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Shipping's compliance risk conundrum

WHAT DONALD TRUMP'S approach to sanctions lacked in diplomacy was more than compensated by commercial creativity.

By turning banks, insurers and individual companies into de facto enforcers, the US blacklisting of Iranian tonnage saw the shipping industry back away from the Islamic Republic immediately. At least initially.

Twelve months after the US fully imposed sanctions on the vast majority of Iran's owned or controlled fleet in early 2019, AIS vessel tracking data showed the movements of those ships had halved.

Iran is now gearing up to resume formal oil exports once the US lifts trade sanctions as anticipated, and old customers including India, Japan, South Korea and Taiwan await the green light to engage. But the reality is that these sanctions have always been far from watertight, and oil exports never really stopped, and escalated in the last six months.

At their most effective, the restrictions were porous. Sanctioned vessels conducted entire voyages with their AIS signal switched off and their routine manipulation also masked other trades.

Analysis of Lloyd's List Intelligence data reveals that around one third of the sanctioned fleet were 'dark' for more than 50% of the past two years.

This suggests that, far from cutting off trade, the Iranian state simply got better at hiding it. Outside of the list of vessels directly targeted by sanctions, however, the porous restrictions become like a sieve with too many holes to hold back the flow.

Over the past two years a fleet of elderly tankers has kept oil and refined products flowing to and from both Venezuela and Iran via a network of ship-to-ship transfers and evasive operations.

Emboldened by the end of the Trump administration, this fleet has brazenly defied the US: Chinese imports of Iranian crude surpassed 1.3m barrels a day in April – the highest monthly figure tracked since sanctions were announced in 2018.

This could be read as a calculated risk on the part of a minority of tanker operators and opaque business networks willing to take their chances with China over US policy in flux.

A more realistic assessment questions whether overuse of sanctions undermines their effectiveness and given time, all sanctions can be circumvented to some extent.

It should not, however, be interpreted as an easing of the increasingly onerous and expensive compliance burden that has been borne by the shipping sector over recent years.

On the contrary – compliance is getting more complex because the evasion tactics used by those circumventing scrutiny are evolving and outpacing the existing sanctions effectiveness. There are no signs that the Biden administration will disrupt the trend set by others to use sanctions as a standard foreign policy tool.

Regardless of some shipowners' appetite for risk or willingness to skirt the greyer areas of international trade, the US retains a stranglehold over financial compliance within dollar-denominated trades.

As one ex-US Treasury staffer put it, "government policy trumps commerce", so the octopus of bureaucracy is winning, and trade is losing.

Sweeping measures against Russia, asset freezes for targeted Chinese officials and a swathe of companies added to the list of company targets in relation to the Myanmar coup have seen the Ofac lists continue to grow again this year.

China's maritime dominance is therefore widely considered a high target.

The US has previously imposed sanctions on several Chinese refiners and oil traders, as well as briefly designating the tanker subsidiary of China's state-owned shipowner, Cosco, in September 2019.

The Chinese government offered first sight of its pre-emptive plans to counter that threat earlier this year.

By issuing the first sanctions blocking regime in China to counteract the impact of foreign sanctions on Chinese firms, Beijing was responding to the Trump administration's barrage of trade restrictions, but the long-term implications could be significant for shipping particularly.

Although the law — which borrows from a similar measure adopted by the European Union — became effective on January 9, it currently only establishes a legal framework.

The Chinese blocking statute will become enforceable once the Chinese government identifies the specific extra-territorial measures — likely sanctions and export controls the US has levied against Chinese companies — to which it will then apply.

While the European Union blocking statute has not yet been tested against a maritime case, in theory it could constitute a serious risk for European traders caught between Ofac's demands and the European legislation designed to "protect EU operators, whether individuals or companies, from the extra-territorial application of third country laws".

In practice the shipping industry has opted to risk breaching untested EU legislation that dates back to the early 1990s rather than risk the known retribution of Ofac which has a more recent and tangible track record. But that calculation will not be so simple if China adds teeth to its blocking mechanism in ways the EU was unable.

Senior insurance industry officials are already privately warning that the prospect of an emboldened China applying the blocking mechanism could be "horrendous" for shipping.

