Friday October 2, 2020

Lloyd's List
Maritime intelligence | informa

Daily Briefing
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Shipping's cyber defences fail attack test

THERE IS NO evidence that the cyber attacks on CMA CGM and the International Maritime Organization are linked, although the possibility is being considered, according to a source at the London-based United Nations agency.

Investigations by both organisations into the cause and the extent of the attacks are ongoing.

But severe disruption appears to be extensive in both instances, with access to all of the French carrier's ecommerce websites still suspended after at least four days.

The IMO's main website is also still down, and it is believed that the agency is still without web-based services.

Ironically, the incidents come just months ahead of new IMO resolution which enters into force next January, requiring shipping companies to address cyber risks in safety management systems.

"Given the news from CMA CGM in the same week, whether that is merely a coincidence will certainly be open to speculation," said one senior IMO official. "We do not have any evidence of linkage at this point though," he said.

This is not the first time the UN agency has been attacked, but this is the most serious.

"Our cyber security systems have thwarted or limited a number of previous attacks on our systems," the official said. "But this appears to have been the most serious attack we have encountered, although we are still in the assessment phase with respect to its impacts."

The UN has been trying to tighten up its cyber security across its agencies since 2012, when an internal audit first revealed an "unacceptable level of risk" in its IT systems. While multiple programmes and upgrades have been deployed in the years since, the majority of UN websites and applications failed to pass the required standard as recently as 2018.

Meanwhile, insurers and lawyers have warned that owners need to be aware that they will not usually be covered by hull and machinery policies, most of which include an explicit exclusion clause, with insurers simply needing to show that system vulnerability was exploited with malicious intent.

Typical wording is on the lines of: "In no case shall this insurance cover loss, damage, liability or expense directly or indirectly caused by or contributed to by or arising from the use or operation, as a means for inflicting harm of any computer, computer system, computer software program, malicious code, computer virus or process or any other electronic system."

But there is an expansion in specialist cyber insurance wordings, and this will probably become an increasing focus of the industry, according to Paul Dean, global head of shipping at law firm HFW.

There are also legal requirements for shipowners to exercise due diligence before and at the beginning of the voyage to ensure that vessels are seaworthy and cargo worthy.

The trouble is that on the question of cyber risk, there is no universally accepted level of required due diligence, Mr Dean added.

"In the event of a breach, it will ultimately be up to the courts to decide whether an owner has complied with their obligations."

P&I club West of England said the nature of cyber attacks is rapidly evolving, and it is imperative for shipping companies to follow best practice guidance to minimise their risks.

West provided seed capital for marine cyber consultancy Astaara, which offers what it claims to be the only specialist marine cyber cover product in the market.

Astaara chief executive Rob Dorey said that the cyber threat to shipping had undergone revolution in recent months. Increased connectivity and complexity is now enabling sophisticated criminals to exploit this marine IT infrastructure, to an extent that is putting lives in danger.

While bridge systems, as well as cargo handling and power control systems, are particularly at risk, attacks on poorly protected land-based offices can also have huge impact, he said.

"A hit on the head office can affect ships, and vice versa. Unless you've got the right policies, procedures and technologies in place, and your people are trained properly, these incidents will leave you heavily out of pocket."

Control Risks intelligence analyst Felix Manig said the IMO, like CMA CGM, was likely targeted by cyber criminals rather than "state-linked espionage units" because of the attack's high visibility.

Mr Manig said the week's incidents were not surprising given the rise in attacks since 2017 as cyber criminals exploited shipping's sensitivity to downtime and disruption for financial gain.

He added that the costliest cyber attacks had so far targeted onshore IT systems, which stood the best chance of "rattling supply chains globally", and companies should pay equal attention to security on and offshore.

He said use of "proactive measures" like decoy data sets, assets and systems, active monitoring for misuse of web and email domains, and sharing of incident information would make attacks more difficult.

Dryad Global chief executive Phil Diacon said shipping was still slow to adopt technologies and relied heavily on emails to distribute documents such as bills of lading.

"The habitual use of emails with frankly enormous 'CC' lists is systemically prone to errors and omissions that mean information and personal data can easily end up in the wrong hands," he said.

Once leaked, such information could be used to target malware on an industrial scale. Electronic barriers were effective, but humans remained the weak spot.

