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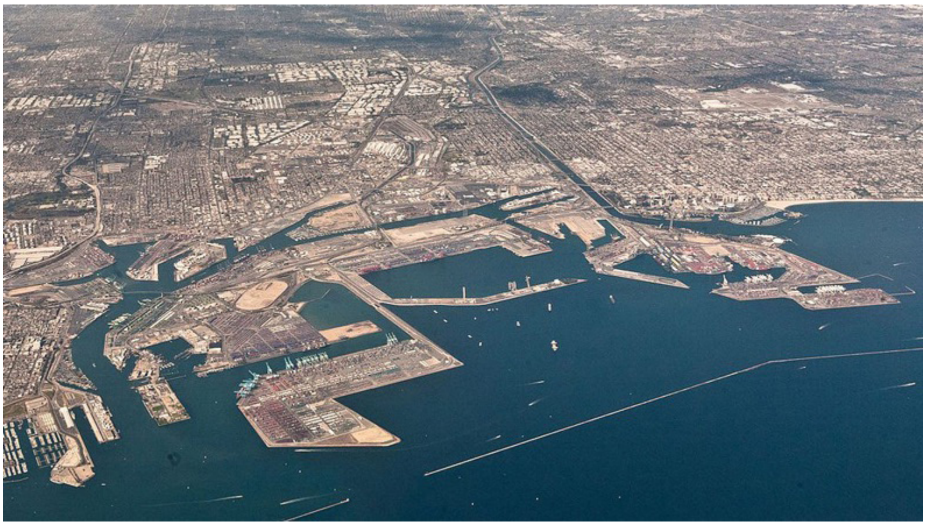
Rise in transpacific contract rates could be long-lasting



TRANSPACIFIC SHIPPERS COULD be facing a new level of contract rates after the measure broke with their historical correlation to spot market rates.

An analysis of both contract and spot market rates shows that contract rates have largely tracked spot rates during the past five years, with a three to four-week time lag after which contract rates catch up with spot rates.

"There is a high correlation between the Shanghai Containerised Freight Index [spot] and the China Containerised Freight Index [contract] rates for the Asia–Europe trade, peaking at a three-week lag time," Sea-Intelligence said.

"Essentially, this means that with a 95% correlation, the SCFI is able to predict the CCFI contract index three weeks into the future. This in turn means that the contracts being negotiated are heavily influenced by the prevailing spot rates."

On the Asia–Europe trade, this correlation has held firm during the pandemic, other than a slight easing of contract rates during the summer of 2020.

"By autumn, this gap was closed, and aside from some week-on-week volatility, the deviation from the model remains essentially zero in the current market environment," the analyst said.

"This means that contract rates on Asia–Europe remain extremely tightly linked to the spot developments. Of course, this also means that if a shipper believes spot rates are going to retract from the current elevated levels, now may not be the best time, from a pricing perspective, to sign longer-term contracts."

During the next few weeks, shippers could expect Asia–Mediterranean contract rates to "flatten" and for those to northern Europe to decline slightly.

The same has historically held true for the transpacific trade, with US east coast destinations following spot rate developments with a four-week lag.

"In the early phases of the pandemic, we see the contract rate index develop well in line with the model indicated by the spot rates, maintaining the same market correlation as in recent years," said Sea-Intelligence.

"However, it is also clear that in December 2020, the contract rates start to move above the level expected from the spot market. The spot market developments would normally have led the contract rates to level out, however, it is very clear this did not happen."

Both transpacific trade lanes are now at a point where the contract level is 15% higher than would be expected based on spot market developments.

High contract rates could be attributed to shippers trying to secure transport during the current disruption in the market. Shortages of equipment, terminal and inland capacity have led to cargo rollovers and delays.

But if this were the case, it would also be behind the rise in spot rates.

"What we are seeing here is in reality, that the contract market is even more affected than the spot market," it said. "This could very well be a signal, that the contract market is in the process of reversing the level shift which took place in 2016."

