

Somalia and the pirates

The MV Faina is a Ukrainian cargo ship loaded with 33 tanks, rocket-propelled grenades, anti-aircraft guns and ammunition-material it was transporting from Ukraine to Kenya. Its capacity is 3,280 tons and it carries a crew of 21. On Sept. 25, this behemoth was hijacked by a handful of sandal-shod pirates off the coast of Somalia. They arrived in small skiffs and clambered aboard. Their ransom demand: \$20 million to release the crew and cargo. They threatened on Friday to destroy the ship if a ransom isn't paid within three days.

This is not a Johnny Depp movie. Small-time piracy has become a big-time moneymaker off the Somali coast. Pirates in speedboats, armed with AK-47s and rocket-propelled launchers, have made the waters off the Horn of Africa extremely dangerous. In the first two weeks of September, 17 ships were attacked in or near the Gulf of Aden. Only 13 were targeted last year, according to the International Maritime Bureau's piracy monitoring center in Malaysia.

The waters off Somalia are part of the main sea route linking Asia, the Middle East and Europe. Somali pirates have extracted \$18 million to \$30 million in ransom payments this year, according to Chatham House, a British think tank. They could haul in \$50 million by the end of December. It's amazing that such ragtag crews could terrorize an entire coastline. Marry the big ships and the little pirates, and you've got a huge international commerce problem. On Friday, the Tribune's Paul Salopek reported an interesting side to this: the pirates claim the ransoms they win amount to payback for the abuse of Somali waters by foreign ships.

Since the 1991 collapse of Somalia's government, some European ships have dumped industrial waste off its shores. Illegal overfishing by foreign vessels has depleted the local stock, leaving Somalis with no catch and no livelihood. Peter Lehr, a Somali piracy expert at the University of St. Andrews in Scotland, told Salopek, "Somalis collect up to \$100 million a year from pirate ransoms off their coasts. And the Europeans and Asians poach around \$300 million a year in fish from Somali waters."

If Somalia could patrol its own waters, this wouldn't happen. But it can't do that. Other nations should help to curb those activities, but let's be clear: illegal dumping and fishing doesn't equate to kidnapping ships and crews and holding them for ransom. Piracy also hurts Somalia's poor. The United Nations' World Food Programme has been forced to suspend delivery of much-needed aid because of the threat of attacks. Once a ship is captured, the options to respond shrink quickly. If pirates followed through on a threat to sink or set afire a tanker, the environmental damage would be devastating. The threat of being caught isn't a deterrent. So the attacks have to be prevented and that is going to take international cooperation.

It is starting to happen. The Combined Maritime Forces, a coalition of the U.S. and 19 other countries, established the Maritime Security Patrol Area on Aug. 22 to combat attacks on vessels in the Gulf of Aden. NATO sent ships Thursday. When the MV Faina was hit, the U.S. immediately sent the USS Howard to keep visual tabs on the ship until the Russian warship Neustrashniny could get there. French

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Defense Minister Herve Morin has announced that at least 10 European countries would take part in an air and sea anti-piracy effort. A greater international presence in the seas should help to curb the illegal dumping and fishing. Someone will be watching.

The first priority, though, is piracy. If the international community can't make the Gulf of Aden, and the Somali coast, safe for shipping, transport vessels may have to travel around the southern tip of Africa en route to Europe. That would dramatically increase shipping times and the amount of fuel consumed. Piracy could become a steady source of funding for terrorist networks in Africa. Chatham House reports that ransom money is being diverted to the war in Somalia. And some money is finding its way into the hands of organizations pegged as terrorists by the U.S.

Roughly 16,000 ships make their way through the Gulf of Aden every year. If the international community doesn't find a way to curb piracy, all those vessels will be at risk.

Family of youngest crew member worried over his safety

KOTA BARU: Another family from Kelantan, whose son is among the 41 crew members onboard the hijacked Bunga Melati Lima, has expressed concern for his safety. They said although the Malaysian International Shipping Corporation (MISC) had given an assurance that the problem would end within 30 to 40 days, they were still worried for Muhd Nazri Mat Salleh and the other crew members.

Nazri's father, Mat Salleh Daud, said the family was informed of the incident by an MISC representative a day after the ship was hijacked on Aug 29. "He then told us to attend a meeting in Kuala Lumpur on Sunday. Because we could not go there immediately, we sent Nazri's brother, Noraffendi, 32, as he is staying in Kuala Lumpur. "At the meeting attended by relatives of kidnapped crew members, the MISC representative said the company was still negotiating with the pirates."The company asked us to be patient and promised the problem would be settled after 30 or 40 days," said the 59-year-old government pensioner at his house in Kampung Kerasak here yesterday.

Mat Salleh said the family was worried about 22-year-old Nazri as he was the youngest crew member and had little experience. "It is his second trip since he joined the company last year. He was so excited to work on the vessel and immediately agreed when offered the job after completing his studies at Institut Kemahiran Mara in Perlis." The family met Nazri last, was when he returned home last June."He was called to work before his leave ended. Before doing so, he told his sister, Norazrina, to take care of me and his mother." Nazri's mother, Khadijah Yusof, 53, said he told her that he had two big plans when he returned in December; to buy a car and to get engaged to his girlfriend. Third naval vessel deployed to Gulf of Aden

KUALA LUMPUR: The cabinet has no objection to the Defence Ministry's move to deploy a crack team to the Gulf of Aden following the hijacking of two Malaysian tankers recently. Prime Minister Datuk Seri Abdullah Ahmad Badawi said the cabinet was informed of the move. "We have no objection to it," he told a press conference after chairing the National

Economic Council meeting at the Ministry of Finance.

Bunga Melati Lima, fully laden with petrochemicals, was heading towards Singapore from Yanbu, Saudi Arabia, when it was hijacked on Friday. It was the second MISC tanker to be hijacked in the gulf. On Aug 19, Bunga Melati Dua was hijacked. Following the second hijacking, Malaysia International Shipping Corporation (MISC) ordered its vessels not to enter the area. Subsequently, two Royal Malaysian Navy warships were deployed to protect Malaysian merchant ships in the region.

Meanwhile, Deputy Prime Minister Datuk Seri Najib Razak said the government was sending another ship to join two other ships to help protect Malaysian merchant ships in the Gulf of Aden. Najib said the KD Pahang, an offshore patrol vessel, would join two ships -- the frigate, KD Lekiu and the support ship KD Inderapura, which are near Maldives to help with the operation. Asked if the ships would cooperate with naval vessels from other countries in the Gulf of Aden, Najib said it would depend on the situation there.

"We will see what is happening there and decide if we have to work with other ships for the purpose of security in the area," he said after receiving Hari Raya cookies from the ministers and deputy ministers wives association (Bakti) at the ministry yesterday. The Bunga Melati Dua and Bunga Melati Lima, with 65 crew members on board, are being held hostage by pirates.

Najib said the hostages were all safe and the government and the MISC were in constant contact with the pirates.

On the RM3 million ransom demanded by the pirates, Najib said it had not been decided and the decision was up to the parties involved in the negotiations. Asked if the government had informed the United Nations about the presence of the country's naval vessels in the area, Najib said it had not. "But I will touch on this in my speech at the United Nations assembly on Sept 29." Asked if it was time for the country to introduce universal jurisdiction laws, where those who harmed Malaysians could be brought back to the country and tried, Najib said it was difficult to enforce.

"I am not sure about the legal aspects. These people are not law-abiding people. Even if we have international laws, how are we going to enforce it? "We have to consider the practicalities of doing so."

MISC tanker hijack: Wisma Putra aiding rescue efforts

KUALA LUMPUR: Wisma Putra will be working closely with its representatives in Kenya and Yemen to ensure the safe return of the crew and recovery of the Malaysian chemical/palm oil tanker hijacked in the Gulf of Aden between Yemen and Somalia on Tuesday. Foreign Minister Datuk Seri Dr Rais Yatim said the representatives will assist in coordinating the recovery of the vessel and the safe return of all crew members on board. The hijacked, MT Bunga Melati Dua has a crew of 29 Malaysians and 10 Filipinos.

MISC Bhd's corporate affairs department general manager Fiona Clare Pereira said they had yet to make contact or received any demands from the hijackers. She said the ship

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From the Editor's Desk



Shipping is perhaps the most international of the world's industries, serving more than 90 per cent of the global trade by carrying huge quantities of cargo, cost effectively, cleanly and safely. We need to also view the feasibility of shifting more and more cargo from Rail, Road & Air to ships for transportation, overall carbon emissions can therefore be drastically reduced; besides the traffic congestion. Healthier inhaling by those on land and green technology can be improvised. Like other industries spread world-wide, shipping is also facing increasingly tough international challenges to achieve emission reductions. Carbon dioxide (CO₂) emissions can be significantly reduced by as much as 40-50% by religiously following proper periodical and preventive maintenance of main and auxiliary engines, right actions of operational and administrative functions on vessels. Man power onboard "Can do" will to work efficiently with sincere burning desire, thus achieving the optimized output, all this should come from within the employees at sea and the fullest cooperation from the relevant shore based staff. "Sincere thoughts to improve fuel consumption, avoid wastage, use of redesigned fuel-valves and fuel-system, propellers and hulls; use of best paints that make ships less 'sticky' through the water to attract sea-weeds, barnacles; greater flexibility in shipping lanes to allow ships to by-pass storms rather than cruise through them resulting in burning more fuel, while facing avoidable resistances in movement . Support and cooperation from shore-management to ensure supply and use of the right Fuel and lubricants (bunker), emissions and green technology are one of the crucial areas. The International Maritime Organisation, the UN agency responsible for maritime safety and preventing pollution from ships, says all vessels more than 20 years old must be withdrawn from service, its not the ageing alone that matters but for the timely periodical preventive quality maintenance. IMO's expectancy that all single-hull vessels have to be replaced by double-hull ones by 2010. The Marine Affairs Department of the UAE National Transport Authority recently made it clear no single-hull tankers will be allowed to trade in the UAE after the 2010 deadline. But does not ask for shifting and employing single hull vessels on any other sector of the ocean jeopardizing safety of human souls elsewhere. What is best to be adopted universally not compromising the lives of the innocent souls at work onboard. EAE adopts, "Marine safety as a top priority for ship registration in the UAE and vessels that do not meet safety requirements cannot operate here," a UAE statement said.

Scarcity of marine professionals: The need to attract the best, those who are mentally and physically fit with professional competency in their activity based profession on vessels with a mindset to work, owing to lean skeleton strength manning onboard. Higher crew wages is therefore a bound necessity for Seafarer's sacrifices and risks involved in their profession, besides they are over-worked. They do not drive up the operating costs. Investing on the right human capital could help cutting-down on wastages, downtime etc. Instead bring down the wages of shore-based shipping staff in civil peace area, comparing others working ashore, not comparing with that of the wages of seafarers, who are on hazardous working conditions.

The growing incidents of "PIRACY" causes concern for preparedness: Seafarers are worried that more and more, join the pirates to hijack the ships because of its return being very lucrative and there is no deterrent. "Somalia has no central administrative government machinery " for smooth maintenance of law and order. "The United Nations is the only agency that can stop this menace. The international community has to agree to find ways to solve this worsening problem. That is the only way forward for its 3,025km coastline -- the longest in Africa - SOMALIAN WATERS remains virtually un-policed. Seafarers venturing out at sea therefore need to be sober, physically and mentally fit and disciplined at all times, calls for alertness and activeness to meet the eventualities. Captains (MASTER) of vessels should always be cautious and take the necessary safety measures to avoid risk of Pirate attacks. These pirates are not law-abiding people. Though we have International Laws, how are we going to enforce it? "We have to consider the practicalities of doing so." Vessels are to maintain 24-hour radar and visual watch for any suspicious activities, while out at sea". Early detection will help prevent boarding's by pirates. "Mariners in such prone area should take more responsibility for their own safety. Why, a remedial action not taken as yet, for the Marine Piracy menace? The professional seafarers out at sea, leading a life of sacrifice and risks in their day/night-duty out at sea, is surmounted with marine piracy menace these days. They are already over-worked and tired, expected to be vigilant with scary mindset. What is the world body doing about this? Owing to the increasing piracy, considerable seafarers are giving serious thought to quit their service at sea and seek shore based employment. Those old-timer mariners who were academically poor (school drop-outs), under-graduates, with trade apprenticeship have easily forgotten their hard life at sea, being self-centered with their plum jobs held, on the strength of the unregulated COC's issued during the past, working parallel with the IAS bureaucrats, HOD's, Deans in Maritime Colleges, Academies and as well as Vice Chancellor of Maritime Universities with exception to a few like Capt. K. Vivekanandan. Are they competent to talk about the wages drawn by the present seafarers out at sea, to be high. The management of "MARINE WAVES" feels that the seafarers out at sea, should be treated much far better, as they work on quicker turnaround vessels, unlike our old days on ocean going vessels. To solve global problems we need global solutions, and we must work together even when there are differences in our political systems.