Discussed potential scenarios include a shipowner being found in breach of US sanctions but operating in accordance to EU law and potentially being locked out of future China trades if it doesn't fulfil a contracted trade.

The risk remains untested for now, but the blocking mechanism has already sparked concern among the finance and insurance officials currently consulting lawyers to advise on mitigation practices.

For those banks and insurers seeking to apply transparency to the opaquest end of seaborne trade, many are only just realising how far they still need

to go in order to mitigate the risk that the Trump era in some way helped expose.

As the former US Deputy Attorney General Paul McNulty pithily summarised it: “If you think compliance is expensive, try non-compliance.”

Sanctions are not in retreat

Sanctions have become a central tool of foreign policy globally. Within the world of international trade, the steady increase in the use of sanctions and export controls—principally by the US but also by jurisdictions around the world—has proved to be a rare constant in an otherwise uncertain and perilous environment.

Under Donald Trump’s presidency the volume was high, and his blunderbuss approach was as diverse as it was prolific, but it was not entirely anomalous in terms of the trend set by his two predecessors in the White House.

On average, the Trump administration-imposed sanctions on more than 1,000 entities or individuals each year for the past four years via US Department of the Treasury’s Office of Foreign Assets Control. That was near double the rate overseen by two-term President Barack Obama, who in turn has outpaced President George W. Bush, but the trend has been steadily increasing regardless of the political hue of the incumbent.

WHAT TO WATCH:

Bowsher confirms $80m underwriting loss at West

WEST of England P&I Club lost around $80m on underwriting last year, its chief executive has confirmed, for the first time putting a headline figure on the 140% combined ratio the marine mutual unveiled last week.

While he put a big part of the International Group affiliate’s fourth successive technical deficit down to bad luck in the shape of a string of big claims, Tom Bowsher also pointed to hefty deficits among its peers, and predicted tougher pricing as the inevitable response at the next renewal.

His comments come midway through the P&I results seasons, with UK Club augmenting the flow of red ink with a statement confirming a combined ratio only fractionally below 150%. No deficit figure was mentioned.

Britannia lost $20m and Shipowners’ Club $9m, while Gard chief executive Rolf Thore Roppestad earlier this week defended an underwriting loss of $23m at the world’s biggest P&I club.

However, Gard’s combined ratio is a modest 104% and will comfortably be covered by commercial activity expressly designed to subsidise the mutual membership, Mr Roppestad insisted.

Mr Bowsher conceded that West’s loss of $80m last year was among its biggest-ever deficits but countered that it had to be taken in the context of the losses chalked up by its competitors.

“You’ve got to look at where the industry is,” he said. “If you look at the results on a purely P&I basis across the International Group, we’ve been seeing a deterioration in combined averages for four years consecutively.

“The average combined ratio last year was 115% and we were 107%, so for the past few years we’ve actually been outperforming the market. This year we accept our result is not very good.”

But he pointed to the UK Club on 150%, the Swedish Club at 146%, and said that grapevine rumours suggest other clubs yet to announce will come in at the 130-150% bracket.

“We’ve had quite a bit of bad luck. Last year was one of the worst pool years on record and we had 20% of the pool claims, which for a club of our size is pretty unlucky. The coronavirus pandemic was an issue that none of us saw coming and is continuing into this year, with the Indian variant and complications in the Philippines, and a large proportion of crews coming from those countries.”

West’s four pool claims last year cost it almost $50m, which accounts for a big chunk of the $80m deficit.

No panic

Mr Bowsher insisted that this is not cause for panic, and that in previous years, West’s pool claims were in the lowest quartile of the IG.

"We have derisked our portfolio, with 7.5m gt leaving the club at the last renewal. We only grew by four new accounts at the last renewal, which for our size of club is very small. We declined 90%-plus of what we were shown."

While he described last year as an "aberration" for West, he said that he draws no comfort from seeing other clubs also losing money.

"It only illustrates the problem the entire group has right now, which is that there is a significant under rating in P&I. I think every single club this year will announce an underwriting deficit this year.

"If we see a fall in investment returns — which we probably will, as bond markets are struggling and a lot of clubs are heavily weighted to bonds — there will be far more emphasis on underwriting performance."

While hull and other marine markets have significantly hardened for three or four years, P&I lags. That has provided clubs that have diversified into commercial hull cover — in the first instance Gard — with a useful cash cushion.

