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Box shipping's surprise year ignites new interest in fleet renewal

THE GLOBAL ECONOMY is "nowhere near out of the woods" in terms of the pandemic, which has to date cost over 1.2m lives and affected millions of people's livelihoods.

"Many businesses have been affected and governments have had to step up and support failing industries," Mercator International partner Jesper Kjaedegaard told the Global Liner Shipping conference.

"Millions have already lost their jobs and with government-sponsored furlough schemes coming to an end there will be many more millions finding themselves unemployed by the time the festive season arrives."

This would mean little to celebrate this year, but in the midst of the pandemic there were still companies and sectors that were thriving, he said.

As well as a number of technology companies that had seen their share prices rocketing since the beginning of the year, container shipping was one of the sectors to have been successful this year.

"How on earth can that be? Isn't this supposed to be an industry whose growth and performance is directly related to global GDP? Is it not an industry where even a little overcapacity leads to plummeting rates? Only a year ago the industry cried out that the move to low-sulphur fuel would be a major financial setback."

Instead, the box shipping had found itself in an environment where freight rates had increased substantially, charter rates had increased and laid up vessels had been returned to service.

"The cost of fuel has fallen over the past year and the introduction of larger ships has led to lower slot costs," Mr Kjaedegaard said. "Carriers are reporting financial results that in any other year would be very impressive but this year surely have to be classed as extremely exceptional."

How sustainable this year's results will be will depend partially on fleet developments.

The current orderbook is at only 8.2% of the existing fleet, the lowest it has been in decades.

"When you look at the number of ships built 20 years ago that are about to be scrapped, the future balance of supply and demand looks positive," Mr Kjaedegaard said.

"The question is, of course, how long the carriers will continue to show restraint, or whether they will use some of the millions they will use this year to place orders with shipyards that are very hungry for new orders."

Cosco's confirmation of an order for seven 23,000 teu ships indicated that "ball may have already started to roll", he said.

Hapag-Lloyd chief executive Rolf Habben Jansen, who has said his company would at some point need to order new vessels, told the conference that newbuildings would be needed but that these would not lead to overcapacity emerging again.

"There have been very few orders placed this year," Mr Habben Jansen said. "If you take into account that the orderbook covers about two to three years of supply, then that orderbook, or even something larger, is required just to replace ships that are going to be older than 22-24 years.

"We will have to retire around 4% of tonnage each year after a couple of years when scrapping was low."

More orders would be likely in the upcoming quarters, he added.

But the dramatic changes to liner shipping this year were unlikely to be a long-term factor in ordering, according to Danish Ship Finance analyst Jonas Hoffmann.

"Consumption of containerised goods has remained stable, despite Covid-19," he said. "If we look at the supply side, carriers reacted to the slowdown this year by reducing capacity but this has led to an imbalance between supply and demand that is leading to a catch-up effect which is still supporting current freight rates."

This would be a temporary feature and did not reflect a fundamental structural change to the sector, he added.

"The current spike is driven by an absence of changes on the demand side."

WHAT TO WATCH

Box demand picture clouded as economics enters uncharted waters

THERE is no guarantee that the sharp rise in demand for containerised freight can continue over the next 12 months.

"Economics is just human behaviour put into a formula," says Sea-Intelligence Consulting chief executive Lars Jensen. "Can we assume people's behaviour will stay the same? If the laws of economics are going to hold up, behaviour should stay the same; if it changes, then the rules change."

Consumption behaviour tended to change slowly over time, he said. But the challenge was that there had been "fantastic volatility" in the market this year.

"A very sizeable part of the container shipping market does come down to consumer behaviour," Mr Jensen told the Global Liner Shipping conference. "Since 1959 the US consumer has given a bigger share of their consumption to services than to goods. This has been a stable curve with only two exceptions, the global financial crisis and the pandemic."

The change in consumer preferences during 2020 had been larger than at any time in the history of containerisation and while the consumption of goods had recovered from the initial shock during the first half of the year, overall consumption remained down.

The ongoing course of the health crisis would determine what would happen to consumer behaviour.

