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Trøim positive for dry bulk outlook after company launch

SHIPPING TYCOON TOR Olav Trøim is more excited about the dry bulk market now than he was in the heady days of the early 2000s.

His decision to launch his new dry bulk company Himalaya was based on reduced supply growth, with the orderbook at 5%-6%, the lowest in three decades.

"The new investment was made because the market is already balanced now, and will become undersupplied over the next three years," he said in an interview.

The current market was reminiscent of the 2002-03 period, he said, when container lines started to earn well, and then ordered a lot of ships. This, combined with a weak dollar and higher steel prices, is "filling up yards and driving up newbuilding prices".

A supply crunch could also come about due to new energy-efficiency regulations.

"Of course, there could always be black swan events that we cannot plan for," he said. "It's the risk-reward that we like. Ordering at the right time is key."

Himalaya has ordered four newbuilding newcastlemaxes, priced at about $68m each, with an option for four more from New Times Shipbuilding in China, with which Mr Trøim has a good relationship. The vessels, which will be able to run on liquefied natural gas, are scheduled for delivery in 2023.

The final four options have to be declared in September.

"We may go ahead with those as they make for an interesting commercial proposition since the value today for a similar LNG-fuelled vessel is in the region of $77m-78m for late-2024 delivery," he said.

He managed to secure space at the yard as the first lot was placed late last year before the big containership orders were placed.

The first instalment for the new ships has been funded by Magni, Affinity and affiliated parties.

The company will likely list on the Oslo OTC market for the remaining instalments in the autumn, and then move to list on the main bourse, potentially in the fourth quarter, depending on how much is raised. No financial advisors have yet been appointed.

"We do not see a problem with financing — people like the newcastlemax market and like LNG because it offers a 40% reduction in CO2 emissions," Mr Trøim said. "It is part of our ESG strategy."

"Looking at the long-term price of LNG, if you buy into the market today, add $2 for logistical costs, you can expect to have a cost benefit of more than $5,000 per day. And that is before carbon tax benefits."

The new vessels, which will ply the Brazil-China route, should have good access to LNG infrastructure in the South American nation through NFE, which bought Golar LNG's downstream assets, said Mr Trøim, who also owns Golar.

They can also be converted to run on ammonia, at a cost of $5m-$6m.

"My biggest problem is how to revolutionise the world as 85% of energy is composed of hydrocarbons," he said. "People need energy to get out of poverty — they don't care where it comes from. It is naïve to think we can solve this with a few windmills along the coasts."

In China in the past year, 71% of electricity generation came from coal, he noted. This year, it is 75%.

Meanwhile, Mr Trøim will keep his investment in Oslo-listed 2020 Bulkers, as it has "very solid management" and is the only company he know of to offer monthly dividends.

"I'm super-happy with that," he said. "We are extremely proud of what the management team has achieved."

WHAT TO WATCH:

Spain arrests subterfuge tanker for illegal oil dumping

A PRODUCT tanker linked to US-sanctioned oil trades with Venezuela has been detained off La Palma, one of the Canary Islands, for illegally discharging oil.

Mitma, the Spanish transport ministry, ordered the Liberia-flagged, 2003-built, 47,147 dwt *Aldan* (IMO: 9258014) to divert to port at Almeria on June 13 after the European Maritime Safety Agency satellite spotted the discharge 147 miles (237 km) northwest of La Palma, in Spain's exclusive economic zone.

The illegal discharge created a 55 sq km oil stain in the Atlantic, Mitma said, adding that the vessel would remain detained until "those responsible" paid a security.

"Given the seriousness of the incidents, they could face one of the highest penalties imposed so far by the General Directorate of the Merchant Marine," it said.

"The detention of this vessel is another example of the effective work carried out by the Spanish Maritime Administration in the control of our seas and in the prosecution of those who commit illegal actions."

Lloyd's List Intelligence lists *Aldan*'s owner as Muhit Maritime FZE, registered in the United Arab Emirates' Jebel Ali Free Zone.