While the situation may turn out to be a short-term aberration that self-corrects when the shortages are resolved, that the deviation from the norm only exists from December indicates higher contract rates may be more long term.

"To put it very simply, from a shipper perspective, prepare for permanently higher contract rates on the transpacific, but also that the current levels right now might have overshot the mark," Sea-Intelligence said.

WHAT TO WATCH

Optimism grows for recovery in dry bulk segment

ANALYSTS are optimistic about dry bulk shipping prospects, seeing improved market fundamentals.

Cargo demand growth is forecast to average 3.8% in 2021, outpacing an estimated fleet growth of 2.7% in the sector, according to a new report by Stifel Research.

It expected the fleet to orderbook ratio to be at 6.12%, the lowest in decades, albeit with less scrapping and little delivery slippage this year.

Cleaves Securities noted in a separate report that vessel orders should remain low in the foreseeable future due to uncertainty over future environmental regulations and related technologies. But there should be an increase from the nadir of 14m dwt in 2020.

"We forecast newbuilding contracting at 23m dwt for 2021, 33m dwt for 2022 and 36m dwt for 2023 spurred on by an improving earnings environment,

"Given the historically low orderbook, very limited demand growth is needed in order to significantly improve fleet utilisation, earnings and asset prices going forward." said Cleaves' research head Joakim Hannisdahl.

Although the charter market will remain challenging in the short term, raising fleet utilisation levels will support freight rates, he added.

Demand for dry bulk cargo, which has been wrecked by the coronavirus pandemic, is already recovering in parallel with the re-opening of the global economy.

As countries try to make up for lost time, the increased demand has already driven up prices for commodities, such as iron ore, to record high levels, Stifel analyst Benjamin Nolan noted.

"We expect the snapback in underlying demand to continue as reopening's and vaccinations occur." he said.

Meanwhile, Cleaves is also positive about China's outlook.

Mr Hannisdahl said that the government's stimulus efforts would continue into 2021, leading to a net restocking cycle once the global commodity markets find a new equilibrium at a higher supply level. This could boost the dry bulk shipping market.

But he still warned of a resurgence in the pandemic, which could take hold of the economy and disrupt demand.

For 2021 and 2022, he predicted global seaborne iron ore trade would rise 2.1% and 4.4%, respectively, in terms of volume transported, and expand 2.2% and 5.3% in terms of tonne miles.

Digital shipping moves to the next level

ALL revolutions are messy. They begin as a reaction to a perceived need for transformation but end up as a disorderly transfer of influence from one elite to another.

The digital revolution in shipping is unlikely to be any different.

Nevertheless, it feels like a moment of change. The only question to be answered is whether this revolution contains a transforming event or not. If not, it's an evolutionary process.

Has the Covid-19 experience transformed what was a somewhat sluggish evolution of shipping's digital journey into a revolution with consequences throughout the maritime sector?

Will the acceptance of the need for digital solutions mark a watershed between shipping's past and future?

Shipping survived the revolutions that saw the transition from sail to steam to diesel propulsion.

It is an industry trying to balance onboard pragmatism with strict rules and regulations. It has embraced the internet but struggled with the human-machine interface.

Now, one year after the arrival of the catastrophe of Covid-19, shipping seems to have understood that its future inevitably depends on its relationship with data.

Shipping's interaction with data-driven technologies preceded the coronavirus pandemic; Lloyd's List reported on the first stirrings of automation in 2013.

The internet of things (IoT), artificial intelligence, smart logistics and remote surveying were under discussion prior to lockdown.

The adoption of digital technologies was already under way, but there was no sense of urgency.

A snapshot of industry perception captured by Inmarsat Maritime in its timely Digitalisation Uncovered report identified three areas where digital applications would be focused: fleet and vessel performance; navigation; and risk and safety management.

When asked how many digital solutions were already deployed on vessels and how many would be deployed within 24 months, survey respondents anticipated a significant uptake of applications by 2022.

A survey conducted in 2021 would likely see a leap in both the number of technologies embraced and the investment allocated.

