Wednesday November 18, 2020

Lloyd's List
Maritime intelligence | informa

Daily Briefing
Leading maritime commerce since 1734



# IMO approves new emissions measure for ships

MARITIME REGULATORS HAVE approved a new short-term greenhouse gas emissions cutting measure for ships, bringing it one step closer to becoming official regulation.

The International Maritime Organization's Marine Environment Protection Committee approved a proposed hybrid measure that imposes technical and operational efficiency requirements on international shipping.

If adopted, it would mark the first new binding measure since the IMO's initial greenhouse gas strategy in April 2018.

The approved measure demands energy efficiency requirements on existing ships starting from 2023 and will introduce carbon intensity targets for vessels, which will be calculated based on guidelines the IMO develops in the future and would become mandatory only in 2026.

It also creates a rating system for the carbon intensity performance of individual vessels and would require ships with poor ratings to develop corrective plans.

Governments had previously scrapped an original proposal for poorly rated ships to lose their state of compliance. The deletion raised worries about the potential for adequate enforcement of the measure.

The next MEPC meeting in June 2021 is expected to adopt the measure. The IMO will review the measure's effectiveness by 2026.

A key factor ahead of the adoption of the measure will be a comprehensive assessment on the impact of the short term measure that an IMO group will conduct before and present at the next MEPC.

This feature is especially important for developing countries and small island developing states due to potentially disproportionate negative implications from new measures due to the countries' reliance on trade.

Many of the 50 countries taking part in the virtual meeting this week gave qualified support with caveats and stressing the need for more action from the IMO.

Several acknowledged it is not strong enough. However, citing the need to move forward as well as the the potential to strengthen the measures down the line, those governments ultimately accepted the measure, labelling it as a "first step", a "starting point" or a "building block".

The Marshall Islands, the Solomon Islands and Tuvalu rejected the proposed measures.

Greece said the approval has the "full and unequivocal consent" of its delegation.

Japan, which recently committed to becoming a net zero emitter by 2050, fully supported the approval of the measures and noted they are the first step towards the decarbonisation of shipping.

China said the combined measure is fair and practicable while taking into account the features of international shipping and different interests of countries.

"The adoption of the combined measures is sending a very positive signal to the outside world, demonstrating the resolute decision and determination of member states and industry organisations to address climate change and reduce GHG emissions, as well as to safeguard the sustainable development of the shipping industry," China's delegation said.

Germany endorsed the measure's approval but said it does not meet the expectations of the IMO's initial GHG strategy, a shortcoming that the country said it found difficult to accept.

"Everyone should be aware that this framework is only a starting point," Germany's delegate said adding that It will have to be strengthened.

Likewise, Canada said it was disappointed by the proposal and warned it does not put shipping on a pathway consistent with the Paris Agreement or even with the IMO's own decarbonisation strategy.

"In light of all these considerations, Canada is of the view that we must see and accept this measure as a first step, but only the first step. And then we must begin to seriously engage on work to advance mid and long term measures which is where we believe the key to long term decarbonisation of the industry lies," the Canadian delegate said.

The United Kingdom said it was grateful for the work governments had done on the measures but expressed its disappointment with the lack of ambition in them and warned they must not set the tone for the IMO's future work.

"Going forward we call on all member states to work in unison to tackle the climate crisis that faces us all and in supporting stronger medium and longer term measures to achieve the vision of the international strategy and the commitment we made in the Paris Agreement," the UK told the MEPC.

Denmark also said that the measure fell short of its ambitions and that work on the accompanying details, including the carbon intensity calculation guidelines, is urgently required.

"This being said, the outcome is indeed a significant result and a clear signal from the IMO which marks actual progress. We are confident that it will form a foundation for a dedicated IMO legal framework to make existing ships more energy efficient," Denmark's delegation added.

## WHAT TO WATCH

# Tanker markets in 'cash burn mode' as owners seek respite

SPOT rates for tankers are in "cash burn mode" and demand for seaborne oil and refined products will not return to pre-pandemic levels over the next 12 months say shipowners as they report third-quarter results this week.

Among the four tanker owners reporting was Moscow-listed Sovcomflot, announcing first results since listing in Moscow two months ago.

The owner of 124 trading tankers — including 30 liquefied natural gas carriers — reported a $23.1m profit this quarter and estimated that oil trade will rise by 5% in 2021, less than the demand contraction seen over 2020.

