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Lloyd's List
Maritime intelligence | informa

Daily Briefing
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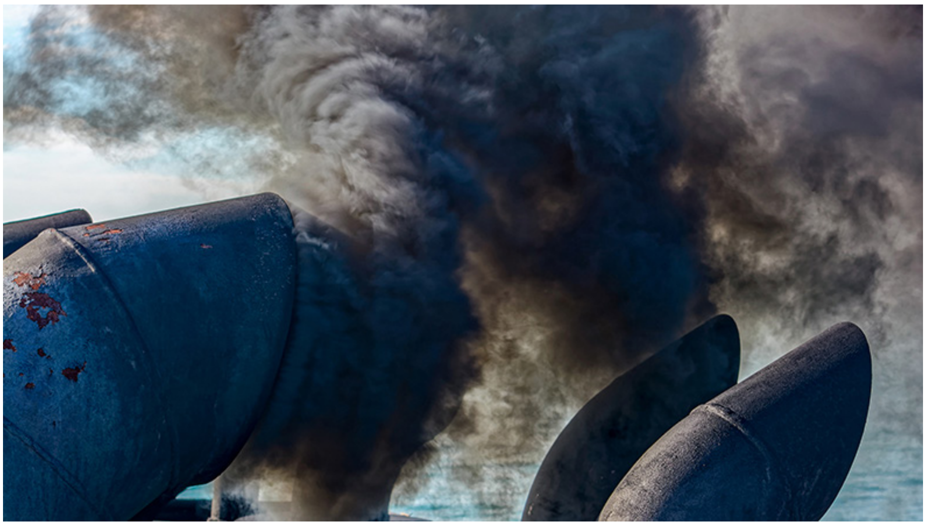
Industry mavericks' proposals challenge shipping status quo



SOME OF MARITIME'S most forward-thinking actors have reiterated that they are poised to move quickly on the sector's most important challenges. But will anyone else follow them?

The closing plenary of the Global Maritime Forum's week-long virtual summit offered a plethora of new ideas, as well as a reminder that some of the more fundamental issues, such as a lack of diversity in the workforce, are still prevalent.

The different working groups that had met in recent days produced proposals that should gain traction. They include the establishment of a new crew change task force and the more controversial backing for regional decarbonisation regulations.

While much of the focus was on green issues and making shipping more attractive for new talent, one of the most significant recommendations came around the issue of digitalisation and data sharing.

Patrizia Kern-Ferretti, head of marine at Swiss Re Corporate Solutions, said transparency shortcomings in the industry were rooted in the difficulty of sharing data.

"Technology is there and readily available, but the governance and the organisation are not," she said, adding that the design and organisation of related progresses were obsolete, while governance and incentives to share data were lacking.

To alleviate the problem, her working group is calling for a new non-profit institution that would develop an ecosystem incorporating all existing data and technology initiatives with all new ones.

This body would operate on the principle of “neutrality” in data sharing and would be based on a charter that would outline the wider purpose driving the shift to a more resilient supply chain.

It would include companies beyond the logistics industry to enable an end-to-end value chain ecosystem, she said.

Whether this, or any of the other recommendations that emerged will eventually translate into concrete action by the Global Maritime Forum is not yet known. The organisation will pick these up and assess which ones have support among its members.

The resumé of the forum’s existing initiatives — mainly the Poseidon Principles and the more recent Sea Cargo Charter — is proof that it is keen on taking on a challenge and shows that it is willing to look beyond the industry’s mainstream. The group’s membership includes leading companies and organisations, with budgets and mandates to not only explore options but to experiment as well.

Flexibility

However, the flexibility it affords to its members to publicly back individual ideas — even if those are later shot down — in the context of an official forum is in contrast to how shipping prefers to conduct its business. Brainstorming of the kind seen this week, when it does happen, is more commonly carried out amid great privacy.

A recommendation for the forum to drive attempts by the shipping industry to secure access to green subsidies raise questions about its prospects as a political actor. Shipping has no shortage of lobby groups, big or small, fighting for one end or another.