Muhit Maritime was one of three companies under investigation in the UAE for shipping Venezuelan crude late last year. No results of that investigation have been published.

The UAE did not respond to inquiries for comment.

The product tanker has engaged in what the US administration describes as deceptive shipping practices, with multiple gaps in its vessel-tracking data and multiple changes of ownership and name.

It was bought in December 2019 by Greece-based operators Eurotankers and renamed *Eurotrader* but quickly resold three months later to the Emirati company, which gave it the name *Aldan*.

Muhit Maritime FZE has operated three tankers formerly owned by the Gotsis family's Eurotanker over the past 18 months, all of which were deployed to ship crude and products to or from Venezuela both before and after their sale, according to vessel-tracking data.

Aldan last sailed from Venezuela on May 24, but its numerous AIS gaps over the past 12 months make its location and activities difficult to determine.

Emsa, which monitors oil spills, said it found *Aldan* through "routine monitoring operations".

It said Spain diverted an aircraft to verify the pollution based on the information it provided.

"Emsa routinely monitors EU waters with this capability and every day several of these alert reports are sent to the respective National Competent Authorities," the watchdog said. "This permanent monitoring of EU waters has a deterrent effect that is already visible in the long-term trend of detected spills."

West of England P&I Club provided the so-called blue cards that indemnify the vessel in the event of any bunker or cargo spills.

While the club confirmed the vessel was entered, it declined to comment.

As one of the 13 member clubs of the International Group, West P&I has clauses that retrospectively remove cover if vessels are found to be engaged in deceptive shipping practices including the lack of AIS data.

Data showed the tanker had a six-month gap between November and May this year, and prior data was unavailable.

ANALYSIS:

Ever Given and general average: How one of those quirky things about marine insurance works

IF A factory blows up, that is the factory owner's headache. But when a vessel is salved, cargo interests potentially numbering into the thousands are on the hook for a share of rescue costs.

Welcome to general average, which — to paraphrase a popular T-shirt slogan — is very much a Shipping Thing. People with livelihoods from more quotidian industries would not understand.

The basic idea, which dates back to Roman law, is that shipowners and cargo interests alike are parties to a 'maritime adventure'.

Where one of the parties, which in practice usually means the shipowner, incurs expense or sacrifice to save the adventure from peril, all the parties should share in the burden.

In 2021, the concept entered the headlines after GA was declared on *Ever Given* (IMO: 9811000), the boxship whose grounding in the Suez Canal in March saw the closure of the key waterway for six days.

This will almost certainly be the biggest GA casualty in history. It is not clear how many parties are involved, but there were up 20,000 boxes on board, depending on the breakdown between 20 footers and 40 footers, and there are up to 20 cargo interest a box. So the number will be immense.

In practice, the vast majority of them will be insured, and their insurers will provide the security being demanded by the owners at this stage.

The marine insurance sector is not that large, and in practice the burden will fall on perhaps 20-40 companies. Most of them will have in-house legal teams and ready to go to law if they feel they are being asked for too much money.

So what happens now? Lloyd's List asked two barristers for a crash course on GA and some predictions on how things will pan out in relation to *Ever Given*.

We spoke to James Turner QC of Quadrant Chambers, as well as an acknowledged GA specialist at another set of chambers, who preferred not to be named because he expects to be getting plenty of work on this one.

"It's as if someone goes round with a mug after the voyage has ended, requesting that everyone chip in," the second barrister said by way of analogy.

Although the system comes in for some stick from marine insurers, as attested by some lively debates at International Union of Marine Insurance conferences, he defends the system in principle.

"It's happening for want of better solutions. It's a question of appetite, really. Would insurers have the appetite to cover these losses otherwise? They haven't had so far."

All risk can in principle be quantified and priced. But two decades of soft markets have meant that not much money is to be made in the marine space, so perhaps the incentives have not been there.

But however well general average worked in Roman times or the middle ages, surely it's an anachronism in the age of the twenty-first century 20,000 teu boxship?