That is very similar to the estimate given by New York-listed Diamond S Shipping, which forecasts seaborne crude trade to rise by 5.4% in 2021, after falling 6% this year.

Diamond S, which also owns both crude and product tankers, estimated that volumes of oil products shipped by sea would fall by 7.2% this year, and rise by 6.1% in 2021.

The shipowner reported a net loss of $9.7m on revenue of $112.5m. That reflected the decline in earnings on the spot market as tankers deployed for floating storage of excess crude and products ended charters, adding to a vessel surplus and depressing rates.

Time charter equivalent rates earned on the spot market for Diamond S crude tankers averaged $20,224 per day in the July-through-September period, all below the company's cash breakeven of $21,000.

Earnings for the product tanker fleet for medium range and handysize ships have all been below the cash breakeven rate of $13,500 since July, according to the investor presentation.

"You need to have a clear view of what the future looks like on the spot market and right now the reality is that it's in 'cash burn' mode," said Diamond S chief executive Craig Stevenson

"Both businesses (spot and crude) are generating cash losses today in the spot market. If you look at India's consumption today and you look at China's consumption today they are back to pre-coronavirus levels, super-positive, but we need the rest of the world to follow suit."

Nordic American Tankers, with a fleet of 23 suezmax tankers on the water, reported a loss of $10m, as vessels were removed from the market for drydockings, reducing revenue as fleet utilisation fell to 71%.

The company reported average time charter equivalent earnings of $25,000 daily for each vessel.

"Our long-term positive view on the tanker market remains the same, but the global pandemic has, in our point of view, delayed it by months and not years," said chief executive Herbjorn Hansson.

"A low oil price is good for the world economy and works as a stimulus for recovery. We see encouraging signals of improved Asian economies, boding well for the world economy and the tanker markets going forward."

Despite the optimism, it was unclear why utilisation was so low.

One analyst questioned whether this was due to planned docking, unplanned technical offhire or commercial offhire.

The company did not say how many vessels were drydocked or why.

Nasdaq-listed Performance Shipping, which repurposed from owning containerships and moved to the aframax sector mid-year, reported average earnings of $15,990 for its fleet of four tankers over the third quarter.

The company previously indicated in an October presentation that its daily cash breakeven rate for the four vessels is nearly $19,000 daily.

It reported net income of $389,000 on voyage and time charter revenues of $9.5m.

As with Sovcomflot and Diamond S, Peformance Shipping management highlighted that the orderbook to fleet ratio in the tanker sector was the lowest since 1996.

"We believe the low orderbook in conjunction with the gradual resurfacing of oil demand following a return to normality post-coronavirus will result in higher tanker charter rates in the future," the company said, without providing any further guidance.

# Rebadged HSH still in shipping after ‘learning its lessons’

HAMBURG Commercial Bank, the privatised successor to what was once the world’s biggest bank lender to the industry, is still lending to owners after having learned the lessons of over-exposure in a massive downturn, according to its head of shipping.

The bank emerged two years ago from the remnants of HSH Nordbank, which was laid low by the easy money approach it took during the spectacular shipping boom in the early part of this century.

It had been owned by two German regional governments as a so-called Landesbank, with an express mandate to help the regional economy, which in its case meant the north German maritime cluster.

Although able to turn to the taxpayer when it needed a massive bailout in the wake of the subsequent crash, the European Union made a sell-off the precondition for support.

The process was protracted and painful, forcing it to offload billions of dollars of toxic shipping debt at deep discount, as well as write off hundreds of millions of dollars owed by owners who were realistically never going to be in a position to repay.

In 2018, a sale to private investors led by Cerberus and JC Flowers of the US was finalised. But while peers also hit by the shipping downturn, such as NordLB, headed for the exit, the rebadged HCOB maintained a shipping presence.

HSH’s last head of shipping, Christian Nieswandt, left the business in early 2019 and was replaced by Jan-Philipp Rohr.

“We decided to keep shipping as a key business area within the bank, and we are very confident for the outlook,” Mr Rohr said in a telephone interview.

HCOB’s shipping book now stands at €4.9bn ($5.7bn), only a fraction of where it was in 2007, when it reached a nowadays-unimaginable €45bn. It is likely to stay in that bracket for the next two or three years.