Though a vocal actor, the Global Maritime Forum has not sought to position itself as a political interest group. It has also not attempted to become a member of the International Maritime Organization, where the industry has its greatest influence, preferring instead to operate outside of its bounds. That does not seem to have changed.

The forum said many of the issues it examines require a systemic approach that goes beyond the IMO and its purpose is to foster collaboration. “We hope that others will bring the output from our meetings and projects to the table at the IMO,” a spokesperson said.

For all of its visibility and vigour, the forum does not represent the foundation of the shipping industry, namely the small and medium-sized shipowners without real individual power. Nor does it pretend to.

There is no reason why it cannot coexist in its current form alongside other traditional industry lobbies, which do represent those smaller and fragmented interests.

However, its actions and its membership, which includes companies that are members of some of the mainstream lobbies, do put pressure on these traditional groups to not only better explain their slower and more cautious approach to almost all issues, but to also potentially rethink their strategies.

WHAT TO WATCH

Crew change crisis: ‘Nothing is happening,’ conference hears

DELEGATES to the Connecticut Maritime Conference have learned that the coronavirus pandemic has opened up some positive developments for the maritime industry including an accelerated use of technology.

But those technological developments have been far overshadowed by the very serious and continuing problems the pandemic has created for seafarers, according to a panel of industry leaders.

“The last six months have been a period of unprecedented access to people because nobody was able to travel,” Katharina Stanzel, managing director of Intertanko, told delegates. “Everyone was behind their screens all the time and it was easy to actually talk to people that you wouldn’t normally get.”

Thomas Keenan, executive vice president for marine operations at Liberty Maritime Corporation, said the pandemic had accelerated the use of technology.

"Technology has allowed us to operate the ships remotely," he said, adding the industry had been "very successful" in arranging cargo for ships, loading ships, discharging ships and sending ships on their voyages — all through the use of new technology.

At the same time, though, Mr Keenan drew attention to the very ill effects the pandemic has had on the plight of the seafarers who have been operating the ships during the course of the outbreak.

"The failure, which we've uncovered here, is that the crew situation, even today, is bad," he said. "We'd like to think that everything is happening, but nothing is happening."

He drew attention to recent announcements from China which seem to "loosen up" the crew change requirements.

"But if you read the new requirements, it's still not acceptable for the crew members or the operators to change crews."

The panelists agreed that the problem was no longer entirely in the hands of the maritime industry but involved the often incompatible demands of a host of other people, organisations and governments.

Rear Admiral Richard Timmes of the US Coast Guard said that "it remains a challenge, not just for individual shipping companies, but for the global community."

"The Department of State has to take that on because it's exceeded your local governance issue [as to] whether the port facility you're at will allow you to crew change," he said. "It's way beyond that."

He warned that "we are building up the risk" in the system, in the form of crews "who haven't had a change-out in a year".

Guy Platten, secretary-general of the International Chamber of Shipping, affirmed that the industry had undertaken a massive campaign on behalf of seafarers but that their efforts had fallen on deaf ears.

"The issue we have is that countries, quite frankly, have abrogated their responsibilities to abide by international conventions," he said. "There's been unprecedented lack of co-operation between countries and solving the problem, because it was easy to avoid.

"It's easy to put seafarers to one side because everyone's focusing on the national health issues."

Ms Stanzel noted that the problem could not be solved on the basis of the top-down command structure that one would find in the US Coast Guard — the go-to organisation that usually achieves the desired results.

"The problem here, I think is that the complexity is much, much bigger because it's public health [and] people's lives are at risk. And there are many, many more people involved in the chain."

To overcome what Admiral Timmes described as the "multivariable calculus" of dealing with so many different people, Ms Stanzel said change "has to start everywhere at the same time. It has to be a groundswell. If we all agree that this has to change, it can be done".

For her, it is a problem that requires urgent attention from key decision-makers simply deciding to cut through the issues that are preventing a solution.

