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Lloyd's List
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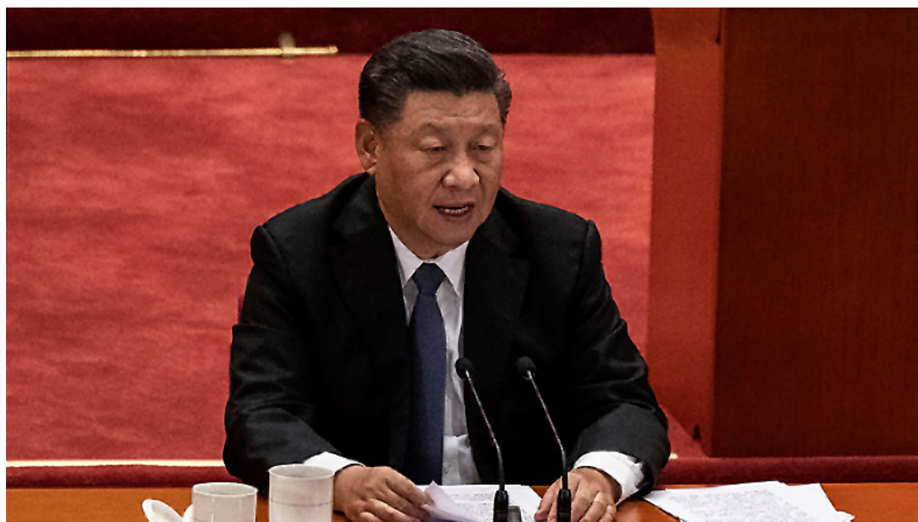

YOU MAY WONDER when China will stand up against the European Union's motion to ditch the International Maritime Organization and unilaterally include shipping into its own carbon trading system, *writes Cichen Shen.*

As a major maritime power, the country's attitude will have an effect on Brussels' move, which may reduce emissions but is expensive for shipping.

China and the US were the main force that helped thwart the European apparatchiks' last plan to impose what was viewed as essentially a carbon tax on international airlines.

Beijing's threat to hold back $60bn of outstanding orders from Airbus had led to France pushing the EU to halt the scheme.

Now hopes are being again pinned on bilateral diplomacy to deter the EU's reignited attempt targeting the maritime industry, especially after the recent IMO virtual meetings.

An apparent lack of ambition shown at the meetings to accelerate the sector's decarbonisation process and to start the discussions on market-based approaches, such as carbon pricing, has reinforced doubts over the capability of the United Nations' agency to save the situation.

The political will of the European Commission and the European Parliament to push forward the Emissions Trading System expansion to include shipping also suggests that the odds seem stacked against the naysayers.

As a major maritime power, China and its shipping firms still have enough reasons to be a vocal opponent of the EU's "long-arm jurisdiction" — not least the need to curb the transport costs for their massive seaborne exports to the Europe, many of which are carried by Chinese-owned vessels.

Greece, the world's largest shipowning nation, has already voiced its objection. So have Japan and South Korea

But bear in mind that China is also the world's largest shipbuilding country. This time, yards are suffering one of the worst ordering droughts amid owners' hesitation to spend on new technologies that enable the reduction of vessel emissions and the use of cleaner fuels.

The EU's inclusion of shipping into its carbon market will incentivise such investments, resulting in more newbuilding or retrofitting projects.

Perhaps the Chinese shipping community — predominantly state-owned players — does want to make its voice heard, yet its arms are held by the country's shipbuilding giants, which also enjoy the backing of the government.

Still, that may not be the biggest factor that could sway China's stance on the EU's intrusion into the IMO's carbon-reduction mandate. After all, South Korea and Japan, too, have a huge exposure in the vessel construction sector.

Both shipping and shipbuilding are China's strategic industries. But it appears both now also must fit themselves into a greater strategy, after President Xi Jinping recently pledged that the country will reach carbon neutrality by 2060 — only 10 years behind the EU goal.

This comes as China is aiming to launch its own nation-wide carbon trading scheme in the next five years, starting with the power producers and then extending to other sectors.

Like the EU, China's aggressive green agenda is also driven by huge potential seen in its clean energy sector, a core engine of future growth. The two might find more ideas of common interest and walk closer to each other.

