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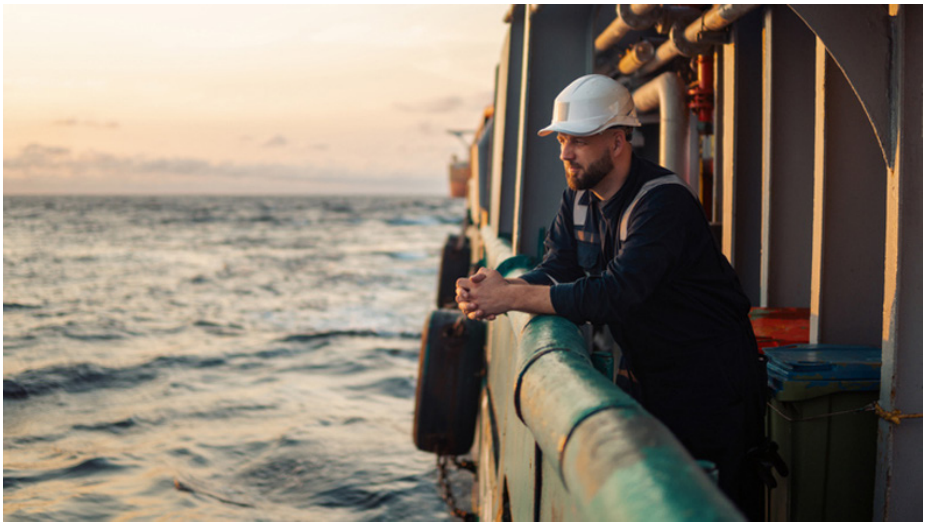
Charterers attacked as no crew-change clauses compound seafarer crisis



CHARTERERS OF VESSELS have found increasingly sophisticated ways to avoid crew changes and compound misery for hundreds of thousands of seafarers stuck at sea by the pandemic.

Seafarer unions, United Nations organisations and the shipowners' global trade association concede that despite best efforts, the application of 'no-crew change' and 'no-deviation' clauses in spot charterparties remains widespread.

"When the market is against the owner and you are bleeding, they kneel on your neck... and they impose things that are inhuman," said Polys Hajioannou, chief executive of Safe Bulkers, operator of 42 vessels.

The pending introduction of vaccine passports and charterers' refusal to allow crew changes are the biggest threats facing the world's 1.5m seafarers, the Capital Link shipping forum heard on March 2.

Around 40% are stranded on vessels with expired contracts or waiting to board and replace them.

"Things have changed over the last few months but there's still a long way to go," International Chamber of Shipping secretary-general Guy Platten said, adding that charterers "have to get their act together."

Unidentified oil majors and multi-national organisations that hire tankers to move energy commodities or bulk carriers to transport grains, ores and coal must be identified and targeted, said Stephen Cotton, International Transport Workers Federation secretary-general.

"The oil majors are much more sophisticated, and they've come up with new ways of avoiding the responsibility [of crew changes] and that we can deal with," he told the forum.

"We have to go to the top of the chain to these multi-nationals and talk about their due diligence programmes, their reputational risk and put a spotlight on it — if we can prove it, we will."

The actual situation at sea contrasts with declarations made by top commodities traders including Shell, BP, Vitol, Trafigura, Rio Tinto, Vale, Glencore and Cargill.

They are among the 300 signatories to the Neptune Declaration on Seafarer Wellbeing that pledges to support crew changes.

Absent from the Global Maritime Forum initiative launched on January 26 are many of the Middle East, Chinese and other Asia-based charterers that comprise significant volumes of crude and refined product trades.

The ICS is meeting with an undisclosed group of charterers on March 4 "to try and get them to face up to their responsibilities", according to Mr Platten.

"It's the only part of the industry which hasn't been represented (in the crew change crisis debate) — shipmanagers and shipowners and others have — but they're lacking… they're on the wrong side of history now."

The ICS had not responded to requests for further information about the meeting at the time of publication.

Charterers on the spot market won't select ships for single voyages if they require crew changes, or if seafarers aboard have expired certificates, said Frederick Kenny, the IMO's legal and external affairs director.

Mr Kenny gave advance details about another initiative under way to tackle charterers non-compliance.

The United Nations Global Compact, along with the IMO, International Labor Organisation and UN Commission on Human Rights will attempt to tackle non-compliance by targeting investor sensitivity to Environmental, Social and Corporate Governance (ESG).

Their work "will be providing a human rights due diligence tool for the industry that specifically addresses these issues that companies, particularly charterers, need to be looking at before they're making contracts to see whether as a matter of corporate social responsibility living up for their humanitarian responsibilities," Mr Kenny said.

Governments considering vaccine passports pose fresh difficulties as owners begin to repeat last year's convoluted and expensive process to replace the first batch of crew as a new wave of contracts expire.