"If we just have enough people with enough power deciding something together, we can make amazing things happen, but we just need to get on with it."

Large bulkers divert to Philippines for crew changes

CAPESIZE and panamax dry bulkers have been stopping off in the Philippines in order to enable crew changes, a factor that has contributed to tonnage tightness mainly in the Pacific basin.

According to Lloyd's List Intelligence data, Manila's anchorage has been the most prolific stop for vessels plying the Australia-China-Australia route.

The data shows that from August to October this year, at the peak of the crewing crisis, 196 vessels stopped in the anchorage. That compares with just 62 in the same period a year earlier.

Examples include the 2020-built 207,600 dwt Berge Dachstein, which called at Manila anchorage on September 20 from China and left on September 22 for Port Hedland in Australia, while the 2016-built 207,765 dwt Star Libra called on July 31 and left two days later bound for China from its original calling point at Port Hedland.

Likewise, 10 vessels made a pit-stop in Manila from the Atlantic basin en route to China, slightly higher than the same period last year, the data show, while eight vessels called in at Indian ports on the same route compared with none last year.

The tightening of tonnage has been cited as a reason for the uptick in spot rates in recent weeks, when the capesize average weighted time-charter quoted on the Baltic Exchange surged to a 13-month high of $34,896 per day on October 6. Spot rates have since declined, dragged down by news of a potential ban on Australian coal by Chinese authorities.

Congestion at discharge ports is also playing a role at a time of higher volumes of iron ore from Brazil and Australia.

Crew changes have been critical for the safety of operations during the coronavirus pandemic, which has seen some 400,000 seafarers stranded at sea awaiting disembarkation. A similar figure has been reported for those waiting to sign on.

But, most ports have strict rules on crew changes, in some cases only allowing own country nationals to sign on and off ships, with protocols to follow regarding quarantine and testing.

Philippines incidents

However, two incidents may put a damper on crew change activity, namely from the Philippines.

On October 12, Japanese owner Mitsui OSK Lines reported an outbreak of coronavirus cases on its capesize Vega Dream, with seven of its 20 crew members testing positive while at Port Hedland in northern Western Australia.

The vessel had carried out a crew change in the Philippines before making its way to Australia.

Before that, Germany's Oldendorff Carriers reported that 17 of its crew had been infected and quarantined at Port Hedland after they joined the Patricia Oldendorff bulker in Manila.

The incidents have prompted trade association InterManager to seek clarity on quarantine measures. It is calling for a 14-day quarantine period before testing to avoid potential future cases.

Western Australia's health minister Roger Cook called on the federal government to take action to make sure that the Philippines was adhering to crew change protocols. The state's Chamber of Minerals and Energy, along with major mining companies, were reported to be considering a ban on vessels with Filipino crew on board.

Braemar ACM noted how the Philippines emerged as "a convenient place" for capesizes to change crew given how difficult it has been in many other countries.

The brokerage recorded more than 420 detours to the Philippines since the start of the year and believes that "the majority of these did so to facilitate crew changes". In the past couple of weeks, almost all visits have been on vessels ballasting towards load ports, it said in a note.

Braemar analyst Nick Ristic said that it seemed unlikely that any vessel which has made crew changes in Manila would be prevented from calling in Australia, given the sheer number of ships which have done so, with the total figure representing 84.5m dwt, or about 23% of the capesize trading fleet.

"As such, banning the use of these ships would be costly for charterers in the region, as vessels freshly crewed with seafarers from other regions would be extremely scarce."

The capesize paper market has thus priced in this sentiment, with a muted reaction, Braemar said.

October FFA contracts were trading at $26,000 per day as of October 13, with November at $20,000 per day, according to GFI, a Forward Freight Agreement broker.

Meanwhile, China was considering relaxing its restrictions on crew changes for foreign crew.

Industry call for taskforce to tackle crew change

SHIPPING needs a task force dedicated to standardising crew change protocols to resolve the humanitarian crisis that is threatening seafarers, according to Ocean Network Express chief executive Jeremy Nixon.