But the key point is that new business is being done, to tune of approximately €900m in 2018, €1.2bn 2019, and €500m at the halfway stage of 2020, with a full-year target €1bn.

Reflecting HCOB’s north German roots, containerships still make up the biggest share, with about €1.9bn, followed by dry bulk on €1.4bn and around €1bn for tankers.

“We still like plain vanilla deals and normal asset deals without recourse,” Mr Rohr said. ``We are also doing corporate business, although the competition is much higher.”

Freed of the obligations on Landesbanks, it is increasingly active in Greece and elsewhere in northern Europe, and has struck some deals done in US.

The bank closed its office in Singapore in May, citing high levels of competition. But Asian clients can still be serviced from European and US offices.

“We have looked at listed companies and done some deals. We are also still doing Greek family companies without recourse,” he said. “It’s not a matter of size. We don’t mind if a company only has five or ten vessels, we don’t need 50 vessels or 100 vessels.”

The sort of newbuilding deals that German owners once financed via KGs are now increasingly the province of Chinese and other Asia leasing companies, but German owners are being helped with refinancings.

“It’s still important to support German clients, but unfortunately the number of German clients has decreased over the last years.

“Some of the old German clients have disappeared due to market developments. The old times of German KG funds have gone and will not be coming back.”

Margins depend on risk profiles and duration, but currently tend to come in at 250-350 basis points over reference rates.

Leverage is lower than in the past, in the range of 50%-55%, although HCOB will exceptionally go up to 65% for strong corporates.

“It’s a totally different approach. We’ve learned our lessons,” said Mr Rohr.

OPINION

# Why zero-carbon is no pleasure cruise for shipping

WHEN it comes to decarbonisation, too often people who do not know the shipping industry say that it is not ambitious enough and that shipping sits outside the Paris Agreement on climate change, *writes Guy Platten, secretary-general of the International Chamber of Shipping*.

Indeed, there have been calls in the past weeks that a recent global agreement to further reduce carbon emissions from the existing shipping fleet — which was hammered out at the UN regulator, the International Maritime Organization — is somehow too weak and not in line with the $CO_2$ targets set for international shipping.

Such statements come from people who do not understand how to work constructively with governments to deliver on our climate objectives.

Shouting at people and throwing stones, and even suggesting that we should scrap a global agreement that has taken two years to develop, while in the same breath saying that we are losing time, is the route to nowhere.

Whether we like or not, the political reality is that not all countries are in the same place when it comes to reconciling the urgent need to respond to the climate crisis and whilst we remain dependent on fossil fuels.

While many in the shipping community have been focused on responding to coronavirus and the crew-change crisis, the International Chamber of Shipping also recognised that with the cancellation of IMO meetings on $CO_2$ reduction there was a vacuum.

If unaddressed, this vacuum would have led to a failure to find any agreement at all. To the ICS, this was not acceptable. It has taken hard work and dedication over the past six months to bring together governments, to help find a compromise between countries that want to move further and faster, like some in the European Union, and those countries which have deeply held concerns, so that new ship efficiency regulations can be agreed that enable us to move forward.

What has been agreed by an overwhelming majority of member states, including high-ambition countries, are legally binding measures to ensure a 40% reduction of carbon intensity across the global fleet by 2030, compared with 2008, which is a key stepping stone in achieving 100% decarbonisation as soon as possible after 2050.

Does this go as far as many of us may want? No, but it was never going to deliver the total solution.

What this new agreement represents is nevertheless an important milestone along the road to 100% decarbonisation, fully in line with the Paris Agreement. Importantly, it allows the IMO and its member states to get on with the even more critical work of catalysing the full decarbonisation of the shipping sector.

This is in line with the already agreed IMO strategy to reduce the total carbon emissions of shipping by at least 50%, compared to 2008 and irrespective of global growth by 2050, leading to full decarbonisation as soon as possible after this date. Shipping is the only industrial sector to have committed to decarbonisation, with a global regulator delivering a legally binding framework to ensure that this happens.

The energy needed to power just one large containership across the ocean in a single day is the same needed to power 50,000 homes.

At present, these ships have to rely on fossil fuels, which contributes to high levels of emissions. So why not use alternative fuels? Surely the technology exists to power ships by battery, or to use a different power source such as ammonia or hydrogen; why not apply those to the global fleet?