"Working through the pandemic has demonstrated the true value of remote monitoring and cloud-based data," says Antto Shemeikka, vice-president digital services at ABB Marine & Ports.

"This is not only to cut costs and aid decision-making but also to ensure that operations continue," he explains.

"[Before Covid-19], shipowners did things in the traditional way: start small and build. But in the new normal, there is no going back… I think digital solutions are here to stay."

Mr Shemeikka outlines a change of tack.

"The old question was: 'What savings will we make? Show me the numbers.' Now the question has become: 'Can you ensure my asset's operational capability remotely? How do we keep the ships running?'."

However, satellite connectivity has moved ahead at pace.

Initially, connectivity was predominantly linked to crew welfare, comments Sven-Eric Brooks, senior director of business development at KVH Industries.

"In sectors such as chemical and parcel tankers or reefers, where a lot more cargo information is required, more technology is on board to monitor the cargo.

"People could already see the value of IoT and collecting shipboard data for multiple parties.

"It's also a requirement of the cargo owners and often the insurance companies," Mr Brooks says.

"For shortsea shipping, ferries and tugs, digital solutions don't yet play much of a role, although they probably will in the future."

The cost of connectivity or hardware is no longer an issue — continuing with limited access may have damaging consequences.

The discussion has moved on to more complex issues. Gathering data on vessel performance, navigation and safety management from multiple sources has evolved concerns of its own.

"The problem we have today is administration. There are so many different systems, they don't work together," observes Arild Risholm Sæther, head of business development for the Navfleet decision-support tool at Navtor in Norway.

"We have developed a single system that monitors how a vessel is performing against charterparty requirements and analyses how the hull, propeller or antifouling is performing."

The system compares data over a specific route with the owner's operational key performance indicators.

Navtor has worked closely with shipowners to fulfil their data analysis requirements within a single decision tool. Recommendations highlighted by the analysis can be discussed with the vessel's owner to provide an asset-focused operational and maintenance programme.

Eero Lehtovaara, head of regulatory affairs at ABB Marine & Ports, tells Lloyd's List that another of the tricky questions is who gets access to what data.

"I'm sure we'll never see all data being shared. There will be proprietary data that is not shared with anyone other than the contractual party.

"Some operational data will be shared under certain constraints — the arrival time of the vessel at the next port will be shared," he says.

"We know that data from one of our pieces of equipment will need to be shared with the next component — but what data, what frequency, how will it be tagged?

"Before we go into sharing data, we need to figure out why it needs to be shared, and to what purpose."

Reimagining shipping's relationship with data may be the catalyst for revolution or for an increased pace of evolution. However, that data is driving deep discussions about access, security and ownership.

The solution to the dilemma of data lies in collaboration between all industry stakeholders, from owners and operators to charterers, class, insurers, equipment manufacturers, connectivity providers and, of course, regulators.

Discussions are under way on various topics. However, the impetus is unlikely to be significant until all stakeholders believe their requirements are being observed.

The digital journey is not a one-year process, Mr Lehtovaara cautions; it's at least 10 years.

"There are so many products that have to be tested incrementally. As with autonomy, systems need to be tested — and that takes time.

"One of the bottlenecks is seeing the ship as a system and seeing that system as a part of the logistics chain.

"As long as we look at bits and pieces, we don't see the big picture," he concludes.

Covid-19 has changed that perception. The industry now recognises the need to see the big picture in order to see the detail.

OPINION:

'Deafening silence' from builders on decarbonisation, says Fafalios

A LEADING name in dry bulk shipping has called for greater input from builders and manufacturers if the shipping industry is to make the required leap to a decarbonised future.

"While many shipping companies are committing themselves to zero-net carbon by 2050, nobody yet has come up with a viable alternative to our tried and tested fuels and machinery," said Haralambos Fafalios, chairman of the Greek Shipping Co-operation Committee.

He said that it was "everyone's sincere hope" that short, medium and long-term solutions could be provided to cut industry emissions.