Despite intensive efforts and collaboration among seafarer unions, industry lobbies, some governments and the United Nations, global restrictions on movement and travel to contain the spread of the coronavirus have left an estimated 400,000 seafarers still be stranded at sea.

Speaking during a virtual panel discussion at the Global Maritime Forum, Mr Nixon said that though the initiatives so far from industry and the International Maritime Organization to promote crew change facilitation have helped, there was still much confusion.

He cited a lack of a standardised testing method and of the oversight of testing implementation and verification, as well as of safety corridors and bubbles to move crews.

"Although the protocols have helped, they have not really developed yet a standardised best practice approach that we can all learn from each other and adopt on a universal basis across many countries in the world. So, we need that," he said.

Mr Nixon was speaking on behalf of a working group of companies and organisations that had been meeting as part of the forum. The identities of the other working group members were not disclosed.

He said creating a new strategic industry crew change task force to identify the pragmatic solutions to enhance protocols and best practices would help meet that need.

"Hopefully leading to a common set of universal crew change standards that we can all put our name to as being best practice and probably develop into some kind of charter that we can all sign to and hold up as the gold standard, as the way we can handle crew changes going forward," added Mr Nixon.

ANALYSIS

Shipping tells US its sanctions policies are a 'kiss of death'

UNILATERAL sanctions imposed on Iran and Venezuela by the US make it impossible for shipping to implement credible compliance, a senior State Department representative has been warned.

Joshua Mater, a policy co-ordinator at the department's office of sanctions policy and implementation, said if he "were king for a day" he would do what the industry asked: simplify, clarify and adopt a multilateral approach to sanctions.

Speaking at the Capital Link's annual New York maritime forum, he addressed a panel representing shipowners, insurers, and shipmanagers on the global guidance for international shipping issued by the US administration in May to identify and disrupt deceptive and illicit practices.

He admitted that the sanctions issue had become "complex", but he also called on the shipping industry to examine its own quality control and risk compliance checks.

Marine insurers, flag registries, shipowners, managers and charterers, and financiers have been targeted, provoking concerns they are being used to unofficially police sanctions or be excluded from an international industry that operates in US currency.

"Let's not beat around the bush, US secondary sanctions at best alienate allies," said UK-based Mike Salthouse, global director of claims from North of England P&I Club, representing the International Group of P&I clubs covering 90% of ships.

Punitive secondary sanctions on Iran give the US extra-territorial reach that extends beyond US companies and citizens, making compliance expensive and difficult, Mr Salthouse said.

They also placed European companies in conflict with EU blocking regulations, designed to protect against these kinds of extra-territorial measures.

"As things stands with a blocking regulation, potentially, as a UK company, (if I obey US secondary sanctions) I commit a criminal offence, face a fine, face imprisonment," said Mr Salthouse. "If I don't obey those US secondary sanctions the US potentially puts us out of business.

"In a heavily regulated financial services industry, that contradiction, makes it impossible to build credible compliance procedures."

Venezuela and Iran sanctions

US sanctions on Venezuela and Iran imposed nearly two years ago have placed shipping on the frontline of American foreign policy objectives to cripple Iranian and Venezuelan energy and oil exports to force regime change.

Venezuelan sanctions, which don't have extra-territorial reach, lacked clarity and consistency, Mr Salthouse said.

"Again, you can't build good compliance procedures around inconsistent application of the law," he said. "It may well be consistent from Joshua's standpoint, but for us here, for shipowners who are trying to work out what the policy of the law actually means it's very difficult.

"The current mechanism is one in which shipowners seek legal advice on each trade they do to Venezuela and have a US attorney having a nice cosy one-to-one chat with government officials, but it doesn't work."

Shipowners designated earlier this year by the Office of Foreign Assets Control, which oversees the sanctions, didn't think they were breaking sanctions, Mr Salthouse added.