"The pandemic has caused the unprecedented changes in consumer behaviour and it would be extremely dangerous make assumptions," Mr Jensen said. "No one knows for sure what the impact of the second wave will be."

While it was highly likely that there would be a return to growth over the next five to 10 years, it was impossible to know what would happen next year, he added.

"The best way to forecast for the next 12 months would be to come up with a random number," he said. "For the short term all bets are off. The risks to extremely large disturbances to the system, both upwards and downwards, are very much present and can happen within weeks."

Sea-Intelligence chief executive Alan Murphy pointed out that the recovery in volumes had been very lopsided, with only North America, Africa and Oceania showing growth.

"The market share of Africa and Oceania are so insignificant that it is fundamentally a matter of North America, and specifically the US, driving the recovery," he said.

But in the US there was "a complete decoupling" between the underlying economy and container shipping, which was not a sustainable development.

Moreover, it appeared that demand was being driven by the restocking of inventories that had been drained during the initial supply crisis. As these were restored there was greater demand for container shipping, but this would only be a short-term boost.

This was further evidenced by the strength of rates to US west coast ports, compared to those to the US east coast, which had not risen by such a large degree.

"The premium on the US east coast is down as shippers prefer the shorter route to market of the west coast," Mr Murphy said. "That does not support strong long-term demand."

Intercargo calls out charterers preventing crew changes

FOLLOWING on from revelations by industry bodies that charterers are using 'no crew change' clauses in charterparties, dry bulk owners' group Intercargo has come out to condemn these practices.

The organisation said in a press release that it has learned that of a number of instances where charterers in the dry bulk sector have been preventing much-needed crew changes from taking place during the period of the charter, despite the shipowner agreeing to accept the associated costs.

"Intercargo strongly condemns the non-compassionate practices of some charterers of dry bulk carriers, in their rejection of crew change outright during the charter period," the association said in a strongly worded statement.

"This flies in the face of industry-wide efforts to offer seafarers the essential rest that they have been so long without during the coronavirus pandemic, and which is essential to the safe operation of the shipping sector."

Intercargo cited instances where charterers have been seen to simply ignore relevant provisions and charterparty clauses that could be employed and even reports that bulk carriers changing crews in certain countries in Southeast Asia are being treated as 'toxic' by charterers for the 14 days following crew change.

There have been recent reports of several vessels arriving at Australian ports with coronavirus-infected crew after having carried out crew changes in the Philippines.

"Ironically, this appalling practice has been reported primarily in the dry bulk sector, where the prevention of seafarer fatigue is of special concern. Bulk carriers on tramp trading routes call at many more ports than other shipping sectors, piling added strain on an already fatigued workforce with no hope of crew change," Intercargo pointed out.

"It is very disappointing that dry cargo charterers do not understand or wish to take responsibility for the concept of the common venture, which exists under a time-charter," it said.

"Intercargo wishes to state unequivocally that this issue goes further than the charterer's corporate social responsibility or environmental, social and governance responsibilities, and displays a clear lack of appreciation of one of the greatest humanitarian crises to affect the maritime sector," the association concluded.

ANALYSIS

US Gulf crude exports defy poor post-pandemic prognosis

MONTHLY crude exports from the US Gulf are now exceeding 3m barrels per day for the first time since March, as data reveals a rapid recovery for this trade route, even after recent hurricane-related port closures.

Shale oil shipped from the US Gulf has transformed global crude flows over the past four years, with 20 different blends going to more than 40 countries.

Shipments surged after the ban on crude exports lifted in December 2015.

Volumes are now 15 times higher than the initial trickle of condensate cargoes that launched the shale boom in 2015.

Even after the coronavirus oil demand slump, the US fossil-fuel energy juggernaut is by no means over.

The global pandemic briefly dented the record-breaking pace of crude exports from Texan ports, but they are again gathering pace.

Exports peaked at 3.5m barrels per day in February, according to US Energy Information Administration data.

US Gulf exports then dipped to an 11-month low in June, and surpassed 3m bpd in July, the latest month for which EIA statistics on PADD3 are available.

