

## Murder at Sea: Captured on Video, but killers go free

**SHARJAH KHALID PORT, United Arab Emirates:** *A video shows at least four unarmed men being gunned down in the water. Despite dozens of witnesses, the killings went unreported and remain a mystery.*



The man bobbing in the sea raises his arms in a seeming sign of surrender before he is shot in the head. He floats face down as his blood stains the blue water.

A slow-motion slaughter unfolds over the next 6 minutes and 58 seconds. Three other men floating in the ocean, some clinging to what looks like the wreckage of an overturned wooden boat, are surrounded by several large white tuna longliners. The sky above is clear and blue; the sea below, dark and choppy. As the ships' engines idle loudly, at least 40 rounds are fired as the unarmed men are methodically picked off.

"Shoot, shoot, shoot!" commands a voice over one of the ship's loudspeakers as the final man is killed. Soon after, a group of men on deck who appear to be crew members laugh among themselves, then pose for selfies.

### Weapons on the Water, Violence at Sea

Despite dozens of witnesses on at least four ships, those killings remain a mystery. No one even reported the incident - there is no requirement

(contd. on page 2)

## Highlights

	Page
<b>Murder at Sea: Captured on Video, but killers go free</b>	1
<b>From the Editor's Desk</b>	3
<b>Pirates and Robbers</b>	5
<b>Aboard a Floating Armory</b>	7
<b>AMVER Anniversary: 2,800 Lives Saved</b>	8
<b>Making the Arctic Circle a Square</b>	9
<b>One Dead after Grounding in the Philippines</b>	10
<b>Livestock carrier sinks in Gulf of Aden</b>	11
<b>Philippines Reinforcing Old Navy Ship on Spratlys</b>	12
<b>Bulk Carrier Rescues Five off Kiribati</b>	13
<b>First American Female Cruise Captain</b>	14
<b>World's most important maritime capitals</b>	15
<b>A Guide to Personal and Professional Well-Being of Seafarers</b>	16
<b>Dry Bulk Shipping to Recover in Late 2015</b>	17
<b>Chemical Tanker Shipping Industry Faces a Challenging 2015</b>	18
<b>Shipping Freight Rates Drop as Operators Wrestle with Overcapacity</b>	19
<b>Lithuania Laying Groundwork for Better Seafarer Protection:</b>	19
<b>Moore Stephens Says Shipping Faces Increased Exposure From Failure To Manage Risk</b>	20
<b>Rolls-Royce Completes LNG Retrofit of Bergen Viking</b>	21
<b>Port of Prince Rupert Enhanced Green Wave Incentive Program Rewards Environmental Performance</b>	22
<b>Day of the Seafarer Campaign Highlights the Benefits of a Career at Sea</b>	23

Views and opinions expressed by various writers on individual capacity or of institution and organisations are not of "Marine Waves". Every care is taken to publish the references to notifications & circulars of government / classification societies etc. Hence Marine Waves Management will not be responsible for any error in the publication.

Images / photos are used for representation purpose only.

Readers are recommended to make appropriate enquiries before entering into dealings with advertisers in this publication. The Editor and Publisher does not vouch any claims made by advertisers and hence shall not be held liable for any adverse consequences.

- Editor: "Marine Waves"

### OUR LEGAL ADVISORS

## Surana & Surana — International Attorneys



Head Office: International Law Centre, 61/63, Dr. Radhakrishnan Salai, Mylapore, Chennai - 600 004, India.  
Tel : 91-44-28120000, 28120002, 28120003  
Fax: 91-44-28120001, E-mail: intellect@lawindia.com

(contd. from page 1)

to do so under maritime law nor any clear method for mariners, who move from port to port, to volunteer what they know. Law enforcement officials learned of the deaths only after a video of the killings was found on a cellphone left in a taxi in Fiji last year, then posted on the Internet.

With no bodies, no identified victims and no exact location of where the shootings occurred, it is unclear which, if any, government will take responsibility for leading an investigation. Taiwanese fishing authorities, who based on the video connected a fishing boat from Taiwan to the scene but learned little from the captain, say they believe the dead men were part of a failed pirate attack. But maritime security experts, warning



An employee inspected a rifle aboard the Resolution, a floating armory that anchored in the Gulf of Oman

that piracy has become a convenient cover for sometimes fatal score-settling, said it is just as likely that the men were local fishermen in disputed waters, mutinied crew, castoff stowaways or thieves caught stealing fish or bait.