Mr Diacon advocated "upstream monitoring" of the dark web and wider email traffic analysis so companies could see what information was being traded and respond appropriately.

"The financial and reputational consequence can be enormous and chief financial officers are starting to realise that this threat does not lie just with chief technology officers," he said.

Svante Einarsson, team leader for DNV GL's maritime cyber security advisory services, said that awareness of the industry and the willingness to invest in protection against the potential impact of cyber threats has grown significantly from five years ago, when it was very limited.

"I never really have to persuade anyone anymore," he said.

But the perception of the risk is still not uniform across the industry. Mr Einarsson explained that while around half of the business is convinced cyber security is mainly an IT problem, the remainder realises that it also has potential implications for operations or control systems.

In any case, though protective actions and policies are increasing, incidents like these will continue to happen, due the ever-expanding use of digital systems and interconnectedness on board ships and on shore.

Transparency is key to effective crisis management

WHOEVER said worse thing happen at sea wasn't working in the IT departments of CMA CGM or the International Maritime Organization this week.

The world's fourth-largest container carrier became the world's fourth large container carrier to suffer a malware attack that took down critical systems and led to suspected breach and theft of data.

That was followed by a statement from the IMO saying it had also had to take down its website following a cyber attack.

Lloyd's List has every sympathy for both organisations. Since Maersk was first hit by the notPetya attack in 2017, it has become painfully apparent that shipping is not immune to attacks.

It is even more poignant in that CMA CGM is generally regarded as being very on the ball when it comes to digitalisation, and has invested heavily in digital start-ups at its Marseilles-based, start-up incubator.

Being digital means being at risk, and even the best practices will not always be enough to secure a company. As security specialists know, an attacker only needs to get lucky once, while a defender has to be lucky every time.

This time, CMA CGM and the IMO were unlucky.

But while attacks and penetrations may be facts of life that are out of a company's hands, the response to those attacks is solely in the domain of the company.

One thing that is crucial when faced with a crisis like this is having an effective communication plan in place. The IMO has handled this relatively well, but CMA CGM has done itself a disservice.

The company's initial response was to deny that it had been targeted. It was not until Lloyd's' List presented it with a copy of the ransom note that it admitted the attack.

It then went quiet for more than 24 hours, with no information available on either the one functioning website it had, or on social media.

This may be considered as a minor problem for reporters, but it was not just journalists that could not get information from the line. Its customers, too, were sailing through uncharted waters.

One large customer spoken to by Lloyd's List could not get a response from his key account manager in Marseille. Another said he had no idea what was going on. Tellingly, another, when asked about the situation he was facing with the line, simply said: "F**king CMA CGM."

The IMO, on the other hand, has been quick to update its Twitter account, following the same pattern as that used by Maersk, when it turned to social media to keep its customers informed of what was happening while its network was down.

Much of this problem can be attributed to a trend towards media management by companies sensitive to their reputations.

Shipping has hired public relations companies and executives not to shine light on their businesses, but to keep them in the shadows. Many in-house PR specialists seem to only be employed to say “no comment” on behalf of their masters.

But in today’s world, this is not an option. Facts will emerge. Under the EU, General Data Protection Regulation, if personal information is lost, stolen or made inaccessible, regulators must be informed.

Shipping companies would be better to follow the lead of Maersk and the IMO, and get out ahead of the story.

Claiming an external attack is an internal server problem is misleads customers. In the long run, it is better to be the transparent victim of a hack than win a reputation as an opaque company.

WHAT TO WATCH

China port congestion not linked to Australian trade spat

DELAYS of at least 10 weeks to discharge coal cargoes at northern Chinese ports is due to increased imports and stockpiling ahead of Golden Week, rather than any byzantine, geopolitical tussle with Australia.

“There has been massive buying in the spot market, and recent sporadic demand from China, but this can be the traditional stockpiling before the Golden Week holidays,” a Singapore-based shipbroker told Lloyd’s List.

Some 83 bulk carriers of 80,000 dwt and over are tracked at anchor and waiting to discharge at northern Chinese ports of Caofeidian and Jingtang, serving the Jingjiang, Caofeidian and Tianjin terminals.

Some have been waiting since at least the end of June. They include the Italy-flagged 93,361 dwt MBA Giovanni, which loaded coal from the Australian port of Gladstone on the country’s northeast coast more than three months’ ago, data shows.