PADD3 covers US Gulf ports from where shale oil is exported after being piped, railed or trucked from the Permian and other basins.

Tonne-mile demand from Gulf coast ports, measuring volumes carried by distance travelled, was tracked at the second-highest level in September, according to Lloyd's List Intelligence data.

Tonne-mile demand is used as a proxy for tanker demand. The 86.7bn tonne-miles measured in September is surpassed only by March's figure of 93bn tonne-miles.

The numbers appear to defy gloomier forecasts in September from S&P Global Platts that exports would track lower, to dip at 1.4m bpd by April 2021.

Higher tonne-miles reflect not only the recovery in volumes but the rise in longhaul cargoes heading to Asia, where China and South Korea are the biggest buyers of the light, sweet crude.

Shale oil boom

The tanker market has welcomed the shale oil boom for its tonne-miles and employment — from aframax tankers to very large crude carriers. VLCCs account for 33% of barrels exported for these longer voyages to Asia.

In all, 30% of barrels are shipped on aframax tankers. These smaller vessels are used for cargoes to European ports, as well as reverse-lightering operations to VLCCS at anchor offshore.

Refineries in the EU27 plus the UK combined are now the largest buyers of US crude.

Much has been written about Chinese imports, which have been patchy and dictated by price and geopolitics.

Under Phase One of a trade agreement, China has to buy $200bn more in goods and services over two years from 2020.

Energy commodities, such as crude and liquefied natural gases, will comprise much of this deal.

May's exports to China were the highest monthly volumes ever, at 1.26m bpd, when oil prices were at 21-year lows, EIA data shows.

Because Asian economies, especially China, are recovering faster than Europe and North America, trade flows are steady. That is benefiting the largest tankers and generates the most tonne-miles.

Arbitrage economics surrounding price, freight and discounts to other oil grades largely dictate flows.

Europe purchases are recovering at a slower pace, as refinery utilisation remains well below average and has not recovered from April's demand shock.

By July, EIA statistics showed monthly exports to the EU27 plus UK at 1.2m bpd, doubling from two months prior, when shipments fell to a 12-month low.

Lowest levels of refinery utilisation are reported in France, UK and the Netherlands. August utilisation reached 58% and 66%, respectively, with overall OECD Europe at 74%, International Energy Agency figures show.

Second wave

The second wave of coronavirus is stalling Europe's nascent recovery in demand for land transport fuels in 2020's final quarter. Newly imposed lockdown restrictions inject fresh uncertainty about the impact this will have on gasoline, jet fuel, diesel and gasoil consumption.

US-Europe crude imports likely showed month-on-month gains in July because the light sweet crude grades from the Permian basin are suited for European refineries, which are mostly configured for producing higher yields of gasoline. Motor fuel has shown the most resilience as demand for air and land transport was affected by the Covid-19 outbreak.

Profits to refine crude at European refineries dipped to multi-decade lows in September. Preliminary data suggest that US exports to the UK, the Netherlands and France were lower in August and September because of this.

Nevertheless, volumes still reflect the rapid shift in trade flows arising from shale exports. For some months in 2019, US-EU crude flows equalled Urals crude to Europe from Russia.

For five consecutive months, US imports exceeded the production of the Brent, Forties, Oseberg, and Esofisk grades that comprise the Brent index last year, presentations from price report agency Argus Media showed.

US crude production has yet to return to the record-breaking levels of 13m bpd seen earlier this year, hovering around 11m bpd.

Yet crude imports to the US Gulf, where half of the country's refinery capacity is based, reached 2.2m bpd in July, EIA data shows. That is already higher than the year-ago period, when 2m bpd were imported.

The PADD 3 region so far remains a net crude exporter in 2020, shipping more crude than it imports each month, even at the height of oil demand destruction.

Exports in 2019 were 69% higher than 2018, at 2.9m bpd, EIA data shows. This growth was due to additional pipeline capacity totalling 2m bpd, added in 2019, augmenting shale oil flowing to the export port of Corpus Christi from the Permian basin.