Fortunately, average adjusters — the professionals charged with working out which cargo interest has to put up what — have become extremely adept at casualties of this type.

Indeed, they may be handling them more quickly than they managed to do with with smaller boxship casualties 20 or 30 years ago.

Another relatively recent development is the arrival of so-called 'GA absorption clauses.' Put simply, big container alliances often agree to absorb GA, at least up to a point, in the interests of avoiding disruption to their schedules.

But their generosity is limited. Typically, GA absorption clauses are capped at around £2m, which is peanuts in real world terms. These sorts of provisions will handily cover engine breakdowns, but hardly, say, a major fire.

It is not quite clear how widespread they have become, or whether they will become more common in future. But in the case of *Ever Given*, that's by the by, as there as been no GA absorption. Cargo interests have instead been asked for security.

Where the security is not put up, the shipowner has a lien on the goods, giving the right to hang onto them until it is forthcoming.

Typically, this will take the form of a bond and a guarantee from the insurer. That entails the creation of contracts separate to bills of lading, obliging the insurer to meet eventual GA contributions proper. Where goods are uninsured, a cash deposit might be necessary.

There are options to defend GA under the York Antwerp Rules, which codify general average.

"People raise all sorts of points, not necessarily in the hope of getting an award in their favour at the end of the day, but of negotiating down the award against them," said Mr Turner.

For instance, GA is not payable where a ship is in breach of the duty of seaworthiness under a contract of carriage.

This is where the outcome of investigations into a casualty become vitally important. If engine breakdown or defective passage planning can be established, a ship may be deemed unseaworthy. But crew error is insufficient to do so.

Expenditures subject to GA also need to be voluntary. In the case of *Ever Given*, it is not clear that any punitive payments to the Egyptian authorities would be voluntary.

"If the UK P&I Club ends up paying over the odds for release of ship and cargo, is that in some way equivalent to a ransom situation? Might that be recoverable in GA as well?" Mr Turner said.

Here the legal argument will centre on the parallels with pirate hijacks, where ransom payments are a GA expense.

But *Ever Given* is in a navigable waterway in a civilised country. The Egyptian authorities may be guilty of truculence, but that is unlikely to meet the necessary threshold.

If insurers are so minded, there may even be grounds to dispute whether the vessel was even salved, within the legal meaning of the term.

"Was it effectively salved when it was taken off the bank? There's case law on this, but if you remove the casualty from the frying pan and place it in the fire, is that a useful result? That's the governing test. And you might say, not terribly, because we're no further forward," said Mr Turner.

The other barrister takes a different tack; judgements such as the Cape Bonny case suggest that where salvors need to attend before ship can carry on a journey, the hurdle is probably met.

Recompense for damage to the banks of canal resulting from the reflotation of *Ever Given* should be allowable in GA, as it was caused by the salvage, which is clearly a GA expense.

But if the bill from the Suez Canal Authority is pitched at what is effectively a punitive level, insurers could potentially contest this element.

Much of the legal action could be coming to London. Claims under bills of lading are usually subject to English law, as are claims under bonds and guarantees with arbitration clauses

Anyone intrigued or perplexed by the issues can turn to a plain English briefing document from the Comité Maritime International, a 19th century-rooted non-governmental organisation that attempts to ensure maritime law is as far as possible unified.

Retailers seek talks with Biden over US port congestion

THE National Retail Federation has requested a meeting with President Joe Biden to discuss the challenges its members are facing from continued supply chain disruptions that are leading to congestion at US ports.

The request comes as attention by US Congress and the Federal Maritime Commission intensifies into the prolonged congestion at US ports.

"We need strong leadership from the administration to galvanise attention to the current situation as well as work to resolve long-standing issues that limit safe and efficient port operations," said Matthew Shay, chief executive of the the world's largest retail trade association.

The supply chain disruption issues, "especially the congestion" affecting key maritime ports, are causing significant challenges for America's retailers," Mr Shay said in a letter to the president on June 14.