The US government recognised "how complex the sanctions environment has become," said Mr Mater. "We do not just move to sanctions in position as step one.

"There is generally pretty extensive engagement that takes place to try to stem the tide of whatever illicit activity may be going on, with respect to certain shipments that are on the water and we will continue that trend.

"The US government does not set international maritime policy by any stretch. But we do ask that the international maritime really take a look at some of the quality control checks and risk compliance checks that are within the industry writ large.

"I think that there's a lot more that can be done in terms of data sharing between classification societies, flag registries, insurance providers, so that when bad actors are identified, they're identified to the larger industry and not isolated within that one particular stance.

"We do not move or try to move to an immediate sanction of certain entities Rather, we'll continue to through the engagement route."

He added that "the policy environment of Venezuela is complicated and is changing rapidly" and blamed the Venezuelan government for the changing policy. This was because it was "driven by the actions of the legitimate Maduro regime and their continued relationships that they're promoting with Iran, Russia, other actors throughout the world," he said.

"There are actors out there that are flouting US sanctions policy towards Venezuela, and we won't hesitate to exercise those sanctions in order to really stop the Maduro regime from continuing to get the funds that it needs and put in place those quite dangerous agreements with Iran."

Mr Mater began the session with a nine-minute defence and explanation of the US administration's foreign policy on Iran and Venezuela, forcing the moderator to interrupt him so other contributors could speak.

Mark O'Neil, chief executive of Columbia Shipmanagement, said the politically motivated sanctions meant every transaction needed scrutiny.

"At Columbia we have a huge department, a huge resource devoted purely to ensuring that we and our clients act within the wider scope of these sanctions. The smaller operators don't have that," he said.

Mr Salthouse also raised concerns about US guidance suggestion shipping and marine service providers worldwide exchange information about potential sanctions breaches of owners and vessels which he said was inappropriate and breached anti-trust regulations.

"If we go around saying we think that vessel is breaking sanctions, that is the kiss of death for an owner who may well not be breaking sanctions," he said.

"Leaving aside the legal constraints under which we operate and competition law which would probably prevent us from doing that, these are really slightly unrealistic expectations from the US that information based on suspicion can be turned around in the public domain and a party can act on it.

"You have created an environment where over compliance is the norm and where the mere suggestion of someone's breaking sanctions means that nobody will touch on that particular ship operated company, that's the real problem."

Paying off hackers risks triggering sanctions, legal expert says

SHIPPING companies who choose to pay off ransomware hackers should carry out due diligence on whether the perpetrator is listed under US sanctions, according to a compliance expert.

HFW partner Daniel Martin highlighted the issue after a spate of cyber attacks on the industry in recent years, with victims including Maersk, CMA CGM, Clarksons and the International Maritime Industry.

The warning comes after lawyers said problems included restrictions on payments to terrorists and criminals, data protection responsibilities and the implications for marine insurance.

The US has chosen to highlight so-called bad actors, most notably Evil Corp, a Russian hacking enterprise that has target thousands of bank accounts in dozens of countries over the last decade.

"You need to do due diligence to ensure that the person who is receiving the funds isn't a sanctioned person," said Mr Martin.

"This isn't like dealing with a corporate, where you can easily find details of who the persons behind them are. These are organisations that seek to keep details of individuals highly secret."

Any shipping company contemplating payments, especially through untraceable bitcoin, needs to demonstrate due diligence, even when using response consultants.

If you do not know the identity of the payee, but there is no reason to suspect it is a sanctioned person, a payment might theoretically be possible.

But things become more difficult where there are indications that it might be a sanctioned person — for instance, the jurisdiction in which the payee operates, or specific characteristics of the attack — but this cannot be definitively ascertained.

The advice here would be to talk to the applicable agencies, in order to get their opinion on whether the circumstances arouse suspicion.

In the US, the Department of the Treasury has its own cyber security team, and there are cyber fraud task forces in other countries. Response consultants will also be aware of the actors in this space.