Since the pandemic outbreak, several other pipeline projects to the US Gulf have been deferred, as well as plans for mooring buoys to accommodate VLCCs at ports.

Still going ahead (as of October 2020) was ExxonMobil's Wink-to-Webster pipeline. This will transport another 1m bpd of Permian shale oil to the US Gulf from 2021.

The Phillips 66-owned, 900,000 bpd-capacity Gray Oak pipeline from Cushing to Corpus Christi and Houston also began in April.

Panama Canal congestion adds to LNG tonnage crunch

CONGESTION in the Panama Canal has held up transits of liquefied natural gas carriers, contributing to tightness in shipping tonnage amid the winter demand surge for the super-cooled fossil fuel.

About a dozen LNG carriers spent two days or longer in and around this busy channel in October, Lloyd's List Intelligence vessel tracking data showed.

Most of these affected tankers were en route to load cargoes at liquefaction plants in the US.

The 2020-built *Gaslog Wales* and *Flex Aurora* took 12 days and nine days respectively to make their way through the canal before heading on to Freeport LNG and Ingleside, Corpus Christi in the US.

The Panama Canal Authority has yet to respond to a request for comment on a report linking the congestion to staffing constraints triggered by the pandemic.

However, Evercore ISI analysts pointed to such delays as extending some voyages and bolstering global fleet utilisation, adding to the seasonal tonnage squeeze in the shipping market.

Brokerage Fearnleys assessed rates for 155,000 to 165,000 cu m tankers at $110,000 on October 28, up from $85,000 a week ago.

This rise in rates coincided with the start of winter gas heating season in the northern hemisphere.

Long-haul gas shipment arbitrage had opened up as the spread between regional benchmarks widened in favour of sending cargoes to northeast Asia vis-à-vis Europe.

Still, analysts have warned of weakness in the commodity and shipping markets that may hold back this year's winter surge.

S&P Global Platts Analytics projected a peak in freight rates this year that may possibly equal last year's high of $140,000.

Rates are expected to peak this month but will not stay there for long, owing to a build-up of new tankers and relatively narrow global gas price spreads, it said.

Evercore ISI analysts flagged a lack of long-term charter fixtures as a sign of charterers "not overly concerned about future vessel availability relative to the high spot rates today".

"Another potential negative for LNG demand is the fact that prices are moving above those for piped gas that were linked to Brent crude."

That could push China, which staged the biggest rebound in LNG demand, to reactivate piped gas supply from Central Asia.

MARKETS

New orders for general cargo carriers fall to a record low

JUST 62 new contracts for general cargo carriers have been agreed in 2020, of which 20 are for 10,000 dwt-plus vessels and 42 for smaller vessels, according to the latest Lloyd's List Intelligence Shipbuilding Outlook. This is a new low for records going back to 1970.

The figure for this year compares with 140 new orders for both 2018 and 2019. However, new orders are expected to rebound to 191 ships next year.

Total new orders for general cargo vessels in the 2020-2024 period are forecast at 834 ships, which is 27% below the previous five years. But this corresponds to 8.3m dwt, which is 6% more than in 2015-2019 due to increased ordering of ships of 10,000 dwt and over. Among the larger vessels, ordering is forecast to increase by 80 ships to 285 in total.

As of October 2020, the general cargo fleet had a capacity of 83m dwt, spread over 17,637 ships, but the forecast for capacity at year end 2024 stands at 85m dwt, spread over 17,459 ships.

Deliveries of general cargo carriers in 2020-2024 are forecast at 840 ships, which is a 25% decline compared to the previous five years. The 2015-2019 period already had very low deliveries when placed in a historical context.

Removals from the fleet are expected to be around 30% higher at 1,260 ships in the coming five years, compared with 2015-19, although 91% of these removals are expected to be smaller vessels in the below 10,000 dwt category.

Only 110 ships larger than 10,000 dwt will be removed from the fleet up to 2024, according to the Lloyd's List Intelligence forecast.

Therefore, total fleet removals will decline slightly when measured in dwt, from 6.7m dwt in 2015-2019 to 6.56m dwt in 2020-2024.