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was last sighted heading towards Somalia and MISC is working with the relevant authorities in monitoring the situation. "We would like to reassure all concerned that the safety and lives of our crew members are of utmost priority to us." "We have contacted the Malaysian and Philippine family members of the affected crew and we will provide all necessary assistance and support to them in this trying period," Pereira said in a statement yesterday

KUALA LUMPUR: Malaysian shipping firm MISC Bhd had established communications with its hijacked tanker on Thursday and was informed of a "casualty" onboard. In a statement released yesterday, MISC said communications with the MT Bunga Melati Dua chemical/palm oil tanker had been established at 5.05pm Malaysian time. It said the company had been informed that there was one casualty among the vessel's Filipino crew during the boarding of the vessel by hijackers, but did not elaborate. "We are unable to confirm this incident. We are informed the rest of the crew are safe," the statement read. Malaysian MT Bunga Melati Dua tanker was seized by pirates off the coast of Somalia on Tuesday, with 29 Malaysians and 10 Filipinos on board. The 32,025-tonne tanker was attacked in the Gulf of Aden between Somalia and Yemen, one of the world's most dangerous shipping lanes. Meanwhile, the Malaysian Maritime Enforcement agency has advised Malaysian vessels to use the furthest route from the Somalia shoreline. Its director, Admiral Datuk Mohd Amdan Kurish, said captains of vessels should always be cautious and take the necessary safety measures to avoid risk of pirate attacks.

The International Maritime Bureau, when contacted by the New Straits Times, refused to comment. Head of the Piracy Reporting Centre in Malaysia Noel Choong said he could not say anything for the sake of the "safety of the crew". However, Choong told the Associated Press a warship from an international naval force had been deployed to track three vessels and their 57 crew that were hijacked in an unprecedented spate of attacks by pirates off the coast of Somalia. However, the Bunga Melati Dua was not one of those mentioned by Choong.

The hijacked vessels mentioned were from Iran, Japan and Germany, all of

which were seized on Thursday, two days after the Malaysian ship. Like the Bunga Melati Dua, they were hijacked in the Gulf of Aden. "All the three ships are still moving and appear to be heading toward Somali territorial water. A warship has been despatched to monitor and track the vessels," he said. The naval force includes the United States, France, Germany, Pakistan, Britain and Canada, which currently holds the rotating command. No other details were immediately available.

"Somalia has no central government. We are worried that more may join the pirates to hijack ships because it's very lucrative and there is no deterrent," Choong said. "The United Nations is the only agency that can stop this menace. The international community has to agree to find ways to solve this worsening problem. That is the only way forward." It has 3,025km coastline -- the longest in Africa -- remains virtually unpoliced.

KUALA LUMPUR: In war-ravaged, bitterly poor Somalia, there are many men living in palatial beachfront villas and driving luxury cars. Their wealth is not from preying on the abject poor, or from ingenuity in exploiting the desperate situation in their country. These filthy rich men are pirates, who have turned lawless Somalia into a pirates' paradise. Heavily armed, they prey on passing ships in the Gulf of Aden, one of the world's busiest sea routes, with impunity.

The ships -- including oil tankers -- are worth millions each. Their cargoes are also worth millions. But these are not what the pirates are after. They hijack the ships and hold the crew hostage for something better -- cold hard cash in US currency. Shipowners buckle under the need to get back their vessels and the pressure to get their crew safely out. So lucrative is the piracy business that at least 30 ships have been hijacked off the coast of Somalia so far this year, including two belonging to Malaysian International Shipping Corporation.

"The pirates with money to burn appear to have become beacons of hope for many young men who are desperate for work in one of the planet's poorest countries," a source said, warning that with each ransom payment, the lure of piracy becomes more and more difficult to resist for Somali youth. "These youths, who used to work as bodyguards or in the government militia, see the lucrative rewards which are available at sea and decide to enlist in the pirate gangs. A vicious cycle is born."

Another disturbing factor is the funnelling of ransom money to Somali insurgents, who are mounting an increasing number of assaults in the anarchic Horn of Africa nation. Piracy has been rife off Somalia since warlords overthrew dictator Mohamed Siad Barre in 1991. Piracy attacks hit unprecedented levels last month. Malaysian tanker Bunga Melati Lima was the latest vessel to fall victim when it was taken over last Friday night. Until now, authorities are tightlipped about the vessel and its sister ship Bunga Melati Dua, hijacked on Aug 19.

MISC's Bunga Melati Lima was attacked by pirates off the coast of Yemen on Friday night. The vessel has a crew of 36 Malaysians and five Philippine temporary maintenance crew. Bunga Melati Dua was seized off the coast of Somalia. It has 29 Malaysian and 10 Filipino crew members.

A coalition of warships and aircraft from several Western countries has set up a Maritime Security Patrol Area to avert piracy and hijacking. However, commercial ships plying the gulf have been warned that this is no guarantee of safe passage. Vessels are advised to maintain 24-hour radar and visual watch for any suspicious activities. Early detection will help prevent boardings by pirates. Sources said negotiations to free hijacked ships and kidnapped crews could take up to a month.

"The pirates' favourite choice of currency is US dollars and the method of payment is normally in cash. Deposits into bank accounts are discouraged as paperwork and records mean a trail will be left behind," a source said. "The first and immediate priority during negotiations is the safety of the hostages." However, the pirates are known to treat hostages well -- as any deaths could affect the amount of ransom paid.

The pirates are normally armed with automatic weapons and rocket-propelled grenade launchers, easily available as Somalia has not had a functioning government since 1991.

The recent piracy figures released by the International Maritime Bureau Piracy Reporting Centre indicate a recent spike in incidents. While the 114 incidents reported in the first six months of this year are slightly fewer than the 126 reported in the corresponding period last year, the number of incidents recorded in the second quarter of this year totalled 62, against the 52 accounted for in the first quarter.

Of the 114 incidents in African waters between January and June this year, 190 crew members were taken hostage. Six were killed while seven others are missing and presumed dead. Somalia leads the infamous list of piracy cases with 24 in the first six months of the year, followed by 18 reported incidents in Nigeria.

Investigators have identified a recent shift in the location of attacks to the north-eastern Somali coastline and the Gulf of Aden.

Hijacked vessel heading for pirates' hideout: BOSASSO (Somalia): Somali pirates are taking a hijacked Malaysian tanker to their coastal base, where gunmen are already holding six vessels for ransom, a local official said yesterday. The Bunga Melati Lima was

carrying 30,000 tonnes of petrochemicals to Singapore from Saudi Arabia when it was seized on Friday in the Gulf of Aden. "The Malaysian ship is being sailed towards Eyl where another six vessels are held," Abdulqadir Muse Yusuf, assistant minister for fisheries in the autonomous Puntland region, said. He accused villagers in Alula, Bargal and Eyl of providing the pirates with supplies and said radio operators on the coast were also helping the gangs. "The pirates are increasing dramatically in numbers and in strength," Yusuf said.

In Kuala Lumpur, the foreign ministry has decided to take steps to secure the release of the crews of the Malaysian ships. Foreign Minister Datuk Seri Dr Rais Yatim said the piracy problem in the area fell under the United Nations' Convention

on the Law of the Sea. However, he said, the convention "has more bark than bite". Rais said Wisma Putra had established a committee with the Defence Ministry and Malaysian International Shipping Corporation Bhd (MISC) to find a solution.

He said so far, they had only been able to use diplomatic channels in Somalia and Yemen to gather intelligence and information from the local authorities there. "We found out that the pirates have no interest in dealing with the country, but will deal with the shipowners, which is MISC," he said. Commenting on the RM10 million ransom sought for the release of the crew of Bunga Melati Dua, he said the demand was only made to MISC and not the government.

W o r l d I n f o D e s k

US Navy: Shipping companies must tackle piracy:

DUBAI, United Arab Emirates - The US Navy commander in the Gulf says that the international shipping industry has a responsibility to protect vessels against pirate attacks and kidnappings. Vice Adm. Bill Gortney, commander of the 5th Fleet, says the US-led coalition patrolling the Gulf waters simply doesn't "have the resources to provide 24-hour protection" for hundreds of commercial vessels passing daily through the dangerous Gulf of Aden. Drug smuggling and kidnappings for ransom are rampant, despite heavy presence of US warships and patrol boats in the area.

A statement Monday from the 5th Fleet headquarters in Bahrain quotes Gortney as saying that shipping companies "must take measures to defend their vessels and crews."

IMO Approves Shipbuilding Standards:

International Maritime Organisation (IMO) has accepted improved shipbuilding standards aimed at passenger and cargo ships. The new construction rules, designed to increase a vessel's chance of surviving an accident, were agreed at the IMO's committee on stability and load lines headed by the Australian Maritime Safety Authority (AMSA). They will come into force following final approval in November and will apply to ships with keel laying after January 2009.

The vulnerability of passenger ships was demonstrated last November when the 2,398-gt Explorer (built 1969) sank in the Antarctic hours after hitting an iceberg. There were no fatalities. The cruise industry has been pushing for better survivability rules through its "safe return to port" initiative.

Statistical analysis showed that the survivability of vessels needed to be improved. All ships will have to be built with a double bottom unless it can be proved that a comparable level of safety can be achieved. Among the new rules is one concerning lubricating-oil circulation tanks, which must be kept a minimum distance of 500 millimetres from the keel line of the vessel to prevent the oil escaping in the case of a grounding leading to engine failure.

Guidelines for the crew will also advise on how to ensure a vessel survives in an accident. Explanatory notes for shipyards and designers are now being drawn up and will be included in a revision of the Safety of Life at Sea (SOLAS) convention, available from classification societies.

Flexibility in Ship Design:

The new "Technical Committee on Risk Management" of Germanischer Lloyd was established to respond to the growing significance of risk-based approaches for the maritime industry. The new committee's main objective is facilitation and consolidation of industry's needs related to the application of risk-based methods for future profitable maritime business.

"Rule development at GL incorporates Formal Safety Assessment," said Dr Edzard Brünner, Head of Competence Centre Rule Development. He presented the new rule development process at GL, IMO goal-based standards as future requirement for class rules, structural reliability analysis as a tool to be used to determine safety factors, the challenges involved in approving alternative design and arrangements and the requirements related to safe return to port. With "Safe Return to Port", the International Maritime Organization (IMO) has for the first time defined performance requirements for essential systems on passenger ships under predefined casualty scenarios. The coming SOLAS requirements to "Safe Return to Port" call for defined flooding as well as fire casualties the application of different and more risk based methods compared to the prescriptive requirements of today. The committee also took a close look at the current IMO activities related to risk management. With the two concepts "goal-based standards" and "safe return to port" IMO is working on new regulations. Existing regulations and guidelines cover formal safety assessment, alternative design and arrangements for fire safety, life saving appliances and probabilistic damage stability. New Offshore Lifeboat

Lifeboat and davit manufacturer Schat-Harding is to launch a new generation freefall lifeboat for the offshore industry. The FF1200 boat and matching davit will have a capacity for up to 70 persons and



will be suitable for drop heights from platforms and other offshore units up to 33 m above sea level in extreme conditions. The unique feature of the new design is that it meets all the new OLF (The Norwegian Oil Industry Association) design criteria for lifeboats in the Norwegian offshore sector, which leads the world in offshore safety standards. Compared to all existing lifeboat designs the FF1200 has additional clearance inside the boat for safety and comfort with a more streamlined shape and powerful engine to give better headway in waves. Improved structural design will maximise canopy strength during the drop and splash in and a new seat design is based on heavier workers, with an average weight of 100 kg. Five point seatbelts will keep passengers from 1.4 m to 2.1 m tall safe and comfortable even with high drop heights into heavy waves. Once safely in the sea a high power diesel engine will deliver approximately three times the thrust of current freefall boat engines, and extensive model tests have resulted in a form which gives excellent performance in a seaway.

New research has shown that some passengers in high-drop freefall boats can be exposed to very high g-forces, especially when boat is launched into heavy seas. Current lifeboat regulations do not take these into account, and that has led to rig shut downs in some sea conditions as lifeboat capacity had to be de-rated to suit the conditions. So Schat-Harding, working with the OLF, has introduced a new seat, seat belt and head protection arrangement which will ensure that all personnel in the lifeboat are protected from high g-forces when launched even into the troughs of large waves.