In a recent finance forum, China's former central bank chief Zhou Xiaochuan proposed a joint "special revenue fund" backed by carbon tax to tackle the transport emissions between Europe and Asia.

Shipping and the IMO should take this trend into account when pondering their next decarbonisation moves.

The EU had to eventually scale back its Emissions Trading Scheme for aviation to cover only flights within its airspace. It is not to be taken for granted that shipping will receive the same treatment.

WHAT TO WATCH

Maersk and CMA CGM push EU for free emissions allowances

MAERSK and CMA CGM have called on the European Commission to give shipping companies free emissions allowances when the sector comes under the bloc's carbon market.

Their appeals come as the commission prepares for an impact assessment ahead of its plans to propose a revision of the Emissions Trading System, the European Union's cap and trade emissions regime scheduled for mid-2021.

The commission has said it intends to include the maritime sector in the revised Emissions Trading System and the move is supported by the European Parliament, which has already tabled its own legislative proposal on the subject as part of a wider revision in the EU's data collection system, the Monitoring, Reporting and Verification system.

Maersk and CMA CGM are looking secure concessions that would make the ETS rules for shipping less stringent than what European lawmakers and environmental groups want them to be but would still be more than what many in the industry want, which is for the EU not to impose any emissions regulations on shipping at all.

Japan and South Korea have urged the commission to reverse course and ditch its plan and the International Maritime Organization has also warned against the move.

Maersk and CMA CGM, which have pledged net zero emissions from their operations by 2050, called on the commission to allocate free emissions allowances to shipping companies bound to the ETS based on some kind of benchmarking criteria that would reward more efficient fleets.

The commission had said that its impact assessment will consider "carbon leakage provisions, such as free allocation rules and updating emission benchmarks, coherence with a potential carbon border adjustment mechanism, and indirect cost compensation".

Most of aviation's EU emissions allowances are currently allocated to companies without cost, but the commission will be reducing the share of free allowances for the industry over the coming years.

Maersk insisted that free allowances should not be given based on historical performance and that they be allocated to operators based on the performance of their entire fleet rather than on an individual ship basis.

"This would enable fleet optimisation, which allows shipowners to prioritise the most cost-effective emissions reduction investments and incentivize the largest extent of green investments," Maersk said.

The European Parliament's ETS proposal does not support any free allowances for shipping.

CMA CGM warned full auctioning of allowances would raise costs for the industry.

"Should the European Commission decide to aim for this target, it should consider a phase-in period over which full responsibility would be gradually introduced. Companies could initially only surrender allowances for a portion of their emissions which could gradually rise to 100%," CMA CGM said.

CMA CGM and Maersk also told the commission the ETS should only cover voyages within the EU and the European Economic Area, citing familiar concerns around the negative impact on trade and potential unilateral responses from other regions if international voyages are covered as well.

The European Commission has said that it will consider "including at least intra-EU emissions of the maritime sector" into the ETS.

CMA CGM was emphatical, saying it "should be clearly limited to intra EU CO_2 emissions" while Maersk left some room for amendments in the future with its stance.

"AP Moller-Maersk strongly urges the European Commission to consider this fact and initially not consider any measure going beyond intra-EEA scope," the company said in its submission.

The EU's data collection regulation, the MRV, covers international voyages to and from the EU. The European Parliament wants both domestic and international voyages to be included in the ETS.

Both Maersk and CMA CGM also believe shipping companies should be able to buy emissions allowances from other sectors while other sectors should not be able to buy from shipping.

"Considering that shipping is a hard-abate sector, where very few low-carbon options are available today a semi-open system would be the most appropriate, where shipping could purchase allowances from other industries (excepting aviation)," Maersk said.

Both companies also argued that the revenues from the ETS should be diverted to maritime decarbonisation research and development activities.

CMA CGM in particular also opposed the extension of the ETS to non-CO_2 greenhouse gas pollutants.

"An extension to cover all GHG emissions would alter only marginally the total emissions' volumes but would result in administrative burden, increased and disproportionate costs and less efficiency," the company said.

CMA CGM is a vocal supporter of and investor in liquefied natural gas as a shipping fuel, which generates lower CO_2 emissions higher methane emissions, a problem that has aroused suspicion on the fuel's sustainability prospects.

A crucial question for the EU measures on shipping will be who will be paying for them.