In recent years progress has been made in several areas. Green ammonia is one of the most promising low-emission fuels, with the International Energy Agency predicting that its use for shipping could reach 130m tonnes by 2070, almost twice as much as was used worldwide for fertiliser production in 2019.

However, if the global fleet adopted green ammonia fuel, ammonia production would have to rise by 440m tonnes — more than treble current production — requiring 750 gigawatts of renewable energy. This means that shipping alone would consume 60% of the world's current renewable energy production of 2,537 gigawatts.

Hydrogen, too, is an attractive fuel because it emits no carbon. But like ammonia, hydrogen is less energy dense that oil, meaning ships will have to consume up to five times as much fuel by volume.

All of which requires significant amounts of renewable energy in the production process, requiring a massive scaling up of these technologies.

The battery challenge is just as great: a typical container vessel would require the power of 10,000 Tesla S85 batteries every single day, meaning that it would require 70,000 batteries in order to sail for a week.

Converting the global fleet of over 50,000 vessels, which usually have a life cycle of up to 30 years, will take a Herculean effort. At present, the risk exposure of such a transformation is exceptionally high, especially given that it will require trillions of dollars of investment.

This level of transformation will expose nation states, the finance community and the whole maritime sector to significant risk. We urgently need risk mitigation strategies to catalyse the transformation.

One of these risk mitigation strategies will be the industry's proposed $5bn research and development fund, which will allow us to explore green fuels further and come up with realistic applications, hopefully in a much shorter time frame than before 2050.

So, instead of decrying progress as insufficient, getting behind initiatives such as these will enable us all to move forward and create a zero-carbon shipping industry for the future.

---

**ANALYSIS**

# Ship recycling prices to remain buoyant despite disruption

THIS has been a slow year for ship recycling markets due to the pandemic lockdowns and the virus thwarting several deals.

On the Indian subcontinent, recycling activity was suspended throughout the region, leaving some cash buyers stranded with vessels they could not sell on.

Although the ship recycling yards are back in action, an inevitable sense of uncertainty still haunts the market as the next wave of coronavirus and further lockdowns threatens year end momentum.

However, a couple of sales in the final quarter of the year show that the market has returned to higher ground, prices in key centres remain firm and, with breakers fast digesting their recent purchases, prospects are positive for the coming year.

Prices are predicted to remain buoyant with a reasonably good recycling offering expected in the coming year.

Meanwhile, environmental concerns are driving new regulations but the cost of making ship recycling greener and safer still remains the biggest impediment.

Recycling activity continued to pick up pace as a growing number of shipowners offer their vintage tonnage for scrap.

Indian buyers, it would appear, have come out of the lockdown with heavy pockets as the nation predominated the market and accounted for the lion's share of the deals through to the end of October this year.

According to one the world's largest ship cash buyers GMS, India has taken 153 units, Bangladesh 121 and Pakistan 78 so far in 2020, compared with 233 for Bangladesh, 187 for India and 36 for Pakistan, in the same period a year ago.

"Amidst low oil demand, freight will continue to remain weak, which might cause owners to decide to scrap their vessels," according to cash buyer and green ship recycler Priya Blue Industry. "Additionally, the ballast water management system and vessels becoming due for their next special survey will also contribute towards an increase in the inflow to recycling yards."

The group also expects tanker scrapping to increase as the majority of International oil pollution prevention certificates will expire within 2021-22 window.

Prices paid for vessels by recycling yards this year declined by as much as 44% or about $120 per light displacement tonne in the second quarter of the year to around $270 per ldt due to the disruptions from the ongoing coronavirus outbreak.

However, recyclers enjoyed a brisk recovery in prices which stood at above $350 ldt in the third quarter in the Indian subcontinent region and is currently around $380 ldt, according to GMS.

For the foreseeable future, Anil Sharma, chief executive of GMS, sees ship recycling prices to remain stable.

He says: "If supply remains relatively subdued (as we have seen recently), levels may improve once again to closer to $400 per ldt or above. Current rates stand at about $340- $350 per ldt for decent bulkers and $370-$380 per ldt for decent tankers and containers across the subcontinent."

Meanwhile, Chinese shipbreakers are probably the only ones left out of the party due to Beijing's ban on importing ships for scrapping since 2019 and have been eking out what little supply there is from domestic shipowners.