Super-large LNG Vessel:

Qatar Gas Transport ordered and will operate the first of a new class of super-large LNG vessels, the "Q-Max," having the capacity to carry 266,000 cu m of LNG, almost 80% more cargo than conventional lng ships. Designated as "Q-Max", Q for Qatar and Max for the maximum-size ship able to dock at that

country's LNG terminals, the new vessels are expected to spearhead long-haul gas shipping to the US and Europe. The vessel has a length of 345 m, a breadth of 53.8 m, and a height of 34.71 m.

The Q-Max vessels feature slow-speed diesel engines that are more fuel and thermal-efficient than steam turbines with a 30% reduction in overall emissions. Improved economies of scale inherent in the much larger comparative load capacity also are expected to reduce shipping costs by 30%. Shipping by conventional vessels typically accounts for a third of the LNG price.

These new vessels will have many innovative features to maximize cargo deliveries and to ensure the highest levels of safety and reliability, some of which include:

Membrane type cargo containment system.

- Twin engines and shafts to ensure maximum propulsion safety and reliability, with reduced environmental footprint and twin rudders to ensure safety of navigation and maneuverability in confined waters.

- Slow speed diesel engines which are more thermally efficient than steam turbines and therefore burn less fuel, which will produce 30% lower overall emissions compared to traditional existing LNG carriers.

- Cargo re-liquefaction plants will return cargo boil off to the cargo tanks and therefore maximise the cargo delivery at the discharge port.

- Power generation plant has also been enhanced to provide sufficient reserve and thus ensure integrity of supply under all operating circumstances.

- Underwater coatings using the latest technology silicon anti-fouling system, which not only enhances the speed and performance of the vessel, but is also "friendly" to the marine environment since it does not release any biocides into the sea to prevent marine growth on the hull.

- Fire fighting specification calling for combinations of Hi-Ex foam, Hi-fog water systems and safer and cleaner fire extinguishing agents to eliminate the need for CO2 - a first for lng ships.

Pirates release Bunga Melati Lima:

NAIROBI: Somali pirates have released the Malaysian tanker Bunga Melati Lima following the payment of a US\$2 million (RM6.87 million) ransom. However, they have seized a Greek chemical tanker in the notorious Gulf of Eden as well as an Ukrainian freighter carrying weaponry. Somali pirates are now holding some 15 ships and are attacking further out to sea and on two fronts to evade international security, said Noel Choong, the head of the Kuala Lumpur-based International Maritime Bureau's Piracy Reporting Centre.

"Despite the increase in security patrols by the coalition forces in the Gulf of Aden, we are still receiving reports of attacks and hijacks," said Choong. He warned ships to be on alert even if sailing in the security corridor patrolled by United States-led coalition forces. A Malta-flagged Iranian oil tanker, a massive vessel the size of a football pitch, had a narrow escape after being pursued by pirates armed with rocket-propelled grenades.

Andrew Mwangura of the Mombasa-based East African Seafarers' Assistance Programme said the Malaysian International Shipping Corporation Berhad-owned Bunga Melati Lima was released yesterday. Malaysia sent three warships -- KD Lekiu, KD Inderapura and KD Mahawangsa to the area after the Bunga Melati Lima and its sister ship, the Bunga Melati Dua, were hijacked last month. Mwangura also said that a Japanese ship had been released late on Friday. The Japanese vessel, the Stella Maris, which was hijacked on July 20, had been loaded with lead and zinc and had some 20 Filipino crew members.

"The Somali pirates released the Japanese ship after they were paid a

ransom of US\$2 million," said Abdulkadir Muse Yusuf, a deputy minister in the breakaway Somali region of Puntland in the northeast."The ship sailed off safely from Garad coastal village where it had been held." Also yesterday, the Mena news agency reported that an Egyptian ship with 25 crew members on board, which was hijacked earlier this month off Puntland, had been allowed to set sail on Friday. Mena reported that the released vessel was in international waters on its way back to Egypt. No details were available on whether a ransom was paid, although it was reported that Somali pirates had asked for one in negotiations with Egyptian intelligence officials.

The Greek chemical tanker hijacked in the Gulf of Aden, has 19 crew members on board, most of them Filipinos. Choong said the tanker was hijacked on Friday while it was on its way to the Middle East from Europe."Somali pirates fired with machine guns before boarding the ship," he said. The waters off Somalia -- which has not had an effective central government for more than 17 years and is plagued by insecurity -- are considered to be among the most dangerous in the world. The Ukrainian freighter, the MV Faina, which is flying under a Belize flag and has a crew of 21 on board, including three Russians, was hijacked on Thursday as it neared the Kenyan port of Mombasa. "The gunmen are demanding US\$35 million to release the MV Faina and her crew members," said Mwangura.

The MV Faina is carrying a cargo of 33 T-72 battle tanks, grenade launchers, ammunition and spares for the Kenyan army, officials said. The haul is a significant seizure in Somalia, where Islamist insurgents have been fighting the government and its Ethiopian military ally for nearly two years. In response to the hijacking, Russia sent a warship to the region yesterday. Russian navy was sending the frigate Neustrashimy (Fearless) in response to "rise in pirate attacks, including against Russian citizens", Russian navy spokesman Igor Dygalo said on Friday. The Ukrainian freighter was headed yesterday for the central coastal city of Harardhere, which is in an Islamist-controlled region, an official said.

Kenyan media reported that the pirates had warned against any rescue attempts. "The pirates are heading towards (the port of) Hobyo and Haradhere and it seems that they are looking for chances to unload any light military supplies on board the ship," said Bile Mohamoud

Qabow-sade, an adviser to the presidency of the semi-autonomous Puntland region. "We are very much concerned over this incident which stirs insecurity if not stopped," he said. "We are getting information that the pirates are 'getting ready to respond ' if attacked. They deployed more armed men into the waters." Haradhere, about 410km north of Mogadishu, and Hobyo, about 120km north of Haradhere, are located in an area controlled by Somalia's Islamist movement, which launched an insurgency against the Somali government early last year. The region is not a typical destination for Somali pirates, who usually take the vessels they seize to the Eyl region, further north about 800km from Mogadishu. Somalia's coast has become extremely dangerous in recent years due to piracy as the Horn of Africa nation has been without an effective central authority since the 1991 ouster of president Mohamed Siad Barre, which touched off a fierce power struggle.

The Yemeni Coast Guard has set up an anti-piracy unit to address the increasing numbers of armed pirate attacks in the Gulf of Aden and the Red Sea. The Yemen Observer, quoting Coast Guard officials, said the unit would deploy 1,600 specially-trained soldiers to fight the scourge.

It is also equipped with 16 high-speed patrol boats purchased from Australia. "The aim of the deployment is to enhance the protection of ships and stop Somali pirates in the Gulf of Aden and Bab Al Mandab Strait," a Coast Guard official was quoted by the newspaper as saying.

Pirates menace fleet oiler off Somalia:

NORFOLK, Va. - Two unmarked and unflagged skiffs raced toward a 41,000-ton U.S. fleet oiler in the pirate-infested waters off Somalia on Wednesday, a Navy spokesman said. A security team embarked on the oiler fired on the boats, forcing them to peel away in the latest incidence of pirate activity in the region. The two boats approached the John Lenthall, a Kaiser-class Military Sealift Command civilian-manned strike group replenishment ship that operates out of Naval Station Norfolk.

"They came up on the ship about 300 to 400 yards," said Lt. Nate Christensen, a spokesman for 5th Fleet in Bahrain. "These skiffs came out and approached after bridge-to-bridge calls and loud hailers and flares." When the skiffs,

approaching from behind, failed to back off, sailors from an embarked security detachment fired warning shots. The suspected pirates raced away. The incident comes one month into stepped-up efforts by coalition naval forces to enforce order in a specified patrol zone in the Gulf of Aden, called the Maritime Security Patrol Area.

Despite the consistent presence of at least six warships from the U.S. and other allied nations in the zone, attacks persist. And while Christensen said the forces have deterred 12 attacks in the area, the Lenthall incident did not occur in the special zone. "Coalition maritime efforts will give the [International Maritime Office] time to work international efforts that will ultimately lead to a long-term solution," Vice Adm. Bill Gortney, 5th Fleet commander, said in a statement. "This is a problem that starts ashore and requires an international solution. We made this clear at the outset - our efforts cannot guarantee safety in the region. Our part in preventing some of these destabilizing activities is only one part of the solution to preventing further attacks." He suggested mariners in the area should take more responsibility for their own safety. "The coalition does not have the resources to provide 24-hour protection for the vast number of merchant vessels in the region," he said. "The shipping companies must take measures to defend their vessels and their crews."

Christensen added that the area of responsibility for the coalition task force is vast, even if the majority of piracy takes place in shipping lanes offshore. "The assets are required throughout the 2.4 million square miles of area we have here," he said. "We just don't have the resources to provide 24-hour protection for the shipping and tankers passing through the area." Recent news reports saying that the Russian navy has decided to begin operating there only complicated an already murky international problem. "They are reportedly coming to the area. They are not part of the coalition. They'd be welcome here," Christensen said. Whether the Russians will play along remains unclear. "We have not had any interaction with them here at headquarters," he said.

Natasha Brown, a spokeswoman at the IMO, a London-based arm of the United Nations, said the organization is acting diplomatically to thwart the regional piracy threat. One measure in the works is an extension of a U.N. mandate that

allows naval forces to pursue pirates into the 12-mile territorial waters off Somalia, despite the lack of a functioning government ashore.

"That resolution runs out in December, so it's quite important it's extended by the U.N. Security Council," she said.

The IMO catalogs piracy incidents from Asia to South America to the Middle East, in port and on the open sea. Its bulletins often contain chilling, if seemingly archaic, details about grappling hooks, knives, canoes and even pirates boarding ships by crawling up the anchor chain. Usually crews are robbed or taken hostage, but not always. In a recent incident in the Gulf of Aden, "Two pirate boats opened fire on the container ship underway. Two coalition warships, in the vicinity came to assist the ship. The pirates aborted the attack. All crew safe." In another recent incident, CNN reported that pirates off the coast of Kenya seized a Ukrainian ship carrying tanks and ammunition Thursday. The crew had specifically avoided the waters off Somalia to prevent an attack. Brown said regional and international stakeholders plan to meet soon to hammer out the details of establishing a "regional maritime information center." But until piracy is erased, the IMO warns transiting mariners to take precautions. "We just reiterate the advice we give shipping owners, which is keep a distance away," she said.

SLPA and MPTI sponsors Programme on Training of Engineering Cadets:

Sri Lanka has a strong potential to cater to the International Maritime Labour Pool, by training its educated, unemployed youths in the maritime field and provide them with employment opportunities on ships operated by international shipping companies. Taking advantage of scarcity of professionals, this is high time to increase the output of existing local Maritime Training Institutions which provide officers and similar ranks.

According to shipping forecast currently, there is a huge shortage of crew; especially officers rank in the Maritime Sector. Recent studies have predicted that this will be doubled by the year 2015.

In line with the 'Mahinda Chinthana' programme both Ministers of Port, Aviation, Irrigation and water Management Chamal Rajapaksha and Port Development Dilan Perera have given instructions to commence the cadet

training programme at the Mahapola Training Institute (MPTI) of Sri Lanka Ports Authority (SLPA) in collaboration with Ceylon Shipping Corporation.

The new programme is a three year full time course designed for completion in four semesters of full time studies. The academic training includes academic and practical training in work-shops, laboratories, Tugs, launches, Dredgers, and intensive training use of Engine Room Simulators with the latest in Maritime Technology. One year onboard training will be provided by Ceylon Shipping Corporation Ltd; at the third year.

The selection for the course would be done by a placement test and applicants from 18 to 24 years of age who have fluency in English will be eligible to apply. Three passes at G.C.E. (A/L) Science stream in one sitting is among the other educational requirements to apply. Students already at sea, who also fulfill above requirements except the age limit could also apply for the course. The age limit for the students who are already at sea is up to 30 years.

This three years programme will be an internationally recognized qualification that attracts well paid positions in a sea going carrier with international shipping. The programme also prepares students for employment as Maritime Engineering Officers in the sea going sector of the shipping industry.

The course will be conducted according to IMO and STCW recommended modules.

Will the price of oil put a brake on Globalisation?

Very few of us remember globalisation in retreat: the last great wave of globalisation swelled in the late 19th century and broke spectacularly with the onset of the first world war. After a rash of protectionism, the great depression and the second world war, the process of expanding trade (and cross-border investment and the flow of ideas and of people) resumed and has continued ever since.