“Although many of China’s major bulk imports, such as iron ore and crude oil, have seen strong growth so far this year despite the Covid-19 pandemic, imports of coal have followed the opposite trajectory,” said BIMCO analyst Peter Sand, in a report on the dry bulk sector.

“Staggering high growth in January through April has been replaced with monthly coal import growth rates in May through August, which are below the levels recorded in the same months of 2019. Stalling Chinese coal imports are not due to trade tensions,” the report concludes.

Diplomatic relations between Australia, the second-biggest supplier of coal to China after Indonesia, and Beijing have reached their lowest since ties were established 50 years ago, culminating in threats in May to impose trade tariffs affecting export sectors including meat, dairy and barley.

Chinese coal imports measured 220.7m tonnes during the January–August period which showed the lowest growth rates in three years, at 0.2%, according to the BIMCO report. The 26.2m tonne drop in volumes was equivalent to 351 lost panamax loads, the report said.

Indonesian coal accounts for 45% of imports, while Australia has supplied 42% of all coal delivered so far in 2020, BIMCO said, citing Chinese customs data.

Stricter implementation of import quotas in China was behind reduced coal shipments from Australia in August, according to that country’s government trade body, Austrade. Australian shipments in August were down 35% on the same period a year ago, Austrade said, and equated to 221m tonnes in the January–August period.

Market talk that quotas will be eased over October may resolve congestion issues, another dry bulk shipbroker said.

The China Coal Transport and Distribution Association met on September 27 to discuss issues, but it was unsure whether the import policy has changed as yet.

“Many coal miners are reporting no stockpiles available due to quick sales lately, so there are chances of increased quotas for month of October, which should be around 25m tonnes more,” they said.

“Also, the safety scrutiny ahead of the eight-day National Day holiday also curbed coal production in

China during the rest of the month (September). This means China would need to import more coal for immediate use and it has to clear Australian shipments."

Another broker agreed the approaching winter will loosen policy as China needs more coal for heating purposes.

"I know this is contrary to what actually happened in the last three years, but this year has been in different in many ways," they said.

"Congestion was at its peak in August due to cargoes from Australia waiting to get clearances but it has eased in September and some traders told me they could get extra quotas for October."

Seaborne fuel oil flows altered by pandemic and sulphur rules

THE low-sulphur rules introduced at the start of this year, combined with pandemic-induced volatility in oil markets, has significantly altered seaborne flows of fuel oil in 2020, according to Vortexa, an oil analytics firm.

Russian fuel oil shipments to the US Gulf have doubled, while low-sulphur straight run fuels produced in Algeria pivoted to the east for use into blending very low sulphur fuel oil. The straight-run fuel was previously exported to north American refineries for use as secondary feedstock, according to Vortexa.

The firm's analysis showed refineries and traders have been able to produce and blend sufficient marine fuel oils to meet demand after the new 0.5% sulphur specification mandated by the International Maritime Organization was introduced on January 1.

"The market underestimated how much compliant fuel would actually be available due to the availability of cheaper blended fuels and additional desulphurisation capacity coming online within the refining complex," said Vortexa trading specialist Cosmos Kedros in a webinar presentation.

That saw a weakening of refinery margins, or profits derived from producing these compliant fuels, as the use of 0.5% sulphur fuel oils over also-compliant marine gasoil was greater than expected.

"With expected distillate demand, the pull on that pool from IMO just did not happen. The crack (margin) didn't strengthen and quite the opposite happened in fact, so the demand destruction of refined products brought on by the arrival of Covid-19 with doubled down on an already very bearish demand picture."

In the first eight months of 2020 fuel oil shipments to the US from Russia were tracked at 10.5m tonnes, Vortexa said, double the 5.8m tonnes seen for the comparable period in 2019.

Russian marine fuel oil accounted for half of all exports of this kind of product, analysis showed. This also reflected the lack of availability of heavy crude normally supplied by Venezuela, subject to US sanctions during the past 19 months, which prevent any imports.

"We expect that Russia's fuel exports to remain robust to the US as long as the US crude intake remains subdued, and tanker freight rates are kept affordable," said Vortexa analyst Serena Huang.

"High-sulphur fuel oil has been important outlet in the form of refinery coking demand on the US Gulf Coast."