"However, it is the deafening silence from ship and engine builders and all other marine propulsion manufacturers that is most obvious," he said. "Where are the solutions that we desperately need to proceed along the path to zero-carbon emissions? None are forthcoming.

"We urgently require a much greater input from engine [and] shipbuilders in order to make the quantum leap."

Giving an annual address online for the first time instead of as normal at the committee's traditional new year "Vassilopitta" reception at the Baltic Exchange in London, Mr Fafalios said questions remained over the use of low-sulphur fuel oil that became mandatory last year.

The industry had managed the transition "as smoothly as possible" but was "still not fully aware of the long-term consequences of the new fuels and how they will affect the safety, smooth running, longevity and maintenance of vessels' main and auxiliary engines".

Despite turbulence in shipping markets, Mr Fafalios saw the crew change crisis as "the big issue of the year".

The committee urged "governments, legislators, charterers and even airlines to take a more considerate attitude to solving this massive humanitarian crisis.

"It is an enormous contradiction that countries eagerly await and welcome the merchandise that ships carry around the world but will not equally welcome the seafarers who so selflessly man the world shipping fleet," he said.

"One cannot overstress the gratitude that is felt towards all our people on board and ashore for their magnificent efforts at keeping world trade flowing smoothly and silently with so little disruption."

The private mission to free forgotten hostages

A RETIRED British Army colonel launched a private mission to free 48 hostages from Somalia at the height of the 2008–2012 piracy crisis.

John Steed, in his 60s and suffering from a heart condition, spent three years working from his spare room to raise ransoms for the crew of the Malaysian containership *Albedo* (IMO: 9041162), Thai trawler *Prantalay 12* and Taiwanese trawler *Naham 3*, after the vessels' owners abandoned them.

Along the way Mr Steed ferried millions in cash in the boot of his car, helped plan an escape attempt in the dead of night, and suffered a heart attack that nearly killed him.

He, hostage negotiator Leslie Edwards, and HFW lawyers Richard Neylon and James Gosling eventually freed the captive crew — with quiet help from London's shipping and marine insurance world.

British journalist Colin Freeman tells the tale in his new book Between the Devil and the Deep Blue Sea.

Mr Freeman, former chief foreign correspondent at The Sunday Telegraph, was himself kidnapped in Somalia in 2008 and held hostage for six weeks.

He told Lloyd's List he got the idea for the book after noticing several ships had been left in captivity for years, while most were released after a few months.

He said unlike in his own experience, these sailors were tortured, beaten and worse. "The idea of someone suffering that for three years was just beyond comprehension," he said. "It was the human dimension of this… the sort of 'mercy dash' element [that] reminded me a bit of Schindler's List."

He said the book shows the peril of seafarer abandonment and the dark side of shipping's opaque, far-flung offshore ownership structures: "Nobody at the end of the day is ever really ultimately responsible for these ships when their crews get into real trouble," he said.

But he hoped it showed the perspectives of the mainly Asian and African seafarers who had been unable to tell their stories at the time yet did "the vast majority of the suffering" from Somali piracy.

Mr Neylon, a partner at HFW, said the book also looked at the difficulties of responding to shipping's piracy threat and the moral and ethical questions the industry continues to face over payment of ransoms.

But he added that in the end: "It was the shipping world that clubbed together and got these people home."

Between the Devil and the Deep Blue Sea, published by Icon Books, is released on March 4.

ANALYSIS:

Container shipping's digital initiative bears fruit

THE Digital Container Shipping Association is approaching two years since inception.

After an initial slow start, the initiative — set up to adopt digital standardisation in the industry — recently launched arguably its most significant standard to date, despite the backdrop of a global pandemic.

Although shipping has been labelled a technological laggard in comparison with other industries, container shipping has long been regarded as the sector paving the way towards a digital transition — or at least the one most visible, alongside the commercial cruise segment.

It was therefore of little surprise that it was the major container shipping players that were first in the industry to come together to form an alliance in early 2019 that would help spur digital standards.