"We're already starting to see reports of some ports that are going to be requiring people to be vaccinated in their ports, and this is an ominous development if we don't have a plan in place to get seafarers vaccinated," said Mr Kenny.

Complicating any seafarer rollout is the COVAX alliance position that only governments can secure vaccines, said Mr Cotton.

The Gavi COVAX alliance, working with the World Health Organisation, the World Bank, Unicef and the Bill and Melinda Gates Foundation, procures vaccines for developing countries where many the world's seafarers are from.

Lobbying is now underway to establish crew change and vaccine hubs with supportive governments. Cyprus and Singapore were singled out at the forum.

Of the 192 member countries in the IMO, 56 have designated seafarers as key workers, which should prioritise vaccine access.

"A vast proportion of our workforce comes from developing nations whose access to vaccines is going to be limited," Mr Platten said.

"I think we have a very strong case to be able to procure vaccine on behalf of our seafarers and for the industry to make sure that the resilience of the supply chain continues."

The European Commission will consider a proposal for digital vaccine passport this month as a very to avoid quarantine restrictions.

WHAT TO WATCH:

Maritime Markets Outlook: Why tankers need you to take a holiday

ALL eyes are on the Opec-plus group meeting scheduled this week, with the tanker sector hoping for an outcome that will return more supply back to a fast-tightening market.

The glimmer of hope is that with mass vaccination programmes underway, Europe and US travel will be back on the agenda creating some much-needed demand.

But even that may not be enough to prevent the tanker recovery from slipping back into 2022, argues Lloyd's List's markets Editor Michelle Wiese Bockmann in this latest edition of the Maritime Markets Outlook.

The potential supply side uncertainties are overwhelming.

Lifting US sanctions on Iran's oil and shipping sector could potentially release more than 140 tankers to regular trading as vessels used for floating storage or subterfuge trading return to markets.

While the timing of any potential sanctions relief is uncertain, the Biden administration has pledged to overturn the Trump presidency's "maximum pressure" campaign on Iran.

The release of so much tonnage would weigh on tanker earnings, even as the easing of sanctions potentially adds as much as 2m barrels per day — equivalent to one additional VLCC loading every day — to export trades.

Earnings for the global fleet of crude and product tankers have been below operating expenses for most of 2021 amid a surplus of tonnage and fewer cargos as north America and Europe fail to return to pre-pandemic crude demand levels.

Of the 19 crude tanker routes assessed by the Baltic Exchange, seven are showing negative time charter equivalent rates. Just three are above levels needed to cover basic operating expenses.

On the clean side, four of the 19 routes have negative time charter rates and 11 are assessed lower than operating expenses.

Negative earnings are partly due to rising oil prices which are at 13-month highs and have pushed up bunker costs.

Away from tankers, the Markets Outlook team have also been examining shifting dynamics in European trades this month and asking whether Brexit is causing a modal shift.

In Europe, ro-ro and ro-pax vessels have a historically strong foothold in short sea shipping services.

Ro-ro and ro-pax services' main strength is of course swift port turnaround times, particularly where the driver accompanies the trailer. Up until recently, there have been few additions to the fleet so the ships and their operations have changed only marginally.

But Brexit and the pandemic have dealt a disruption to the flow of goods forcing shippers and freight forwarders to review long-established conventions.

"We believe that the revision of service operations by everyone involved could be to the benefit of containerised solutions, at least on some routes or for some commodities," argues Christopher Palsson, Lloyd's List Intelligence's head of consulting in this month's edition.

Just say 'no' to loss-making freight rates, says Frontline

OWNERS and operators of crude tankers have a duty "not to drop their pants or price" when offering on cargoes in the spot market, says Lars Barstaad, interim chief executive of Frontline.

Tanker owners are accepting rates so low that they are effectively subsidising oil traders and producers to ship their crude on key routes, especially on the largest very large crude carriers.

Time charter rates are negative on four of the 19 crude tanker routes assessed by the London-based Baltic Exchange, with only five at levels above operating expenses.

The protracted slump has worsened in 2021 as crude exports slump on oil production cuts, inventory drawdowns, and shrinking demand growth as countries maintain travel restrictions to control the coronavirus pandemic's second and third waves.

"We as owners do have a duty to consider the fact that is it correct to be the 13th offer on a cargo?" Mr Barstaad asked the Capital Link forum on the crude market. "Is it incorrect to drop your pants or price at every turn to wiggle out business that's loss-making?

"Maybe you don't idle but you can say 'no'. Our clients are not used enough to getting the word 'no'. This (accepting loss-making freight rates) doesn't make any sense at all, so we as owners have a collective duty."

The sentiment is a turnaround for Frontline, owned by Norwegian-born shipowner John Fredriksen, which operates 18 VLCCs, 29 suezmax tankers and 20 aframaxes.