As a result, Russian volumes shipped to the northwest Europe Amsterdam–Rotterdam–Antwerp hub more than halved over the same period, and more low-sulphur fuel oil volumes are also going to Asia, Mr Kedros said.

The Russia–US Gulf trade were seen as arbitrage-related flows, with low tanker charter rates making it cheaper for refineries to import from across the Atlantic, rather than from neighbouring Mexico.

The 75% rise in Scandinavian lower-sulphur fuel oil exports in the first eight months of 2020 to 130,000 barrels per day was supported by imports of lighter, sweeter crude exports, that are six times higher than previous year-ago periods, according to Vortexa.

VLSFO is shipped from refineries in Denmark and Sweden.

About half of all straight-run fuel oil from Algeria is now shipped to Malaysia or Singapore, and about 10% to the United Arab Emirates to the low-sulphur fuel oil blending pool, according to Vortexa.

Previously the majority of flows went to the US. The UAE is able to provide more bunkers from the hub of Fujairah than current production rates as a result.

"It's immediately obvious that the once dominant export route to the US completely pivoted away switching it out with Asia from around September (2019) onwards," said Mr Kedros.

"It is a big change, because in 2019 some 80% of exports went to the US, and in 2019, 50%. And then 2020 totally disappeared off the chart. The last Algerian fuel oil cargo to get into the US was in December 2019."

OPINION

Financial tools are key to shipping's decarbonisation push

WITH the current global merchant fleet mainly still powered by oil and running on relatively old technology, the challenge of decarbonising the shipping industry remains unsolved, *writes Mark Jackson, chief executive of the Baltic Exchange.*

Yes, there are countless initiatives — but so far, the development of a zero-carbon fuel at the scale necessary to keep the 80,000-strong trading fleet moving is still over the horizon

To date, important incremental measures including changes to operational practices such as just-in-time arrivals in port; technological innovations in the engine room and on the water, in the form of new hull coatings; not to mention new fuel types such as liquefied natural gas, ammonia and hydrogen have helped shipowners reduce their environmental footprint.

Yet the goal of carbon-free shipping is still a long way from realisation.

Given that the average vessel lifespan is around 20 years, we only have 1.5 fleet generations before 2050, the date that the International Maritime Organization has set for shipping to have decarbonised by at least 50%.

Time is not on our side.

For the maritime sector, which has high-value, long-lived assets, it seems likely that a significant portion of this asset base will remain carbon-intensive into 2050 and beyond.

Unless there is a significant increase in the development and commercialisation of low-carbon and carbon-neutral technologies, as well as a commensurate reduction in vessel lifespan or the costs of refitting, this asset base will be exposed to significant carbon risk — most visibly in the form of stranded assets.

The scale of the challenge should not be underestimated.

To hit the IMO 2050 goal, it is estimated that $1trn–$1.4trn of investment will be needed between 2030 and 2050; that is $60bn to $70bn every year for 20 years.

Effectively, funding is required for an entire new industry devoted to maritime decarbonisation.

The Baltic Exchange believes that risk management and mitigation tools in the form of carbon markets, taxation and offsetting schemes will be essential, both to meet the targets and to enable shipping companies to continue to operate and service global trade.

Access to investment and funding for operators seeking to decarbonise could also be made easier, with financial institutions shouldering some of the risk inherent in new technology adoption, to encourage operators to be more ambitious

Carbon is still an "externality" for most. Although many organisations, institutions and individuals have targets and commitments to reduce carbon footprints and move towards decarbonisation, there is a lack of understanding and ownership of that footprint at an everyday level.

While carbon is still talked about at a global, national and sectoral level, there is still limited discussion of the impacts of individual organisations.

The question that every company should be able to answer is: "Do you know the size of your carbon footprint and its impact/contribution towards aggregate totals?"

Increasing the visibility of impacts of activities on carbon reduction is highly necessary to driving lasting change.

Ultimately, carbon-reporting systems must develop that are as rigorous and scrutinised as those for financial disclosure.

In the maritime sector, the IMO and European Union monitoring, reporting and verification (MRV) legislation goes some way to beginning this process.

However, the reporting regulation for the IMO MRV limits disclosure requirements, reducing the potential use of the data as a catalyst for change. Now this process is little more than a regulatory overhead.

The most advanced proposed methodology for this in the maritime sector is the Poseidon Principles.