The letter was copied to Secretary of Transport Pete Buttigieg, Secretary of Commerce Gina Raimondo, the Director of the National Economic Council Brian Deese and Dan Maffei, chairman of the Federal Maritime Commission.

FMC commissioner Rebecca Dye has been conducting an investigation, called Fact Finding 29, into the issues contributing to congestion at the ports of New York-New Jersey, Los Angeles and Long Beach.

Mr Shay said US port congestion issues not only added days and weeks to members' supply chains but also have led to inventory shortages affecting their ability to serve customers.

Congestion also had added "significant transportation and warehousing costs" for retailers.

"We would like an opportunity to discuss the impact these issues are having on the nation's retailers, our workers and our customers, as well as potential solutions to address current and future disruptions," he said.

As the administration undergoes supply chain reviews for critical sectors, including transportation, he said "addressing the current state of our nation's ports and freight movement needs to be a critical component of the strategy."

The retail federation recently revised its annual sales forecast for 2021, anticipating that retail sales will now grow between 10.5% and 13.5% to more than $4.44trn as the economy accelerates its pace of recovery.

Last week it warned that the consumer buying surge continues but that it also is adding stress to an already overworked supply chain.

"Vaccine rates are increasing, shoppers are back in stores and retail supply chains are working overtime," said Jonathan Gold, vice-president for supply chain and customs policy. "There is no shortage of demand from consumers, but there continue to be shortages of labour, equipment and shipping capacity to meet that demand.

"Supply chain disruptions, port congestion and rising shipping costs could continue to be challenges through the end of the year."

Bank of America Corp chief executive Brian Moynihan said consumer spending has surged amid the reopening, much of it fuelled by leftover government stimulus money.

Spending by consumers at the second-biggest US bank exceeds $1trn so far this year, up 20% over 2019, he said. The US economy is projected to grow 7% this year and 5.5% next year, according to Bank of America.

The key risks to economic growth are supply chain and labour shortages, Mr Moynihan said. In a spring survey conducted by the bank, small businesses said their top concerns were getting workers and supplies to match the demand. "That's something that's straightening out, but will take a little time," he said.

The letter from the NRF came as US Senators announced efforts to reach a compromise over infrastructure legislation, with a preliminary agreement calling for about $974bn in infrastructure spending over five years, which would total about $1.2trn over eight years.

More than half of the total amount constitutes new spending, less than the $2.2trn that Mr Biden had put forward as part of his initial proposal known as the American Jobs Plan this spring.

But regardless of plans by Democrats or Republicans, US ports and inland waterways are due for just $17bn in spending under proposals by each of the two parties.

That $17bn is a fraction of what ports alone need, according to the American Association of Port Authorities, which represents 130 port authorities in the US, Canada, the Caribbean, and Latin America.

"The consequences of decades-long under-investment in maritime infrastructure are playing out in real time in the form of supply chain disruptions and delays that have been exacerbated by the pandemic," AAPA chief executive Chris Connor said.

The House Coast Guard and Maritime Transportation subcommittee is due to conduct a key Congressional hearing to examine the impact of shipping container shortages, delays, and increased demand on the North American supply chain.

Transpacific holds key to boxship deployment and cascading trends

IN NORMAL times, shifts in containership deployment act as an intermediate layer between global demand and supply dynamics and the employment and earnings performance of individual segments of the fleet.

Bottlenecks in the containership cascade, such as occurred in 2015-2016, can lead to adverse market conditions for particular fleet segments.

Conversely, the 'uncorking' of these bottlenecks can reverse these shifts in the relative fortunes of different asset classes: the relative underperformance of feeder vessels between the second half of 2018 and the period immediately prior to the pandemic had a number of contributing factors, but a more efficient cascade that allowed increased injections of larger vessels onto intra-regional trades was one notable driver.

Following the developments of the past year, the industry faces a peculiar dynamic with respect to the cascade and deployment trends: The ongoing market chaos and the inefficiency-driven under-supply of tonnage reduces the importance of deployment trends in the near-term, while the recent surge in container newbuilding contracting will make the operation of the containership cascade a factor of renewed and enhanced performance in several years' time. And in both cases, the transpacific trade is the main actor.