The age profile illustrates that the general cargo fleet is in need of renewal. Many ships still in the fleet were delivered before 1990 and are therefore 30 years old or more today.

In capacity terms, this means around 750,000 dwt per year of vessels built in 1970-1989 are still in the fleet. In terms of the number of ships, around 250 general cargo carriers still active per year are 30 to 50 years old.

"This indicates that these ships must be replaced, but the new ships will be larger and two or three removed can often be replaced by one new vessel," Lloyd's List Intelligence said. "The pace of removal has been quite good in recent years and that will continue."

In terms of the total dry bulker fleet, the size in terms of dwt stood at 891m dwt as of October 2020, which is spread across 12,307 ships.

Some 591 carriers larger than 200,000 dwt accounted for 147m dwt of the total, Lloyd's List Intelligence data show.

In the most recent five years, the larger part of the fleet has grown by 7.9% per year on average. In total, fleet growth has increased by 2.9% annually on average.

The forecast for fleet growth in 2020-2024 for the overall dry bulker fleet stands at a higher growth rate of 4.4% annually.

The largest ones will continue to increase most, but also the 60,000 dwt-100,000 dwt part of the fleet will grow by more than 6% on average yearly.

Deliveries in 2020-2024 are forecast at 243m dwt (or 48m dwt per year), which will take the fleet up to 1,067m dwt by year-end 2024.

This is up 20% from the 2015-2019 period. So far in 2020, 38m dwt has been delivered, despite the impact from the pandemic, while less than 6m dwt has been sent for scrap.

Shipping on thin ice: Russia's northern sea route

RUSSIA has long touted the potential of its northern sea route through the Arctic to upend sea trade by slashing voyage times from Europe to Asia.

The route, which runs across Russia's north coast from the Barents Sea to the Bering Strait, is increasingly navigable as the ice recedes. In September, ice coverage shrank to 3.74m sq km, the second-lowest level seen in nearly 42 years of satellite records.

Shipping traffic on the mostly frozen route, which cuts one to two weeks off Asia-Europe trade, has surged.

There were 71 vessels and 935 sailings across the NSR between January and June, according to the NSR information office — up from 47 vessels and 572 sailings in the same period two years ago.

Cargo has grown from 2.8m tonnes in 2013 to a projected 32m tonnes by the end of this year, compared with 31.5m tonnes in 2019. Russia hopes to reach 110m tonnes by 2030.

About 80% of this cargo is linked to two hydrocarbon export projects: Gazprom's Novy Port crude oil project (7.7m tonnes last year) and Novatek's Yamal liquefied natural gas project (18.4m tonnes).

Novatek, Russia's biggest private gas company, hopes to ship 57m-70m tonnes of LNG a year by 2050, supported by 15 Arc7 ice-class LNG carriers. It has two floating storage and transhipment units due for delivery in 2022.

Russia has invested heavily in nuclear icebreakers to make the route useable year-round.

The first of these, *Arktika*, set off in September for use by Russia's nuclear energy agency Rosatom, which runs the NSR.

Yet such ships may soon be less crucial for some of the year. An LNG carrier was cleared to travel unescorted in September; a 100-year-old tall ship reportedly made it through the following month.

Companies including China's Cosco Shipping also use the route for point-to-point project cargoes, such as wind turbine blades.

Ake Rohlen, managing director of Arctic Marine Solutions, a consulting firm, calls the increase in cargoes "quite phenomenal". While transit cargoes made up just 580,000 tonnes this year, "for sure the actual shipments are there".

"It is absolutely no competitor to the Panama or the Suez Canal; but it is for sure living comfortably on the traffic of raw materials," Mr Rohlen says.

Malte Humpert, founder of non-profit research group the Arctic Institute, says the route is still "very niche" but its growth has been significant. He says about 5% of LNG is being produced in the Arctic and could exceed 10% in the future.

However, while the NSR prospers from oil and gas, few believe it can work for containerships. Mr Humpert says the route lacks the necessary port infrastructure and population centres. "The economics just aren't there," he says.

Mr Rohlen says shifting ice conditions are still a challenge and less total ice coverage does not always make for easier navigation.