"We have a duty to say no when we are subsidising our customers," said Hugo de Stoop, chief executive of Euronav, the largest listed crude tanker owner, with 75 tankers.

He said that idling tankers to remove supply and place a floor of depressed rates wasn't an option because owners needed to keep vessels maintained and positioned in potentially lucrative regions in readiness for any market rebound.

"We don't think it makes any long-term economic sense to be idle today," he said.

Tor Olav Troim, the former chief executive of Frontline, infamously said that he'd sent crew fishing seven years ago and idled the company's VLCCs to curb supply when rates were last seen at negative levels.

Instead, Mr de Stoop said, the best interim solution to low rates while the industry waited for the vaccine rollout to lift European and north American economies was to slow steam to reduce fuel expenses.

A 20% increase in crude prices in 2021 has seen a corresponding boost in bunker prices, which is largely responsible for the loss-making time charter rates seen so far this year.

It was the vaccine rollout, rather than any increase in supply from the Organisation of the Petroleum Exporting Countries, that would ultimately lead a meaningful recovery in rates, the panel concluded.

Opec plus its allied oil-producing countries meets on March 4 to consider increasing the supply of crude to the market.

Increased scrapping could also boost rates in the second half of 2021, Mr Barstaad said.

Tanker scrapping rates plunged to the lowest in 22 years in 2020, as elderly tonnage normally destined for demolition was purchased by anonymous buyers for deployment in US-sanctioned trading of Iranian and Venezuelan crude.

The challenge we have right now... is what I refer to as the dark web of oil," he said. "Sanctioned barrels are trading on ships that otherwise would have been sold for scrap recently.

"In these markets, 17- to 19-year-old VLCCs are being sold for north of $20m to undisclosed buyers and these ships move.

"That's where all these shapes are that would have been a part of the [scrapping] statistics had it not been for that."

The fate of these ships would end in one of two ways, he said: countries or government authorities would get involved or Europe and the US would agree a deal with Iran to ease or remove sanctions.

"It's painful right now," he said of the low scrapping rates and high number of elderly tankers in sanctioned trades. "Once this opportunity to make millions of dollars out of sanctioned barrels disappears then we'll see an accelerated amount of vessel heading for recycling."

OPINION:

Greek shipping legend Tryphon Kedros dies, aged 108

TRYPHON Kedros, shipowner and a stalwart of the London Greek shipping community, has died. He was 108.

Widely known and celebrated in UK and Greek shipping circles, Mr Kedros continued to be active in shipping, going daily to the office, long after his 100th birthday, which was celebrated by a lunch in his honour at the Baltic Exchange.

"We lose one of the great, great gentlemen of shipping," said Haralambos Fafalios, chairman of the London-based Greek Shipping Co-operation Committee.

"In my view, he epitomised the classic London Greek personality — he was softly spoken, low-key, but notable for achievements," said Mr Fafalios.

"Over the decades he was a significant shipowner but he will also be missed for his charm, his elequence and his good nature.

"He will be greatly missed by all those lucky enough to be called his friends."

My Kedros was born into a Greek merchant family in Asia Minor, now Turkey, the youngest of seven children.

After the Greek community was driven out of Turkey in 1919-22, the family moved to Marseilles and later to London and Trieste.

During the Second World War, Mr Kedros — by now a British citizen — served in the Special Boat Service and was among the first wave of Allied troops to liberate occupied Athens.

After the war, he and an older brother, Cleon, focused their trading business and shipping activities on Trieste and acquired their first ships. They also were among the first to order newbuildings in Italy during the post-war period.

In the 1950s he launched his own company Southern Shipping & Finance in London, and a sister company Halkidon Shipping in Piraeus.

The group went on to build up a fleet of up to 18 tankers and later operated combination carriers and dry cargo vessels. It continues in shipping today.

Mr Kedros was also known for engaging in and supporting a wide range of cultural and charitable activities in London, including the Greek Orthodox Charity Organisation, the Anglo-Hellenic League, the Hellenic Centre and the London Hellenic Society, of which he was elected honorary president.

He was also a keen golfer and would become president of the Baltic Exchange Golf Club.

A funeral service will be held on March 4. Halkidon Shipping said that a memorial event will take place "when conditions allow".

The family has asked for donations instead of flowers, to any of three organisations in Greece: the Galilee Palliative Care Centre, The Food Bank, Cerebral Palsy Greece.

ANALYSIS:

Georgiopoulos unveils hopes for breakthrough emissions project

SHIPOWNER Peter Georgiopoulos, who is completing a takeover of United Arab Chemical Tankers, has revealed a second channel in his comeback to the shipping industry.

The New York-based owner has co-founded Low Emission Maritime Partners, which he chairs, and is leading the development of a pioneering device to measure shipping emissions in real time.