"Summary execution, vigilantism, overzealous defense, call it what you will," said Klaus Luhta, a lawyer with the International Organization of Masters, Mates & Pilots, a seafarers' union. "This boils down just the same to a case of murder at sea and a question of why it's allowed to happen."

The oceans, plied by more ships than ever before, are also more armed and dangerous than any time since World War II, naval historians say. Thousands of seamen every year are victims of violence, with hundreds killed, according to maritime security officials, insurers and naval researchers. Last year in three regions alone - the western Indian Ocean, Southeast Asia and the Gulf of Guinea off West Africa - more than 5,200 seafarers were attacked by pirates and robbers and more than 500 were taken hostage, a database built by The New York Times shows.

Many merchant vessels hired private security starting

in 2008 as pirates began operating across larger expanses of the ocean, outstripping governments' policing capacities. Guns and guards at sea are now so ubiquitous that a niche industry of floating armories has emerged. The vessels - part storage depot, part bunkhouse - are positioned in high-risk areas of international waters and house hundreds of assault rifles, small arms and ammunition. Guards on board wait, sometimes for months in decrepit conditions, for their next deployment.

Though pirate attacks on large container ships, like that depicted in the film "Captain Phillips," have dropped sharply over the past several years, other forms of violence remain pervasive.

Armed gangs run protection rackets requiring ship captains to pay for safe passage in the Bay of Bengal near Bangladesh. Nigerian marine police officers routinely work in concert with fuel thieves, according to maritime insurance investigators. Off the coast of Somalia, United Nations officials say, some pirates who used to target bigger ships have transitioned into "security" work on board foreign and local fishing vessels, fending off armed attacks, but also firing on rivals to scare them away.

Provocations are common. Countries are racing one another to map and lay claim to untapped oil, gas or other mineral resources deep in the ocean, sparking clashes and boat burnings. From the Mediterranean to offshore Australia to the Black Sea, human traffickers carrying refugees and migrants sometimes ram competitors' boats or deliberately sink their own ships to get rid of their illicit passengers or force a rescue.

Violence among fishing boats is widespread and getting worse. Heavily subsidized Chinese and Taiwanese vessels are aggressively expanding their reach, said Graham Southwick, the president of the Fiji Tuna Boat Owners Association. Radar advancements and the increased use of so-called fish-aggregating devices - floating objects that attract schools of fish - have heightened tensions as fishermen are more prone to crowd the same spots. "Catches shrink, tempers fray, fighting starts," Mr. Southwick said. "Murder on these boats is relatively common."

The violent crime rate related to fishing boats is easily 20 times that of crimes involving tankers, cargo ships or passenger ships, said Charles N. Dragonette, who tracked seafaring attacks globally for the United States Office of Naval Intelligence until 2012. "So long as the victims were Indonesian, Malay, Vietnamese, Filipino, just not European or American, the story never resonated," he said.

Prosecutions for crimes at sea are rare - one former United States Coast Guard official put it at "less than

(contd. on page 5)

## *From the Editor's Desk*



*SEAFARERS are out of sight and hence out of the minds of the Indian Government, with neglect ion towards their welfare, while they bring valuable foreign exchange to their country of origin. The best way to make our elected government to realise its faulty policies, is to create an increased "public awareness" for e.g. view today's news in the Times of India, chennai edition, pg.9, wherein our Honourable P.M. announced filling up of Joint- Secretary slots in six months, to ensure quick empanelment of non IAS Officers, for the same. State Public Service Commission entry, generally are mere short cuts for getting conferred by the politicians to IAS, IPS etc. which brings down performance- efficiency of public services. Due thought be given, as to how the country is governed with fairness and transparency, considering the scams making galore, in a poor democratic country, while we have abundance of intellects well qualified and enlightened. An awakening needed, by the common people of India or else it would continue to demoralize, the law abiding citizens. They be competitively recruited, giving equal opportunities, by wide publication and conducting selection on pure merits of those committed to serve the public and not name-sake. Public Servants to be those dedicated in public service with a passion to serve the public.*