In current markets, factors concerning the size of the vessels deployed in different regions are largely irrelevant for the relative employment prospects and earnings across asset classes: Any cellular vessel that floats, in any region, is in such extraordinary demand that it is hard to differentiate relative performance between different sub-sectors.

Within the larger segments of the fleet there has been a substantial net increase in transpacific employment over the past 12 months, with the volume of smaller midsize units seeing greater stability.

This in part reflects the ongoing process of vessel upsizing on the transpacific trades, but also the size distribution of vessels that have been delivered to the fleet over the past year; it would have been hard to add significant volumes of sub-9,000 teu vessels to these trades without diverting vessels from other trade lanes.

Within the 11,000-plus teu fleet, newbuilding deliveries have provided an alternative source of incremental capacity.

While the strength of US import demand since the middle of last year has clearly played a significant role in driving down the size of the idle containership fleet (just over 10% of current transpacific capacity had no service allocation 12 months ago), it is also clear that there has been a degree of 'poaching' of tonnage from other regions: About 25% of the capacity currently serving the transpacific trades was deployed on other long-haul trades in the second quarter of 2020.

When demand trends normalise and fleet and port inefficiencies reduce, how far will the volume of tonnage deployed on the transpacific trades fall?

We think that a reduction is likely to take place, and that given the choice liner companies will take the opportunity to distribute capacity more efficiently across their networks.

Our central scenario is that the unwinding of coronavirus-specific sources of transpacific vessel demand will lead to a reduction in the teu volume of transpacific over the next six to 12 months, but this is unlikely to be a sudden dumping of tonnage that would upset time charter market or supply-demand balances on lower priority trade lanes.

The next question related to the transpacific and the future of the cascade relates to a period further into the future: Namely, when the volume of newbuild deliveries increases once again from 2023 onwards, how will these vessels be accommodated across the fleet?

The container line industry has collectively ordered a staggering volume of newbuilding tonnage since the beginning of fourth quarter of 2020. Given the age profile of the larger vessels in the fleet, which will limit the degree to which newbuilding deliveries will be 'one-for-one' replacements of existing vessels, as well as the clustering of orders around 15,000 teu-16,000 teu, this almost certainly implies the need to further upsize average vessel sizes on individual trade lanes.

The transpacific will hold the key to whether this process proceeds smoothly. While vessels of 15,000 teu-16,000 teu do have a range of deployment options (Asia-Mediterranean, Asia-Middle East/Indian subcontinent and Asia-west Africa, with potential future extension to Latin America services) either continued upsizing above this level or insufficient trade volumes on the other routes mean that these trades are simply not sufficient to absorb the volume of capacity that has been ordered in the past nine months.

From our perspective, and in light of the fact that we think transpacific containership deployment faces a near-term peak in the next six months, the challenge is that the volume of tonnage that the transpacific will have to absorb over 2023-2024 is substantial.

In the event where container line companies 'need' total transpacific deployed capacity in 2023-24 that is, for example, 10% below today's volume, the chart shows the surplus of tonnage that arises from injecting either the entirety or 50% of the 10,000 teu-16,000 teu orderbook to the transpacific.

The basic message is clear: Even if only 50% of the current 10,000 teu-16,000 teu orderbook eventually finds employment on the transpacific, the outcomes of which are represented by the yellow line on the chart, under nearly every vessel-demand growth scenario, adding these newbuilding deliveries will force a sizeable displacement of existing tonnage (or, less likely, the decision to send the newbuildings elsewhere).

MARKETS:

Capesize outlook is constructive says, 2020 Bulkers chief

THE chief executive of Tor Olav Trøim-backed 2020 Bulkers is bullish about the prospects for the capesize sector.

"We're emphasising the orderbook — the most attractive we've seen since the mid-1980s — at 5.5% net to the existing fleet," said Magnus Halvorsen.