"The difference with the hull market is that Lloyd's put a lot of people under significant pressure to turn their books around. What you saw was the whole market move together and people were not undermining each other."

Owners who were dissatisfied with a H&M quote from one underwriter and decided to seek quotes elsewhere were politely but firmly told that this was the sort of pricing they now had to face up to paying.

"What you are seeing still in the P&I world is that some clubs are still competing aggressively for growth and for new tonnage. Of course, there will be more increases next year; there must be. If all 13 clubs are announcing underwriting losses, it indicates increases are going to be needed."

Mr Bowsher declined to make a prediction on the extent of the likely increase in premiums and said that much would depend on the state of the pool.

But asked to exclude double-digit hikes, he replied: "If you're a betting man, double digits is probably a fair assumption."

Norway supports shipping's 2050 zero emissions target, says minister

AMBITIONS for a 2050 zero emissions target for international shipping are in line with Norway's view of the future, according to climate and environment minister Sveinung Rotevatn.

The International Maritime Organization aims to reduce greenhouse gas emissions from international shipping by at least 50% by 2050 compared with 2008. But that will be reviewed and is likely to be changed in 2023.

John Kerry, the US special presidential envoy for climate, has said the US wants the IMO target to increase to absolute zero emissions by 2050.

Mr Rotevatn said that while Norway has not officially adopted a new ambition for the IMO's targets, the US position is something with which his country can work.

"Where things are going now, and where the US is indicating their ambitions are, is very much in line with our own thinking," he said in an interview

The IMO has not officially started talks on the 2023 revision of its initial strategy and the focus of next month's environmental committee meeting will be adopting new technical and operational efficacy measures, which are aimed at improving the fleet's performance within this decade.

Mr Rotevatn said the IMO must adopt these new energy efficiency measures and agree to speed up the process on the next package measures, which should ensure a significant uptake of sustainable low and zero-emissions fuels and technologies.

He said that international shipping will need a market-based measure, another subject that the IMO has not officially begun deliberating, but that is gaining significant traction with industry and several governments.

"Norway has previously proposed an emissions trading system for shipping, which in our view will both serve the forthcoming transition within shipping well, and the certainty to achieve emissions reductions," Mr Rotevatn said.

The Norwegian Shipowners Association last year committed to its members having climate neutral fleets by 2050 and only order vessels with zero emissions technology from 2030 onwards.

A spokesperson for the Norwegian ministry of climate and the environment said that currently just under 8% of the Norwegian commercial fleet can be categorised as low or zero emissions, with offshore shipping and passenger ferries being the leading segments.

Emissions trading system

Norway also supports the inclusion of shipping in the European Union's Emissions Trading System, its emission cap and trade system and the largest carbon market in the world.

The European Commission will publish its proposal for the system extension in mid-July and will need to negotiate it with EU governments and the European Parliament.

"We think that market mechanisms when done right can be really powerful," Mr Rotevatn said.

He explained that while Norway supports the carbon markets expansion to cover shipping, the details of the proposal will determine whether it is right for the sector.

The commission is still examining whether the Emissions Trading System will cover emissions from only voyages between ports of the European Economic Area, of which Norway is a part, all voyages to and from EEA ports or some hybrid version.

There is also pressure from some industry corners for the carbon market to have a unique structure for shipping whereby companies pay into a new EU fund rather than trade allowances.

Mr Rotevatn did not disclose the structure or scope of the system that Norway wants for shipping.

Governments will convene in Glasgow in November for the COP26, the United Nation's most important climate conference since the 2015 Paris Agreement.

Mr Rotevatn said that one of the key negotiating points during the conference will be Article 6, which aims, among other things, to establish a global carbon emissions reducing mechanism.

He warned that any future carbon market mechanism must be of high integrity, effective and devoid of issues like the double counting of emissions reductions.

"Our general position has been that it is better to have no agreement on that kind of market-based mechanism than a bad agreement," Mr Rotevatn said.

The conference must also make progress on setting a global rulebook, that will enable emissions reporting and comparisons, and on climate finance and mitigation measures, he added.

Most important for Mr Rotevatn is that COP26 sees increased levels of climate ambition from several important economies and countries that have not yet enhanced their nationally determined contributions to the Paris Agreement goals.