Under the principles, emissions are not only calculated and reported, but also mapped to a baseline trajectory which shows whether organisations are aligned with targets defined by the Paris Agreements. This helps show how an organisation is contributing towards hitting those wider goals.

However, again, this process is limited to vessels financed by signatory banks and does not have wider public disclosure. It is here that the Baltic Exchange, a regulated and trusted provider of data to the shipping industry, has a significant role to play.

We are best known for underpinning the forward freight agreement market with daily charter assessments provided by panels of shipbrokers and based on various standardised vessel types and routes.

It is not difficult to add a robust carbon footprint calculation to our many assessments, allowing a benchmark for maritime carbon emissions to be established and traded.

Trust in our integrity, processes and oversight is critical to success. Competing parties know that their data is secure with us. Thanks to our governance structures, our independence in the process is guaranteed.

Linking carbon footprint data to routes traded will allow a degree of company-level accountability that is currently lacking.

The past couple of years has seen a widening scope of the Baltic Exchange's products and services. For shipping investors, it has been the launch of an Opex benchmark, which has been a particularly interesting development.

Covering daily operating costs for tankers, gas carriers and dry bulk vessels, the Baltic Operating Expense Assessment is designed to provide a robust quarterly indication of the actual cost of running a ship.

It allows owners with escalation clauses in their contracts to allow for an increase or decrease in Opex.

For the first time, an investor running a ruler over a potential project can use Baltic Exchange data to calculate daily hire rates, resale value, recycling rates and daily running costs to calculate residual value.

Another important area that builds on the Baltic Exchange's position as a trusted provider of services has been the launch of our escrow facility.

We have seen companies engage the Baltic Exchange as an independent escrow agent to hold the deposit, as well as other completion funds, such as balance purchase price, bunkers and lube oils; hold charter security payments in deals where owners may not be familiar with the charterer; support dispute resolution services acting as an escrow agent in situations relating to ship repairs, S&P deals, cargo disputes and employment.

We can also act as an escrow agent during a mergers and acquisition deal to help assure the performance of each party's obligations in a transaction.

In short, the Baltic Exchange is an organisation that has branched out from its position as a provider of freight market information to that of a trusted partner, able to help shipping investors make decisions and support a market-led approach to reducing shipping's carbon footprint.

ANALYSIS

Energy efficiency and reducing costs are key factors in new ship orders

This is largely a result of regulatory measures such as the Energy Efficiency Design Index for new ships, which is aimed at promoting the use of more energy efficient equipment and engines, as well as new technology and the environmental concerns of shipowners and operators.

"When owners order a new ship today the only thing they know for sure is that the environmental performance will be a topic for the remainder of the ship's lifecycle," explained Niklas Bengtsson, director of maritime insight at Lloyd's List Intelligence.

"The ability to meet with EEDI regulations and the flexibility to meet with future decarbonisation requirements have the potential to reduce costs even beyond better fuel efficiency. Simply put, the ships are slightly more future proof and in doing so, lower installed power than the previous standard could even lower cost."

There will be a significant drop in the average installed power for container vessels, with the current orderbook pointing to an average of 13,404 kW for new orders, compared with 28,173 kW as a fleet average and 31,985 kW in the past 10 years.

For crude tankers, Lloyd's List Intelligence data shows that the fleet has an average of 18,909 kW of installed power at present and for ships built since 2010. That figure has been raised to 19,737 kW. However, for crude tankers currently on the orderbook the average installed power is reduced to 12,417 kW.

It is with the largest vessels on order where the biggest drops will be seen. For crude tankers over 2,000 dwt, the average installed power on order is 16,077 kW, compared with a fleet average of 26,411 kW.

For LNG tankers it is a similar story, with an average of 10,043 kW in installed power in the orderbook, which is around half the current fleet average of 19,395 kW and around a third lower than the average of 14,105 kW for ships delivered in the past 10 years.

However, while newbuilding chemical tankers will have a lower average kW of installed power in comparison with the 2010-2020 period, the average of 3,962 kW on order is still above the fleet average of 3,642 kW.

Also, product tankers, LPG and 'other' tankers on order will also see greater levels of installed power than in the past 10 years and the fleet average, the Shipbuilding Outlook, which this month focuses on shipping equipment, shows.

The MAN engine brands hold a dominant position in terms of the total power delivered to the world fleet. This is due to the strong market share they have in the two-stroke, large engine part of the market.