The EU MRV currently defines the responsible company "as the shipowner or any other organisation or person, such as the manager or the bareboat charterer, which has assumed the responsibility for the operation of the ship from the shipowner".

The European Parliament's MRV amendment proposal effectively puts the onus of reporting emissions on charterers and operators rather than shipowners, as it claims the responsible entity should be the one handling commercial operations and paying for the fuels.

For major carriers with heavy dependence on chartered in ships, the European Parliament's proposal and its application in the ETS could prove costly. The World Shipping Council, the biggest liner shipping lobby, has rejected the parliament's proposal. It would hinder owners' incentives to have efficient ships, the WSC warns, and put an administrative burden on the several companies that could charter a single ship within a year.

Maersk owns 307 boxships and charters in another 391, while CMA CGM owns 117 and charters in 436, according to the latest Alphaliner data. Likewise, Mediterranean Shipping Company, the world's second-largest carrier, owns 139 ships and charters in another 441.

CMA CGM claimed in its submission that shipowners have direct control over the technical factors that determine emissions and are better positioned to make substantial improvements to the ship's energy efficiency, like vessel design and retrofitting.

"Charterers on the other hand have a limited number of options (operational measures, fuel consumption) to reduce GHG emissions. Consequently, in order to reduce uncertainty, the European Commission should clearly define each entity's obligations under the EU ETS," the company said.

Maersk agreed that a clear definition of the responsible entity will be crucial for the enforcement of the ETS.

"EU action in the field should be aligned with the current definition of responsible entity in the MRV-regulation," Maersk said in its submission.

ANALYSIS

Maritime Markets Outlook: The best of times, the worst of times

CHINA's dominance in container trades, alongside container lines' prudent capacity management and low bunker prices propelled this shipping sector to recover swiftly from the pandemic, according to Lloyd's List Intelligence consulting head Christopher Palsson.

Container handling in ports exceeded 800m teu in 2019, and in February monthly volumes dipped by half in Asia as the onset of the pandemic deepened the normal lull seen from Chinese New Year holidays.

Some 32% of global containers handled are from Chinese ports, so the country's rapid economic rebound from the pandemic, alongside a $400 per tonne drop in the cost of bunker fuel, helped return container lines to profit. Prudent capacity management via blank sailings and cost-cutting also played a role.

"Business is back and this is very positive for the world's wellbeing," Mr Palsson said, citing headlines showing that lines were expected to collectively report $14bn in profits over the third quarter.

Restocking in North America has further underscored the recovery, as container freight rates hit records this month on key eastbound routes.

But there has been a rapid reversal in fortunes for the global tanker sector, where earnings are in "cash burn mode" and do not cover operating expenses, let alone breakeven rates for many owners.

The surplus of tonnage that's dragged earnings lower has been attributed to the sharp drop in crude exports from the Middle East Gulf, according to Lloyd's List markets editor Michelle Wiese Bockmann.

Preliminary November figures from Lloyd's List Intelligence show that 100 fewer tankers loaded cargoes compared to the year-ago period, as the Organisation of the Petroleum Exporting Countries and its allies maintain oil production curbs.

Tonne-mile demand, which measures volumes carried by distance travelled and is a proxy for

tanker demand, also confirms the impact that Opec cuts are having on tanker employment.

Despite China importing record monthly volumes of crude, and refinery throughput there also at fresh highs, this has not been enough to lead a global tanker recovery, unlike in the container sector.

China imports about 20% of global seaborne crude trade, and isn't a significant exporter of refined products like the US and Europe.

There, unprofitable refinery margins from a resurgence of coronavirus in key gasoline consuming regions is reducing refined product exports, while buyers also drawn down inventories.

The end result are two stark and divergent realities for shipping as we head into 2021. Tankers are tied to the outlook for oil demand, which is not expected to improve until a vaccine is deployed, probably in late 2021.

But in the container sector, China's rapid recovery alongside restocking in North America after Asia volumes were cut in February, March and April, has dealt a vastly different hand for boxships.

Earnings for one sector are largely unprofitable, while another is making billions on a faster-than-anticipated recovery. The two key shipping markets are unusually out of step as a result.

Ruling expected to bring greater transparency in London arbitration

THE Supreme Court decision in *Halliburton Company v Chubb Bermuda Insurance* will enhance transparency in maritime arbitrations in London, while falling short of a revolution, according to legal sources.