The route is still frozen for much of the year and requires specialised ships and crew. Parts of it are too shallow for ships of more than 5,000 teu.

And the prospects of cleaning up an Arctic oil spill, removing a shipwreck, or rescuing sailors from a casualty far from shore in sub-zero temperatures are still daunting.

Maersk, the world's biggest container shipping operator, made headlines when it sent the boxship *Venta Maersk* on a trial voyage through the NSR in 2018 – but this looks increasingly like a one-off.

"We found that the northern sea route is not a commercially viable alternative to our current routes," the company tells Lloyd's List, adding it has "no plans to pursue the NSR".

Container lines including Hapag-Lloyd and France's CMA CGM have pledged not to use the NSR on environmental grounds — though observers note it is easy to vow not to do something that is likely to lose you money.

Mr Humpert suggests vehicle carriers as one group of potential new users in the future, since they stop less often than containerships and do not need to be as punctual.

However, Wallenius Wilhelmsen, the Scandinavian car carrier, says: "In view of current and foreseeable commercial, sustainability and operational considerations, we do not believe the Northern Sea Route will become viable for us."

Geopolitics

Yet the NSR's future also depends on geopolitics. Russia has rebuilt Cold War military bases, hoping that by being the first power in the region, it can set the rules.

China, meanwhile, needs to lessen its energy dependence on global trade chokepoints like the Strait of Malacca and Suez Canal, which an opposing power could blockade in the event of war.

Pressure is also growing to protect the environment. A proposed ban on the use and carriage of heavy fuel oil in the Arctic is working its way through the International Maritime Organization, but green groups say it has too many loopholes to work. There is also pressure on the IMO to reduce black carbon emissions, which heat the ice and hasten climate change.

There may be silver linings. Mr Rohlen says pressure on companies to avoid accidents will lead to "some of the highest standards applied in shipping", which could set an example for the rest of the industry.

He says Arctic gas could one day be used to produce cleaner-burning shipping fuels, such as methanol.

State-owned Russian shipowner Sovcomflot hopes to ensure Arctic shipping is sustainable through rigorous crew training, energy-efficient vessels and supporting policy bodies like the Arctic Economic Council.

"In particular, we believe cleaner-burning LNG fuel has good prospects for adoption as a fuel for vessels operating in the Arctic to reduce the emissions footprint of vessels — a vital step, given the sensitivity of the Arctic environment," the company says.

Mr Humpert says in the end, the reason Russia has spent so many billions of dollars in the region while other countries have not is because it needs to.

"In Russia, 20% of the GDP is being generated above the Arctic Circle," he says. "The future of Russian oil and gas lies in the Arctic."

IN OTHER NEWS

Piracy headlines don't tell full Gulf of Guinea story, says analyst

ALARMING headlines about worsening piracy in the Gulf of Guinea are not as bad as they at first seem, according to one security consultant.

Dirk Siebels, senior analyst at Danish consultancy Risk Intelligence, told a webinar the number of piracy incidents on merchant ships reported in the Gulf of Guinea had been relatively stable in recent years.

He said piracy in the area was a major concern for shipping because of its human cost But the problem, while complex, was not out of control.

English insolvency law seen as ‘real alternative’ to Chapter 11

THE Corporate Insolvency and Governance Act — which entered into English law in June this year — offers insolvent shipping companies a real alternative to Chapter 11 proceedings in the US, a London-based law firm has told clients.

Watson Farley & Williams partner Stephen Parker detailed how restructuring plans under the legislation have evolved from the old ‘scheme of arrangement’ mechanism, which was used in such restructurings as Torm, Bibby Offshore and Ocean Rig.

While new-style restructuring plans still need to be road tested in a shipping context, they have already shown their worth in aviation, for instance in the recapitalisation of Virgin Atlantic.

Capital eyes trio of panamax boxships

CAPITAL Maritime & Trading is close to clinching the acquisition of three panamax containerships with an eye on dropping them down to publicly listed Capital Product Partners if a suitable charter can be secured.