Founding members Mediterranean Shipping Co, Hapag-Lloyd, Ocean Network Express and Maersk Line have since been joined by CMA CGM, Evergreen Line, Hyundai Merchant Marine, Yang Ming and Zim, representing nine of the top 10 carriers and a membership of just over 70% of the total market.

The notable absentee remains China's Cosco Shipping, which the DCSA insists has an open invitation to join the party. Even so, with its publications readily available online, there is still nothing stopping Cosco from adhering to its standards.

The DCSA's leadership team comprises representation from each carrier in the form of their respective heads of IT, in an unprecedented union of the top lines accustomed to operating in digital silos.

Indeed, Matthew Wittemeier, marketing manager at logistics software developer Inform, said this consolidation of the major carriers has been the root of its success, drawing on the same model adopted by the aviation industry in its own standardisation efforts.

"The International Civil Aviation Organisation and International Air Transport Association were an initial buy-in from every stakeholder. Similarly, all the container lines have agreed to adhere to standards from the get-go," he tells Lloyd's List.

When the DCSA was formally announced, the organisation said it wanted to establish an industry blueprint for carriers and IT developers that would encourage new services in the ocean shipping sector.

Speaking to Lloyd's List at the time, Thomas Bagge, who joined from Maersk as chief executive and statutory director of the association, said members were seeking to bring container shipping together to establish standards from which the entire industry could benefit.

"This is essentially for the carriers to sit down and describe what the events are that take place on the shipping side, both operationally and on the documentation side, and to agree on the events that can be tracked," he said.

Fast-forward nearly two years and the DCSA has made significant progress, making good on its initial promise and aligning with the messages conveyed at its launch.

The DCSA's first landmark was achieved at the start of 2020, publishing its initial set of standards with the release of a common set of processes, and data and interface standards for track and trace services.

These can be implemented by carriers, shippers and third parties to enable cross-carrier shipment tracking using a common terminology for data and events.

The DCSA said this initial standard was one it felt it could get up and running quickly to further its credibility with something tangible before it could move onto the crucial documentation side.

Track and trace standards were followed last year by cyber-security guidance for the industry, as well as a new set of parameters for operational vessel schedules, which looked to add certainty and transparency to an issue that all too often has different meanings and terms for carriers and customers alike.

In 2020, the DCSA also released standards for 'smart containers' to exchange information, as one of three planned internet of things standard releases addressing the connectivity requirements for reefer and dry containers, as well as the radio-frequency identification registration of containers.

The second release of its IoT standards initiative came in late December last year, for remote reefer container monitoring on board vessels.

The pace of the rollout of standards in 2020 was all the more impressive amid the backdrop of a global pandemic.

When the coronavirus crisis first emerged, there were concerns that the pace of container shipping's digital transition would slow and similarly the work of the DCSA be put on pause.

This did not prove to be the case.

SeaIntelligence Consulting chief executive Lars Jensen notes how this time last year, the general consensus was that container shipping was playing catch-up in the digitalisation race.

However, the pandemic proved that the level the industry had reached on digitalising significant parts of the supply chain was already quite far down the line.

"The world shut down during the pandemic, which forced all of the main container shipping lines to send more than half — and in some cases up to 70%-80% — of their staff home. Did the global supply chain stop moving? No, it actually kept on working quite well."

There were also clear examples, he says, of how the industry was accelerating digitally and embracing digital tools, exemplified by the uptake ratios seen on both the online booking systems Maersk Spot and Hapag-Lloyd's Quick Quotes.

Furthermore, Mr Jensen adds that the pandemic made it abundantly clear of the specific places where there were manual stop gaps that had to be fixed.

"For example, the Indian government suddenly kicked into overdrive in approving digital customs documents because of major bottlenecks in the country," he says.

For the DCSA, the biggest change at the hands of the pandemic was the inability to hold face-to-face meetings. Whereas previously the member lines would convene on a six-week cycle in person, meetings now take place remotely.