With around 95% of the world's ship recycling facilities located in Bangladesh, China, India, Pakistan and Turkey, and with the International Maritime Organization's Hong Kong Ship Recycling Convention unlikely to be ratified in the next year, shipowners and yards will again have to contend with the more stringent European Union Ship Recycling Regulation in 2021.

Under the EU regulation, shipowners of vessels carrying an EU flag at the end of their life will be required to send them for scrap only to EU-approved recycling yards — of which currently there are only six in Turkey and several in EU countries.

With limited ship recycling capacity, there is a backlog of ships waiting to be recycled, ship recyclers confirmed. This also highlights the impracticality of applying different rules around the world for an industry at the centre of international trade.

Meanwhile, Dr Sharma feels that by 2023 the Hong Kong Convention should enter into force.

The Hong Kong Convention was always designed to provide incremental improvements and there is no doubt that a number of highly capable facilities in Asia have satisfied the auditors that they more than comply with health, safety and environmental requirements, he noted.

He believes that shipowners are getting more responsible regarding how their assets are recycled and estimates that around 32 ships were sold to HKC compliant yards so far this year.

---

## MARKETS

# Star Bulk constructive about dry bulk outlook

STAR Bulk, a US-listed owner, has returned to profitability in the third quarter as the dry bulk markets recovered.

The Greece-based company reported net income of $23.3m in the third quarter compared with $5.8m in the year-earlier period. It posted a $44.1m net loss for the second quarter.

"Our outlook for the market continues to be constructive, despite the uncertainty stemming from the pandemic," chief executive Petros Pappas said in the earnings statement.

"Supply is at historical lows due to the recent demand shocks and ambiguity around the future of vessel propulsion technology, while demand for dry bulk is healthy as tonne-miles are growing, driven by global infrastructure stimulus projects."

He added that it continues to be challenging to change crew due to travel and port restrictions.

"The whole shipping industry, including us, continues to experience vessel itinerary disruptions as well as higher operating costs due to these restrictions," he said.

While it was still too early to fully assess the effects of the pandemic on the company's operations and financials, and on the dry bulk market in general, it has identified some areas that may be adversely impacted, including potential weaker charter rates amid uncertainty related to the timing of normalised trading patterns, as well as weaker asset prices.

The company has continued to strengthen its liquidity, having agreed nine refinancings over the past few months, which increased its cash position by a total of $113.2m, while improving the average margin and repayment profile.

"Despite turbulent financial markets, we received a lot of support from our existing lenders and forged relationships with new financiers to expand our lending group," Mr Pappas said.

# World boxship fleet update

CONTAINER lines and non-operating owners have shown a great deal of restraint over the past year, largely avoiding going back to the yards for more tonnage due to the uncertainty surrounding the coronavirus pandemic and its uncertain effect on demand.

Figures from Lloyd's List Intelligence show October as another month without a confirmed order and the orderbook remains at long-term lows of around just 10% of the existing fleet, with some estimates putting it as low as 8%.

To put this in context, prior to the global financial crisis in 2008-2009, the orderbook was more than 60% of the existing fleet.

Boxship capacity ordered in 2019 was more than one third down on 2018 levels, while the figure for 2020 is running at around a 70% less, according to figures from Clarksons.

With the pandemic causing an unexpected but welcome surge in demand, that lower level of supply should help balance the market, particularly when demolitions are taken into account.

Lloyd's List Intelligence recorded 16,235 teu sent for demolition in October and the figure is likely set to rise after a period of low scrapping levels.

"There have been very few orders placed this year," Hapag-Lloyd chief executive Rolf Habben Jansen told the recent Global Liner Shipping conference.

"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."

Mercator International partner Jesper Kjaedegaard also noted the improved balance in the market.

"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," he 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."

Some of those lines have already made the decision, however.

Cosco has confirmed orders for seven 23,000 teu containerships worth $1.1bn in total.

Orient Overseas International Ltd signed the shipbuilding agreements with two Chinese yards, said its Shanghai-and Hong Kong-listed parent Cosco Shipping Holdings.

The ordering plan was first revealed by Lloyd's List in early September, when the state conglomerate was said to be aiming to combine the newbuildings with the quintet of the same size already on order to form an independent loop on the Asia-Europe trade.