Asked whether there was anything equivalent already available to the industry, Mr Georgiopoulos said: "Nothing we have seen, nothing like that."

The new device, that has already been trialled on board eight vessels and is expected to be on board 20 ships by the end of this month, is "backward-looking" and "able to measure carbon and sulphur emissions in real time and provide real data".

This was in contrast to present estimations of emissions that are "based on a formula".

Mr Georgiopoulos was talking with Nicolas Bornozis in an online fireside chat opening the second day of the Capital Link International Shipping Forum and said that discussion of the new product may be "a little premature".

However, with the expanded fleet testing the system, "hopefully we will have enough data to put out a white paper."

In January, United Overseas Group, a vehicle controlled by Mr Georgiopoulos and longtime associate Leo Vrondissis, clinched a deal to acquire Dubai-based UACC, the owner and operator of 20 vessels.

"It took us a year to get it done," he said. The deal was "very complex, which I think frightened many people away".

The owner also disclosed that "over time the plan is to move the operation to Athens [from Dubai]." Greece-based Mr Vrondissis will "head up the business" from there.

"I am a believer in the chemicals and products market," he said. "When we come out of Covid I think you will see more movement."

The UACC fleet comprises nine IMO2/3 chemical tankers, two long range one and nine medium range tankers. Additionally, the company operates two vessels on bareboat charter.

The takeover has been structured as a reverse triangular merger, a first under the Dubai International Financial Centre legal framework.

The deal is being financed by asset manager EnTrust Global's Blue Ocean Funds.

The new projects appear to end an uncharacteristically quiet spell in the shipping career of the Greek American owner, who has previously led four companies publicly listed in the US, including General Maritime, Genco Shipping & Trading and Gener8 Maritime.

The previous major acquisition by the owner came in 2015 when Gener8 acquired Navig8's very large crude carrier fleet.

But by 2017 Mr Georgiopoulos was out after Gener8 merged with Euronav. The previous year he had stepped down as chairman of Genco.

He said of the UACC acquisition: "This opportunity came along. It was a great company, with a great management team and some of the most impressive shareholders you can imagine."

Outside shipping, Mr Georgiopoulos and Mr Vrondissis have also emerged as investors in a huge project to build a methanol plant in Louisiana on the US Gulf.

Scandinavian P&I success down to hard work, says chief

THE success of Scandinavia's three big P&I insurers in growing their books this year is probably a coincidence, but is testimony to the strong effort put in by Gard, Skuld and the Swedish Club, according to the latter's chief executive.

Lars Rhodin's remarks came after early declarations of renewal round outcomes saw the Norwegian and Swedish International Group affiliates all book healthy campaigns, while several UK-based clubs owned up to net outfluxes.

Entered owned tonnage at the Swedish Club was up 6m gt to 56m gt, an all-time record.

Mr Rhodin said the gain was for the full year to February 20, rather than stemming purely from the renewal season. Nevertheless, the figure does include a gain at renewal.

That is largely the result of "hard work", he said, adding: "P&I business is not a quick fix. It is the result of what we have been working on for quite some time. The business you want to have, you have to work hard to get. The business you don't want to have is always available."

The raw figures seem to imply a fall in chartered tonnage. But Mr Rhodin insisted that clubs basically came out even on this metric, which is by its nature always an estimate, based on charterers' guesses about how much tonnage they will take on in the year ahead.

"Contracts are subject to declaration. You have a contract and they declare tonnage. I'm not aware of any major accounts that we did not renew."

Norwegian club Skuld clocked up entered mutual tonnage growth of 5.5% to 101m gt, while Gard consolidated its position as the biggest player in P&I, securing an additional 17m gt to bring its book to 246m gt.

Steamship is the only known UK-based net gainer so far, with Standard, UK and North all admitting or implying tonnage loss year-on-year.

While Mr Rhodin sees this geographical division as largely fortuitous, he gave credit to the work rate of his nearest rivals.

"Gard is an industry leader and they have been successful for some time now. They are a robust organisation. They seem to know what they are doing and they will not jump in and jump out, they will always have a strategic plan."

He also noticed that overall tonnage was a separate consideration from price adequacy, and suggested that in some cases, UK-based clubs would be happy enough with a smaller but better book.

"You don't always gain a lot of tonnage while keeping up the pricing adequacy that you need to target. Maybe it was time for some of the English clubs to focus on pricing rather than volume."

He declined to say whether or not he expected Swedish Club to return to breakeven underwriting this year, on the grounds that it was too early to venture predictions.

However, he expects the marine market to continue to harden, with Swedish Club expecting to benefit from that.

MARKETS:

Shippers advised to lock in capacity early

SHIPPERS should focus on securing capacity in the upcoming transpacific contract negotiations rather than get too fixated on freight rates, which will be significantly higher this year.