The current world fleet has a total installed main engine power of 569 gigawatts. Since 2010, the total delivered power amounted to 237 GW, according to Lloyd's List Intelligence. MAN and Wärtsilä together provided 188 GW of the total deliveries.

For new ship deliveries from 2010 to date, MAN has 69% of the delivered power, Wärtsilä 10% and Caterpillar 4%.

MARKETS

Algeria diversifies wheat imports

ALGERIA'S move to diversify imports of wheat is seen as beneficial to dry bulk shipping, according to reports, but a cut in import quotas may be less so.

According to Danish grains consultancy BullPositions, supplies have been coming in from the Baltic, with some shipments from as far away as Canada.

The Baltic has shipped record volumes, about 850,000 tonnes, in August and September, it said.

France has traditionally been the biggest source of Algerian wheat, but the European country is facing a 10m-tonne drop in production this year. Exports to all destinations have thus slumped to a five-year low of 100,000 tonnes last month, with no loadings to Algeria.

Since 2016, France has shipped an average of 280,000 tonnes per month to its former colony.

The north African country has relaxed restrictions on bug-damaged crop, allowing for a larger variety of origins for tender.

The move is likely to see the Black Sea region as "a major newcomer" to the Algerian import market, according to BullPositions, which added that French supplies will naturally return to Algeria, but it will face stiff competition from the other regions.

Algeria has imported 7m to 8m tonnes of wheat per year over the past few years.

According to the US Department of Agriculture, Algeria has imposed an upper import limit of only 4m tonnes in the 2020/21 marketing year a it cuts subsidies on bread production due to dwindling revenues from the oil sector.

That, BullPositions said, will dim prospects.

Hapag-Lloyd to tap Shell for LNG bunker supply

HAPAG-LLOYD has named Shell its exclusive supplier to provide liquefied natural gas as marine fuel to its containership Sajir in Rotterdam and Singapore.

Sajir is due to rejoin Hapag-Lloyd's operating fleet during the first quarter of next year after undergoing conversion at China's Huarun Dadong Yard, Hapag-Lloyd's chief personnel and global procurement officer Joachim Schlotfeldt said on unveiling the contract with Shell.

Shell will mobilise a liquefied natural gas bunker tanker owned by its FueLNG joint venture to refuel Sajir in Singapore.

The 7,500 cu m tanker, FueLNG Bellina, is now at Keppel Nantong shipyard. It is slated to begin operation by the end of this year.

The same vessel will also bunker 14 tankers recently chartered by Shell, a senior executive said during a virtual tour held for FueLNG Bellina.

The energy giant has signed up to long-term hire of 10 aframax tankers and four product tankers, all of which will come equipped with LNG dual-fuel engines.

These tankers are scheduled to join the fleet from 2021, said Shell's general manager for crude and feedstock supply and freight trading Prashanth Dev.

FueLNG, as one of two licensed LNG bunker suppliers in Singapore, has so far carried out over 250 truck-to-ship bunkering operations.

The Shell-Keppel O&M joint venture is banking on LNG uptake as a marine fuel to ramp up in the coming years.

DNV GL projected LNG's share of the global bunkering mix would expand to 25% by 2030 and to almost 50% by 2040, FueLNG chairman Chris Ong noted during Thursday's virtual tour.

Mr Ong, who is also Keppel O&M chief executive, flagged collaboration between the yard group, Shell and FueLNG on the development of Singapore's first dedicated LNG bunkering facility.

"This facility will provide bunker to harbourcrafts and small vessels, 24/7, at end-2021, thus complementing FueLNG Bellina, which will serve the larger vessels like containerships," he said.

FueLNG Bellina is the first LNG bunker tanker purpose-built to operate in Singapore, the world's busiest bunker hub.

A second LNG bunker tanker under construction at Singapore yard Sembcorp Marine is due to join the fleet operating out of Singapore next year.

Mitsui OSK Lines owns this second tanker, which is contracted to go on a charter with Temasek-owned Pavilion Energy.

Pavilion Energy, through a partnership with Total, is seen as having a role to supply LNG to refuel CMA CGM's 23,000-teu LNG dual-fuel containerships.

The first of these mega box carriers entered into service last month.