Deliveries of these fresh tonnages are scheduled for between the third quarter of 2023 and the same quarter of 2024.

Cosco said the deals, alongside the pervious ultra-large ship orders in March, will enhance OOIL's "cost competitiveness and improve operation efficiency".

"It would also consolidate the OOIL Group's position at the top echelon in the industry and leading market share position in strategic trades," the company added.

Meanwhile, Daewoo Shipbuilding and Marine Engineering has won orders for six ultra-large containerships linked to Zodiac Maritime.

The sextet, worth about $650m in total, are scheduled for delivery from the first half of 2023, the

South Korean yard said in an exchange filing, without identifying the buyer.

Broker reports pointed to UK-based Zodiac as the owner for the 15,000 teu newbuildings to be powered by conventional fuels.

Mediterranean Shipping Co is also understood to have signed a letter of intent with China State Shipbuilding Corp for the construction of six 23,000 teu ships.

Yard sources in China have told Lloyd's List that the Geneva-based carrier may have had second thoughts about the deal because the Korean side offered "very attractive prices".

Hapag-Lloyd, which has long indicated it would have to return to the yards at some point, has confirmed it will make a decision within the next six months on ordering if conditions in the market continue to improve.

"It is not a secret that we have been talking to the yards," Mr Habben Jansen said during the line's recent third-quarter results briefing.

"But there have not been any final decisions made. In reality, we will take a decision between now and six months' time. We are not going to push the decision out for another two years."

Mr Habben Jansen said the current supply and demand equation looked favourable for new orders to be placed.

"There is a very small orderbook at this point in time. We have seen a steady decline for quite a long time now. I do expect it to go up a bit, because in reality it is almost a little too small and at some point we need some orders to replace ships that are getting older."

Speculation in the market is that Hapag-Lloyd, which has no ultra-large containership capacity, is considering a seven-ship order for 23,000 teu tonnage.

Whether all of these orders will come through remains to be seen, and container shipping has had such an unpredictable year that most bets are still off. But it seems likely that the long hiatus at the shipyards is about to come to an end as a new set of orders emerge.

## IN OTHER NEWS

**Samsung seals suezmax trio order worth $176m**

SAMSUNG Heavy Industries has sealed a Won195bn ($176m) order for three suezmax tankers from an unnamed owner from the Oceania region.

The vessels are scheduled to be delivered by January 2023, Samsung said in a stock market announcement, adding that the deal also includes options for another two vessels.

The South Korean shipyard is estimated to have a market share of almost half of the global suezmax tanker market, picking up 12 out of 26 orders globally in 2020.

**Scorpio offloads five more kamsarmaxes**

SCORPIO Bulkers, the US-listed shipowner moving into offshore wind, has agreed to sell five more vessels with two unaffiliated third parties.

It has agreed to dispose of the 2017-built kamsarmaxes *SBI Parapara*, *SBI Jive*, *SBI Swing* and *SBI Mazurka*, as well as the 2016-built kamsarmax *SBI Reggae*, for a total of about $101.5m, the company said in a statement.

Delivery of the vessels is expected in the first half of 2021.

**CDB Leasing buys six ultramax bulkers from Oldendorff**

CHINA'S CDB Financial Leasing has struck a sale-and-leaseback deal for six ultramax dry bulkers with German owner Oldendorff.

The Hong Kong-listed lessor said in an exchange filing that it would buy the vessels for $22.9m apiece and charter them out to the seller under an operating lease agreement at an "index adjustable rate".

The filing did not identify the ships. It is not the first leasing arrangement for vessels of similar size between the two companies.

**Maersk is not ditching forwarders, says Clerc**

MAERSK's integration strategy has not jeopardised its relationship with freight forwarders, according to Vincent Clerc, head of the company's ocean and logistics unit.

He was addressing concerns that the bold move of the world's largest container shipping carrier towards complete supply chain management has created conflict of interests by cutting business of its forwarding clients.

Mr Clerc said the contribution of forwarders to Maersk's business

— a proportion of 45% — has remained in place compared to 2016 when the container shipping carrier started to embark on that strategy. And it aims to maintain that level — plus or minus 2 percentage points — in the next five years.

**MSC goes big on Chile cherry trade with China express service**

MEDITERRANEAN Shipping Company is leveraging on its connections and the high efficiency of Hong Kong's transhipment capabilities to introduce an express service for cherry and fresh fruit cargo from Chile to Asia.

