design, calling it a key progress milestone in a joint development project that was announced earlier this year.

In January, LR, SHI, MISC, and MAN Energy Solutions announced that they would work together on a joint development project for an ammonia-fuelled tanker to support shipping’s drive towards a decarbonised future.

The partners said the creation of their alliance was motivated by their shared belief that the maritime industry needs leadership and greater collaboration if shipping is to meet the IMO’s 2050 Greenhouse Gas emissions target.

AP Moller-Maersk and LR recently said that the best opportunities for decarbonising shipping lie in finding “new sustainable energy sources”.

Based on market projections, they said, “the best-positioned fuels for research and development into net zero fuels for shipping are alcohol, biomethane and ammonia”.

### **Carbon-free**

Maersk and LR said ammonia is “truly carbon free”, but they also cautioned that ammonia is “highly toxic and even small accidents can create major risks to the crew and the environment. The transition from current to future applications is also a huge challenge for ammonia”.

Still, earlier this month, Japanese organisations NYK, IHI Power Systems and ClassNK announced the signing of a joint research and development agreement to put the world’s first ammonia-fuelled tugboat into practical use.

“Since carbon dioxide is not emitted when ammonia is burned, it is viewed to have promise as a next-generation fuel that could mitigate shipping’s impact on global warming,” the parties said.

“This joint R&D envisions the implementation of ammonia marine fuel in tugs that require high output, and we will firmly establish the technical and operational requirements for that purpose,” they said.

Meanwhile, anticipating demand growth for ammonia, Air Products of the US, in conjunction with ACWA Power and NEOM, both of Saudi Arabia, announced the signing of an agreement for a \$5bn world-scale green hydrogen-based

ammonia production facility powered by renewable energy.

The facility, scheduled to come online in 2025, will produce 1.2m tonnes per year of green ammonia.

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## IN OTHER NEWS

### **Scorpio Bulkers selling vessels in offshore wind transition**

SCORPIO Bulkers, a US-listed dry bulk owner, has started selling vessels as part of its move to focus on the offshore wind sector.

The company has agreed to sell the 2016-built SBI Rock, a non-scrubber-fitted kamsarmax, for slightly more than \$18m, it said in a statement. Delivery to the new owner is expected to take place in the fourth quarter of the year.

While the sale is expected to generate additional liquidity of about \$5m, Scorpio Bulkers said it will save about \$1m in budgeted drydocking costs during the first quarter of 2021.

### **Singamas warns PIL debts will weigh on finances**

SINGAMAS Container Holdings has warned of an adverse impact to its finances as a result of the debts owed by its parent company Pacific International Lines.

The Hong Kong-listed box maker said it recorded nearly \$150m of trade receivables as of the end of June from the Singapore-based shipowner and operator, most of which were overdue.

No payment agreement has been reached yet, according to an exchange filing.

### **HHL takes majority share in Trieste terminal**

HHLA Hafen und Logistik (HHLA) has acquired a majority stake in a multi-purpose terminal in the Adriatic port of Trieste, Italy.

The company said the value of the deals is Won420bn (\$360m), without naming the identities of the owners of the vessels. It said in its announcement that they include European owners.

The four ships will be capable of having scrubbers installed and will likely be built at the shipbuilder's yard in Ulsan. They are set for delivery during the first half of 2022.

### **Boxship under coastguard escort after fire**

A CONTAINERSHIP is under escort after a successful operation to extinguish a serious fire on board, the Indian Coast Guard said.

The 2008-built, Malta-flagged X-Press Godavari raised the alarm in the early hours of September 28 while at anchorage off Sandheads, 100 km from the port of Haldia in West Bengal.

Four coastguard vessels and an aircraft attended the scene to undertake firefighting operations, including boundary cooling operations to prevent re-ignition.

### **Mystery 'hole' found in hull of Baltic ferry wreck**

A NEW technical investigation into the sinking of the Baltic Sea ferry Estonia has been prompted by TV documentary footage that appears to show a large hole in the vessel's hull that was not mentioned in the official reporting into the tragedy.

The German port operator will buy a 50.01% share in the Piattaforma Logistica Trieste, known as PLT, in what will become the group's third venture outside Hamburg.

This investment adds to its terminal interests in the Black Sea port of Odessa, Ukraine, and in the Baltic at Tallinn, Estonia.

### **The Estline-operated vessel was en route from Tallinn to Stockholm when it went down in heavy weather with the loss of 852 lives on September 28, 1994.**

The Estline-operated vessel was en route from Tallinn to Stockholm when it went down in heavy weather with the loss of 852 lives on September 28, 1994.

The wreck was examined at the time by remotely operated vehicles and divers, which led to an official finding that the locks on the bow door had failed, and the bow visor and ramp had been torn off by storm waves.

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# Classified notices

**THE “Astor”**

## **ADMIRALTY COURT SALE**

Notice is hereby given that the Admiralty Marshal is currently acting upon an order of the court dated 4 September 2020 to sell the ship “**Astor**” of the port of Nassau, Bahamas, in an action in rem against the vessel by Macquarie Euro Limited in action AD-2020-000086.