Although the proceedings had been anxiously watched by many in the maritime arbitration sector, the outcome will actually boost confidence in the system, the president of the London Maritime Arbitrators Association insisted.

Meanwhile, lawyers hailed the ruling as clarification of the the law on arbitrator appointments and apparent bias in situations of so-called 'multiple appointments with overlap', providing confirmation that arbitrators are under legal obligation to disclose circumstances that might give rise to justifiable doubts as to their impartiality.

The judgment – handed down on Friday – arose out of the massive explosion and fire on the Deepwater Horizon drilling rig in the Gulf of Mexico in 2010.

Halliburton, which provided cementing and well-monitoring services to BP, sought to claim against Chubb under a Bermuda Form liability policy. Chubb refused to pay, and the matter went to arbitration.

After a contested hearing in the High Court, Chubb's nominee Kenneth Rokison QC was appointed as chair of the arbitrators.

Subsequently and without Halliburton's knowledge, Mr Rokison accepted appointment as an arbitrator in two separate references also arising from the Deepwater Horizon incident.

Halliburton applied to the court under s.24 of the Arbitration Act 1996 to remove Mr Rokison as an arbitrator. That application was refused, and it was again dismissed on appeal.

The Supreme Court unanimously dismissed the appeal. In his leading judgment, Lord Hodge maintained that while the duty of impartiality is a core principle of arbitration law, it does not override the duty of privacy and confidentiality.

Where information which needs to be disclosed is subject to a duty of confidentiality, disclosure can only be made if the parties owed confidentiality obligations give their consent.

The London Maritime Arbitrators Association was an intervener in the case, represented by law firm HFW, which instructed Nick Vineall QC and Andrew Stevens of 4 Pump Court.

HFW associate Cecilie Rezutka, who was on the team, said that the Supreme Court was careful to qualify its ruling, and withstood the pressure to re-write the general law on arbitrator appointments or the scope of the duty of disclosure in arbitral appointments generally.

"That said, given the attention this case has received, in practical terms it is nevertheless expected to result in greater transparency and

disclosure by arbitrators, with arbitrators and parties choosing a cautious approach to avoid the risk of finding themselves caught up in Halliburton-style proceedings with the potential risk of having arbitrators removed or awards challenged."

LMAA president Bruce Harrison said the Supreme Court had clearly recognised the particular characteristics of London maritime arbitration, and in particular that disclosure requirements in maritime cases may be different from those in arbitrations in the wider commercial world.

"The issues involved in arbitrations involving chains of charterparties or multiple bill of lading holders are cases in point.

"We expect that the decision, which was anticipated with trepidation in some circles, will in fact strengthen the commanding position and reputation of London arbitration, and of London maritime arbitration in particular."

Landmark ruling has implications for arbitration disclosure

ARBITRATORS have a legal duty to disclose anything that could give rise to doubts about their impartiality, but this does not override their legal duty of privacy and confidentiality in English law, except by consent of the parties involved, the UK Supreme Court has established.

The landmark decision in *Halliburton Company v Chubb Bermuda Insurance* has major implications for the London maritime arbitration sector, according to legal experts.

The judgment — handed down on last week — centred on an appeal against an arbitration under a liability insurance policy, which arose out of damage caused by the massive explosion and fire on the Deepwater Horizon drilling rig in the Gulf of Mexico in 2010.

BP Exploration and Production was the lessee of the Deepwater Horizon rig, which was owned by Transocean Holdings, who provided crew and drilling teams to BP. The appellant, Halliburton, provided cementing and well-monitoring services to BP.

Halliburton and Transocean were insured with Chubb Bermuda Insurance, through a so-called Bermuda Form policy, a standard wording for excess liability cover.

The Deepwater Horizon disaster — which killed 11 people and injured 17 — resulted in numerous claims against BP, Transocean and Halliburton.

Following a trial in the US, which apportioned blame between the parties, Halliburton settled the claims against it. Halliburton then sought to claim against Chubb under the liability policy.

Chubb refused to pay, contending that Halliburton's settlement was not a reasonable settlement. Transocean made a similar claim against Chubb, which was also contested.