"We already see certain deals are being closed at quite high rates because shippers are looking for a resilient supply chain and are more worried about space than they are about rates," said DHL Global Forwarding head of ocean freight Dominique von Orelli.

"The tendency I see is that early negotiations are taking place mainly around capacity. This is not a bad discussion to have. If you just look for the cheapest rate it is going to be tough."

Mr von Orelli said the low freight rates shippers had come to expect in recent years were over.

"If you compare rates to the past few years, you totally have to change your mindset," he told the Journal of Commerce's TPM conference. "Whatever number you have in mind, this will not come back. We need to change the approach and understand that rates will close at a much higher level than the last contract season."

Gambling on a cheaper spot market later in the year was also unwise, unless shippers were prepared to risk volatility.

"My suggestion is that you should talk to the carriers and forwarders early," said Mr von Orelli. "Capacity allocations will fill up. Carriers are looking to conclude as quickly as they can and the last ones will bite the dust.

"You should have this discussion with the forwarders and carriers and find the best model between long-term fixed deals and part spot. That helps balance the risk but I would lock in the capacity as soon as possible."

But he urged carriers to also make commitments to carry the cargoes that had been booked.

"Supply chain resilience will win over lower cost. The lower the rates, the more difficult it is to move the freight. This clearly requires a change of mindset."

Capacity would continue to remain tight in the future, with carriers managing supply closely.

"Costs are important and will always be important, but it needs to be tied into capacity and lead times. This is what we need to get used to."

For the supply chain to get back on its feet would require efforts by all parties involved, he said. While it made sense for carriers to have higher rates and healthier balance sheets, there needed to be a balance between carriers and shippers.

"The way to go is to have binding agreements where all parties agree what is to be shipped at what rate," Mr von Orelli said. "Where we need to be more strict on both sides is on the agreement. If you deliver less it has a consequence and if you deliver more it has a consequence."

To achieve this would also require shippers to forecast their own demand better.

"Forecasting is not a strength in our industry and we are nowhere near where we need to be," he said. "What is forecastable needs to be forecast. It needs to start much earlier in the order process and we need to integrate much more closely with the shipper and carriers, enabling the carriers to see what capacity they need to deploy."

In return for this, however, shippers should be able to expect better service.

"If you pay $10,000 to move a box you should get decent service in return. We all have a right to have a decent service level for the freight rate we pay."

Handies and supras rocket on commodity demand and tighter tonnage

THE supramax and handysize bulker segment has started March strongly compared with the other dry bulk segments, with rates rising in the Pacific and Atlantic regions.

Average handysize earnings reached $19,565 per day on March 2 on the Baltic Exchange, up 11% over the week, while the related index was assessed at 1,087 points, up 54% month on month.

The exchange's supramax index surged to 1,879 points, up 63.5% compared with the previous month.

"Activity has been huge the last couple of weeks. If it was not for delivery heroes, I don't think I would have had time for a hot meal yet this year," said Japhi Rauno, the Hamburg-based chief operating officer of Nachipa, which operates handies.

"The recent spike in oil prices is having a major impact on spot voyage freight rates, and is making 'eco' vessels much more attractive propositions. There's been a 60% rise in very-low sulphur fuel oil since November and in some ports it is not far away from the post-IMO 2020 highs."

With a shortage of tonnage, period enquiries were all over the place as charterers chased ultramaxes and supramaxes for longer durations, Gulf maritime brokers said.

Meanwhile, "ship owners are taking their time before indicating figures as hire rates are changing hourly rather than daily," the brokerage noted in a report. It said supramaxes had benefitted from strong demand for coal from Indonesia, mainly to China and India.

Indonesian coal to west coast India has been paying around $23,000 per day, while Indonesia-China from South China positions for supramaxes has been paying in the low $20,000s, with the index finally catching up, Braemar ACM observed.

In terms of steel shipments, the market saw its highest monthly total since March 2017, with 9.8m tonnes exported globally in February, a 44% increase compared to the year before.

Handysize shipments of these products have improved 13% over the month, while supramaxes saw a 29% increase in shipments, totalling 5.1m tonnes, Braemar data shows.

In many regions, demand for steel has seemingly recovered much faster than production following the pandemic-related disruption, causing a rise in steel prices.

Despite steel production still weak in many countries, South Korea is proving a bright spot, with steel cargoes leaving on supramaxes up 65% month-on-month and 44% year-on-year, according to Braemar Total shipments reached 1.4m tonnes in February, rising 43% versus a month ago.

Similarly, supramax vessels carrying Chinese finished steel have increased 16% over the month and 69% as compared to 2020.

"The combination of elevated grain demand in the first quarter and the unexpected improvement in steel shipments from the Far East has likely helped to support supramax rates at their current levels," it said.

Dry bulk sector wants charterers to share decarbonisation costs

BULKER owners want charterers to pay their fair share of the additional costs associated with decarbonising the industry.