MSC's Cherry Express service will run as a joint carrier agreement, connecting Valparaiso, Chile with a fast transit time to Hong Kong in 23 days. Partner carriers include MOL, HMM and Hapag-Lloyd.

Shipments will arrive in Nansha and Shanghai in 25 and 26 days respectively, via transhipment from Hong Kong, while shipments to Southeast Asia will be transhipped on MSC's feeder network.

**Nordic region can go further to cut shipping emissions**

THE Nordic region should take a greater lead in decarbonisation and seek more aggressive policies that could help promote zero-emission shipping globally.

A report from the International Transport Forum said a mixture of policies targeting renewables and fossil fuels would help to propel the growing zero emissions maritime sector in the northern European area.

Nordic countries, through their individual commitment to emission reductions and their track record with pilot testing and innovation, have a strong blueprint to expand their activity and lead the rest of the world in clean maritime transport, it said.

**Sovcomflot, NYK and Samudera agree LNG carrier refinancing deal**

PARTIES linked to Indonesia's Tangguh LNG project have sealed a $155m eight-year refinancing deal for two liquefied natural gas carriers.

Joint venture companies belonging to Sovcomflot, NYK Line and Samudera signed the new non-recourse credit facility with leading Japanese banks MUFG Bank and Development Bank of Japan Inc, according to a press release.

The facility will be used for refinancing sister ships *Tangguh Towuti* and *Tangguh Batur*, the two LNG carriers servicing the Tangguh LNG plant, which are jointly owned and operated by SCF Group, NYK Line and Samudera.

**PIL says 'not feasible' to make loan payment**

PACIFIC International Lines has said it is "not commercially feasible" to make payments on a loan.

A company filing to the Singapore Stock Exchange showed a default on the S$60m ($45m) notes pegged to a fixed 8.5% interest due for full redemption on November 16.

The container shipping line is seeking debt restructuring through a Singapore statute extending court protection against creditor claims.

## Classified notices follow

**JUDICIAL SALE OF**

**"WISCONSIN"**

Notice is hereby given that the Court of First Instance of Curaçao has granted an order that on 7 January 2021 at 4:00 PM local time the seagoing vessel, "**Wisconsin**", IMO No. 9195523 (the "Vessel") will be judicially sold by public auction. The judicial sale will take place in the session of the Court of First Instance of Curaçao, to be held at the **Emancipatie Boulevard Dominico F. 'Don' Martina 18**.

The executing parties are: Willkelly José Marcano Marval, residing in Caracas, Venezuela, Leonardo Archangel Garcia Duque, residing in San Antonio de los Altos, Venezuela, Victor Manuel Andrade Penarlete, residing in Tinaquillo, Venezuela, Luis Angel Rodriguez Rodriguez, residing in Maracaibo, Venezuela, Lisney Yajaira Escalona Torrealba, residing in San Antonio de los Altos, Venezuela and Silfredo Segundo Cabrera Machado, residing in Cumana, Venezuela (the "Executing Creditors"). The Executing Creditors have chosen domicile at Julianaplein 22, Willemstad, Curaçao, at the office of VanEps Kunneman VanDoorne, Attorneys-at-Law.

The current owner of the Vessel is **International Marine Supply LLC, S.A.**, with its registered office at Urbanización Residencial Altos del Country Casa no. 8, Panamá, República de Panamá.

The general particulars of the Vessel are:

| | | | |
|---|---|---|---|
| Name: | Wisconsin | Gross tonnage: | 1099 |
| Flag: | Togo | Dead-/Lightweight: | 1725.26 MT / 945.44 MT |
| Built: | 1998 | Length/Breath: | 56.71 M / 14.02 M |

Current location: 12.11854° / -68.91425° Admiraal Brion Werven (Curaçao).

The judicial sale is based on a judgement dated 23 October 2020 from the Court of First Instance of Curaçao ruling that the Executing Creditors are entitled to the sums of money as granted by the Court of First Instance to the Executing Creditors payable by International Marine Supply LLC, S.A. The judicial auction serves to settle a total principal sum of USD 98,132.01 + p.m. to be increased with interest and costs.