Bermuda Form policies provide for disputes to be resolved by arbitration. Halliburton and Chubb each selected one arbitrator but were unable to agree on the appointment of a third arbitrator as chairman.

After a contested hearing in the High Court, Chubb's nominee Kenneth Rokison QC was appointed. Subsequently and without Halliburton's knowledge, Mr Rokison accepted appointment as an arbitrator in two separate references also arising from the Deepwater Horizon incident.

The first appointment was made by Chubb in relation to the Transocean claim. The second was a joint nomination by the parties involved in a claim by Transocean against another insurer.

On discovering Mr Rokison's appointment in the later references, Halliburton applied to the court under s.24 of the Arbitration Act 1996 to remove Mr Rokison as an arbitrator. That application was refused.

On appeal, the Court of Appeal found that, while Mr Rokison ought to have disclosed his proposed appointment in the subsequent references, an objective observer would not in the circumstances conclude there was a real possibility Mr Rokison was biased.

The appeal was therefore dismissed, and Halliburton chose to renew its challenge before the Supreme Court.

The Supreme Court unanimously dismissed the appeal. It held, for reasons differing in part from the lower courts, that a fair-minded and informed observer would not conclude that circumstances existed that gave rise to justifiable doubts about Mr Rokison's impartiality.

In his leading judgment, Lord Hodge pointed out that the duty of impartiality is a core principle of arbitration law.

This is not simply a matter of good arbitral practice but is rather a key component of the arbitrator's statutory obligations.

However, the legal duty of disclosure does not override the arbitrator's duty of privacy and confidentiality.

Where information which needs to be disclosed is subject to a duty of confidentiality, disclosure can only be made if the parties owed confidentiality obligations give their consent.

There may be circumstances where the acceptance of multiple appointments involving a common party and the same or overlapping subject matter gives rise to an appearance of bias. Whether it does so will depend on the facts of the case.

Applying those conclusions to the facts, Lord Hodge held that Mr Rokison was under a legal duty to disclose his appointment in the subsequent reference involving Chubb and Transocean. In failing to make that disclosure Mr Rokison breached his duty of disclosure.

However, having regard to the circumstances known at the date of the hearing at first instance, it could not be said that the fair-minded and informed observer would infer from Mr Rokison's failure to make disclosure that there was a real possibility of bias. At the time, it had not been clear that there was a legal duty of disclosure.

Second, the Transocean arbitrations had begun several months after the Halliburton arbitration.

Third, Mr Rokison's measured response to Halliburton's challenge explained that it was likely the subsequent references would be resolved by a preliminary issue, as they in fact were, and that if they were not, he would consider resigning from the Transocean arbitrations.

There was therefore no likelihood of Chubb gaining any advantage by reason of overlapping references.

Fourth, there was no question of his having received any secret financial benefit, and, finally, there was no basis for inferring any unconscious ill will on his part. As a result, Halliburton's appeal fell.

MARKETS

Box freight rates to rise further on equipment shortages

BOTTLENECKS in the containerised freight supply chain could mean that surges in spot freight rates on some trade lanes have further to run.

"Vessels, equipment, berthing space, yard space, chassis, and trucks are becoming a scarce commodity in an increasing number of locations," said Sea-Intelligence chief executive Alan Murphy. "The effect of some of this scarcity has global ripple effects.

"When equipment becomes scarce, this means a carrier has to choose which customers to grant access to the equipment. At the end of the day, they would tend to favour those who are willing to pay more."

While the situation was likely to resolve itself in the medium term, in the short term, demand for equipment and slots would continue to put pressure on freight rates.

A "spill-over" effect was pushing high rates seen on the transpacific onto other trades. This has already been seen on the Asia-Europe trades, where spot rates jumped by a quarter last week alone.

"Under more normal conditions, the freight rate development tend to some degree to be isolated within each individual trade lane," said Mr Murphy. "The spill-over effect between trades tends to pop up on rare occasions where there is a shortage of vessel capacity, in which case carriers can choose to re-deploy vessels from one trade to another."

But the shortage of equipment was hitting all trades equally, hence rates would head up on all routes and geographies.

"As long as this effect is in play, it also means that trades that are paying less are more likely to see an upwards rate pressure, as shippers want to secure equipment for their goods."

By analysing rates on a dollar per teu per mile basis, Sea-Intelligence found that some trades indicated potential for further rates growth.