"It is hard to get nine competitors to agree on something at the best of times face to face — but virtually, it has become an even greater challenge," Mr Bagge tells Lloyd's List.

Nevertheless, despite these restrictions, the DCSA managed to produce its most significant piece of work in 2020, taking the first steps of its eDocumentation initiative with the publication of the data and process standard for shipping instructions and bills of lading.

"Digitising documentation, starting with the bill of lading, is key to the simplification and digitalisation of global trade," Mr Bagge said when the standards were first published in late December.

The association hopes to facilitate adoption of an electronic bill of lading by regulators, banks and insurers and to unify communication between organisations and customers, carriers and all other stakeholders involved in a transaction.

However, the initial plan was not to tackle electronic bills of lading until further down the line. The DCSA moved to fast-track standards when coronavirus drove home the message of the importance of paperless documentation.

"The pandemic made it clear we needed to speed up the process, so our advisory board made the decision in March [last year] that this was our most important topic and we had to put something together before the year was out," says Mr Bagge.

Mr Jensen agrees this was a core objective ticked by the DCSA.

"This goes to the very heart of the most important part of digitalising the entire supply chain," he says.

Although the industry has looked to deliver on this front in the past, with efforts stemming back nearly 20 years, these have — until now — failed to take off in any material sense, he explains.

"There are a number of reasons for this, standards being one of them. So, getting that one nailed and in place is an important piece of the puzzle solved," Mr Jensen said.

For 2021, the DCSA expects to roll out several new standards, including on just in time port calls, vessel loading practices, fuel optimisation and additional guidance on track and trace to further aid in the longstanding issue of cargo visibility.

However, as the DCSA continues with its objectives, it is down to the industry to follow its lead.

Mr Jensen points out that it is all very well agreeing on new standards; "that's the easy part".

As he goes on to explain, however, this has always been a two-step process.

"The next one is to get these implemented in the carrier's back-end systems; that is the challenge," he said.

The DCSA is also acutely aware that issuing standards will not facilitate change overnight.

"Adoption of standards must pick up pace to drive real change, and that requires carriers to not just work among themselves, but also with their partners and customers to replace antiquated, paper-based processes with a digital, standardised approach," says Mr Bagge.

"It is imperative that shippers and BCOs know that digital standards are now available and, when widely adopted by carrier and other logistics participants, will improve shipment visibility and reliability.

"Carrier customers have an active role to play in driving standards adoption as much as the ocean carriers themselves. In the near term, the DCSA will be addressing ways to further facilitate adoption among those who will benefit the most from it."

However, for Mr Bagge, the seeds have now been sown.

He said the biggest achievement of the DCSA so far is the change in mindset on data standardisation seen across the industry. The level of co-operation among its members at its regular workshops is testament to this newfound approach and one the DCSA hopes to build on, he explains.

With data standards now in place, Mr Bagge hopes this will also encourage tecnhology companies to offer solutions to the container shipping market, in which, in the past, it has been difficult to innovate and gain a foothold.

"It's a big industry but there is a surprisingly small number of solutions. By harmonising some of the processes and data standards, we can also open the door for a lot more technology and service providers to sell their solutions to the carriers."

Mr Bagge reveals that the DCSA has already been approached by many enthusiastic solution providers looking for a piece of the container shipping pie.

Yet solution providers are not the only ones to have gauged an interest in the DCSA, with other shipping sectors also keeping a keen eye on its progress.

Although Mr Bagge does not disclose which segments or to what effect, he says they have maintained regular dialogue with the DCSA.

"It's not surprising that digital standardisation efforts are catching the attention of other shipping sectors as well as other modes of transport, because they share many of the same challenges and serve the same customers as container shipping."

Whether the DCSA proves the catalyst for other sectors to adopt data standardisation measures remains to be seen.

However, the association has certainly struck a chord and is shaping up to be a concrete example of how standardisation can be achieved within broader maritime circles.