The Greece-based owner of 13 boxships and one capesize bulker has generally focused on the post-panamax segment.

But, said chief executive Jerry Kalogiratos, “today, there’s very little that you can get your hands on in terms of post-panamax.”

Petredec orders up to six LPG-fuelled VLGCs

THE world’s second largest gas carrier owner Petredec has ordered up to six liquefied petroleum gas fuelled very large gas carriers from Jiangnan Shipyard.

The three firm 93,000 cu m LPG carriers, which are the largest VLGCs to-date, are scheduled to be delivered in January, March and May 2023, while it has also secured options for three more similar vessels.

If Petredec exercises options for the other three, the vessels will be ready in the second and third quarters of 2023, according to a company statement. Financial details were not disclosed.

Greece receives nine bids for Igoumenitsa port

GREECE has received nine bids for a 67% stake in the northwestern port of Igoumenitsa as the country’s port privatisation programme picks up speed.

Some bidders have a background in shipping investment, ship operating or terminals and there was some overlap with potential bidders for two other northern Greek ports that are also going on the block.

The Hellenic Republic Asset Development Fund, the country’s privatisation agency, intends to offer up to 10 regional ports to international bidders either through sale of a stake in the port authority or a long-term operating concession.

Shipping behind the curve on diversity and inclusion

WHILE shipping continues its push to make the technological strides to become a more efficient, and greener, industry in the decades to come, it is already failing in one key area, according to the International Chamber of Shipping.

Its first report looking into the state of diversity and inclusion in the global shipping labour force shows that just 7.5% of total seafarers are female even though 30% of companies employ women in board-level roles and that nearly 60% of companies have female officers on board their ships.

The ICS Diversity Tracker outlines where the industry should aim to be in the next few years, said Natalie Shaw, the chamber’s director of employment affairs.

UK holds stowaways amid ongoing investigation

SEVEN Nigerian stowaways arrested during a security operation involving British special forces on board a tanker last week are being held in a detention centre after being bailed.

Members of the Special Boat Service boarded the Liberia-flagged product tanker *Nave Andromeda* off the Isle of Wight on October 25 after the master raised the alarm and reported the stowaways had become violent.

The men were held by police, but were granted bail on October 29. However, they are being held by the UK Border Force under powers contained in the Immigration Act 1971.

Navios Containers expects surge in rates to ‘moderate’

CONDITIONS that have driven the rebound in containership charter rates will not last forever, Navios Maritime Containers has said.

“With the assistance of fiscal stimulus and other policy measures, consumer demand and container trade rebounded throughout the third quarter of 2020 and continues to show strength,” said chief executive Angeliki Frangou.

"This velocity in trade plus new purchasing patterns in the pandemic economy have been big drivers for the current rates, and we expect them to moderate in coming quarters," she said.

Maersk-backed decarbonisation research group names board

A NEW research group backed by Maersk that aims to provide decarbonisation solutions to the shipping industry has become operational.

The not-for-profit research centre aims to develop clear decarbonisation pathways, accelerate the transition and deployment of new energy technologies and help create the necessary confidence for new supply chains.

The Copenhagen-based Maersk Mc-Kinney Moller Centre for Zero Carbon Shipping was established earlier this year by founding partners Maersk, NYK Line, Cargill, ABS, MAN Energy Solutions, Mitsubishi Heavy Industries and Siemens Energy.

Classified notices follow

THE "Magellan"

ADMIRALTY COURT SALE

Notice is hereby given that the Admiralty Marshal has sold the ship **"Magellan"** of the port of Nassau, by the order of the Admiralty High Court in an action in rem against the vessel by Macquarie Euro Ltd in action AD-2020-000088. The gross proceeds of sale of the **"Magellan"** in the sum of $3,622,255.52 has been paid into Court.

The order of priority of the claims against the sale of the ship will not be determined by the Court until after the expiration of 28 days from this notice.

Any person with a claim against the ship or proceeds of sale thereof, should file it before the expiration of the said period.

Such claims should be directed through the Admiralty Court and NOT by way of application to the Admiralty Marshal.

P Farren
29 October 2020

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