DHL eyes biofuel switch to decarbonise freight

GLOBAL logistics giant DHL will ship less than container load freight on vessels burning biofuel from the start of next year.

Its air and ocean freight arm views this green shipping initiative as the key to ensure the carbon-neutral footprint of its lcl shipments, a goal the logistics player spells out for January 1, 2021, onwards, according to a statement.

"At no extra cost to the customer, the heavy oil that would ordinarily be used is replaced with sustainable marine biofuel on board a preselected container vessel," DHL Global Forwarding said.

"The CO_2 reduction benefits are allocated to the customer."

The biofuel that will power ships carrying its freight will be produced from bio-waste instead of purposefully cultivated crops, which can compromise land use for food production.

IN OTHER NEWS

IMO security breached by 'sophisticated' cyber attack

THE International Maritime Organization says it has been targeted by a cyber attack.

It said a number of its web-based services are unavailable, including its website and internal intranet services.

"The interruption of service was caused by a sophisticated cyber attack against the organization's IT systems that overcame robust security measures in place," the IMO said in a statement.

Hygo chief granted leave amid Brazil probe

GOLAR LNG, a liquefied natural gas shipping company, said the chief executive of its gas-to-power joint venture has taken a leave of absence to focus on an anti-corruption probe linked to his previous role at Seadrill.

Eduardo Antonello stepped down from his role as chief executive of Hygo Energy Transition on September 29, the company said in a statement.

Hygo Energy Transition is a joint venture between Golar and Stonepeak Infrastructure Partners, a US private equity firm.

Seadrill changes chief executive ahead of debt restructuring

SEADRILL has named Stuart Jackson as chief executive to lead its $7.3bn financial restructuring.

Mr Jackson, formerly chief financial officer, will replace Anton Dibowitz, the Oslo-listed offshore rig operator said.

Seadrill is in talks with creditors to swap a big chunk of its debt for equity, after struggling with overcapacity and sagging demand for oil and gas exploration that has also forced rivals Valaris and Noble Corp into restructuring.

Seafarers now covered by UK minimum wage rules

THE UK is extending its National Minimum Wage Act to cover seafarers.

Crew working wholly or predominantly in its territorial waters, or in support of its offshore industry on the UK Continental Shelf, must now be paid the national minimum wage.

The House of Lords passed the change in June and it comes into force from October 1. The government said it meant more than 10,000 workers "will no longer be undercut".

Swire Bulk appoints Peter Norborg as chief executive

SWIRE Bulk, based in Singapore, has appointed Peter Norborg as its chief executive as the dry bulk arm of China Navigation Company splits from its liner shipping and fleet management businesses.

Rob Aarvold, who heads Swire Bulk as general manager, will continue in his existing role at the company.

"Peter will work closely with Rob Aarvold as general manager of the operating business to help oversee Swire Bulk's continued development as a high-quality global dry bulk business," said chairman Sam Swire in a statement.

New York Shipping Exchange raises funds for service expansion

THE New York Shipping Exchange has raised $13.5m through an additional financing after a near quadrupling of business.

The move comes as the online enforceable freight rates platform seeks to expand its product line-up and its geographic footprint.

The service, which is used by over 1,500 shippers and forwarders and six major container lines, has seen a change in patterns of use since it launched three years ago.

V.Group names Kofod-Olsen as chief executive

V.GROUP — the parent company of shipmanagement giant V.Ships — has appointed René Kofod-Olsen as chief executive.

He replaces Graham Westgarth, who becomes chairman.

Industry veteran Mr Kofod-Olsen last worked as chief executive of Topaz Energy & Marine between 2012 and 2019, and subsequently advised the company on its integration into DP World's P&O Maritime Logistics unit after an agreed $1.1bn takeover last year.

Navios Holdings sells two bulkers to affiliate

NAVIOS Maritime Holdings has sold two bulk carriers in its fleet to affiliate Navios Maritime Partners, the two US-listed companies have announced.

The deal appears to strengthen the parent company's balance sheet while furthering Navios Partners' growth with modern ships that come with medium-term remaining charter periods.

Navios Holdings is general partner in Navios Partners and holds an 18.5% limited partnership interest. The conflicts committees of both companies approved the transaction.

Classified notices follow

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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.

NOMINATIONS CLOSE ON MONDAY 12 OCTOBER 2020

Nominate on line at: www.greekshippingawards.gr

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