Speaking on a virtual Capital Link event, Grindrod Shipping chief executive Martyn Wade said that owners were expected to pay for this, but the markets had been challenging over the last 10 years, and charterers "have to pay in too".

Seanergy's chief executive Stamatis Tsantanis agreed, saying that the extra capital needed to invest in new ships or new technologies was "very limited" and sharing the costs would help.

The green initiative would be led by large mining companies, which had already placed orders for dual-fuelled liquefied natural gas bulkers, said Genco's chief executive John Wobensmith.

Whether ships of the future would be powered by ammonia or hydrogen, there would still be vessels using conventional fuels, and the executive questioned whether charterers would pay the premium for the green fuel. A carbon tax may be the answer.

Golden Ocean chief executive Ulrik Andersen said that traders and charterers were already tied into cutting emissions through the financing side. In future, end-users would pay one cent more for whichever commodity they buy.

Emissions would become more important than price in shipping, and companies would be judged by their decarbonisation strategies.

"We believe we can go green and stay in the black," Mr Andersen said.

The environmental regulations had created a supply-side squeeze, Mr Tsantanis said, with low ordering. Slow steaming will continue.

The stars were aligning in the dry bulk market, said the Golden Ocean executive, who was optimistic for an "amazing" first quarter, but even more bullish about 2022, as higher iron ore volumes were expected out of Brazil. The company mostly has capesizes in its fleet.

Minor bulks were also driving up rates, with steel cargoes particularly solid, said Mr Wade.

Braemar ACM said in a note that steel shipments saw their highest monthly total since March 2017, with 9.8m tonnes exported globally in February, a 44% increase year-on-year.

Grains and infrastructure-related commodities such as cement and petroleum coke have also been strong, helping the smaller-sized vessels.

All owners on the panel said that crew changes had added to costs due to deviations.

Seanergy, which still has one capesize stuck in Chinese anchorage with Australian coal, has spent months trying to negotiate a workaround.

"It is disappointing when charterers do not want to share the costs," Mr Tsantanis said, adding that at a charter rate of $25,000 per day, the costs can be absorbed, but when they drop to $15,000 per day or below, that gets more difficult.

Mr Andersen said Golden Ocean was seeing some easing in restrictions. One of his vessels managed to berth in China this week.

Grindrod, whose handysizes and supramaxes trade short-haul routes, has faced a "nightmare" to plan on a daily basis, according to Mr Wade.

While Singapore has been "brilliant," other ports might change rules suddenly and "you get caught out".

IN OTHER NEWS:

ABN AMRO shipping head downplays ships as 'stranded assets'
SHIPS are not in danger of becoming stranded assets for years to come, according to the shipping head of ABN AMRO.

Joep Gorgels, the Dutch bank's global head of transportation and logistics, said he did not expect to see the much-debated prospect of essentially useless ships — at least for some time.

The notion of ships potentially becoming "stranded assets" has gained traction in recent years. The concern is that current and new vessels will become marginalised and outdated in a few years' time by a market driven by environmental considerations and new regulations.

Maersk Tankers defends donation to NGO at centre of payments probe
MAERSK Tankers said it agreed to make a financial donation towards the cost of the transfer operation involving 27 migrants rescued by one of its vessels last year.

It said in a statement it gave €125,000 ($151,000) to Mediterranea, the non-governmental organisation that agreed to take the group ashore in September after they had been trapped on board the product tanker Maersk Etienne for 38 days.

"It was a humanitarian situation and we want to clarify that at no time before or during the operation was any financial compensation or support discussed or agreed," the Danish company said.

BIMCO calls for global market-based measures for emissions
BIMCO has joined calls for market-based emissions measures, saying shipping and states should start talks to set global rules now so it can meet its green targets.

"We need a mechanism that equalizes the cost between using low-carbon fuels and traditional fossil fuels," its president, Sadan Kaptanoglu, said in a statement.

The biggest shipping association said rules should be global so the industry was not charged for its carbon emissions multiple times. Industry groups have in the past objected to shipping being included in regional measures, such as those proposed by the European Union.

CMA CGM takes over Tripoli terminal
CMA CGM has moved to strengthen its position as a terminal operator in the Mediterranean with the purchase of all shares in Gulftainer Lebanon, the operator of the main container terminal in the port of Tripoli.

The news comes after the French container shipping giant said it had bought a stake in Spain's Total Terminal International Algeciras from South Korean carrier Hyundai Merchant Marine.

The Lebanon deal is its third fresh port venture in the Mediterranean this year, having also reached an agreement with the Egyptian government to manage and operate a new multipurpose facility in the port of Alexandria.

UK announces location of eight new freeports
CHANCELLOR of the Exchequer Rishi Sunak announced the first tranche of UK freeports in his budget statement.