Some economists now wonder if the current wave might also be about to break. The problem is not so much the rolling farce of the Doha round of trade talks, or protectionism in the US - although neither is helpful - but what the price of oil is doing to the cost of shipping goods around the globe. While oil prices have fallen in the past couple of months,

they could hardly be described as low. Shipping costs may rise yet further if, as expected, the International Maritime Organisation bans the use of cheaper, dirtier fuel oils by container ships.

There is some anecdotal evidence that this is having an impact on trade: for example, some container ships are reported to be slowing down to save fuel. But there is no sign anything is amiss in the latest World Trade Organization statistics - which, admittedly, date back to 2006. The volume of merchandise trade defied high and rising oil prices to grow at more than 6 per cent a year in 2004, 2005 and 2006.

If that is surprising, perhaps it shouldn't be. Trade has been bolstered by lower tariffs - China became a WTO member late in 2001 - and by economic growth in general. The economists David Jacks, Christopher Meissner and Dennis Novy argue that much trade has been fuelled by economic growth, rather than by a fall in the costs of trading. They also point out that those trading costs include currency risks, tariffs, customs inspections and informational barriers: transport costs have tended to comprise only a third of trading costs, and of course fuel costs are only a proportion of transport costs themselves - probably just under half, even at current oil prices.

Still, at such dizzy levels, oil prices will surely have some impact on trade. Trade may shift to low-weight, high-value products. The fuel costs of moving steel or timber are large relative to the value of the product; the fuel costs of shipping perfume or memory chips are less significant. We might also expect to see more trade in services. And trading partners closer than China - eastern Europe for the EU, Mexico for the US - may benefit. Some analysts argue that this is already happening.

This is some comfort to protectionists and to those whose jobs are directly threatened by trade, but not much comfort to the majority who benefit from cheaper products and a larger market into which their own employers may export. It is probably particularly bad news for China, which is squeezed twice by transportation costs: once while importing large quantities of raw materials, and again when exporting the finished goods.

There is a more subtle way of measuring the integration of global markets. Rather than looking at the raw volume of trade,

(Contd. on page 14)

DIRECTOR GENERAL OF SHIPPING

Authorized by
(Pratap Bhosle)
DyNA/Dy. Chief Surveyor with the
Govt. of India

EAC BranchENG/EXAM-17(9)/99
Instructions to Examiners
Issue No. 00

EACQMIP:0751
Circular No.108
Date : 01st Oct 2008

Sub: Endorsement on MEO Class II Certificate of Competency to serve as Chief Engineer Officer on vessels < 3000 kW power.

In accordance with Regulation III/3.3 of STCW Convention as amended, every Engineer Officer holding MEO Class II Certificate of Competency who is qualified to serve as Second Engineer Officer on ships powered by main propulsion machinery of 3000 kW propulsion power or more is eligible to serve as Chief Engineer Officer on ships powered by main propulsion machinery of less than 3000 kW propulsion power, provided that not less than twelve months of approved sea going service should have been served as an Engineer Officer in a position of responsibility and the certificate shall be so endorsed.

This issues with the approval of Chief Examiner of Engineers.

NT WING CIRCULAR No.: 04 OF 2008

48-NT(2)/2007-Pt-VII Dated: 8th October, 2008

SUB: NATIONAL LRIT REQUIREMENT AS PER SOLAS Ch - V Reg 19-1

1. INTRODUCTION:
 - 1.1 Resolution MSC.202(81) adopted on 19th May 2006. Chapter - V Regulation 19-1 as amended Long-range identification and Tracking of Ships (LRIT) "Nothing in this regulation or the provisions of performance standards and functional requirements adopted by the Organization in relation to the long-range identification and tracking of ships shall prejudice the rights, jurisdiction or obligations of States under international law, in particular, the legal regimes of the high seas, the exclusive economic zone, the contiguous zone, the territorial seas or the straits used for international navigation and archipelagic sea lanes."
 - 1.2 This regulation establishes provisions to enable Contracting Governments to undertake the long-range identification and tracking of ships.
 - 1.3 Ships shall be fitted with a system to automatically transmit the information specified in paragraph 1.4 below.
 - 1.4 Ships shall automatically transmit the following long-range identification and tracking information:
 - 1.4.1 the identity of the ship;
 - 1.4.2 the position of the ship (latitude and longitude); and
 - 1.4.3 the date and time of the position provided.
 - 1.5 Systems and equipment used to meet the requirements of LRIT shall conform to performance standards and functional requirements not inferior to those adopted by the Organization. Any shipboard equipment shall be of a type approved by the Administration.
 - 1.6 In addition to the general requirements contained in Assembly resolution A.694(17) on recommendations on general requirements for shipborne radio equipment forming part of the global maritime distress and safety system (GMDSS) and for electronic navigational aids, the shipborne equipment should comply with the following minimum requirements:
 - 1.6.1 be capable of automatically and without human intervention on board the ship transmitting the ship's LRIT information at 6-hour intervals to an LRIT Data Centre;
 - 1.6.2 be capable of being configured remotely to transmit LRIT information at variable intervals;
 - 1.6.3 be capable of transmitting LRIT information following receipt of polling commands;
 - 1.6.4 interface directly to the shipborne global navigation satellite system equipment, or have internal positioning capability;
 - 1.6.5 be supplied with energy from the main and emergency source of electrical power; and
 - 1.6.6 be tested for electromagnetic compatibility taking into account the recommendations developed by the Organization.
2. The Ad hoc LRIT Group (the Group).
 - 2.1 At its first session, recalled that regulation V/19-1.6 stated that any shipborne equipment to be used for transmitting LRIT information "shall be of a type approved by the Administration".
 - 2.2 The Group noted that the requirement to have existing equipment already installed on board to undergo a type approval process was neither something which was logical nor a manageable, practicable or reasonable requirement,

considering the thousands of ships which were required to comply.

- 2.3 The Group further noted that such an interim scheme should be based on a series of examinations and tests, as determined by the Committee, which demonstrated and verified compliance of the shipborne equipment with the requirements of regulations V/19-1.4 and V/19-1.7 and of section 4 of the Performance standards. The Committee would also need to establish the criteria or the range within which the functional performance of existing equipment should be considered as being acceptable.

3 PROCEDURE:

- 3.1 Flag nomination of LRIT Data Centre - Section 8 of the Performance standards requires that a Contracting Government establishing or joining an LRIT Data Centre should provide relevant details to the Organization. INDIA has declared to have its own "National Data Centre" (NDC). A turn key project has been accorded to Antrix/SAC of ISRO. Who is developing NDC for Directorate General of Shipping.
- 3.2 Flag appointment of Application Service Provider (ASP): - Section 5.1 of the Performance standards that a Contracting Government should provide to the Organization a list with the names and contact details of the ASPs they recognize together with any associated conditions of recognition. ASP is developed at the NDC site in D G Shipping by Antrix/SAC. Communication Service Provider (CSP) TATA Communications will operate as CSP.
- 3.3 Shipowners, Managers' requirements: -The ship-owners, Managers, Operators are advised to carry out an LRIT ship borne equipment type approval conformance test. In accordance with section 5.1 of the Performance standards. In the interest of timely implementation the ship owners and managers to implement the LRIT equipment testing of its ships.
- 3.4 CSP/ASP testing implementation: - the CSP/ASP should test LRIT equipment in accordance with the LRIT requirements testing matrix specified in MSC.1/Circ.1257. Testing to be carried out through Indian CSP/ASP by October 2008. The cost of testing will be borne by ship-owners. They are requested to contact at following address for testing of Satcom "C" equipment for LRIT, with following details:
- 3.5 Details of CSP in India; Shri. B T Rokade, Sr. Manager (Satellite Operations) International Facilities Group. Tata Communications Limited, Pune-Alandi Road, Dighi, Pune - 411 015. India. 91(20) 66153308 Direct 91 9225637119 Mobile bt.rokade@tatacommunications.com

Name of Vessel. Pls fill up as per Ship's Certificate)

Ship Inm -C ID

Make JRC/Furuno /Thrane &Thrane

Model

Equipment Sr No

Port of Registry

Call sign

IMO Number

MMSI Number

Gross Tonnage

Sea Area certified to operate A!+A2+A3

Due date of Safety Radio Survey.

Current log in Ocean Area IOR /AORE /AORW/POR

- 3.6 **CSP issuance of Statement of Conformity Report:** - the CSP should issue a Statement of conformity report to the ship-owner. Applicable to a specific LRIT equipment the pass/fail status of each of the tests listed in the LRIT requirements testing matrix with the resultant pass/fail status of the LRIT equipment. The report should be valid for the duration the ship remains with the Flag (any subsequent failure of the LRIT equipment should be identified through standard LRIT Data Centre operational procedures). The copy of detailed format of the report shall be given to ship owner and copy to be left on the vessel for inspection during the initial Safety Radio survey after compliance of LRIT.
- 3.7 **Flag issuance of Certificate of Compliance:-** On satisfactory report of CSP/ASP the Directorate to issue a Certificate of compliance to the shipowner for carriage on the ship, specific LRIT equipment. The certificate should be valid for the duration the ship remains with the Flag (any subsequent failure of the LRIT equipment should be identified through standard LRIT Data Centre operational procedures).
- 3.8 **Ship Borne LRIT Equipment:-** The existing Inmarsat "C" equipment used on board for GMDSS will be utilized for LRIT. On failure or non compliance of the existing Ship Borne Inmarsat "C" equipment same to be replaced or an additional Inmarsat "C" or Mini "C" equipment to be installed and put up again for compliance test. This issues with the approval of the Director General of Shipping.

Sd/-

(K.H. Mehta)

Senior Radio Surveyor-cum-ADG (GMDSS)

N.T. BRANCH CIRCULAR NO : NT/ISPS/SECURITY NOTICE/3 OF 2008

No. 44-NT(1)/2006-I Dated : 26.09.2008

Subject : Security level at ISPS compliant Indian Ports

All Indian major/ non major ports and shipyards have been maintaining Security level 2 since 29th November 2006. Since it is not feasible to maintain security level 2 for such prolonged periods, the Directorate had advised all ports to hold a port security advisory committee meeting to obtain feedback from various local agencies and provide a feedback to the Directorate to review the security level at ports. Based on this feedback, some ports were directed to revert back to security level from the third week of July 2008.

However, in the wake of the recent security incidents in various parts of the country, all major/ non major ports were advised to initiate actions as deemed fit and necessary to secure and safeguard their respective ports against any form of terrorist activities which may include raising the security level under intimation to the Directorate.

Attention of all concerned is drawn to NT/ISPS/ POLICY Circular no. 07/ 2004 wherein ports authorities and Maritime boards shall disseminate security level information to ships calling at their ports well in advance and to the DG Communication Centre at the following contact details:

E-mail: dgcommcentre@satyammail.net Fax No: 91 22 22613636. Tel No: 91 22 22614646, 22610606, 32959320

Since Indian major/ non major ports/ shipyards are maintaining different security levels, the Directorate has been receiving numerous queries from ship operators on the security level status of Indian ports. Accordingly, it has been decided to display the current security level of all Indian ports on the Directorate's website www.dgshipping.com (Shipping notices- ISPS- Security notices- 2008). Ships/ ship owners and all concerned seeking information on the security levels of Indian ports are advised to visit the DGS website at the provided link. Ships may also obtain the Security level at Indian ports from the Port Facility Security Officer/ local agents.

All ports/ shipyards are advised to verify the status of security level at their ports and ensure that the same is in conformity with the security level displayed on the DGS website. Any non conformity is to be reported to the DG Commcentre immediately. All ports are requested to inform users that the security level for the port can be obtained from the DGS website www.dgshipping.com or their own website as and when it is functional.

All ISPS compliant major / non major ports and shipyards are advised to regularly browse the GISIS (Global Integrated Shipping Information Service) - Maritime Security- on the IMO website www.imo.org to seek information about their ports. For this, ports/ other public seeking information are required to register themselves by entering a user name and password for public login which provides access to all public modules of GISIS. This is a free service and not chargeable.