Last year Norway upgraded its own target, committing to reducing its greenhouse gas emissions by between 50% and 55% by 2030 compared with 1990 levels.

While some countries have raised their ambitions in recent months and things are moving in a positive direction, according to Mr Rotevatn, he said they are still a long way from limiting global temperature increase to 2°C in this century, let alone 1.5°C.

"The world simply needs to do more," he said.

ANALYSIS:

Demand signals mixed for product tanker rates recovery

THERE are mixed signs of a vaccine-led rebound in demand for gasoline, jet fuel, diesel and gasoil in the Atlantic basin that could lift exports and boost moribund earnings for tankers.

Monthly global exports of gasoil and diesel were at seven-year lows in March, according to preliminary data from the Joint Organisation Data Initiative and have gained little since.

At the same time gasoline demand in the US, the largest consumer of the transport fuel, rose to a 14-month high of 9.2m barrels per day for the week ending May 14, according to the US Energy Information Administration.

That is the highest weekly number since March 2020, data shows.

The EIA forecasts gasoline demand to average 9m bpd over the April-September summer driving season, which is 600,000 bpd below pre-pandemic levels but 1.2m more than the same period a year ago.

In Europe and the UK, diesel and gasoil demand increased to 4.5m bpd in March, JODI figures show, recovering from the eight-month low seen in January after a second outbreak of coronavirus led to further travel restrictions.

Imports to the European Union, a key seaborne market for the middle distillate, were tracked at 1.7m bpd that month, compared with just over 2.1m bpd in March 2020, while stocks in the region have yet to be significantly drawn.

The vaccine rollout across the US, the UK and Europe have eased lockdowns resulting in improved demand for clean products, but refiners and oil traders are still drawing on global inventories that built up over the past year and this has curbed exports.

Global figures for March showed that monthly inventories are lower than pre-pandemic levels everywhere except for gasoline.

Middle distillate stocks remain persistently high for Europe, the UK and Norway. JODI data showed jet fuel, diesel and gasoil inventories were measured at 67.8m barrels in March, the most recent month for which statistics are available.

Stocks peaked at 74.1m barrels last June, which means inventories have drawn by the equivalent of 10 medium-range tankers in the past 11 months.

Jet fuel inventories remain steady at 32.4m barrels, barely changing over the past nine months, as the return to aviation travel lags car and industrial transport.

Europe turning a corner

Yet research consultancy Alphatanker said Europe is turning a corner because gasoline exports to the US helped lower gasoline inventories there.

Weekly gasoline exports to the US from Europe were tracked at 600,000 bpd this month, the research arm of Paris-based shipbroker BRS said in an emailed report.

The absence of any clear recovery is weighing on spot rates for the estimated 2,230 tankers of 25,000 dwt and above that are trading clean around the world, based on May 14 estimates from London-based shipbroker Braemar ACM.

Gasoil and diesel generally account for about a third of all clean seaborne trade, jet fuel and kerosene some 9% and gasoline a further 25%, research shows.

Global gasoline exports, excluding China, were at 3.9m bpd in March JODI figures showed, compared with 4.2m bpd the previous month.

Preliminary exports of gasoil and diesel excluding China and Russia were at 5.6m bpd in March, the lowest since April 2013, according to JODI.

This partly reflected unprofitable refinery margins to produce middle distillates, especially in Europe, the UK and Norway, where the 3.7m bpd output recorded in March was also a multi-year low.

Rates for the global fleet of 1,500 medium-range tankers which are the workhorse of refined product trades closed at the equivalent of $8,384 daily for the Atlantic basin, and $10,289 for the Pacific, according to the London-based Baltic Exchange.

The higher rate in the Pacific likely reflects the stronger demand for refined products to Australia, which has remained free of coronavirus-related restrictions for most of the past 12 months.

US vaccine programmes offer hope for seafarers

US VACCINE programmes are emerging as a source of hope for seafarers in the worsening crewing crisis despite eligibility and liability questions.

Rule changes in recent weeks have meant state and local authorities are offering vaccines — usually the one-shot Johnson & Johnson jab — to foreign workers.

Charities and welfare groups are helping bring seafarers from ships to pharmacies to be vaccinated where the rules allow it.