The freeports — special economic zones with different rules to make it easier and cheaper to do business — will include infrastructure planning, customs and favourable duties and taxes.

Mr Sunak said they would be located at East Midlands airport, Felixstowe and Harwich, on the Humber, in the Liverpool city region, in Plymouth, the Solent, Thames and Teesside.

Hyundai Heavy agrees blue hydrogen deal with Saudi Aramco
HYUNDAI Heavy Industries Holdings said it had agreed with Saudi Aramco to co-develop future green fuels.

The move will involve the South Korean conglomerate's refinery business and shipbuilding segment.

Under a memorandum of understanding, its subsidiary Hyundai Oilbank plans to import liquefied petroleum gas from the Saudi Arabian state-run oil firm to produce blue hydrogen, which is created from fossil sources, with the carbon dioxide emissions captured and stored during the process.

OrbitMI teams up with Kongsberg Digital to analyse data
NEW York-based fleet performance software provider OrbitMI has signed a partnership agreement with Kongsberg Digital.

The move will add Orbit SaaS (software as a service) applications for maritime intelligence, compliance, vessel tracking and vessel performance to Kongsberg's Kognifai Marketplace.

These applications — Orbit OMI, Orbit Comply and Orbit Reporter — will be available for users of

Vessel Insight, which collects and contextualises data from vessels to enable shipowners and operators to get the best results from digitalisation.

PIL restructuring gets court approval

PACIFIC International Lines on Wednesday secured a regulatory green light to proceed with a restructuring proposal anchored on a $600m investment from a unit of Singapore's sovereign wealth fund, Temasek Holdings.

The shipping line said that Singapore's High Court had sanctioned the plan at a hearing on March 3.

It came a month after the proposal won the requisite majority vote across four classes of creditors.

Rail operator aims to bolster North Americas marine terminals

A CANADIAN major rail operator plans to enable shippers to use all three coasts of North America in an effort to overcome the types of congestion problems that have arisen in the past year.

The North American economy will grow faster than any other except China and will attract freight to all three coasts, according to Canadian National Railway Co (CN) president and chief executive Jean-Jacques Ruest.

He believes that the coronavirus pandemic has changed the way people buy and that the change in buying habits — driven by e-commerce — will become a permanent part of shipping.

US sanctions Houthi militants in Yemen

THE US Department of the Treasury's Office of Foreign Assets Control has sanctioned two key Yemeni militants of the Iranian-backed Ansarallah, sometimes referred to as the Houthis.

Mansur Al-Sa'adi and Ahmad 'Ali Ahsan al-Hamzi are responsible for orchestrating attacks by Houthi forces impacting Yemeni civilians, bordering nations, and commercial vessels in international waters.

"These senior Ansarallah leaders have used their positions – as Naval Forces Chief of Staff and Commander of the Air Force and Air Defense Forces, respectively – to procure weapons from Iran and to oversee attacks threatening civilians and maritime infrastructure," said Secretary of State Antony Blinken.

Classified notices follow

INVITATION TO TENDER
IN THE HIGH COURT OF THE
HONG KONG SPECIAL ADMINISTRATIVE REGION
COURT OF FIRST INSTANCE
ADMIRALTY JURISDICTION

RE: HCAJ 76 of 2020 & HCAJ 91 of 2020

The ship or vessel "STARRY METROPOLIS" (the "Vessel")

Pursuant to the order for sale of the Vessel made by the High Court of the Hong Kong Special Administrative Region on the 3 February 2021, tenders are invited for the purchase of the Vessel (a general description of which is set out below) upon the following terms.

1. The Vessel is offered for sale as she lies in the waters of Hong Kong in her "as is" "where is" condition at the date of delivery without any warranties or guarantees. The Vessel is sold free from incumbrances, with everything on board belonging to her but excluding any equipment on hire.

2. No error or misdescription in this invitation or otherwise by representatives of the Government or the High Court of the Hong Kong Special Administrative Region shall entitle the successful tenderer ("the Buyer") to annul the sale.

3. Tenderers are advised to make all and any such enquiries as they think fit. Permission to inspect the Vessel may be obtained from the Chief Bailiff.