Payments cannot be made to any Specially Designated Nationals and Blocked Persons (SDNs), on the list compiled by the US Office of Foreign Assets Control, which recently updated its advice to companies — Potential Sanctions Risks for Facilitating Ransomware Payment.

While the greatest risks are for US persons, the extraterritorial measures in place against governments like Iran are not in place in this instance.

But non-US persons could potentially cause a US person to breach US sanctions, for instance when using dollars to purchase bitcoin in an order processed by a US bank.

"My experience is that a British or EU bank will look to the US SDN list and not want to make a payment if there's an SDN involved. It doesn't get to the point of working out if there's a legal restriction.

"That leaves the victim in a difficult position. They may not have done anything wrong, but they are in a position where they can't make the payment."

Although UK guidance on sanctions issues has generally echoed the US line, there is no specific guidance on this issue, and no expectation of anything forthcoming, Mr Martin added.

MARKETS

Shipping forum told to expect patchy recovery and higher costs

THE outlook for the shipping industry in the coming months will be dominated by the pace of economic recovery from the pandemic and rising costs associated with actions to mitigate risk.

Three issues will determine the outlook for various economies over the next six to 12 months, according to Tom Rogers, head of macro consulting for Asia at Oxford Economics.

They are the degree of control they have over the spread of the pandemic, their structural vulnerability and the amount of policy support from governments, he told the Lloyd's List Asia Pacific Outlook Forum.

Mr Rogers said India, Indonesia, the Philippines and Thailand had the worst prospects for the remainder of 2020 and the first half of 2021. In contrast, China, Taiwan and South Korea had better outlooks.

These expectations have been corroborated by trade and container volume data.

Nora Lin, head of logistics products for greater China at Maersk, pointed to the recovery in China's economy since April and noted that Maersk saw similar trends in its figures.

"The volumes from China to different parts of the world are quite dynamic," she said.

She said that while export volumes recovered to previous year levels as early as March after China controlled the virus and resumed production, the spread of the pandemic in Europe and the US resulted in weaker demand in these markets and comparatively weaker volumes for April and May.

Not only will the pace of recovery be different in the different economies but even within sectors, some "will not be the same for a long time", said Mr Rogers.

He noted especially that the softer global commodities and building material commodities would have "quite a long way" to come back.

While a great deal of demand is expected to slow, operational costs are also likely to rise in shipping as a result of coronavirus.

Fleet Management Business Development director Vikas Grewal highlighted the fact that apart from the human cost of hundreds of thousands of seafarers being stuck out at sea, there is also a very real financial cost.

He noted that over the last six to seven months crew costs had gone up by 10% and overall operational expenses had risen by 5%-10%. "This is due to the supply side shock to the seafarer pool," he said.

Mr Grewal said the supply shock had been caused by two factors — the impact of the pandemic on key crew supply countries India and the Philippines, and the relatively better situation in China combined with the many newbuilding deliveries from shipyards there.

Some seafarers from key supply countries are not prepared to go out to sea while the virus still rages at home and owners taking delivery of newbuildings have had little choice but to take on Chinese crew.

As a result, Chinese seafarers have now become the best paid in the world, with monthly wages for ratings an average of $4,000 higher than before the pandemic.

Meanwhile, Indian and Filipino seafarers also need additional incentives to entice them to go to sea, resulting in about a 3% increase in their wages.

With the crew change situation not improving and the risks constantly increasing as a result, "all ship management companies need to put in more resources to into solving the problem," Mr Grewal said.

Many cargo rollovers at Asian transhipment ports

EARLY indications suggest that significant container rollovers and subsequent supply chain disruptions will continue far into the fourth quarter across Asia.

Supply chain disruption at leading Asian transhipment ports eased marginally for shippers in September compared with August, but remained far higher than the same period a year earlier, according to Ocean Insights.

Data shows that in most leading Asian container shipping hubs, between a fifth and a third of transhipment cargo was subject to rollovers, adding to the supply chain disruption experienced by shippers in many parts of the world because of capacity and equipment shortages.