Sd/-

(Capt. Rakesh Awasthi)

Nautical Surveyor-cum-Dy. Director General of Shipping
(Technical)

N.T. BRANCH CIRCULAR NO : NT/ISPS/SECURITY NOTICE/4 OF 2008

No. 44-NT(1)/2006-I Dated : 26.09.2008

Subject : Current Security level at ISPS compliant Indian Ports

CURRENT SECURITY LEVEL - MAJOR PORTS

S.No	NAME OF PORT	CURRENT SECURITY LEVEL
1	Chennai Port Trust	SECURITY LEVEL 2
2	Ennore Limited	SECURITY LEVEL 2
3	Jawaharlal Nehru Port Trust	SECURITY LEVEL 2
4	Kandla Port Trust	SECURITY LEVEL 2
5	Kochi Port Trust	SECURITY LEVEL 2
6	Kolkata Port Trust	SECURITY LEVEL 2
7	Mormugao Port Trust	SECURITY LEVEL 1
8	Mumbai Port Trust	SECURITY LEVEL 2
9	New Mangalore Port Trust	SECURITY LEVEL 2
10	Paradip Poprt Trust	SECURITY LEVEL 2
11	Tuticorin Port Trust	SECURITY LEVEL 2
12	Visakhapatnam Port Trust	SECURITY LEVEL 1

CURRENT SECURITY LEVEL- NON MAJOR PORT

S.No	NAME OF PORT	PRESENT SECURITY LEVEL
1	Ashapura Port	SECURITY LEVEL 2
2	Bedi Group of Ports	SECURITY LEVEL 1
3	Belekeri Port	SECURITY LEVEL 2
4	Bharati Shipyard Ltd. Ratnagiri	SECURITY LEVEL 2
5	Bharati Shipyard Ltd. Goa,	SECURITY LEVEL 2
6	Bhavnagar Port	SECURITY LEVEL 2
7	Chemplast Ssanmat Ltd	SECURITY LEVEL 2
8	Chowgule And Co. Ltd.-Shipbuilding Division,	SECURITY LEVEL 2
9	Cochin Shipyard Ltd,	SECURITY LEVEL 2
10	Dabhol port, RGPPL	SECURITY LEVEL 2
11	Dahanu (Reliance Energy Ltd)	SECURITY LEVEL 2
12	Dahej - GCPTCL (Gujarat Chemical Port Terminal Co. Ltd)	SECURITY LEVEL 2
13	Dahej Harbour and Infrastructure Ltd,	SECURITY LEVEL 2
14	Dahej Infrastructure Limited	SECURITY LEVEL 2
15	Dahej LNG Terminal, Petronet LNG Ltd	SECURITY LEVEL 2
16	Dharamtar, PNP Maritime Services Pvt. Ltd.	SECURITY LEVEL 2
17	Dharmatar, ISPAT Industries Ltd.	SECURITY LEVEL 1
18	Dighi Port Ltd	SECURITY LEVEL 2
19	Ennore Port (Minor port- ANCHORAGE),	SECURITY LEVEL 2
20	Hazira (Surat) Port	SECURITY LEVEL 2
21	Hazira Port (Essar Steel)	SECURITY LEVEL 1
22	Hazira Port (L&T Hazira works Hazira Terminal)	SECURITY LEVEL 1
23	Hazira, RIL Hazira Shipping & Offshore Division	SECURITY LEVEL 1
24	Hindustan Shipyard Ltd.,	SECURITY LEVEL 2
25	IPCL Dahej Marine Terminal (IDMT Dahej)	SECURITY LEVEL 1
26	Jakahu Port Ltd.,	SECURITY LEVEL 2
27	Jamnagar - Reliance Jamnagar Marine Terminal,	SECURITY LEVEL 2
28	Kakinada Anchorage Port	SECURITY LEVEL 1
29	Kakinada Deep Water Port (Kakinada Sea Port)	SECURITY LEVEL 1
30	Karwar Port	SECURITY LEVEL 2
31	Krishnapatanam, Tamilnadu	SECURITY LEVEL 2
32	Kudan Kulam Port (NPCIL) Nuclear Power Corp. Of India Ltd.	SECURITY LEVEL 1
33	Magdalla Port,	SECURITY LEVEL 2
34	Marine Terminal Facility Cuddalore Tamil Nadu	SECURITY LEVEL 2
35	Muldwarka - Ambuja Cement	SECURITY LEVEL 1
36	Mundra, Gujarat Adani Port Ltd,	SECURITY LEVEL 1
37	Nagapattinam Port	SECURITY LEVEL 2
38	Navlakhi Port	SECURITY LEVEL 2
39	Okha Port	SECURITY LEVEL 1
40	Panaji Port	SECURITY LEVEL 1
41	Pondichery Port	SECURITY LEVEL 1
42	Porbandar Port	SECURITY LEVEL 1
43	Port Blair	SECURITY LEVEL 2
45	Port Pipavav	SECURITY LEVEL 2
46	Ratnagiri (Finolex),	SECURITY LEVEL 1
47	Ravva Port	SECURITY LEVEL 1
48	Redi Port	SECURITY LEVEL 2
49	Revdanda - Vikram Ispat Shipping Port,	SECURITY LEVEL 2
50	Sanghi Port	SECURITY LEVEL 2
51	Tirukkadaiyur Port, Tamil Nadu. PNP Power Generating Co.	SECURITY LEVEL 2

Sd/-

(Capt. Rakesh Awasthi)

Nautical Surveyor-cum- Dy. Director General of Shipping
(Technical)

N.T. BRANCH CIRCULAR NO : NT/ISPS/SECURITY NOTICE/5 OF 2008

No. 44-NT(1)/2006-I Dated : 26.09.2008

Subject : Contact details of Port Facility Security Officer/Deputy Port Facility Security Officer at ISPS compliant Indian Ports

It has been observed that some ports do not update the contact details upon change of Port Facility Security Officer/ Deputy Port Facility Security Officer and are advised to ensure that the same are immediately notified to the DG Commcentre upon change of PFSO/ DPFSO in the format attached as Annex-1 to this circular

All ports are advised to adhere to this circular with immediate effect.

Sd/-

(Capt. Rakesh Awasthi)

Nautical Surveyor-cum-

Dy. Director General of Shipping (Technical)

MTOI-2(32)/2003-PT-II Dated: 11.09.2008

Subject: The Shipping Trade Practices Bill, 2008 - comments thereon.

Sir,

I am directed to forward herewith a copy of the draft Shipping Trade Practices Bill, 2008 received from Ministry of Shipping, Road Transport & Highways, New Delhi on the above subject. It is requested that the comments/proposals thereon may be obtained from all the stake holders and submit the same on or before 10.10.2008 in order to enable this Directorate to forward the same to the Ministry.

Yours faithfully,

Sd/-

(V. Rajendran)

Dy. Director General of Shipping

Training Circular No. of 2006

No.11-TR(13)/2007 Dated : 21.05.2007

Subject : Requirement of Officer of the Watch- Ship Manoeuvring Simulator (OOW-SMS) and Bridge Team work for Maritime Institutes imparting pre-sea training to the nautical and polyvalent cadets

Note: The Directorate had issued training circular No. 28 of 2005 dated 27th December 2005 on the subject as above. Subsequently, the Directorate received numerous representations and feed backs from the Maritime Training Institutes/ shipping companies /Maritime publications. Most of these inputs indicated that for the purpose of initial pre sea training for deck cadets, the specifications of this simulator are of very advanced level and as such not necessary for this stage of training

Moreover, mandating a very sophisticated and expensive simulator at this level would further enhance the training fees at the institutes, thereby making pre-sea maritime training beyond the reach of economically weaker section of the society. The Directorate has taken into consideration all the inputs from various sources and has therefore modified the requirements and specifications as below: N.B: This MS Notice supercedes the training circular No. 28 of 2005 dated 27th December 2005.

1. Maritime Safety and High Manpower efficiency is the utmost concern to the Directorate General of Shipping, constituted authority of the Govt. of India for all maritime affairs.
2. The Directorate General of Shipping has taken a policy decision that the Officer of the Watch - Ship manoeuvring simulator (OOW-SMS) training should be made mandatory for all pre-sea training institutes for nautical and polyvalent cadets. This training shall be mandatory from 1st April 2007.
3. The Full Mission type, Officer of the Watch Ship Manoeuvring Simulator shall meet the following standards of simulation.
 - .1 be suitable for the selective objectives and training tasks
 - .2 be capable of simulating the operating capabilities of shipboard equipment and include the capabilities, limitations and possible errors of such equipments.
 - .3 have sufficient behavioural realism to follow a trainee to require the skills appropriate to training objectives.
 - .4 provide a controlled operating environment, capable of producing a variety of conditions, which may include emergency, hazardous or unusual situations relevant to the training objectives.
 - .5 provide an interface through which a trainee can interact with equipments, the simulated environment and, as appropriate, the instructor.

- .6 permit the instructor to control, monitor and record exercises for the effective debriefing of the trainees.
4. The officer of the Watch - Ship Manoeuvring Simulator (OOW-SMS) shall meet the standards as stipulated in para 3 and the guidelines of specifications as per the Annexure attached.
5. The simulator shall have DGS approval.

ANNEXURE

Specifications for the Officer Of the Watch -Ship Manoeuvring Simulator (OOW-SMS) for Maritime Training Institute imparting Pre-Sea Training to the Nautical and Polyvalent Cadets

1. Simulator specifications: The simulator consisting of a ship station with instruments of navigation as listed below, as well as display of target ships and surroundings as seen from a wheel house.
 - 1.1 Equipment and consoles to be installed, mounted and arranged in a ship-like manner.
 - 1.2 A separate control for instructor with equipment necessary to monitor the activities in the wheel house effectively.
 - 1.3 The equipment installed in the simulator shall have a similar functionality to corresponding equipment used on board.
 - 1.4 If any equipment does not correspond to the specific make, the applicable IMO performance standard (functionality requirement) for such equipment shall be followed.
 - 1.5 If such a performance standard does not exist, then the functionality of equipment shall, as a minimum, be the same as for any recognized genuine equipment of that type, in use on board ships.
 - 1.6 Equipment as fitted shall resemble the behavioral characteristic for example; accuracy, reaction time and other limitations, related to corresponding equipment in use on board ships.
 - 1.7 User manuals for the simulator equipment and operational control shall be available to the learners for use during exercise.
2. Ship types and Areas:
 - 2.1 The simulator shall include mathematical models of at least 4 types of own ship. The model shall resemble accurately the behavioural characteristic of an actual ship of that size, power and type, and realistically behave as per the hydrodynamic effects of wind, current and swell.
 - 2.2 The simulator shall be able to present at least 10 different types of targets each equipped with mathematical models, which account for motion, drift and steering angle according to forces induced by current, wind and wave.
 - 2.3 The simulator shall be able to provide at least 4 international geographical visual areas for exercise which include open sea and high density traffic areas.
3. Detailed Specification:
 - 3.1 Visualization:
 - 3.1.1 At least 3 channel visualization of high resolution SVGA/XGA graphics, about 60 degree horizontal field of view on each side.
 - 3.1.2 The visual screen Plasma/LCD/Projector type of at least 40 inches diagonal size on each screen. The visual system shall present all navigation marks as displayed on paper charts for that area.
 - 3.1.3. The visual system shall show objects with sufficient realism (detailed enough to be recognized as in real life) The visual system shall replicate movements of all own ships according to 6 degrees of motion freedom.
 - 3.1.4 The simulator shall provide a realistic visual scenario by day, dusk or night, changing in time. It shall be possible to create a range of visual conditions, from clear to dense fog.
 - 3.1.5 It shall be possible to take reasonably accurate bearing of objects seen on the screen preferably using an azimuth mirror on the gyro compass or Pelorus for relative bearings.
 - 3.1.6 It shall be possible to use magnified views of the observation.
 - 3.1.7 The visual system shall present at least a total of 20 degrees of vertical field view.
 - 3.1.8 There should be proper correspondence between the visual picture and radar.
 - 3.2 Simulator Capabilities:
 - 3.2.1 The model shall realistically simulate own ship hydrodynamics in open water conditions, including the effect of wind forces, wave forces, tidal stream and currents.
 - 3.2.2 The model shall realistically simulate own ship hydrodynamics in restricted waterways including shallow water and bank affects and interaction with other ships.