The conditions of sale will be deposited with the Court of First Instance of Curaçao. For further particulars/conditions of sale and arrangements to inspect the vessel, please contact the local counsel of the Executing Creditors, M.F. Willems from VanEps Kunneman VanDoorne by telephone, +5999 461 3400 ext. 154 or by e-mail, willems@ekvandoorne.com.

The above particulars are given in good faith but without guarantee and for the purpose of identification only. No responsibility will be accepted for any inaccuracies.

## HM GOVERNMENT OF GIBRALTAR

## Official Notice

Applications are invited for appointment as Maritime Administrator with the Gibraltar Maritime Administration. Applicants must by virtue of their citizenship, be entitled to take up employment in Gibraltar. The successful applicant will lead and manage all aspects and functions of the Gibraltar Maritime Administration. The post holder will require sound analytical skills, mature judgement, the ability to effectively lead and direct staff as well as the capacity to carry a significant work load, achieve targets and promote the services offered by the Gibraltar Maritime Administration.

Applicants would need to be:

a) A valid Master Mariner Unlimited STCW II/2 with at least 5 years' sea service or
b) A Chief Engineer STCW III/2 certificate of competency (Unlimited), with at least 5 years' sea service, or
c) A Naval Architect accredited by a recognised society, or
a) A holder of a relevant maritime-related university degree and have properly trained and qualified as a ship safety inspector.

In addition to the above prerequisites, applicants must have completed at least 5 years' service in a senior position with an internationally recognised maritime safety organisation.

The post holder will be familiar with the workings of the EU, International Maritime Organisation and the International Labour Organisation, the Classification Societies and all the responsibilities of a modern shipping register and must be familiar with the legislation aspects of merchant shipping.

The post holder will also be required to supervise all matters relating to EU legislation (including Conventions and Treaties), Port State Control, Flag State Control and Common Areas.

The appointment is on contract terms, initially for three years. Salary will be competitive and commensurate with proven experience and relevant training. Further particulars may be obtained from the Ministry of Business, Tourism, Transport and the Port via email on mbtt@gibraltar.gov.gi.

Application forms may be obtained from the Human Resources Department, 82-86 Harbour's Walk, New Harbours, Rosia Road, Gibraltar, (Tel No. +350 200 71911, email: humanresources.recruitment@gibraltar.gov.gi and from the Gibraltar Maritime Administration web site at www.gibraltarship.com.

These should be returned to the Human Resources Department via email together with a brief career resume to arrive not later than **Thursday 19th November 2020**.

Lloyd's List
Maritime intelligence | informa

# Virtual Greek Shipping Awards 2020

## 17th Annual Awards Ceremony

Friday 4 December 2020


## Our VIRTUAL 2020 Awards Ceremony is dedicated to Greek shipping's virtues

For the first time, the 2020 Lloyd's List Greek Shipping Awards, the world's best-supported shipping awards event, will unfold excitingly before an even larger, worldwide online audience.

The Greek Shipping Awards is used to attracting audiences of 1,000 or more guests and has become an unmissable annual event for the Greek shipping community and its partners. Our aim is to ensure that this year is no exception. Accordingly, we are holding our 2020 event as a Virtual Awards Ceremony, guaranteeing the quality of the event and protecting the health of our many friends, colleagues and supporters in the maritime community. This is a boundless opportunity to attract greater attention than ever before to the achievements of Greek shipping, comprising both industry leaders and unsung heroes as well as emerging talent from a new generation involved in the business. Don't miss it !

**JOIN US AT 18:00 TBC (GREEK TIME) ON FRIDAY, DECEMBER 4, 2020**
**FOR THIS YEAR'S VIRTUAL GREEK SHIPPING AWARDS,**
**LIVE STREAMING ON WWW.GREEKSHIPPINGAWARDS.GR**

Event Sponsor: ClassNK

Champagne Toast Sponsor: CCS China Classification Society

Welcome Reception Sponsor: Vernicos Scafi Tugs & Salvage Group of companies

The Tsakos Group · ExxonMobil · The Marshall Islands Registry · Tototheo Maritime · Maritime Cyprus · RightShip · Marichem Worldwide · Marigases Services · ABS · Seajets · CSSC | SWS · DNV·GL · Bureau Veritas · SafeBulkers · SRH Marine SAIT · Capital Ship Management Corp · Eurobank · Lloyd's Register