Coupled with that is yard capacity constraints in China, thanks to a huge swathe of container newbuilding orders, he said, adding that there will hardly be any new deliveries in dry bulk until 2024, apart from a few exceptions.

The Energy Efficiency Existing Ship Index (EEXI), which is launching in January 2023, will likely also see a phase-out of vessels, he said, which will add to the supply crunch.

The pace of deliveries in the second half of this year will be slower than in the first six months, at a time when demand continues strong, Mr Halvorsen told Lloyd's List.

Steel output from the world excluding China is picking up "significantly", while soft commodities are benefiting the smaller-sized bulk carriers.

The company has eight 208,000 dwt scrubber-fitted newcastlemaxes in its fleet, built in 2019 and 2020. The vessels are chartered out to Koch and Glencore for the most part.

In its commercial update, the company said it achieved time charter equivalent earnings of $43,700 per day gross in May.

Six of its vessels on index-linked charters earned about $48,400 per day, gross, including scrubber benefits of some $2,200 daily. Two vessels trading on fixed time charters made $29,800 per day, gross, including average scrubber benefits of $2,400 per day.

The Baltic Capesize Index meanwhile averaged $35,508 per day during May, the company said.

Mr Halvorsen said the company was "not under pressure" to add more tonnage, and was not looking to contract newbuildings. He is more focused on monthly dividends, with $0.30 per share approved for May.

On an annual basis, that translates to a burn rate yield of 25%, Mr Halvorsen said.

As of October 27, 2020, Mr Trøim owned 228,342 shares, or 1%, of 2020 Bulkers. The biggest shareholder is Drew Holdings, at 32.4%, of which Mr Trøim is a beneficiary.

This week, Mr Trøim announced the launch of a new dry bulk company called Himalaya that has ordered newcastlemaxes able to run on liquefied natural gas.

Himalaya is a standalone company, and although there are similarities, the two companies will focus on different propulsion systems, Mr Halvorsen said.

2020 Bulkers' shareholdings have been cut to $105m from $120m.

Hapag-Lloyd postpones drydockings to boost slot capacity in unprecedented market

CONTAINER lines are postponing drydocking programmes and speeding up ships where appropriate as they struggle to move unprecedented volumes of cargo.

Hapag-Lloyd chief executive Rolf Habben Jansen said capacity supply and demand imbalance showed no sign of easing up in the near future, with carriers doing whatever they could to meet customer requirements.

The situation is being compounded by congestion and delays in key ports around world. With average waiting times for vessels per round voyage doubling to over three days, "you need more ships to transport the same amount of cargo", Mr Habben Jansen said on a webinar.

As well as chartering additional tonnage and ordering more container equipment, Hapag-Lloyd has also taken other initiatives to make available as many container slots as possible in response to intense pressure from shippers and forwarders.

Mr Habben Jansen said he understood the frustration of customers who are complaining about sky-high freight rates

"We are also frustrated by the situation… but to be honest, I do not know what more we could do to try and maximise capacity," he said.

In addition to adding more ships and boxes, Hapag-Lloyd has also delayed routine drydockings, he revealed. Other lines have done the same.

On the question of speed, ships are going faster "where it makes sense". But Mr Habben Jansen said ships would not be told to speed up, so burning more fuel and money, if they then faced lengthy delays at the destination port.

"The challenge we have is that demand is simply outpacing supply."

Mr Habben Jansen also said Hapag-Lloyd had urged customers to sign annual contracts in the Asia-Europe trades at the start of the year that would have locked them into fixed freight rates which, at the time, were around $2,500 per teu.

However, many cargo interests had delayed in the belief that the market would soften, whereas the opposite happened. Today, spot Asia-Europe rates are in excess of $6,000 per teu, and these levels would be reflected in contract terms.

"I would like to see a more normal market and we are working hard to get that done," he said, adding that Hapag-Lloyd has never before had to pay so much to increase fleet capacity through chartered tonnage and other actions.

He said that although the orderbook has increased to around 18% of the existing fleet, this was still probably not enough, given that "right now, we simply do not have enough ships to carry all the cargo".