- 3.2.3 The simulator shall provide an own ship engine sound reflecting the power output.
- 3.2.4 The target ships shall be equipped with navigational lights, shapes, and sound signals according to the "Rules of the Roads". The signal should be individually controlled by the instructor and the sound signal shall be directional and vary with range.
- 3.2.5 The simulator shall be able to present at least 10 target ships. At the same time, where the instructor shall be able to program routes for each target ship individually.
- 3.2.6 The simulator shall be capable of providing environmental sound (for example; wind) according to condition simulated.
- 3.2.7 The simulator shall include the depth according to chart used, indicating water depth according to tidal heights.
- 3.2.8 The simulator shall provide waves, variable in direction and strength.
- 3.3 Own Ship Control Station: The following shall be provided, installed, mounted and arranged in a manner that it would physically resemble the front panel of a ship's navigating bridge. The hardware panel should have operational resemblance to actual ship-board equipment.
 - 3.3.1 Propulsion control for controlling own ship's engine ahead and stern.
 - 3.3.2 Steering control: There shall be provision for the following, at or near the console
 - .1 Steering wheel .2 steering motor .3 hand steering .4 compass repeater able to depict gyro and / or magnetic headings .5 gyro failure alarm .6 auto-pilot (Basic auto-pilot for setting headings)
 - 3.3.3 Engine Alarms: Giving audible and visual alarm in the case of:
 - .1 start fail .2 shut-down
- 4. Radar set and automatic radar plotting aides (ARPA):
 - 4.1 ARPA4.1.1 250mm effective diameter of PPI screen with the facility to simulate Radar. The radar shall be capable of being operated in sea stabilized relative motion mode and sea and ground stabilized true motion modes.
 - 4.1.2 The Radar Simulation Equipment shall be capable of generation of interface, noise, radar / ARPA failure, yawing, clutter, spurious echoes, blind sector, parallel index lines.
 - 4.1.3 The ARPA simulation equipment shall incorporate the facilities for:
 - .1 manual and automatic target acquisition .2 past track information .3 use of exclusion areas .4 vector / graphic time and data display .5 trial manoeuvres
- 5 Chart table with paper chart and publications: Chart table will resemble a ship's chart table with minimum dimension of 4 X 3 ft. Paper chart and publications provided shall be appropriate for the areas in use.
- 6 Indicators:
 - 6.1 Own ship station shall have at least the following indicators:
 - .1 Wind direction and speed indicator.2 Rudder angle indicators .3 RPM indicator
- 7 Ship's horn: To be provided on the wheel house consol as a push button.
- 8 The following equipment shall be simulated:
 - 9.1 Electronic Navigation Aide: Global position system. Simulation of all facilities of a standard GPS receiver shall be available. This shall include display in latitude, longitude, course and speed over ground by the own ship, UTC, normal navigational calculation functions such as; great circle, rhumb line sailing, way points, alarms for X-track error, etc.
 - 9.2 Echo-sounder: Simulation of complete echo-sounder shall be provided.. Facility to change gain adjustment, change over from depth below keel to total depth and vice versa etc., shall be provided. Alarm for shallow water depth shall be provided.
 - 9.3 Sound Signal Generator :Ship's whistle and fog signals. Facilities shall be provided to general fog signals manually or automatically operated by own ships independently, as well as for each target separately by the instructor console. The fog signals should be interactive and the intensity and the direction at own ship station shall correspond to relative range and position of the station generating the sound signal. The fog signal shall be capable of generating the sound signals of the following:
 - .1 vessel making way through water .2 vessel making no way through water .3 vessel restricted in her ability to manoeuvre .4 vessel at anchor .5 vessel aground .6 vessel not under command
 - 9.4 Navigation lights and shapes display: Full set of navigation, Christmas tree lights and shapes shall be made available, which the own ship can select for display depending upon the prevailing circumstances.

- 10 Instructor: The instructor and the assessor shall be able to:
- 10.1 Start, halt, reset in time and place, and restart an exercise
 - 10.2 Change the operating environment during the running of an exercise, viz. shall be able to alter the wind (direction and force), swell (direction and height), current (direction and rate), cloud cover, and state of visibility.
 - 10.3 Observe and supervise the trainees
 - 10.4 A Display (minimum 19" monitor) providing a global view of the criteria simulation scenario. The display plots ship's tracks, target movements and also provides a tool for altering the parameters of the various ships.
 - 10.5 Activate simulation of failures in real time in the following equipment:
 - .1 Navigation lights
 - .2 Gyro compass including insertion of error
 - .3 Speed log failure or insertion of error
 - .4 Echo sounder
 - .5 Radar
 - .6 ARPA
 - .7 GPS (including degrading of signal quality)
 - .8 Auto pilot
 - .9 Engine
 - 10.6 It shall be possible to replay a full exercise showing the actions performed by the trainees. Instructor shall be able to create exercises where one or more own ship stations can be interactive within the exercise or to be able to run them independently and in differing areas, if so required.
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M.S. Notice 20 of 2008

No.7-NT(6)/2008 Dated : 25th September, 2008

Subject : Scheme for Deck Ratings to appear for Second Mate (Foreign-going) Examination having educational qualification of 10th Standard.

1. Preamble:

- 1.1. This Directorate, being aware of the cyclic nature of the shipping trade and industry, has initiated proactive and pragmatic measures to deal with the current and future needs of the industry at large and seafarers in particular.
- 1.2. Taking note of the BIMCO report and its projections from Global Shortage of Sea-going officers, it is felt that this void can be effectively filled in by the Indian Officers provided innovative training schemes are put in place such that we are able to create qualified officers in a shorter period without any compromise on the quality and standards of competence.
- 1.3. These measures shall be helpful in overcoming the acute shortage of officers on Indian flag ships as well as supplement the requirement of International Shipping. Needless to mention that it will help generate and enhance the employment potential for Indian Nationals as seafaring officers in the Global Shipping Industry including Indian flag ships and the National Shipping Industry.
- 1.4. In order to reduce the lead time to produce such qualified officers, it is necessary that horizontal induction takes place from existing categories where there is surplus. This scheme is intended to generate qualified officers in a fast track mode from the available pool of Deck Ratings.
- 1.5. Taking into account the above factors, this Directorate notifies the following Schemes:

2. Entry Qualification:

- 2.1 10th Standard
- 2.2 Minimum 50% marks in English language.

3. Age Criteria Minimum 18 years.

4. Medical fitness: As per Merchant Shipping (Medical Examination) Rules, 2000.

5. Eye sight and Colour vision: As per Merchant Shipping (Medical Examination) Rules, 2000.

6. Sea Service Requirement:

- 6.1 36 months, which includes Bridge watch keeping duties (documented in an approved training record book) under the supervision of the master or a qualified officer for a period of not less than 6 months. However, the candidate may be permitted to undertake the competency course and the written examination and / or the modular courses on completion of 30 months sea service. An EXN-45 form will be issued to these candidates as communication of the result of the written examination. Subsequently, the candidate may complete the requisite Bridge watch keeping duties (documented in an approved training record book) under the supervision of the master or a qualified officer for a period of not less than 6 months and thereafter appears for the oral examination.
- 6.2 However, this period of 36 months may be reduced to 24 months provided the candidate has undergone Structured Shipboard Training Programme from a DGS approved DLP provider (effective from 01st October, 2008) of not

less than 24 months which meets the requirements of section A-II/1 of the STCW Code and is documented in an approved training record book, including bridge watch keeping duties under the supervision of the master or a qualified officer for a period of not less than 6 months.

7. Foundation Course:Duration : 2 Months including written examination. Candidates are permitted to attend the Foundation Course and appear for its examination after completion of 6 months of sea service.
8. Advanced Modular Courses:All Modular courses required for the award of Certificate of Competency as NWKO NCV, i.e. AFF, PSCRB, MFA, ROC and GMDSS - GOC.
9. Post Sea Course and NWKO NCV Certification:
 - 9.1 Duration four months (NWKO NCV course) and a written and oral examination of NWKO NCV certification.
 - 9.2 Award of NWKO NCV Certificate.
10. Service as Watchkeeping Navigating OfficerTo serve as a NWKO NCV Officer for a period of six months on a trading ship of above 500 gross ton.
11. Competency Course:Duration four months - Competency course for Second Mate of foreign going ships.
12. Written examination:Candidates are required to appear and successfully pass in all subjects as specified for Second Mate F.G., i.e. six papers in the three functions including signals.
13. ARPA Course
14. Oral examination:Candidates are required to appear and successfully pass in all three functions.
15. Certification: On completion of the written and oral examination including the required modular courses as per the requirement of the META manual Vol I and II, candidates will be awarded Certificate of Competency as Second Mate of a foreign going ship (Officer In-charge of a Navigational Watch) on board ships of 500 Gross tons or more as per the provisions of regulation II/1 of STCW 1978 as amended.

This issues with the approval of Director General of Shipping.

Sd/-

(Capt. J. S. Uppal)

Deputy Nautical Adviser to the Government of India-cum-
Senior Deputy Director General (Technical)

NO: MSL-MTO(1)/94-02-II Dated 18.09.2008

Sub: Multimodal Transportation Act, 1993-Comments Thereon.

RECOGNIZING that the Multimodal transportation of goods has become standard practice in the international trade, a working group was set up by the Government of India to examine the prevalent situation and to recommend a law on multimodal transportation of goods for India;

BEARING IN MIND that the Multimodal Transportation of Goods Bill was passed by both the Houses of Parliament and was assented by the President on 2nd April, 1993 and came on the Statute Book as The Multimodal Transportation Of Goods Act, 1993 (28 of 1993); **NOTING** that the Multimodal Transportation of Goods Act, 1993 was amended in the year 2000 and the same came into effect from 05.12.2000;

FURTHER NOTING that various requests and recommendations have been received from the Trade and all those who are directly and/or indirectly involved in the Multimodal trade, to further amend the Act,

NOW **CONSIDERING** the requests and recommendations, the following

CONCEPT NOTE carrying the proposed areas and issues seeking amendments are placed for public opinion and comments and we request you to revert with your inputs by or before the 10th of October 2008.

Yours faithfully,

Sd/-

(V. Rajendran)

Dy. Director General of Shipping

Amendment to Shipping Development Circular No.1 of 2007

NO: SD-9/CHRT(82)/97-III Dated 30th Sept., 2008

Sub : Certification of Offshore vessels, Accommodation barges etc. under the provisions of Special Purpose Ships Safety Code (SPS Code)

Taking in to cognizance the difficulties faced by Offshore Industry in complying with the S.D. Circular No. 1 of 2007 for offshore vessels chartered for operations in Indian waters / Indian Offshore fields, the Directorate, in partial modification of S.D. Circular No. 1 of 2007, hereby issues following revised guidelines for vessels carrying more than 12 special personnel.

- (1) Self propelled vessels carrying less than 50 special personnel will be exempted from compliance with Damaged Stability and Bilge Pumping Arrangements, as additionally required under SPS Code.
- (2) Non-propelled vessels may either comply with SPS Code provisions as stipulated under S.D. Circular No. 1 of 2007 with the exemption as stated under para (3) below or MODU Code, as applicable, in its entirety.
- (3) For non propelled vessels, instead of compliance with Chapter 2 of the SPS Code (Stability, Subdivision and Bilge pumping arrangement), compliance with relevant provisions as per MODU Code will be acceptable.
- (4) For both self propelled and non-self propelled vessels, dispensation from the provision of lifeboat, if additionally required under the provisions of SPS Code, will be considered, provided; the vessel carries a Fast Rescue boat and 150 per cent life rafts on both sides of the vessel.
- (5) With regard to compliance with SD Circular 1 of 2007 is concerned, license will be issued for a period of three months from the date of issue of this circular for vessels complying with the SPS Code provisions stipulated for the season 2007-2008, provided they comply with all other requirements stipulated by the Directorate vide SD Circular 1 of 2008 and its amendments. Such vessels must obtain SPS / MODU Code compliance certificate during this period taking in to consideration the aforesaid revised requirements, if they intent to continue their operation in Indian waters / Indian offshore fields beyond this period.
- (6) Where a ship does not fully comply with the SPS Code provisions but is certified to meet a safety standard that closely approximates that of the Code, the Directorate, after due examination of the technical aspects of the vessel, if satisfied that compliance with a particular provision of S D Circular 1 of 2007 would be unreasonable, having regard to the type of ship, its equipment and its intended voyage, exempt the ship from compliance with that provision, as long as the exemption is consistent with the Code.

The above relaxations shall be applicable for operation of the offshore vessels in fair season only.

This issues with the approval of Director General of Shipping.

Sd/-

[SURESH KUMAR R M]

Dy Chief Ship Surveyor-cum-Sr. DDG (Tech)

Investigations of Engine

Failures at Sea: In response to the reported concern of the British Government's Department of Transport (DoT) about the growing number of small vessel engine failures at sea in recent years, and the resulting increased burden on the public services, the Small Ship Group of the Institute of Marine Engineers, Scientists and Technologists (IMarEST) has initiated a simple reporting procedure for failures to gather initial data from owners, operators, insurers and their surveyors; plus the rescue services. SSG define a small ship as one of approximately 500 grt or less.

Announcing the project at the SeaWork 2008 conference of the Small Craft Surveyors' Forum earlier this year, SSG's Committee Chairman, Bob Barnes, invited

delegates to spread the word around the profession, and contribute their findings by completing and submitting the special report form on the Institute's website.