The auction of the vessel concludes on 8 October 2020. To enable the sale of the vessel to conclude unencumbered I put on notice to any parties who may have a claim on items on board the vessel they must file an application with me no later than 1 October 2020 to retrieve such items, to include proof of ownership.

P Farren  
28 September 2020

Admiralty Marshal  
Business and Property Court  
Rolls Building  
Rolls Buildings  
Fetter Lane  
London  
EC4A 1NL



**THE “Magellan”**  
**ADMIRALTY COURT SALE**

Notice is hereby given that the Admiralty Marshal is currently acting upon an order of the court dated 4 September 2020 to sell the ship “**Magellan**” of the port of Nassau, Bahamas, in an action in rem against the vessel by Macquarie Euro Limited in action AD-2020-000088.

The auction of the vessel concludes on 19 October 2020. To enable the sale of the vessel to conclude unencumbered I put on notice to any parties who may have a claim on items on board the vessel that that they must file an application with me no later than 12 October 2020 to retrieve such items, to include proof of ownership

P Farren  
28 September 2020

Admiralty Marshal  
Business and Property Court  
Rolls Building  
Rolls Buildings  
Fetter Lane  
London  
EC4A 1NL



**THE “Marco Polo”**  
**ADMIRALTY COURT SALE**

Notice is hereby given that the Admiralty Marshal is currently acting upon an order of the court dated 4 September 2020 to sell the ship “**Marco Polo**” of the port of Nassau, Bahamas, in an action in rem against the vessel by Macquarie Euro Limited in action AD-2020-000087.

The auction of the vessel concludes on 22 October 2020. To enable the sale of the vessel to conclude unencumbered I put on notice to any parties who may have a claim on items on board the vessel that might that they must file an application with me no later than 15 October 2020 to retrieve such items, to include proof of ownership

P Farren  
28 September 2020

Admiralty Marshal  
Business and Property Court  
Rolls Building  
Rolls Buildings  
Fetter Lane  
London  
EC4A 1NL





**PAKISTAN NATIONAL SHIPPING CORPORATION**

(Statutory Corporation, Established under the ordinance, XX of 1979)

**INVITATION TO BID**

**DRY DOCKING AND REPAIRS OF AFRAMAX OIL TANKER M. T. "KARACHI"**

**Tender No. MRD/18788**

Pakistan National Shipping Corporation, invites bids from Shipyards/Dockyards for Dry docking and repairs of AFRAMAX Oil Tanker "M.T. Karachi" as per rule, 36 (a) of PPRA 2004.

Bidding documents are available free of cost at address stated below from Monday to Friday during office hours 09:30 am to 04:30 pm till tender closing, or can be download from PNSC website [www.pnsc.com.pk](http://www.pnsc.com.pk). This advertisement is also available on PPRA's website [www.ppra.org.pk](http://www.ppra.org.pk).

Bids shall be received on through E-mail **only** [karachi.drydock@pnsc.com.pk](mailto:karachi.drydock@pnsc.com.pk) latest by 15:00 (PKT) & 10:00 (GMT), on 2<sup>nd</sup> November 2020, which will be opened on the same day at 15:30 (PKT) & 10:30 (GMT).

Moreover Pre-bid meeting shall be held on 15<sup>th</sup> October, 2020 (1500 hours PKT/1000 hours GMT) at Board Room, 14<sup>th</sup> Floor, PNSC Building. However, international bidders can join through video-link for which they will have to send an email at [imtiaz.khan@pnsc.com.pk](mailto:imtiaz.khan@pnsc.com.pk) and [estankers@pnsc.com.pk](mailto:estankers@pnsc.com.pk) at least 2 (two) days prior to Pre-bid conference for coordination.

**Haris Manzoor Siddiqui**

General Manager - MR&S Department, 1<sup>st</sup> Floor, PNSC building, M. T. Khan Road, P.O. Box : 5350 Karachi-74000 Pakistan

Ph : 92-21-99204060, Fax : 92-21-99203974 – 35683892 Mobile : + 92-305-2588468/+92-306-0894161

Website: [www.pnsc.com.pk](http://www.pnsc.com.pk)

E-mail: [karachi.drydock@pnsc.com.pk](mailto:karachi.drydock@pnsc.com.pk)



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# Virtual Greek Shipping Awards 2020

*17th Annual Awards Ceremony*

Friday 4 December 2020



**NOMINATE NOW** to propose your choice for this year's winners.

We look forward to a particularly strong field of candidates and are inviting entries for this year's Awards. Take a few moments to send us your suggestions in as many categories as you like.

*We actively encourage individuals and organisations to propose themselves for Awards.*

Send us your story and the reasons why you or your company deserve recognition this year. Equally, we look to industry professionals to submit third-party nominations in support of others who merit recognition. Once again, a prestigious, knowledgeable industry panel of judges will assess all nominations and determine the winners.

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