On a teu per mile basis, rates to Europe were still lower than those to the US west coast.

"This means we might expect the rates to increase another 10%-15% from the current level," the analyst said. "However, if the strength to US west coast continues unabated, we cannot rule out that it will be the other trades that will go further up towards that level. In that case, spot rates to northern Europe might increase another 50%."

Despite increasing resistance from shippers, high demand levels meant that the situation was likely to remain the same for the immediate future.

"In the medium term, this problem will become resolved – and rate levels will not only abate, but also again start to decouple across diverse trade lanes. But in the very short term, the problem will not be fully resolved. As such, the upwards price pressure is likely to continue and we have not seen the upper levels yet."

The problem was being compounded by a sharp decline in carrier on-time performance as they struggle to keep up with demand.

"This leads to a plethora of bottleneck problems, including port congestion," Sea-Intelligence said.

"As ships are deployed that are larger than originally envisioned and ships generally are fuller than planned, this leads to more time spent in port. Ports are also not quite set up for such a surge, which creates congestion issues and can slow down vessel operations on average. On top of that, some vessels have incurred quarantine issues, when crew were found to be positive with coronavirus."

But it was not carriers alone that are responsible for the increase in rates, Mr Murphy said.

"The physical reality on the ground is that there is a distinct shortage of capacity, and not just vessels, which cannot be fixed short-term," he said. "This leads to shippers being active in securing space for their own individual companies – in turn also pushing prices upwards."

Lloyd's marine insurers must meet 'bare minimum' rate increases

THE sustainability of the Lloyd's marine and energy market depends on rate increases of at least 8% next year, Munich Re Syndicate's chief underwriting officer Dominick Hoare said.

Speaking at an event, Mr Hoare said syndicates needed to prioritise rate increase over growth across their marine portfolios. Without a rate increase of 8% as a "bare minimum", carriers could be "struggling to look good" in 2021.

"Let's face it, Lloyd's needs a reasonable result. We have not delivered an underwriting profit for four years," he said. "Any business in that position needs to do something significant and measured."

The urgency to increase rates has been further intensified this year by some of the headwinds that have also affected the wider re/insurance and capital markets.

For instance, the coronavirus backdrop has forced carriers to take measures this year that will extend well into next year, said Mr Hoare.

John Neal, chief executive of Lloyd's, said last week its market will review syndicate business plans in the first quarter next year to ensure its participants are well prepared for the impact.

Natural catastrophes have also put pressure on marine writers, given the unusually large number of events registered this year, Hoare said. Carriers also face other climate change-related dangers, as well as the potential for cyber events to develop into a "systemic event".

"Gone are the simple days where we could normalise our performance with a degree of confidence," Mr Hoare said. "The abnormal events are becoming more frequent and thus the tail is getting fatter. Perhaps we have to look more into where is the new normal in terms of our base performance."

Shippers and forwarders demand change to failing ocean freight market

CONTAINER lines are being urged to review their current operational and business practices and return to "respecting schedule reliability and service quality" in accordance with their contractual terms with customers, as ocean freight customers struggle to maintain supply chains in the current environment.

The European Shippers Council and the European Association for Forwarding, Transport, Logistics and Customs Services (Clecat) said current conditions in the ocean freight market were slowing economic recovery of European businesses. They called on all parties "to work together to ensure that the maritime supply chain becomes more reliable, predictable, and resilient".

The associations said that since the outbreak of the global pandemic, the container imbalance and the reduction of capacity in liner shipping "has seriously impacted on the shippers and freight forwarders who have been seeking to ensure the fluidity of their global supply chains, which remains crucial during the ongoing crisis."

Since these problems have continued, ESC and Clecat now "urge carriers to review their operational and business practices to ensure a regular flow of cargo and containers, whilst respecting schedule reliability and service quality in accordance with contractual terms".

"The lack of vessel capacity and container shortages, partly caused by hundreds of thousands of containers stranded in US logistics chains, cannot alone explain the liners' shortcomings," said ESC president Denis Choumert. "Customers are irked that liners have been taking advantage of the capacity crunch to increase revenues much beyond their costs."

Ongoing service unreliability, coupled with the record profits of shipping companies at times of crisis, depicted "a seriously disrupted market" and demonstrated that carriers had been passing tremendous hikes on spot rates and imposing heavy surcharges above the fixed-term contractual rates.