Shipping companies accept office life has changed forever

IN A highly sociable and globe-trotting industry, where personal relationships matter and there is usually a packed calendar of conferences, dinners, receptions and other networking functions, the past year has forced the shipping community to innovate, adapt and find new ways of staying in touch.

Even ship namings, usually a great excuse for a party, have been forced to go virtual. When CMA CGM took delivery of its flagship LNG-fuelled *CMA CGM Jacques Saadé* (IMO: 9839179), the christening was a digital ceremony.

Yet while some events may return to a semblance of normality as the pandemic is brought under control, offices have probably changed forever.

There is a consensus across much of the business world that flexible working is here to stay, much as many are really missing face-to-face interaction with colleagues.

Most companies expect staff to find a balance between office and homeworking in future, with associated positives and negatives.

There is undoubtedly concern that younger people will miss out on the chance to broaden their horizons and career prospects by working in different departments, or taking a transfer abroad.

On the plus side, a move away from the straitjacket of nine-to-five hours is expected to benefit women in particular, including those who have to juggle the school run.

The hybrid model blending home and office working should help companies attract more diverse talent and promote inclusion agendas, says Maersk Tankers head of human resources Prakash Thangachan.

The days when shipping executives, from senior to middle-ranking and junior, took a flight as frequently as most people hopped on a train or bus, would appear to be over for good.

"Virtual meetings will be the order of the day," predicts Wrist Group chief executive Jens Holger Nielsen.

He has found that, even for a meeting when some of the participants may be in the same building, it is still more efficient and effective for everyone to be online.

Also probably gone forever are the days when sales people spent much of their time on the road, visiting clients,

"We expect face-to-face meetings with customers to reduce or even stop altogether," said one top executive.

Grimaldi Group joint managing director Emanuele Grimaldi agrees that video-conferencing has become very efficient, such that business travel is likely to be greatly reduced in future, with the bonus of a significant reduction in expenses.

With fewer people on site at any one time, and the need for space to be reconfigured to accommodate social distancing, the office of the future is likely to look very different from the banks of desks and staff working at very close quarters to each other, which had become the norm in recent years.

"The pandemic and lockdowns have highlighted the importance of finding the right balance between remote working and an onsite presence, both for employees' well-being and working effectively as a team," says CMA CGM.

"Because our working habits will be different after the crisis, we are already working on what will be tomorrow's office, and how we can change the way we work and interact with one another."

Yet it remains unclear at this stage whether companies plan to reduce floor space, given that staff are only likely to be in the office two or three days a week in future as flexible working becomes standard.

Equally uncertain is how these new working practices and increased digitalisation and automation will affect headcounts in the months and years ahead, once the immediate crisis is over and leadership teams have a chance to properly assess their future human resource requirements.

IN OTHER NEWS:

Coup casts doubt over crew repatriation hopes

A MILITARY coup in Burma will leave thousands of seafarers unable to return home just as signs were emerging of a lifting in restrictions.

About 7,000 seafarers are on overdue contracts, according to International Maritime Employers' Council chief executive Francesco Gargiulo. There are some 25,000 Burmese seafarers working.

IMEC, together with the International Transport Workers' Federation, had held talks with the government last week to give guarantees that seafarers returning home would undergo testing and quarantine to ensure their health.

EU launches anti-piracy initiative without new resources

THE European Union is taking steps to better co-ordinate anti-piracy forces in the Gulf of Guinea amid concerns about continued attacks.

The bloc has announced a "pilot case" of its Co-ordinated Maritime Presences initiative, which it said was meant to help develop the EU's capabilities and promote international co-operation.

In a blog post, EU foreign policy chief Josep Borrell said the Gulf of Guinea faced problems of piracy and kidnappings, illegal fishing, smuggling and drug trafficking.

CSSC Shipping in leaseback deals with Tongli and Navig8

CSSC (Hong Kong) Shipping has agreed on two sale and leaseback deals, respectively, with Tongli Shipping and Navig8 Chemical Tankers.

The Hong Kong-listed lessor, part of China State Shipbuilding Corp, said in an exchange filing on Monday that it would acquire two 82,000 dwt dry bulkers, which are being built for about $25.6m each, from Singapore-based Tongli.