The orderbook is expected to go up a bit further for ships scheduled for delivery between 2023 and 2025, "and I think that is going to be needed", said Mr Habben Jansen.

The container shipping industry has a poor track record for excessive newbuilding activity, with the orderbook reaching more than 60% at one stage in the past before the market collapsed, but he played down the risks of unchecked fleet expansion in the coming few years.

"I don't think there will be any significant overcapacity," he said, with scrapping activity expected to rise from current exceptionally low levels as new regulations on emissions force older tonnage out of service. That should help keep fleet growth in line with demand.

IN OTHER NEWS:

X-Press Pearl operator says master bailed following court hearing

THE Russian master of the fire-stricken *X-Press Pearl* (IMO: 9875343) was released on bail pending investigations into the chemical fire behind Sri Lanka's biggest environmental disaster.

Capt Vitaly Tyutkalo was arrested in Colombo on June 14 and faced court in connection with alleged offences under the Marine Pollution Prevention Act. He was not charged, X-Press Feeders said in a statement.

He was barred from leaving the country and faces court again on July 1, according to the Agence France-Presse news agency, which said police also questioned the ship's chief officer Peter Anish, of India, and Russian chief engineer Oleg Sadilenko.

DSME venture wins $2.3bn offshore facility contract

SOUTH Korea's Daewoo Shipbuilding & Marine Engineering has emerged as the second yard group based out of Asia to land a major contract to build a large floating production, storage and offloading vessel for the Petrobras-operated giant Buzios oilfield.

Brazil's Petrobras has awarded the $2.3bn contract to a venture between DSME and Italy's contracting group Saipem.

Saipem valued its portion at about $1.3bn, suggesting DSME's share of the contract amounts to $1bn.

Eastern Pacific Shipping joins university study of ammonia as a marine fuel

EASTERN Pacific, a shipowner and shipmanagement company, will partner with Singapore's Nanyang Technological University to explore the use of ammonia as an alternative marine fuel.

The study aims to create understanding for the development of ammonia supply chain and bunkering safety to aid the maritime industry's transition to lower carbon footprint fuels.

The partners will also seek to study green ammonia production and supply, ammonia bunkering process, and potential issues arising from adopting ammonia as a marine fuel.

Oceania links up with Kanfer to boost Australia's marine LNG demand

KANFER Shipping has hooked up with a local partner to roll out liquefied natural gas bunkering services in Australia in the next two years.

The Norway-based company has signed a letter of intent with Oceania Marine Energy to jointly pursue small-scale bunkering and distribution of liquefied natural gas and ammonia.

Australia's Oceania is engaging discussions with natural gas and ammonia producers for supplies to the shipping industry. It is concurrently applying for LNG bunkering licences with port authorities.

Navios Partners inks three-year charters for five boxships

NAVIOS Maritime Partners, the dry bulk carrier and containership owner, has agreed three-year charters for five panamax boxships at an average day-rate of $41,723.

The New York Stock Exchange-listed company said that over the minimum period of 35 months the charters are expected to add at least $220m in revenue and generate estimated earnings before interest, taxes and depreciation of $181.3m.

It did not identify the charterer involved but all five vessels appear to have been taken by the same charterer.

HMM confirms cyber attack

HMM, the South Korean shipping group, said it suffered a breach of its IT systems affecting email provision in some parts of the world.

The unidentified security breach was detected over the weekend resulting in limited access to company email systems, the carrier said.

"Most of the confirmed damages have been restored; no information or data leakage found," it said in a statement.

GasLog Partners agrees charters with Total and Shell

GASLOG Partners has said it has agreed short period charters with Total and Shell for two of its 155,000 cu m tri-fuel diesel electric liquefied natural gas carriers.

The New York Stock Exchange-listed partnership said that a Total subsidiary had agreed a one-year charter for the 2013-built *GasLog Sydney* (IMO: 9626273).

A Shell subsidiary is taking the 2014-built *Solaris* (IMO: 9634098) on an eight-month charter.

Classified notices follow