"Container lines were taken by surprise by the surge in demand for shipments as coronavirus lockdowns were eased during the summer," said Josh Brazil, chief operations officer at Ocean Insights.

"Schedules are clearly still suffering significant disruption and, in many ports, this is being exacerbated by equipment shortages which are adding to rate inflation and logistics bottlenecks and inefficiencies.

"As a result, carriers are frequently rolling cargo, which can result in significant delays and knock-on costs for customers, especially if they are not notified by the line in advance, which customers tell us is quite common.

"Early indications in October suggest supply chain disruptions and significant rollovers will continue deep into the fourth quarter as peak season demand continues to surprise."

Singapore, the world's second-largest container hub, saw rollovers drop from 33.3% in August to 30.2% last month. That compared with 21.5% of cargo rolled over in September 2019.

Rollovers are calculated by Ocean Insights as the percentage of cargo arriving at the port for transhipment that was shipped on a different vessel than originally scheduled.

In Hong Kong, 24.6% of cargo was rolled at the port's many terminals last month, down from 32.2% in August, but still significantly more disruptive when compared with September 2019 when only 15.3% of cargo was affected.

Malaysia's port of Tanjung Pelepas saw 22.7% of box traffic received last month rolled over compared with 29.2% in August and 13.8% in September 2019, while Port Klang saw 28.9% of cargo rolled last month compared with 42.3% in August and 24.7% in September 2019.

At Ningbo-Zhoushan, the world's third-largest container port in 2019 by throughput, 30.1% of cargo was rolled last month, down from 43% in August, while Dubai (Jebel Ali port) saw rollovers drop to 31.8% in September from 34.9% in August.

Shanghai, the world's largest container port, saw rollovers decline to 25.5% last month from 26.5% in August. However, performance improved when compared with September 2019 when 28.9% of cargo transhipped at the port's multitude of terminals was rolled over.

Busan Port, the world's sixth-largest box hub in 2019, saw cargo rollovers increase to 30.4% in September, up from 28% in August and only 15.2% in the same period a year earlier.

At the port of Qingdao container rollovers spiked to 25.2% in September compared with 13% the previous month, while Shenzhen, one of the best port performers in terms of rollover ratios, saw just 14.1% of cargo rolled over last month, up from 9.4% in August and 11.7% in September 2019.

Ocean Insights is a real-time and predictive ocean container tracking data provider to freight forwarders and shippers.

IN OTHER NEWS

Gulf of Guinea kidnappings increase by 40%

KIDNAPPINGS in West Africa's Gulf of Guinea were up 40% in the first nine months of the year compared with the same time in 2019.

The International Maritime Bureau reported 132 pirate attacks worldwide since the start of the year, up from 119 in the same period last year.

It said 80 of the 85 seafarers kidnapped and held for ransom were in the Gulf of Guinea, in 14 attacks off Nigeria, Benin, Gabon, Equatorial Guinea and Ghana.

Socially responsible owners can expect cheaper pricing for compliance

OWNERS who comply with environmental, social and governance criteria can in future expect bigger pricing adjustments than the market is currently providing.

Kavita Shah, a partner at law firm Watson Farley & Williams, said shipping is seeing "an ESG revolution".

She told a webinar organised by the London-based shipping law firm, that the upheaval sits alongside other socially conscious regulations such as anti-bribery legislation, know your customer requirements, sanctions, the Modern Slavery Act, tighter rules on recycling, and a drive towards decarbonisation.

Hapag-Lloyd raises earnings guidance

HAPAG-Lloyd has updated its full-year guidance on the back of better-than-expected demand and higher revenue in the third quarter of the year as the container shipping sector performs better than anticipated.

"We have experienced a strong third quarter with a high demand, especially for exports out of Asia," chief executive Rolf Habben Jansen said. "Thanks to the positive market development and the wide range of measures we have introduced in recent months, we expect a financial year with results well above our previous forecast."

Preliminary figures show the company's earnings before interest and taxes for the third quarter rose by almost 40% year-on-year to €350m ($409.8m).