*The Oceans, plied by more ships than ever before, are also more armed and dangerous than any time since World War II, naval historians say. Thousands of seamen every year are victims of violence, with hundreds killed, according to maritime security officials, insurers and naval researchers. Last year in three regions alone - the western Indian Ocean, Southeast Asia and the Gulf of Guinea off West Africa - more than 5,200 seafarers were attacked by pirates and robbers and more than 500 were taken hostage, a database built by The New York Times shows. Many merchant vessels hired private security starting in 2008 as pirates began operating across larger expanses of the ocean, outstripping governments' policing capacities. Guns and guards at sea are now so ubiquitous that a niche industry of floating armories has emerged. The vessels - part storage depot, part bunkhouse - are positioned in high-risk areas of international waters and house hundreds of assault rifles, small arms and ammunition. Guards on board wait, sometimes for months in decrepit conditions, for their next deployment. Armed gangs run protection rackets requiring ship captains to pay for safe passage in the Bay of Bengal near Bangladesh. Nigerian marine police officers routinely work in concert with fuel thieves, according to maritime insurance investigators. Off the coast of Somalia, United Nations officials say, some pirates who used to target bigger ships have transitioned into "security" work on board foreign and local fishing vessels, fending off armed attacks, but also firing on rivals to scare them away. Provocations are common. Countries are racing one another to map and lay claim to untapped oil, gas or other mineral resources deep in the ocean, sparking clashes and boat burnings. From the Mediterranean to offshore Australia to the Black Sea, human traffickers carrying refugees and migrants sometimes ram competitors' boats or deliberately sink their own ships to get rid of their illicit passengers or force a rescue.*

*Violence among fishing boats is widespread and getting worse. Heavily subsidized Chinese and Taiwanese vessels are aggressively expanding their reach, said Graham Southwick, the president of the Fiji Tuna Boat Owners Association. Radar advance-ments and the increased use of so-called fish-aggregating devices - floating objects that attract schools of fish - have heightened tensions as fishermen are more prone to crowd the same spots. "Catches shrink, tempers fray, fighting starts," Mr. Southwick said. "Murder on these boats is relatively common." The violent crime rate related to fishing boats is easily 20 times that of crimes involving tankers, cargo ships or passenger ships, said Charles N. Dragonette, who tracked*

*(contd. on page 4)*

(contd. from page 3)

seafaring attacks globally for the United States Office of Naval Intelligence until 2012. "So long as the victims were Indonesian, Malay, Vietnamese, Filipino, just not European or American, the story never resonated," he said. Prosecutions for crimes at sea are rare - one former United States Coast Guard official put it at "less than 1 percent" - because many ships lack insurance and captains are averse to the delays and prying that can come with a police investigation. The few military and law enforcement ships that patrol international waters are usually forbidden from boarding ships flying another country's flag unless given permission. Witnesses willing to speak up are scarce; so is physical evidence. Violence at sea and on land are handled differently, Mr. Dragonette said. "Ashore, no matter how brutal the repression or how corrupt the local government, someone will know who the victims are, where they were, that they did not return," he said. "At sea, anonymity is the rule." In an interview, Mukundan Pottengal, the director of the bureau, which is primarily funded by shipping companies and insurers, said his organization does not try to determine the exact location of attacks or whether they are in national or international waters, partly because these details are often contested by countries. "Whether they are called pirates or robbers is a legal distinction," he said. "It does not change the nature of their act or the danger to the ship or crew when armed strangers get on board their ship."

No one in any profession is above all. but please do criticize the wrong deliberate acts, as constructive criticisms. fairness and transparency be along-with account-ability for any officer / executive grade, in human society, then only makes sense, except for those spell against the national security, for safeguarding the unity and solidarity of the motherland india, who be taken to task seriously . God has not made any human being above-all. we find these days many qualified enlightened men among all cadres includes the politicians. never ever under-estimate them amongst human brains by their size and place. One cannot therefore reject 'Peoples Represent- ative's view - on point blank, as it is the most supreme since they constitute the most important arm of peoples governance under whom \* in majority, the executive and the judiciary works. none fallen from the sky with all skills. to err is human an old adage goes. \* the elected representative's voice, represents the voice of the common masses. however the iq and reflexes of one individual like ram jethmalini's voice, as a learned citizen cannot be ignored. Every professional is very important in its place, none can keep dictating without fear of their own conscience and the almighty god. a fair reason-ability with illogical expressions, as judiciary announces very scary orders to citizens making "helmet wear " compulsory " sabko apna jaan pyara hai " besides its the task / work responsibility of the executives/bureaucrats, why judiciary is shirking their basic responsibility causing the mounting up of pending cases of the common people for over years and decades \* causing grave pending cases of genuine public, neglecting them and as well causing discrimination within the indian society/ common people, and they live silent deaths. JUDICIARY lacks the proper RESEARCH, since they neglect the genuine feedbacks of the common people, for no improvement / betterment, cause of aged old system in practice, and administrative- lapses to continue, with loopholes encouraging corruption to grow in society.