'Not all entries on the form would be relevant', he said, 'But any sensible data would help. SSG hoped to be able to form some initial picture of the problem in about six month's time'. It is also hoped that the engine manufacturers and their agents and dealers will be able to both contribute to, and ultimately benefit from fully analysed reliability data. No ship or owner 'names and addresses' would be retained, and any collected would be used only for verification of the source, then deleted. The intention is to process purely generic data.

In the longer term, and depending on the quantity and quality of the data collected,

SSG envisage the possible establishment of a permanent database for small ships and their equipments, similar to the OREDA database set up by the North Sea oil industry equipment in 1980, which is now managed by DnV from Oslo.

SEA ASIA 2009: Raising the Asian voice in world shipping:

24 September 2008 - Sea Asia 2009, to be held in Singapore from 21 to 23 April 2009, will bring together Asia's top maritime professionals to discuss how to raise the Asian shipping industry's voice on the global maritime stage. The Asia region's importance for the global shipping industry has increased significantly in the past two decades. Today, Asian ship owners control nearly half the world's commercial fleet and are still expanding their order books. As

global trade patterns have shifted eastwards and more decision-making takes place in Asia, the Asian shipping community needs to clearly express an 'Asian Voice' at international shipping organisations. It is now more crucial than ever to achieve a greater influence in global policy-making. Sea Asia 2009 will be the perfect platform for this. After a stellar debut in 2007, the biennial conference and exhibition is returning to Singapore's Suntec City Convention Centre. The show takes the theme 'The Asian Voice in World Shipping: Clearer and Stronger', building on the successful session on this topic at the previous conference. The morning session on the first day will bring together industry heavy-weights to discuss the Asian voice in world shipping from the container shipping and logistics angle. Ron Widdows, Group President and CEO, Neptune Orient Lines Limited, has been the latest speaker to join a string of high-profile names from the region's maritime community.

The session will be chaired by S.S. Teo, Managing Director, Pacific International Lines, Singapore, Chairman, Singapore Maritime Foundation, and President, Singapore Shipping Association. He comments: "Top Asian shipowners and leading maritime operators will congregate in Singapore for Sea Asia 2009. They will share insights of the maritime issues pertinent to this region to develop the voice of Asian shipping. The event epitomizes the unity and professionalism of the Singapore maritime community, both government and the private sector, in presenting an international maritime event of world-class standing." In the afternoon, top-level executives such as Klaus Nyborg, Deputy CEO, Pacific Basin Shipping (HK) Limited, and Lee Jeong-Hwa, Chief Executive Officer, S K Shipping, will discuss the Asian voice from the bulk market's perspective. This session will be hosted by Andreas Sohmen-Pao, Managing Director, BW Shipping, who explains why Sea Asia 2009 is an ideal environment to express a united stance: "Asian companies play a key role in the maritime sector. Although it is important to think in global terms, it is beneficial for the industry to have Asian based companies participating in the debate about future direction and policies."

The 'Asian Voice' theme will continue into the second day to touch on the offshore market. Controlling over 70 percent of the global rig building and FPSO

conversion market, Singapore is certainly suitably placed to discuss this topic. The afternoon will see a dedicated session on finance for Asian shipping, whilst a parallel stream will tackle technical issues such as emissions, ballast water treatment as well as shipbuilding and conversions. The closing day will hold a charterer's forum in the morning, which will present an outlook for the major bulk trades, both dry and liquid. A separate session will discuss the currently very hot topic of crewing and manning. The afternoon sessions will deal with LNG shipping as well as marine insurance. The choice to hold Sea Asia 2009 once again in the thriving maritime hub of Singapore has proven a significant draw to companies participating in the exhibition running alongside the conference. Over three days, visitors will have the opportunity to learn about the most recent product and service developments for the maritime industry. As at August, eight months out from the event, the organisers have already achieved to equal the size of Sea Asia 2007. The majority of last year's exhibitors have committed themselves to the 2009 event and among the latest companies to confirm their participation are international industry leaders such as Keppel, STX, TOTAL Lubmarine and Wartsila, as well as major classification societies from around the world.

At this stage, already six countries have confirmed their participation through national pavilions. China, Japan, Korea, Norway, Panama and host country Singapore, will present their maritime capabilities and achievements. Sea Asia is not only an excellent opportunity to catch up on the latest market intelligence, but also to forge important business contacts. A special networking highlight will be the GAC Sea Asia 2009 Golf Classic. This golf tournament, sponsored by GAC, will take place one day before the official opening of Sea Asia and is a great opportunity for players to test their skills in a friendly tournament. Sea Asia 2009 is jointly organised by Seatrade and the Singapore Maritime Foundation. The organisers can draw upon the expertise of an international advisory panel, which comprises experts from different sectors of the maritime industry, including IMC Group's Tan Sri Frank Tsao and "K" Line's Hiroyuki Maekawa. Together with the very strong regional support and the event's principal sponsors DnB Nor, Lloyd's Register and PSA, this will turn Sea Asia once again into a truly world-class maritime show.

EU lawmakers propose tougher maritime safety rules:

BRUSSELS, Sept 24 (Reuters) - European Union lawmakers approved a series of proposals on Wednesday to strengthen shipping safety and prevent oil spills but the package still faces tough negotiations with the bloc's governments. The European Parliament's package will clearly define tougher duties for states under whose flags ships operate and will clarify vessel owners' liability and insurance obligations. The proposed rules would also introduce a stricter ship inspection regime and create 'places of refuge' at ports or bays for ships in distress which would be overseen by independent authorities in each country. The measures are dubbed the 'Erika III' package after a tanker which sank off the coast of France in 1999, spilling its cargo of oil.

'In the aftermath of the accident with the Erika and the Prestige, we finally have succeeded in developing a quick and efficient system for giving assistance to ships in difficulty near our coasts,' Belgian lawmaker Dirk Sterckx said after the vote. The Prestige tanker sank off the Galician coast of Spain in 2002 causing a major oil slick. The package would also make insurance compulsory -- some 5 percent of EU shipping is uninsured -- and allow compensation for passenger injury or loss of baggage in line with other forms of transport. But some EU countries oppose creating a refuge for ships in distress, fearing this would expose their ports to financial and environmental risk. Some governments are also reluctant to accept new EU rules on flag states' obligations and on the civil liability of those responsible for environmental disasters, preferring laws to be enforced at a national level.

EU transport ministers are scheduled to debate the proposals in October and further negotiations with the parliament are likely before the final shape of the legislation emerges.

Military can't guarantee safety off Somalia: US Navy:

LONDON (Reuters) - The U.S. Navy said on Monday allied warships were doing all they could to thwart piracy in the strategic Gulf of Aden, but shipping companies should take their own measures to protect their vessels and crews. The warning came as it emerged Somali pirates had hijacked another vessel off the Horn of Africa on Sunday,

bringing the total seized so far this year to more than 30.

The U.S. Navy said the international naval force CTF-150 had stopped more than 12 attacks since May. CTF-150 comprises of warships from nations including Britain, France, Canada, Germany, Pakistan and the United States. "The coalition does not have the resources to provide 24-hour protection for the vast number of merchant vessels in the region," said Combined Maritime Forces commander, U.S. vice admiral Bill Gortney.

"The shipping companies must take measures to defend their vessels and their crews," he said in a statement, urging merchant ships to employ their own security teams. Last week global shipping groups clubbed together to call for naval powers to do more to protect the corridor. The sealine in the Arabian Sea between Yemen and Somalia links Asia to Europe via the Suez Canal and is critical to Gulf oil shipments.

Gortney said multinational naval patrols in support of the U.N. International Maritime Organization's (IMO) call in August for assistance to fight piracy was only part of the solution.

"Coalition maritime efforts will give the IMO time to work international efforts that will ultimately lead to a long-term solution," he said. "This is a problem that starts ashore and requires an international solution. We made this clear at the outset -- our efforts cannot guarantee safety in the region."

Admiral to shipowners: Hire security teams! Vice Adm. Bill Gortney, Commander, Combined Maritime Forces, is suggesting that the shipping industry consider hiring security teams to protect vessels against Somali pirates,

Since the inception of the Maritime Security Patrol Area (MSPA) on August 22, Combined Task Force (CTF) 150 has helped deter more than a dozen attacks in the Gulf of Aden. However, criminals have still successfully targeted several vessels in the region.

"The Coalition does not have the resources to provide 24-hour protection for the vast number of merchant vessels in the region," says Admiral Gortney. "The shipping companies must take measures to defend their vessels and their crews."

The Maritime Security Patrol Area was established in support of the International Maritime Organization's (IMO) call for

international assistance to discourage attacks on commercial vessels transiting the Gulf of Aden.

The MSPA is a geographic area in the Gulf of Aden utilized by Combined Maritime Forces to focus their efforts against de-stabilizing activities. These activities include, but are not limited to: criminal activities, drug smuggling operations that support terrorist and violent extremist organizations, and human smuggling. Coalition forces patrol the MSPA, which is not marked or defined by visual navigational means, on a routine basis.

Initially under Canadian Commodore Bob Davidson's leadership, CTF 150 ships are now commanded by Danish Royal Navy Commodore Per Bigum Christensen.

"Coalition maritime efforts will give the IMO time to work international efforts that will ultimately lead to a long-term solution," said Vice Adm. Bill Gortney, Commander, Combined Maritime Forces. "This is a problem that starts ashore and requires an international solution. We made this clear at the outset --our efforts cannot guarantee safety in the region. Our part in preventing some of these destabilizing activities is only one part of the solution to preventing further attacks."

"Mariners must remain vigilant," said CTF-150's commander, Commodore Christensen. "A ship's master and her crew are the first line of defense for their own ship."

This fact has been highlighted by merchant mariners who have been able to take effective proactive measures to defend their vessels. Such measures have included deterring attacks simply by keeping a sharp lookout for suspicious small boats operating in the vicinity of their ships, increasing speed and maneuvering to avoid small craft, and even repelling would-be boarders with water from fire hoses.

IWT, coastal plans to decongest Mumbai refuse to take off: Even as congestion in Mumbai and public outcry against it and Mumbai Port development have grown manifold, efforts to decongest the metropolis through inland water transport (IWT) and coastal shipping modes still remain on paper even after nearly two decades.

In his 1992 approach paper on role of IWT for the decongestion of Mumbai city,

RM Nair, former member (technical) Inland Waterways Authority of India (IWAI), envisaged diversion of heavy cargo vehicles, trucks and trailers from the road to an IWT ro-ro system interlinking the entry points to the city at Bassein, Thane and Vashi to the Bombay and Nhav Shiva ports.

The report, which used data from 1976 report of the state government as basic input, talked about the IWT route also connecting Bassien with Nagothana in Alibag district interlinking NH-8 and NH-17 for the North - South inter state traffic.

Instead of loading unloading of the cargo, the plan was to move trucks as such in (Ro Ro vessels) to avoid the congestion of city roads.

The conspicuous benefits of the proposal were the de-congestion of the city, reduction in pollution, savings on account of fuel and above all, development of an IWT infrastructure; a new mode for the city for cargo and passenger traffic.

It also said that the conspicuous social benefit would be decongestion of Mumbai - reduction in pollution and savings in fuel to the tune of 10 mn lit/per year (approx). IWT advantages of the Basein - Nagothana and Bombay - Nagothana routes are in addition.

"The savings on import bill for fuel alone will offset the development cost in broader terms of national economy," the report noted.

Fast forward to 2006, as a follow up of a recent decision taken by shipping minister, shipping ministry constituted a committee under the chairmanship of chairman, IWAI consisting of representatives of Mumbai Port Trust, (MbPT) and Maharashtra Maritime Board (MMB).

After much deliberation, the panel decided to engage a consultant to take up the study and Mumbai-based I-maritime was awarded the job of preparation of techno economic feasibility study report and detailed project report in August 2007.

The consultant, who submitted its finding in June this year, concluded that the costs outweigh the benefits and the whole project has a negative net present value making it economically non viable.

"The cost of development of this route is estimated at Rs 10050 crore, which include modification of 16 bridges, 8.5 mn cum. dredging including removal of rocky outcrops and construction of 21

IWT vessels... and concluded that the route is not found to be viable from the ongoing study point of view," noted the report.

Not satisfied with it, a special team headed by IWAI chief SP Gaur and comprising DT Joseph, former secretary (shipping), and representatives of MMB, MbPT, and I-maritime and has conducted a physical inspection of the site on June 26.