Clecat president Willem van der Schalk said further frustration came from the fact that forwarders were obliged to work under a responsive emergency planning mode to adapt to the very short carrier notices of equipment and slot availability, multiple container roll-overs and numerous additional surcharges.

"The costs for the freight forwarding industry are huge: they range from the re-booking of shipments to sometimes even losing customers, because there is simply no service made available by carriers," he said.

The associations highlighted that liner shipping companies benefited from special legal privileges through the Consortia Block Exemption Regulation, which was renewed in April this year, "to the dissatisfaction of the customers of liner services".

They noted that the European Commission has granted and extended this exemption from normal competition rules several times, "as it believes that customers benefit from efficiency gains, achieved through co-ordinated capacity management by the members of consortia".

"However, this is not the case today. Such privileges are now excessive as they allow carriers to use tools to manipulate the market.

"Whereas the US Federal Maritime Commission stepped up its scrutiny of liner activity this week, European industry is perplexed that the European Commission has not responded in any way to the current crisis.

"ESC and Clecat are convinced that the 'new normal' will need a better monitoring of the liner shipping activities and a new EU policy framework, which would benefit Europe's economy and its citizens."

IN OTHER NEWS

Cosco leasing unit to finance 16 newcastlemaxes for sister company

COSCO Shipping Development has agreed to finance 16 newbuilding newcastlemax bulkers worth $845.8m for a sister company.

The Shanghai- and Hong Kong-listed leasing arm of China Cosco Shipping Corp will take over the 210,000 dwt dry bulkers from the original owner Cosco Shipping Bulk in a leaseback deal, according to an exchange filing.

The deal comes after the state conglomerate this year decided to cease to work with external leasing companies in relation to financing its newbuilding projects in an effort to strengthen its own leasing platform.

Rightship appoints Steen Brodsgaard Lund as new chief

RIGHTSHIP, which runs an online ship vetting platform, has appointed Steen Brodsgaard Lund as chief executive.

Mr Lund, who replaces Martin Crawford-Brunt, joins from Executive Ship Management. He has more than 30 years' worth of experience in shipowning, shipmanagement and classification society work.

That includes a period of 21 years with AP Moller-Maersk, where he was responsible for the conglomerate's box shipping network in the Americas, Oceania, Asia, the Middle East and Africa.

Three vessels involved in collision at Brazilian port

A VERY large ore carrier belonging to Japan's NS United Kaiun Kaisha was in collision with two other bulkers.

The incident happened on November 28 at the Ponta da Madeira ore terminal in Brazil as the 2019-built, 400,000 dwt *Nsu Carajas* was preparing to berth.

Nsu Carajas was "turning sideways to approach the pier, but lost control" and was dragged by the tide, resulting in the collision with *Star Janni* and *Korona D*, which were already berthed on piers III North and South and loading their cargoes of iron ore, according to Lloyd's List Intelligence.

CSSC to boost capacity for offshore wind

CHINA State Shipbuilding Corp has kicked off the construction of a Yuan12.9bn ($2bn) manufacturing base that aims to cater to the growing demand for offshore wind power.

The move comes as several Asian countries, especially China, are accelerating the pace in developing the sector, creating opportunities for the related equipment makers and vessel operators.

Occupying a 176-hectare area in Qinzhou, a major port city in China's Guangxi Province, the facilities will boast a capacity to manufacture and install 1,500 megawatts of offshore wind farms each year, the state conglomerate said in a release.

Four crew taken from Marinakis tanker off Togo

FOUR crew members have been kidnapped from a medium range chemical and oil tanker off Togo.

The 2006-built, Marshall Islands-flagged, 37,662 dwt *Agisilaos* (IMO: 9315745) was travelling from Pointe Noire, Congo to Lome, Togo when six armed attackers boarded the ship about 75 nautical miles south of Lome, on Sunday evening.

Security consultancy Dryad Global said the crew of 23 included Russians, Romanians and Filipinos. It is owned by the Greek Marinakis Group and operated by Capital Ship Management.

Classified notices follow

Looking to publish a judicial sale, public notice, court orders and recruitment?