**Dr. Chandran Peechulli**, Ph.D ; D.Sc., F I E (India), F.I.I.P.E., M.S.E.I., Pg.DTED, Pg.DIMS(UK), MSNAME(US), LLB., PgDLL., (L.L.M.). Fellow-Institution of Engineers (India), Fellow - Indian Institution of Plant Engineers & Ex. Vice Chairman TN Chapter, Life Member & Ex. Executive Committee Member-Indian Institute of Standards Engineer T N Chapter, Indian Institute of Occupational Health, Managing Editor & Publisher - "Marine Waves" International Maritime Newsletter. Corporate Member, Chennai Press Club. Retired Chief Engineer (Marine) & General Manager (Tech), Consultant - CeeCee Industrial & Marine Management Consultants. General Secretary "Chennai Society for Fast Justice" chandran.peechulli@yahoo.com, Address: M107-5 & 12, 29th Cross Street, Besant Nagar, Chennai-600 090. Ph. 044-42018982. India. Publisher & Editor-in Chief: www.themarinewaves.com. www.facebook.com/chandranpeechulli and www.theseafarersvoice.com

(contd. from page 2)

1 percent" - because many ships lack insurance and captains are averse to the delays and prying that can come with a police investigation. The few military and law enforcement ships that patrol international waters are usually forbidden from boarding ships flying another

country's flag unless given permission. Witnesses willing to speak up are scarce; so is physical evidence.

Violence at sea and on land are handled differently, Mr. Dragonette said. "Ashore, no matter how brutal the repression or how corrupt the local government, someone will know who the victims are, where they were, that they did not return," he said. "At sea, anonymity is the rule."

## World Info Desk

**Pirates and Robbers:** The creaky wooden fishing boat strained to cut through eight-foot swells on a clear black night, as its captain, who goes only by the name Rio, spread out a regional map.

Headed north, about 50 miles from the Natuna Islands



in the South China Sea, he tapped his finger on his location, widened his eyes and contorted his face to register fear. Then, he silently reached over and opened a wheelhouse compartment revealing a Glock handgun.

He had a good reason to be armed. The waters in this region, especially those near Indonesia, Malaysia and Vietnam, are among the most perilous in the world. More than 3,100 mariners were assaulted or kidnapped in the area last year, according to the Times database, consisting of more than 6,000 crime reports.

The database includes information provided by the Office of Naval Intelligence; two maritime security firms, OceanusLive and Risk Intelligence; and a research group called Oceans Beyond Piracy. No international agency comprehensively tracks maritime violence.

The death tolls in these attacks are murky because follow-up investigations are rare, police reports often lack details and bodies tend to disappear at sea. But maritime researchers estimated that hundreds of seafarers are killed annually in attacks. (They caution those numbers are likely to be undercounts because they do not include deaths close to shore or in some particularly dangerous areas where deaths are rarely reported to international authorities.)

Typical culprits included: rubber-skiff pirates armed with rocket-propelled grenades, night-stalking fuel thieves, hit-and-run bandits wielding machetes. But a variety of other

actors appear too, and many of them are not as they initially seem: hijackers masquerading as marine police officers, human traffickers posing as fishermen, security guards moonlighting as arms dealers.

For instance, there were 10 Sri Lankan migrants, a group that included women and children, who were smuggled aboard a fishing boat in 2012 near the island nation. When their demands to set a new course for Australia were refused, the migrants attacked the crew, killing at least two men by throwing them overboard. Or the three captive Burmese workers who in 2009 escaped their Thai trawler in the South China Sea by leaping overboard, swimming to a nearby yacht, killing its owner and stealing his lifeboat.

The waters near Bangladesh illustrate why maritime violence is frequently overlooked by the international community. In the past five years, nearly 100 sailors and fishermen have been killed annually in Bangladeshi waters - and as least as many taken hostage - in a string of attacks by armed gangs, according to local media and police reports.

Armed assaults have been a problem there for two decades, according to insurance and maritime security analysts. In 2013, the Bangladeshi media reported the abduction of more than 700 fishermen, 150 in September alone. Forty were reported killed in a single episode, many of them with their feet and hands bound before being thrown overboard.

These attacks were usually conducted by the half-dozen armed gangs that operate protection rackets in the Bay of Bengal and the swampy inland waters called the Sundarbans. Last year, they engaged in gun battles with the Bangladesh Air Force and Coast Guard during government raids on coastal camps and hostage ships.

Bangladesh's former foreign minister, Dr. Dipu Moni, reprimanded the international shipping industry and the foreign and local news media several years ago for defaming the country by describing its waters as a "high risk" zone for piracy.