Scorpio Bulkers sells ultramax duo

SCORPIO Bulkers, a US-listed shipowner and operator, is continuing its divestment of bulkers as it focuses on a transition to the offshore wind sector.

The company said it had sold a pair of ultramaxes, built in 2017, to an unaffiliated third party for $34m.

The vessels — SBI Phoenix and SBI Samson — are expected to be delivered to their new owners this quarter. VesselsValue, an online data provider, showed the buyer as Denmark-based Navigare Capital.

US channel blocked to deep-draft vessels after hurricane

THE US Coast Guard and the Army Corps of Engineers are currently assessing damage caused by hurricanes that have recently struck the US Gulf Coast, an area rich in oil and gas installations as well as ports, with the key Calcasieu Ship Channel still restricted for deep-draft vessels and no estimate on when it will be opened up again.

The USACE is currently dealing with a barge that sank in Louisiana's Calcasieu Ship Channel on Tuesday — one of three obstructions to be removed before deep-draft vessels can resume using it.

The USACE also said that an oil rig and a recreational boat would need to be removed before the 25-foot maximum draft restriction is lifted — obstacles that are adversely impacting the region's petroleum industry.

Zim names banking veteran Yair Seroussi as chairman

ZIM, the Israeli container line, has named Yair Seroussi its new chairman.

He replaces Aharon Fogel who is stepping down after six years, Zim said in a statement.

Mr Seroussi is a former chair of Bank Hapoalim, Israel's biggest bank, from 2009–2016 and head of Morgan Stanley Israel from 1993–2009.

Malaysia ramps up LNG bunkering development

PETRONAS, the national oil company of Malaysia, has signed a deal with privately owned Godell Gas International to develop a domestic liquefied natural gas bunkering sector.

Petronas will supply LNG to Godell Gas which will build up to three 12,000 cu m tankers for delivering LNG bunkers via ship-to-ship transfer to clients.

The private company has also signed a memorandum of understanding with the Malaysian units of China Construction Bank and China Petroleum Pipeline Bureau.

Carriers complete TradeLens integration

MEDITERRANEAN Shipping Co and CMA CGM have completed their integration into the TradeLens blockchain platform as foundation members.

Along with Maersk and IBM, which developed the system, the two carriers will play a role in expanding the ecosystem and its operations and will play a key role as validators on the blockchain network.

"An industry-wide collaboration like this is truly unprecedented," said CMA CGM vice-president Marc Bourdon. "Only by working together and agreeing to a shared set of standards and goals are we able to enact the digital transformation that is now touching nearly every part of the global shipping industry."

Classified notices please view the next page.

PERSUANT TO THE COMPANIES LAW CAP. 113
IN RELATION TO THE COMPANY
BEPALO LPG Shipping Limited (ex. B-Gas Ltd)- HE 280373
Registered Office: 32 Miltonos Street, 3050 Limassol, Cyprus

CREDITORS VOLUNTARY WINDING UP

Notice is hereby given that pursuant to the provisions of section 276 of the Cyprus Companies Law, CAP 113, a meeting of the creditors of the above-named Company will be held at 15 Feidiou Street, 2nd Floor, 3075 Limassol, Cyprus on Friday, **23 October 2020** at **12:00 noon** for the purposes mentioned in the Cyprus Companies Law, CAP 113 Sections 276, 277 and 278.

Creditors wishing to vote at the meeting for the appointment of a liquidator, inspection committee, or for any other matter that may arise during the meeting, they can do so either in person or by proxy.

For proxies to be valid, they must be deposited at the Company's Registered Office at 32 Miltonos Street, 3050 Limassol, Cyprus, not later than 12.00 noon of the day before the meeting.

For electronic submissions please contact via email at: info@appadvisory.eu

You are also being informed, for voting purposes, that secured creditors must deposit at the Company's Registered Office, before the meeting, details of their security.

By order of the board
Christina Georgiou
Director