For EMEA please contact **Maxwell Harvey on +44 (0) 20 7017 5752**
or E-mail: maxwell.harvey@informa.com
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Email: Arundhati.Saha@informa.com

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NATIONAL AND INTERNATIONAL CALL FOR

TENDER N°. 01 /HYPROC S.C/PMD/2020

SALE OF ONE LNG VESSEL

HYPROC SHIPPING COMPANY SPA, located at ZHUN/USTO, Rond point cité Djamel, BP 7200 Es Seddikia 31025 Oran, Algeria, is seeking through this National and International call for tender, purchasers for is briefly described here below:

Designation		**VESSEL CHARACTERISTICS**
Name of the vessel		RAMDANE ABANE
Type		LNG Carrier
IMO No		7411961
Year Built		July 1981
Shipyard		Chantiers de l'Atlantique, Saint Nazaire (France)
Gross Tonnage	(tx)	81 265
Net Tonnage	(tx)	29 615
Capacity	{m3)	126 190
Deadweight	{tons)	83 228
Propulsion		Turbine STAL LAVAL 34 000 HP
LOA/ Bearn/ Draft	{M)	274, 422 x 42, 0 x 11, 250
Speed	{kn)	16, 5
Vessel Classification Society		Bureau Veritas
Class Notation		I, HULL, MACH, Liquified gas carrier, Unrestricted navigation, AUT-IMS, MON-SHAFT

Interested Bidders are invited to get a copy of the tender documents from the following address:

HYPROC SHIPPING COMPANY

Cellule Centrale des Marchés

ZHUN/USTO, Rond point cité Djamel, BP 7200 Es Seddikia 31025 Oran, Algeria
TEL: +213 41 42 62 62/63 63

FAX: +213 41 42 32 75

E-mail: ccme@hyproc.dz

Tender documents can either be handed out by bidders themselves or mailed to them.

Vessel was operating in worldwide waters. Vessel will be on Sale in accordance with the following condition: «AS IS, WHERE IS ».

Delivery of the vessel will take place at the mooring pier, at Arzew Port, in Algeria.

The tender process will consist of ONE (01) step. The interested Bidders will be requested to submit their technical and price offers in separate envelopes in accordance with the general terms and conditions of the tendering procedure.

The technical proposal should include all the documents required in the tendering procedure, but no reference whatsoever to price, otherwise the Bidder's proposal will be rejected.

After the evaluation of the technical offer, if found compliant with the said requirements, the corresponding price offer will be opened and evaluated.

Before submitting the offer, Bidders can at their convenience, carry out, together with an Owner's representative, a visit on board of the vessel.

Owner will ease up and facilitate access to the vessel to all potential buyer who wish to do so, after signing the **Letter of interest (see appendix 1)** and who have dully signed the **letter of indemnity (see appendix 2).**

A complete day will be dedicated for this visit.

Proposals have to be in a double sealed envelope. In addition to the above mentioned address, the external envelope would have to be anonymous and contain only the following indications:

NATIONAL AND INTERNATIONAL CALL FOR TENDER
N°/HYPROC S.C/PMD/2020

TECHNICAL PROPOSAL

DO NOT OPEN

The tender closing date of the call will be on January 18th, 2021 at 9:30am local time, any proposals received after this date and time will be rejected.

The only date of reception of proposals to be considered is the one with the official seal set by Hyproc's Mail office (BOG) located at the head office.

After evaluation of technical offers by Hyproc's Tender opening and evaluation committee, only Bidders whose technical proposals are fully compliant with the tendering procedure will see their financial offers opened and evaluated by the Hyproc's Tender committee.

The financial proposal should contain the complete specified list of documents requested in the tendering procedure.

All remitted proposals will be recorded Hyproc's Main Office (BOG), opened in a none public seance and examined with the presence of a court bailiff.

Siège Social : ZHUN USTO - B.P 7200 Es-Seddikia 31025 Oran - ALGERIE - Tél : 213.41.82.15.15/82.16.16
Fax : 213.41.82.18.18 Télex : 21824 / 21826 / 21827 / 21828
Divisions Opérationnelles : BP 60 Zone Industrielle Arzew – Oran 31200 – ALGERIE - Tél : 213.41.79.38.55
Fax : 213.41.79.34.45 Télex : 12933 / 12935 / 12938 / 12944
R.C 010 3669/B /99 - E-mail : hyproc@hyproc.com

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