The team felt that the basic reason for I-maritime finding MbPT-Vasai route via Thane creek non viable because they have considered a big Ro-Ro vessel as their design vessel for this purpose which requires a channel 7 meter deep 70 m bottom width.

It was also felt strongly that IWAI should pursue the consultant to study the techno economic feasibility of developing the waterway without restricting itself to any particular type or size of vessel.

According to I-maritime sources, it has already submitted their report to IWAI taking into consideration viability of using smaller Ro-Ro vessels.

"We have submitted our report and the government has to take a decision," said an I-maritime source.

"Whatever factors we found justifying the project at that time are more than relevant today when fuel prices have gone up.

Capital investment required for construction of the waterway might have also gone up. But our purpose was to decongest Mumbai which is still relevant," said Mr Nair when contacted.

"I knew any consultant looking into the project will find some problem in the 'chicken neck area' near Thane. That investment will have to be made and we have to find technical solutions to overcome that then only the project will be viable.

"Modify the waterway at that particular area, modify one or two railway bridges. Dredging et al will not be a difficult and insurmountable problem. India has so much capacity for vessel building and depending on the requirement, people will build the vessel so there is no issue of draft there," he said.

"As there is a water course around Mumbai why aren't we using it?" asks Mr Joseph who is one of the proponents of the project. "If we don't do anything like this now, in natural course the water

body will be more and more clogged and the whole thing will disappear," he said.

"There is no need to worry about higher bridges and deeper drafts now. When the time comes, we can build it. What I am saying is that with the existing height, if we can carry a 400 TEU vessel, why not?," he said while talking about the need for incremental approach for developing the project.

According to i-Maritime sources, if everything goes as per plan the project should take 3-4 years to materialise.

But Mr Nair seems to disagree, he says, "It is not only the Mumbai project which is getting delayed. Since 9th Plan onwards we were targeting new waterways.

But the momentum has almost come to zero, cargo movement is not taking place as expected even along national waterways. The government has created infrastructure but all that is not been put to right use.

The missing link is participation of the private sector, which will come only when they have confidence in the project. It is for the Govt to instill confidence in them to put money in these projects."

SHIP TO SHORE: Short sea shipping is one way to get trucks off highways:

A traffic jam on Interstate 95 in New London made Rockford "Rocky" Weitz and two colleagues 90 minutes late for a meeting with Greenwich shipping executive Per Heidenreich in March 2007.

Thousands can spin similar anecdotes. But Heidenreich and Weitz believe they can help solve the decades-old traffic dilemma, particularly in the heavily congested Northeast.

Weitz, a board director and senior fellow at the Gloucester, Mass.-based Institute for Global Maritime Studies, co-wrote "Deep Blue Highway." The 142-page report promotes freight hauling, or short sea shipping, among U.S. cities by ship or barge rather than by truck or train.

Heidenreich, a general partner in Greenwich-based Heidenreich Innovations and founder of Heidmar Inc. shipping company, was a consultant for the report. Heidenreich Innovations develops software that makes the documentation process easier for vessels that enter ports around the world.

It's time to put more freight on ships to save fuel, reduce emissions and trim

"MARINE WAVES"

(International Maritime Newsletter)
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Edited and Published at
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Chennai - 600 090, INDIA.
+91-44-32955222 / 42018982 /
42019895

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truck traffic, Heidenreich said.

"Only 2 percent of domestic freight (excluding bulk cargo such as oil) moves on water, while in Europe it is more than 40 percent," he said. "This has got to change because neither the highways nor the rails can cope with current cargo volume and the expected increase over the next 10 to 15 years."

In the report, Heidenreich and Weitz recommend a network of ports with docking facilities that would enable trucks to roll their trailers.

SEA: Stable Returns in a Choppy Market?

In his recent lampoon of U.S. financial policy, Asia Times reporter Spengler noted, "An American economy based on opening containers from China and selling the contents at Wal-Mart (WMT), or trading houses back and forth, provides scant profitability." While the future profitability of these methods is a subject of debate, Spengler's argument highlights an integral practice—one so ingrained that many fail to notice—the acquisition of raw and finished products overseas and the industry built around their transportation.

Unless you live by Manhattan's East River or in the port of Piraeus outside Athens, it is easy to forget how enmeshed the maritime industry is with everyday consumption. The most efficient transoceanic way to transport anything from corn to Nike sneakers to oil is aboard one of the thousands of merchant ships that dock and depart U.S. ports daily. Fleets of vessels constitute major public companies, and as Claymore launched the Claymore/Delta Global Shipping Index ETF (SEA) in August, it facilitated access to the maritime shipping niche through select shipping equities.

SEA comprises 60 maritime shipping owners and operators located across the globe. Greece, with a 35% equity allocation, is the largest country weighting. The U.S., the Bahamas and Bermuda also each hold 10% or more of SEA, with 19%, 15% and 10% weightings, respectively. While all the companies within the index "participate in maritime activities," these functions can be further broken down into bulk

shipping, oil tankers and container ships.

Merchant ships are expensive to build, maintain and fuel. While labor is perhaps the biggest cost in building a ship, materials like steel have become increasingly expensive. Ideally, merchant ships are used for less than 20 years, but due to increasing costs, a greater number of vessels are utilized longer. Fuel costs also constitute a major expense, and ship owners and operators have a variety of options when fuel prices increase dramatically. Operators can cut costs by slowing down ships at sea; other methods include financial hedging and technological improvements.

Increased globalization has garnered both praise and resentment from the shipping community. General trends have resulted in a reduction of taxes and tariffs, allowing small economies to become part of a global marketplace. The growth of industrial countries has also increased shipping volume. Crude oil cargo ships sailing from the Middle East to industrial giants like Japan, the U.S. and Europe have increased shipping tonnage, while coal and ore cargoes traveling from South America, South Africa and Australia to industrial consumers have done the same.

The timing of SEA's debut is perhaps conspicuously tied to the recent run on commodities. While the cost of fuel is passed on to consumers, it is the value of commodities transported that drives SEA's returns. As demand for oil remains constant, other commodities—such as copper, iron and corn—impact equity return as supply and demand shift. Because of the variety of shipping methods—container, freight and bulk—Maritime subsectors are impacted differently by the changes.

This tide of demand has largely been pulled by developing nations such as China in recent years. All of SEA's components will be subject to the needs of emerging markets, but those companies involved in bulk transportation feel this influence the most. When comparing relative profitability, Capt. Taylor Apollonio, master of the 621-foot freight ship Tina Litrico, noted that "while oil tankers are stable and container(ships)

fluctuate with the economy, bulkers will fluctuate wildly depending on China."

Seaspan Corp. (SSW), SEA's largest holding, at 4.53%, has recently seen an influx of trade from China. "We have seen the inbound volume of goods really picking up," noted CEO Gerry Wang in a recent interview with CNBC. "We are surprised, but it's a positive surprise." CNBC labeled SSW's stock movement the "Christmas indicator" due to the high percentage of consumer items that are transported by the company. After taking delivery of a new container ship earlier this month, Wang said, "Since our initial public offering, we have increased the capacity of our contracted fleet by 244%. Our current available liquidity of \$850 million will allow us to continue to execute our disciplined growth strategy and consider additional growth opportunities that meet our strict return strategy."

Horizon Lines Inc. (HRZ) constitutes 4% of SEA but engages in a different business model. HRZ, which recently celebrated 50 years of service at a company event in Puerto Rico, has invested more than \$10 million in a San Juan development project aimed at increasing efficiency and reducing truck turnaround times by 20%. In addition to increasing efficiency on shore, HRZ is also developing new technologies so its customers can monitor refrigerated pharmaceuticals and perishable food items while they are en route. Despite industry-wide slowdowns, HRZ has gained more than 16% from July 24 to September 17.

Rapidly developing countries, demand for commodities and improved navigation technology have spurred merchant ship profits and industry awareness. Still, SEA's scope is small, and the fund represents a concentrated position in a specialized sector. In a well-diversified portfolio, however, manned by an investor seeking indirect commodities and retail exposure, SEA could provide stable returns in choppy markets.

The disparity principle IN the recent case of The Vessel "Voutakos" v Tsavlis Salvage (International) Ltd in the English High

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Court, Queen's Bench Division, Admiralty Court, the Admiralty Judge had a rare opportunity to consider an appeal from a Lloyd's Open Form arbitration award.

In his Shipping and Transport CaseNotes, David Martin-Clark explains, "The case concerned the effect of the so-called 'disparity principle' and the extent to which commercial towage rates should be taken into account by arbitrators in the assessment of salvage awards, particularly in cases involving straightforward towage. Whilst holding the disparity principle to be flawed and unworkable, the judge further held that commercial towage rates were relevant in providing a useful cross-check by way of providing a floor to a salvor's legitimate claim. Their relative significance would depend on the facts of each case."

The case note is based on an article by Stephen Pink and Joanna Waterfall of Clyde & Co, who explain, "Having held that commercial tug hire rates are relevant and admissible in salvage cases, the judge appeared to face some difficulty in deciding to what extent this meant that the appeal arbitrator had erred in law. This uncertainty arose because it was not entirely apparent from the reasons on appeal whether the appeal arbitrator had concluded that such rates were always irrelevant, or whether his comments in this respect were directed only to his consideration of the disparity principle. However, the fact that the award was ultimately remitted for reconsideration appears to suggest that the judge felt that there was a significant possibility that erroneous principles had been followed.

"The difficulty for the appeal arbitrator now, and for salvors and owners of salvaged property alike in the future, is to decide exactly how commercial rates are to be taken into account in the assessment of awards. In the instances quoted above, the judge makes it clear that in appropriate cases such rates can be a useful cross-check in establishing a floor to a salvage award. But to what extent can they be considered to be a restricting factor? Although there are parts of the judgment that indicate such evidence should be capable of restricting awards, the mechanism by which this is to take place and the extent of such influence is much less clear."

Call for publication: THERE has meanwhile been a call at the annual general meeting of the International Salvage Union for publication of Lloyd's Form Salvage Awards, including the full text of the arbitrators' reasons. ISU president Arnold Witte said, "It is important that the Lloyd's arbitration system is not only entirely fair to all sides but is also seen to be fair." We wish the ISU well in its campaign, and certainly better luck than that enjoyed by your editor in his attempts to persuade the



London Maritime Arbitrators Association to cease its antediluvian approach to publication. Everybody, including the LMAA, knows that it is wrong, on every level. But bringing about a change is harder than trying to push an elephant up the stairs.

Welfare warning: LONDON Club Chairman John M Lyras has once again emphasised the need to pay attention to the welfare of ships' crews. Writing in the latest London Club News, Mr Lyras notes, "Given the central role played by crew in keeping the seas safe and clean, thereby helping to control the club's costs, we must pay continuing attention to the conditions they face during their service.

"The recent detentions of senior crew members of the Hebei Spirit in Korea look like being yet another example of the discouragement of valuable potential seafarers from making a career at sea. The London Club is not directly involved and the full story is yet to emerge, but the protestations of the ship's managers seem depressingly familiar."

Mr Lyras also notes that there have been some encouraging developments recently in respect of the treatment by government officials of crews on board vessels calling at ports in the United States. He says, "I find myself reluctantly having to be critical of governments; but I believe it is also important to pay tribute

where it is due.

"The Club has from time to time received reports of heavy-handed boardings by representatives of government agencies in the USA, one of the effects of which has actually been to distract the crew to such an extent that it prevents them from going about their normal duties. Given that those duties include some that are safety-critical, the wellbeing of the ships and the environment and people in and around them has potentially

been compromised.

"I am not aware of such a case actually resulting in an accident, but these sorts of stories have not been isolated and have been of concern to both the shipping and P&I insurance

industries. Those conscious of specific cases have hesitated to bring them to the attention of senior officials for fear of the shipowners concerned being penalised in some manner. It was reported recently that officials of the US Coast Guard had heard of similar instances from their own sources and that they had resolved to ensure that a more constructive approach would be taken during the boardings.

"I have now seen a directive sent by the Commandant, Admiral Thad Allen, to all Coast Guard districts, setting out his expectations and displaying a clear intention that conduct of the sort the club has heard reported will not be tolerated. The directive refers to the professionalism of ships' crews generally and an understanding of the desire of shipping to work in partnership with the Coast Guard with a view to enhancing safety.

"This forthright recognition that improvements can be made and that partnership is the way forward is immensely reassuring and it deserves publicity and a positive response. It will also encourage dialogue between the Coast Guard and those feeling the effects of its actions. I hope that Admiral Allen is in a position to influence the conduct of other US agencies with authority to board ships. I have particularly in mind the Customs Authority.

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