"There has not been a single incident of piracy" in years, Dr. Moni said in a December 2011 written statement, adding that most of the violence off the nation's coast involved petty theft and robberies, most often committed by "dacoits" (a term derived from the Hindi word for bandits).

Those claims pivot on a legal distinction between piracy, which under international law occurs on the high seas or in waters farther than 12 miles from shore, and robbery, which involves attacks closer to land.

Insurance companies once charged \$500 for each trip to and from the ports located in the west of India, but increased the rate to \$150,000, given the area's piracy-prone designation, a Bangladeshi foreign ministry official said during a news conference in December 2011. After Bangladeshi officials protested to the International Maritime Bureau, which tracks piracy at sea, that their country was stigmatized as a high-piracy zone, the group amended its website to say its warning covered piracy and armed robbery.

In an interview, Mukundan Pottengal, the director of the bureau, which is primarily funded by shipping companies and insurers, said his organization does not try to determine the exact location of attacks or whether they are in national or international waters, partly because these details are often contested by countries.

"Whether they are called pirates or robbers is a legal distinction," he said. "It does not change the nature of



Weapons, tactical gear and body armor were stored in a container on the Resolution

their act or the danger to the ship or crew when armed strangers get on board their ship."

On his fishing boat, Rio said that violence is just a part of life at sea. "You must be ready, always ready," he said. For instance, he explained that larger, unlicensed fishing vessels in the area often plow through local fishermen's nets, not just eliminating their catch, but destroying their livelihoods.

Making a hand gesture as though he was firing his gun in the air, Rio revved his engine, lurching the boat forward, showing how he charged at others in these situations.

A wiry chain-smoker, Rio recounted the last time he used his gun. A year earlier, he said, he fired at a bigger ship that approached his boat late at night without permission. Rio said he then sped away, uncertain whether he had hit anyone on board.



Security contractors, who face intense boredom in the long breaks between deployments, lifted weights and exercised on the deck of the Resolution

Asked whether he reported the shooting to the police, Rio crinkled his face as if he did not understand. After several silent minutes, he asked: "Why would anyone report that?"

**FLOATING ARMORIES:** About 25 miles offshore from the United Arab Emirates in the Gulf of Oman, a half-dozen private security guards sat on the upper deck of the Resolution, a St. Kitts and Nevis-flagged floating armory. After the men traded war stories about past encounters with pirates, the conversation soon turned to a shared concern: the growing influx of untrained hires into the booming \$13 billion-a-year security business.

"It's like handing a bachelor a newborn," one guard said, describing how some of the new recruits react when given a semiautomatic weapon. Many of the new hires lack combat experience, speak virtually no English (despite a fluency requirement), and do not know how to clean or fix their weapons, said the guards, most of whom spoke only on the condition of anonymity for fear they would be blacklisted from jobs. Some of the recruits show up to work carrying ammunition in Ziploc bags or shoe boxes.

The maritime security industry includes fewer fly-by-night companies today than it did several years ago, according to the guards. But the potential for mishandling attacks - with possibly deadly consequences - has increased over the past year or so, they argued, because the shipping industry has been cutting costs, shifting from four-man security teams to teams of two or three less experienced men.

The 141-foot Resolution is among several dozen converted cargo ships, tugboats and demining barges that have been parked in high-risk areas of the Red Sea, Persian Gulf and the Indian Ocean, usually just outside national waters. The guards pay as little as \$25 per night to stay on the ship (the charge for carrying the men to and from client ships is often several thousand dollars), and check their weapons into a locked storage container upon arrival. Then they wait, sometimes for weeks, for their next job.

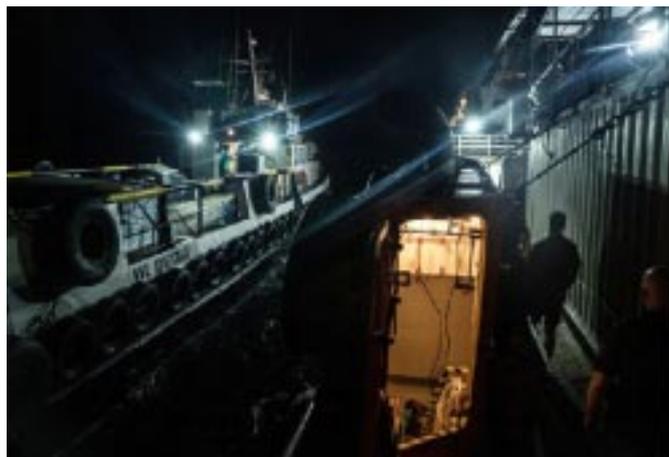
## Aboard a Floating Armory: Private maritime security contractors describe their work and living conditions at sea.