4. Tenders for the purchase of the Vessel must:
   (a) be in writing addressed to the Registrar of the High Court, Hong Kong Special Administrative Region;
   (b) be in a sealed envelope so addressed and marked **"HCAJ 76 of 2020 & HCAJ 91 of 2020 – CONFIDENTIAL"**;
   (c) be accompanied by way of deposit by a cashier's order or bank draft drawn by a Hong Kong bank or a bank having a branch office or banking correspondents in Hong Kong or certified cheque drawn on such a bank of 10% of the offer payable to **"Registrar, High Court"** and crossed in **"HCAJ 76 of 2020 & HCAJ 91 of 2020"** (the "Deposit");
   (d) be expressed to be irrevocable until 1 April 2021;
   (e) reach the Registrar c/o Chief Bailiff (Administration & Admiralty) at Bailiff Office, LG 3/F, High Court Building, 38 Queensway, Hong Kong not later than 2:00 p.m. (Hong Kong time) on 25 March 2021, otherwise such tenders will be treated as invalid;
   (f) follow the arrangement in respect of tender closing time in the times of gale or rainstorm warnings or "extreme conditions after super typhoons" in Hong Kong as set out below:
   (i) in case a Black Rainstorm Warning Signal or a Tropical Cyclone Signal No.8 or above or "extreme conditions after super typhoons" is lowered or cancelled before or at 11:00 a.m. (Hong Kong time) on 25 March 2021, the tender closing time will remain unchanged;
   (ii) in case a Black Rainstorm Warning Signal or a Tropical Cyclone Signal No.8 or above or "extreme conditions after super typhoons" is lowered or cancelled after 11:00 a.m. (Hong Kong time) on 25 March 2021, the tender closing time will be deferred to 02:00 p.m. (Hong Kong time) on the next weekday (i.e. except Saturday and Sunday) other than public holidays; and
   (g) be expressed in Hong Kong Dollars or United States Dollars with payment of the Deposit being made in the same currency as the tender.

5. The Registrar is not bound to accept the highest or any tender.

6. If a tender is accepted the balance (plus the sum payable for bunker fuel) of the purchase price also in the form of a cashier's order, bank draft or certified cheque payable as aforesaid must be paid within 7 days of the acceptance of the tender and if not so paid the deposit of 10% will be forfeited in which event the Registrar will be at liberty to sell the Vessel to any other party or parties.

7. The Buyer shall within 7 days of the acceptance of the tender pay by the aforesaid methods the Hong Kong market price for the bunker fuel remaining on board on the date of delivery, such quantity and price to be determined by the Chief Bailiff or her agent.

8. Upon payment of the balance of the purchase price, a bill of sale will be duly executed on behalf of the High Court of the Hong Kong Special Administrative Region in favour of the Buyer.

9. The Registrar may in his discretion agree that the Vessel be sold to a nominee of the Buyer. Such nominee and the Buyer shall sign an addendum to this Invitation to Tender in such form as the Registrar may require. Any nomination shall be made no later than 3 working days prior to the delivery of the Vessel. Any nomination made by the Buyer shall be irrevocable. No further nomination is permitted.

10. Deposits will be refunded to unsuccessful tenderers.

11. Any tenderer who does not receive notice by 1 April 2021 that his tender has been accepted may assume that such tender has been rejected.

12. Should the Vessel become a total loss (or be accepted by underwriters as a constructive total loss) before delivery of the Vessel to the Buyer the sale shall be null and void and the Deposit will be refunded to the Buyer.

13. The Buyer shall be liable for any fees, duties, taxes, or dues of whatever nature which may become payable upon the purchase and transfer of the Vessel.

14. On completion of the sale the Buyer will assume all responsibility for complying with all Hong Kong Marine Department directions regarding the Vessel.

15. This invitation and the sale of the Vessel is made and effected without any liability of whatsoever nature of the High Court of the Hong Kong Special Administrative Region or its officers, employees or agents.

16. The Buyer shall be responsible to observe and comply with all the requirements laid down in the Prevention and Control of Disease Ordinance (Cap. 599 of the Laws of Hong Kong) including but not limited to its amendments and subsidiary legislations and to make enquires with the relevant authorities on all the latest requirements which are to be satisfied in relation to the purchase, operation and departure of the Vessel. No error or oversight of the Buyer to observe and comply with the relevant legislations shall entitle the Buyer to annul the sale.

(S. KWANG)
Registrar
High Court
25 February 2021

PARTICULARS OF VESSEL

Vessel's Name	STARRY METROPOLIS
IMO No.	7359498
Port Of Registry	De-registered by Register of Ship, Jamaica.
Type Of Vessel	Passenger Ship.
Builder	Wartsila Oy, Turku Shipyard, Finland.
Date Of Delivery	15th December 1976.
Classification Society	Russian Maritime Register of Shipping. Suspended on 30th April 2020.
LOA	156.26 meters.
Breadth (moulded)	21.83 meters.
Depth (moulded)	16.3 meters.
GRT	15,791.00 M/T
NRT	5,315.00 M/T
Lightweight	9,250.56 M/T, ascertained by Carmichael & Clark Co., Ltd., in April 2019
Main Engine	Two (2) Pielstick SEMT 18 pc 2-2 V 400.
Auxiliary Engines	4 x Wartsila Turku Finland VASA 824 TS & 1 x Cummins Engine USA VTA 28 G2.
Max. Number of Passenger	450
Max. Number of Crew	254