"The US facilities are being used a lot," said International Maritime Employers' Council chief executive Francesco Gargiulo. "Everyone you talk to is vaccinating whoever goes to the US because that's the one place where you can."

He was speaking as the seafarers' union the International Transport Workers' Federation said a global vaccine rollout was needed to stop a third wave of the crewing crisis, calling on governments to vaccinate seafarers.

The North American Maritime Ministry Association, a group of Christian seafarer charities, publishes a daily list of vaccine programmes at US ports.

Jason Zuidema, its executive director, said the opportunity arose when the resumption of the cruiseship industry led Florida's governor to grant foreign workers access to vaccines.

Many seafarers lack the right kind of shore pass or leave so welfare groups were pushing to vaccinate them on board ships, he said. Identification requirements varied but "the key to this is that there is vaccine available".

"It's developing quite rapidly, it's wonderfully overwhelming," Dr Zuidema told Lloyd's List. "It's just so enjoyable to be able to provide something for seafarers that they keenly want."

He said demand from shipping companies was greater than the charities could meet and they were looking for ways to speed up the process. The US Coast Guard and ITF had given "tremendous support", he added.

West P&I Club senior claims manager Monica Lambrou-Whiting said companies arranging vaccinations for their crews must do their due diligence with relevant authorities.

"The more responsibility members assume in arranging vaccinations, the greater the potential liability they may face," she said. "Where third-party companies are used, particularly in the US, extra caution should be exercised to ensure that the service provided is adequate and in accordance with the local government guidance."

Third-party companies could charge for their service but not for the vaccines, which the government provides for free. The International Chamber of Shipping has also published guidance on liability.

Dr Zuidema said ships should give as much notice of their arrival as possible. Seafarers should also be given the choice of whether to be vaccinated.

Those vaccinated received the same confirmation cards from the US Centers for Disease Control and Prevention given to Americans.

"We need to see the home countries of seafarers prioritising them as key workers for vaccines," said ITF seafarers section chair Dave Heindel. "We need port states to offer vaccines to seafarers visiting their shores. We need flag states to vaccinate all seafarers on ships which fly their flags."

MARKETS:

Box rates stay high as retailers struggle to build stock

SPOT rates on the container freight indices were elevated to yet new historical highs this week as the tightness between supply and demand continued to push up prices.

The latest Shanghai Containerised Freight Index climbed to 3,432 points with rates increasing on all deepsea trades.

China-Northern Europe spot rates gained a further 2.6% to a record $5,579 per teu. Similarly, China-Mediterranean prices hit a new high of $5,526 per teu off the back of 3.9% hike on last week.

Similarly, headhaul transpacific maintained an upward trajectory.

China-US east coast rates were reported at $4,843 per feu and China-US west coast spot prices at $7,521 per 40 ft box, following week-on-week rises of 1.9% and 0.1%, respectively.

Freight rates remain at extremely high levels this week to a backdrop of "maxed out" capacity and demand being sustained at peak levels, according to the latest international freight update published by digital rates specialist Freightos, which incorporates the Freightos Baltic Index.

On the Asia-US West Coast trade lane, prices fell 3% on last week to $5,473 per feu but are still 218% higher than the same time last year and more than four times higher than this week in 2019.

Asia-US East Coast prices increased 1% to $7,481 per fue and are 173% higher than rates for this week last year. Asia-North Europe rates climbed 7% to a new high of $8,945 per feu, and US East Coast-Asia backhaul prices spiked 25% to $1,022 per feu, said Freightos.

North Europe-US East Coast prices were down 1% to $4,274 per feu and are 131% higher than the corresponding week last year.

The global FBX rate was up 1% on last week at $5,027 per loaded 40 ft unit and up 238% year over year.

"The sustained demand driving these rates and overwhelming carriers means that even some containers booked on recently-signed and highly-elevated annual contracts are being rolled and that storage space for finished goods waiting to be shipped is becoming scarce," said Freightos research lead Judah Levine. "And though US retailers are now spending more on inventory than in 2019, those items continue to fly off the shelves, keeping inventory levels at record lows.

"It means businesses may still struggle to avoid stockouts come the holiday season. It could also mean that even if consumer demand for goods declines as services rebound, retail restocking will keep ships full and rates up for some time longer.