"Between fight or flight," said Cameron Mouat, a guard working for MNG Maritime, a British company that charters the Resolution. "Out here, there's just fight." There is no place to hide, no falling back, no air support, no ammunition drops, he said. Targets are almost always fast moving. Aim is usually wobbly because the ship constantly sways.

Some ships are the equivalent of several football fields in length, too big, these guards contended, for a two- or three-man security detail to handle, especially when attackers arrive in multiple boats.

Discerning threats is difficult. Semiautomatic weapons, formerly a pirates' telltale sign, are now found on virtually all boats traversing dangerous waters, they said. Smugglers, with no intention of attacking, routinely nestle close to larger merchant ships to hide in their radar shadow and avoid being detected by coastal authorities. Fishing boats also sometimes tuck behind larger ships because they churn up sea-bottom sediment that attracts fish.

"The concern isn't just whether a new guard will misjudge or panic and fire too soon," explained a South African guard. "It's also whether he will shoot soon enough." If guards



A smaller transport ship disconnected from the Resolution in the dead of night.

hesitate too long, he said, they miss the chance to take preventive measures that can help avoid fatal force, like firing warning shots, flares or water cannons, or incapacitating an approaching boat's engine.

The armories themselves can be crucibles of violence. Guards climbing off another floating armory, the Seapol One, pulled out their smartphones and showed pictures of the infested, cramped, trash-strewn cabins where eight men bunked.

Like most floating armories, the Seapol One, run by the Sri Lankan firm Avant Garde Maritime Services, had no armed security of its own to police its guests or protect against pirates who might seek to commandeer the arsenal. Most coastal nations oppose the armories, though they can do little to stop them since they are situated in international waters.

None of the guards interviewed knew of any fatal clashes on the armories. But there was no shortage of friction, they said. A Latvian guard, weighing more than 300 pounds and standing well over six feet, relieved himself in the shower because he could not fit in the bathroom stalls. Confronted by other guards, he refused to clean it up.

Several days earlier a heated argument erupted between two South African guards and their team leader. Unpaid for nearly a month, the men had been abandoned by their security company and left on the Seapol with no way to get back to port.

Kevin Thompson, a British guard, described intense boredom and isolation, which some guards relieved with occasional drinks of forbidden alcohol or by lifting weights, assisted by steroids. Describing the armories, he said, "They're basically psychological pressure cookers."

### UNSOLVED KILLINGS

The video of the killing of the four men speaks to a survival-of-the-fittest brutality common at sea, according to a dozen security experts who reviewed the footage. They speculated that one gunman, quite likely a private security guard, did all the shooting, using a semiautomatic weapon. And, they said, the four ships at the scene were probably associated with one another, perhaps by shared ownership. "You don't rob a bank in mixed company," one former United States Coast Guard official explained.

Last summer, the police in the Fijian capital of Suva closed their investigation into the shootings. They reasoned that the incident did not occur in their national waters, nor did it involve their vessels. Since no Fijian mariners had been reported missing, they concluded none of their citizens were among the victims.

When governments investigate incidents like this, their goal is typically not to find the culprit, said Glen Forbes from OceanusLive, the maritime risk firm. "It's to clear their name."

The video, which includes people speaking Chinese, Indonesian and Vietnamese languages, shows three large vessels circling the floating men. A banner that says "Safety is No. 1" in Chinese hangs in the background on the deck of one of the ships. A fourth vessel, which maritime records indicate is a 725-ton Taiwanese-owned tuna longliner called Chun I 217, passes by in the background.

Lin Yu-chih, the owner of the Chun I 217, which remains at sea, said that he did not know whether any of the more than a dozen other ships he owns or operates were present when the men were shot. "Our captain left as soon as possible," Mr. Lin said, referring to the shooting scene.

Though the date of the shooting is unknown, he said that he believed it occurred in 2013 in the Indian Ocean, where the Chun I 217 has been sailing for the last five years.

Mr. Lin declined to release any details about the crew of the Chun I 217 or the report he said he asked the captain to write about the killings after the Taiwan police contacted his company. Mr. Lin, a board member of the Taiwanese tuna longliners association, said the private security guards on

his ships were provided by a Sri Lankan company, which he declined to name. The Taiwan prosecutor's office, which is looking into the matter, declined to comment.

With one of the world's largest tuna fleets, Taiwan's fishing industry is among the nation's biggest employers and most politically powerful sectors.