The owner ordered the pair in November at Chengxi Shipyard, also a CSSC subsidiary.

Eagle Bulk ultramax boarded off West Africa

AN EAGLE Bulk vessel has been illegally boarded off West Africa, a region where piracy is on the rise.

The 2013-built, 63,500 dwt *Rowayton Eagle* (IMO: 9575216) was approximately 200 nautical miles south of Accra, Ghana when the incident occurred, according to Lloyd's List Intelligence.

The dry bulker was travelling to Lagos in Nigeria and was expected to call at the port on February 2, vessel tracking data shows.

Norway backs maritime fuel cell development project

CORVUS Energy, a Norway-based developer of energy storage systems, said it is to spearhead the development of hydrogen fuel cells for the maritime sector.

The company said with its partners it will work on the development and production of sustainable, large scale maritime-certified hydrogen fuel cell systems incorporating technology supplied by Toyota.

The aim is to develop and produce modularised and affordable proton exchange membrane fuel cell systems for the marine sector, it said in a statement.

Höegh LNG agrees 10-year FSRU charter in India

HOEGH LNG has finalised a deal to deploy the first floating storage and regasification unit in India.

The Oslo-listed company said its FSRU *Höegh Giant* (IMO: 9762962) will serve a 10-year charter for Indian regasification firm H-Energy beginning in March, with an annual termination options after the first five years.

The FSRU, which is operating as a liquefied natural gas carrier under a charter agreement with Spanish gas company Naturgy, will deliver natural gas to the 56 km Jaigarh-Dabhol pipeline that connects the LNG import terminal to India's national gas grid.

Tiger Gas to ship first containerised LNG cargo

TIGER Gas, led by former Seaspan chief executive Gerry Wang, is about to import its first lot of liquefied natural gas to be shipped from Malaysia using containerised tanks.

Malaysia's sole gateway port for LNG exports, Bintulu, is preparing to load 200 International Organisation for Standardisation tank containers once they are filled with the fuel at a filing station owned by Tiger Clean Energy.

The tanks arrived at Bintulu on board *Fan Zhou 6* (IMO: 9833357), just over a fortnight after the general cargo vessel set sail from Nantong, China, Lloyd's List Intelligence ship tracking data showed.

Capital Product Partners averse to overly speculative boxship deals

CAPITAL Product Partners will

continue to avoid speculative investment in the containership market, preferring deals with visible employment and cash flows.

Jerry Kalogiratos, chief executive of the Nasdaq-listed owner, underlined the company's approach to growing its fleet following a recent deal

It has unveiled the acquisition of three 5,100 teu sister vessels from its privately-held sponsor, Capital Maritime, of founder shipowner Evangelos Marinakis.

Classified notices follow

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NOTICE INVITING TENDER FOR SPOT TIME CHARTERING OF ONE SELF-TRIMMING PANAMAX GEARLESS/GEARED (OFFERED AS GEARLESS) VESSEL WITH CAPACITY OF ABOUT 70,000 TO 78,000 DWT

Sealed tenders are invited from the Ship owners /disponent owners for the following specification:

Sl. No	Tender Number	Lay Days	Period	Last date for issue of Tender book	Tender closing date & Time	Tender Opening date & Time
1	TENDER NO. H/OP/SPPG/151/001/ 2020-21	15.02.2021 to 25.02.2021	3 months +/- 3 months +/- 10 days choption	09.02.2021 upto 12.00 hours	09.02.2021 at 15.00 hours	09.02.2021 at 15.30 hours

Prospective bidders are advised to refer our website www.tamilship.com and www.tn.tenders.gov.in for specific important details. The conditions/ requirement mentioned in the website shall be met out by the bidders. This advertisement is an invitation for bid only. The details given in the website are comprehensive. Further, all communications will be updated through our website only.

DIPR/ 648 /TENDER/2021

GENERAL MANAGER (OPNS)