"How high can freight rates climb? Some observers think market forces will keep prices climbing, pricing some shippers out as long as demand from higher-margin businesses keeps capacity tight," he said. "And as long as rates are market driven, the US Federal Maritime Commission cannot intervene on container costs."

Sustained demand and limited capacity continues to keep air cargo rates extremely high too, Freightos' update also noted, with some carrriers introducing new peak surcharges to already elevated rates.

Container capacity shortage set to last until fourth quarter

THERE is little chance of congestion in the supply chain being resolved before the fourth quarter of the year, although some signs of improvement may begin to appear in time for the traditional peak season.

"We still see an enormous surge in demand that is overwhelming the shipping industry," said Hapag-Lloyd chief executive Rolf Habben Jansen. "This has had a huge impact on spot rates, and there are still operational challenges and capacity bottlenecks.

"I don't think we're going to see an easing of that before the fourth quarter. It looks as if it will be a busy year."

Congested ports remained at the heart of the problem, not only in the US but in Europe and Asia too, where a combination of surging demand, unexpected volumes and pandemic-related restrictions were causing difficulties.

"Terminals cannot run at full capacity, yet they have to deal with record volumes," Mr Habben Jansen said during a presentation to customers. "As a consequence, ships are delayed."

Hapag-Lloyd's own average delay has gone up 160% to 3.9 days. This had a related impact on container availability as it took longer to get equipment back. Average usage time for containers had risen from 49 days to 58 days.

"That means we need 20% more containers to transport the same amount of goods," he said.

The equipment shortage should normalise when schedule reliability picks up again. But realistically, schedule reliability would not get back on track until at least the third quarter, he added.

"If boxes move the way they should, there are enough containers in the world."

The traditional slow season had failed to materialise this year with volumes staying consistently high in the first quarter and into the second quarter.

"We have a season that is comparable with what would normally be the peak," said Mr Habben Jansen. "But the challenges we face on the port side will ease, so I'm cautiously optimistic that by the third-quarter peak seasons we will start seeing a gradual improvement."

But with demand set to remain high — Hapag-Lloyd expects volumes to be up 5%-6% this year — freight rates will also remain elevated.

That, however, is not necessarily a good thing, according to Mr Habben Jansen, as rates for some shippers and lower cost cargoes have become prohibitive.

"That is one of the reasons we would like rates to go down, because then I think more commodities will move again," he said. "The spot rates we see today are a temporary thing and we will get back to a more normal situation, allowing these cargo flows to come back."

Shippers hoping to sign up to contracts in an effort to reduce rates will be disappointed, however.

"The further we get into the year, the amount of space is simply limited," he said. "We've been recommending since late last year to lock in volumes. Many of done that, but that means that the remaining space today is rather limited."

Moreover, when rates normalise they will land "a bit above" where they were in the past.

"A number of the structural cost factors have gone up, mainly around charter rates and bunkers. I still expect them to be in a double-digit percentage above where they used to be, but that is a very steep decline from where we are today."

That will come as cold comfort to shippers witnessing yet more spot rate records being broken this week, particularly on routes to Europe.

But there is little a carrier can do to lower rates in periods of such strong demand.

"In the end it is market forces that drive these short-term rates," Mr Habben Jansen said. "The way to get out of it is to either close longer-term contracts or otherwise wait until the craziness is out of the market.

"The prices that people offer for containers are still going up. The reality is that we are in an open market and we've seen many years when rates were low, when market forces also determined that."

For now, though, the inflationary pressures that are a consequence of the large stimulus packages would keep rates elevated.

IN OTHER NEWS:

Sabrina Chao elected as BIMCO president

SABRINA Chao, the former chairman of Hong Kong-based Wah Kwong Maritime Transport, has been appointed the 45th president of BIMCO.

She is the fifth Asia-based president of the shipping association whose membership represents more than half of the world's cargo fleet.

Ms Chao took over from Kaptanoglu Shipping managing director Şadan Kaptanoğlu who has completed her two-year term.

SeaspanLNG eyes order for LNG bunker ship

SEASPANLNG said it has signed letter of intent with China's Nantong CIMC Sinopacific Offshore & Engineering to build a 7,600 cu m liquefied natural gas bunker vessel.