Officials later said that the company authorized to put private security guards on Taiwanese ships was Avant Garde Maritime Services, the same business that runs the Seapol One, the armory in the Gulf of Oman. The company declined to answer questions about its guards or its floating armories.

Tzu-Yaw Tsay, the director of the Taiwanese fisheries agency, declined during an interview to release the Chun I 217's crew list or captain's name. He suggested, though, that the men in the water were most likely pirates who had been rebuffed.

"We don't know what happened," Mr. Tsay then acknowledged. "So there's no way for us to say whether it's legal."

### **AMVER Anniversary: 2,800 Lives Saved:**

Saturday (18th July) marked the 57th anniversary of the establishment of AMVER. The program, sponsored by the United States Coast Guard, is a unique, computer-based and voluntary global ship reporting system used worldwide by search and rescue authorities to arrange for assistance to persons in distress at sea.

The U.S. Coast Guard has issued a statement saying, "We just want to salute the thousands of vessels that have enrolled in the AMVER program over the years. You, the seafarer, have made AMVER the voluntary powerhouse it is today. Because of your selflessness countless lives have been saved."



Amver ultimately finds its roots in the RMS Titanic disaster in 1912. Ships passing within sight of the ill-fated passenger liner were unaware that it had hit an iceberg and was sinking. Upon later investigation, those who had seen the distress flares from the stricken ship admitted they thought they were merely part of the maiden voyage celebrations.

However, the resultant idea of a ship reporting system that could identify other ships in the area of a ship in distress, which could then be sent to its assistance, would not become a reality until the advent of computer technology. As late as the mid-twentieth century the world's commercial shipping fleet and burgeoning air transport system lacked

an available full-time, global emergency reporting system. On April 15, 1958 the United States Coast Guard and commercial shipping representatives began discussions which led to the creation of AMVER.

Originally known as the Atlantic Merchant Vessel Emergency Reporting (AMVER) System, it became operational on July 18, 1958. Today, over 22,000 ships from hundreds of nations participate in AMVER. An average of 4,000 ships are on the AMVER plot each day and those numbers continue to increase. The AMVER Center computer receives over 14,000 Amver messages a day.

Over 2,800 lives have been saved by AMVER-participating ships since 2000. The success of AMVER is the direct result of the extraordinary cooperation of ships, companies, SAR authorities, communication service providers and governments in supporting this international humanitarian program to protect life and property at sea.

### **Rescues in 2015**

Some rescue highlights from 2015 include:

- The cruise ship *Celebrity Solstice* rescued two sailors from a deserted island after their 37-foot sailboat was damaged after running aground on a deserted island near Malden Island, Kiribati on Thursday, April 16, 2015.
- The cement carrier *Cozumel* rescued an injured woman from the Dutch sailing vessel *Tycha* 180 miles northeast of Caracas, Venezuela on Tuesday, March 24, 2015.
- The bulk carrier *Jin Yun* rescued three people from a sunken panga 500 miles north of the Galapagos Islands on Wednesday, March 4, 2015.
- The cruise ship *Disney Wonder* rescued a Cuban migrant from a rustic raft 21 miles south of Marathon, Florida on Monday, March 2, 2015.
- The cruise ship *Celebrity Reflection* notified U.S. Coast Guard authorities their crew rescued ten Cuban migrants from a sinking rustic vessel 26 miles southeast of Lower Matecumbe Key, Fla. on Sunday, March 1, 2015.
- U.S. Coast Guard rescue authorities in Guam diverted the Amver participating bulk carrier *Hebei Triumph* after they received a 406 MHz Emergency Position Indicating Radio Beacon (EPIRB) for possible tug boat distress 154 miles northeast of Palau on Wednesday, February 11, 2015.
- Rescue authorities in Taiwan requested Amver assistance from U.S. Coast Guard officials to divert the Amver participating ship *NSS Fortune* to assist fishermen abandoning their burning fishing vessel 400 miles southeast of Kagoshima, Japan on Monday, February 9, 2015.
- The offshore supply vessel *Harvey Falcon* and the tanker *Moscow University* assisted in a search for the fishing vessel *Captain Mike* after an EPIRB alert was received for the fishing vessel 170 miles off the coast of Galveston, Texas on Wednesday, February 4, 2015.
- The tanker *Aqualeader* assisted in the rescue of five sailors after they alerted rescue personnel they were in

distress 120 miles southwest of Monterey, California on Saturday, January 31, 2015.