The move by the Canada-based company is part of the efforts in establishing British Columbia as an LNG bunkering hub for regional and international vessels.

Designed by Vard Marine, the newbuilding will be able to transfer to and from a wide range of terminals, engage in ship-to-ship LNG transfer and coastal/shortsea shipping operations, according to SeaspanLNG.

Taiwan extends entry leeway for foreign wind crew

TAIWAN has amended its entry policy for foreign crew working in its budding offshore wind sector, extending leeway for those seeking emergency medical care.

The Bureau of Energy said it would accept applications for foreign crew to come ashore to receive medical treatment.

But such applications would take five days to process and crew

granted entry for medical purposes will still have to return to their assigned vessels.

Fire doused after chemicals ignite on boxship

FIREFIGHTING efforts by the Sri Lanka Navy have managed to douse a fire that broke out on an X-Press Feeders boxship at anchor in Colombo.

Lloyd's List Intelligence's casualty reporting service said a blaze broke out on the 2021-built, 2,700 teu *X-Press Pearl* (IMO: 9875343) last week.

"*X-Press Pearl*, with 1,486 containers loaded among other goods with nitric acid, other chemicals and cosmetics, and with 25 crew on board, caught fire at Colombo Anchorage, Sri Lanka," Lloyd's List Intelligence said.

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HYPROC SHIPPING COMPANY, located at ZHUN USTO, BP 7200, ES-SEDDIKIA, 31025 ORAN, is seeking for a qualified shipyards interested in the Design, the procurement, the construction, the commissioning and the delivery ready for service of ONE (01) LPG carrier, ranging from 13 000 to 15 000 cbm capacity on firm basis, plus one (01) sister ship on option in one batch.

Once the Tender Call advertisement is published on two daily newspapers and BAOSEM, interested companies may obtain a copy of the tender documents and specifications from “HYPROC S.C. SPA, Cellule Centrale des Marchés de l’Entreprise”, ZHUN USTO - BP 7200 Es-Seddikia- Oran 31025, Algérie against presentation of Power of Attorney and bank voucher for tender fees of Two hundred US Dollars (200 United States Dollars) for International Bidders or Twenty thousand Algerian Dinars (20 000 D.A) for National Bidders net of bank charges for the Beneficiary :

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The bidder can request to receive the tender book by electronic mail (mail: **ccme@hyproc.dz**), after delivery of payment vouchers.

The bidder shall present the technical offer under two sealed envelopes. The external envelope should be anonymous with only the following indications:

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The internal sealed envelope shall contain the indication “Offre Technique», the name, the logo and the bidder stamped.

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The bidder must provide all the following documents and appendixes laid out in the tender book.

Non transmission of one of the following documents will lead to systematic rejection of the submission:

1. **Declaration to be signed.**
2. **Bidding guarantee or the swift** (the swift is provided by the bidder, in the case of the impossibility to produce the Bidding guarantee);
3. **Technical offer.**

The deadline for the reception of bids at BOG (Bureau d'Ordre Général) is fixed for the **July 07th, 2021 at 9h.30 a.m (L. T).**
Submission reception date is to be considered according to Hyproc's BOG (Bureau d'Ordre Général) stamped date of receipt by post or by hand delivery.

Bids opening ceremony will be held to the same day at **10 .00 a.m (L.T).**

If the date of deposit of the bids coincides with a public holiday or a legal rest day, this date is extended until the next business day.

Any submissions received after the closing date will not be considered.

Bidders shall be committed trought their offers for 180 days from the closing date.

Technical offers will be opened in a public session at HYPROC SHIPPING COMPANY headquarters as per date and address indicated here above.

The present call of tender is considered as an invitation letter to bidders who have already sent their Technical offers to attend the opening ceremony.

After the evaluation of the technical offers, the bidders whose their offers are declared eligible technically will be invited by mail to submit a financial offer.

The opening of the financial offers will take place, in public session, at the headquarters of HYPROC S.C on the fixed date in the invitation letter.

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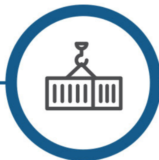

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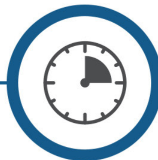

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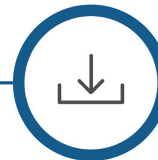

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