- The car carrier Astral Ace rescued five fishermen in the South China Sea on Sunday, February 1, 2015.
- The cargo ship Ocean Crescent responded to a call to rescue the crew of a 55-foot catamaran with five people on board 200 miles south southeast of Cape Hattaras, North Carolina on Friday, January 30, 2015.
- The cruise ship Veendam rescued a pilot after he ditched 200 miles northeast of Maui on Sunday, January 25, 2015.

**Making the Arctic Circle a Square:** July 14, U.S. Senator Lisa Murkowski (R-Alaska) gave a speech at the 6th Symposium on the Impacts of an Ice-Diminishing Arctic on Naval and Maritime Operations in Washington, D.C. The U.S. National Ice Center (NIC) and the U.S. Arctic Research Commission co-hosted the biennial event, which the website describes as covering topics related to U.S. naval operations and national strategy in an "ice-free Arctic."

Ice-diminishing or ice-free, it's apparent that symposium organizers have come to the conclusion that the ice is basically going, going, gone. Such a situation, of course, would be a best-case scenario for the handful of shipping companies interested in opening trans-Arctic shipping routes and a worst-case scenario for the indigenous peoples who have traditionally relied on sea ice for hunting and transportation.

The future of Arctic indigenous peoples, however, did not constitute the focus of this symposium. Over its three-day duration, politicians, oceanographers, atmospheric scientists, naval and coast guard representatives, and lawyers spoke about the region.

A representative from ExxonMobil did, too. Steven Laws, supervisor of development planning in the Arctic, presented the National Petroleum Council's Arctic Study Report. The transcript of Laws' speech is not available online, but the report, which thinks the Arctic can contribute to U.S. and global energy supplies and that the technology is already in place to make this happen, can be downloaded here.

When Senator Murkowski spoke, she did not mention oil or gas. Instead, she focused on naval and shipping operations. Interestingly, she suggested that in the Arctic, the United States "has a strategic geographic advantage that no other nation can match." To support her claim, she explained,

"On one side of the Arctic is the Bering Strait: a chokepoint for trans-Arctic activity as the only maritime route between the Pacific and the Arctic. On the other side of the Arctic are three routes to the Atlantic - off of Norway, between Iceland and Greenland, and between Greenland and Canada, with Maine positioned just to the south."

With these words, Murkowski essentially tried to square the circle. The Arctic is a roughly circle-shaped ocean, but Murkowski instead gave it two sides: one facing Alaska, and the other facing Maine. In this envisioning, the U.S. therefore seems to surround the Arctic on all sides - even though Russia actually possesses coastline facing almost half of the

Arctic Ocean.

In order for the squaring of the Arctic to work, Murkowski has to enlist Maine, which is increasingly inserting itself into Arctic affairs in the U.S. In the Senate, Murkowski and Senator Angus King (I-Maine) have formed an Arctic Caucus to try to bolster the Arctic's stance as an issue of national, rather than peripheral, importance. Murkowski declared in her speech, "We need to move beyond the notion that an "Arctic" project is just an earmark for Alaska."

The Senator and others at the conferences might have also reminded that the Arctic is not just a "project" to be undertaken by a slew of scientists, politicians, naval officers, and businessmen from the Arctic and beyond who collectively aspire to the region's resources and transportation shortcuts. It is also a homeland for millions of people with different ways of life and a vast amount of wildlife, from the magnanimous polar bear to bright orange lichen.

But the view of the Arctic as an almost-blank slate, a place to roll out a region-wide project of investment, infrastructure, and innovation, is pervasive. Last autumn, speaking at the Arctic Circle conference in Reykjavik, Iceland, Murkowski mentioned how there are two Arctics: one with infrastructure (the Nordic countries) and one without it (Alaska, Russia, and Greenland).

This is undoubtedly crippling for many of the people in the have-not countries that have received some, but not all, of the benefits of modernity, like a half-fulfilled (or rather half-baked, now that the Arctic is melting) promise. But ironically, the increasing impossibility of continuing traditional ways of life in an ice-diminishing and potentially ice-free Arctic has ironically given new impetus - and, in many circles, legitimization - to the "project" of the Arctic as a means of enriching and empowering peoples deprived by past rounds of industrialization.

**Stena Ferry and Tanker Collide off Sweden:** A Stena Line ferry collided with a tanker carrying 12,000 tons of fuel near Gothenburg, Sweden, on Sunday morning.



There have been no injuries reported and no fuel spilt into the sea.

The accident happened near the island of Vinga in the waterway leading toward Gothenburg's harbor.

The ferry, Stena Jutlandica, was carrying around 600

passengers at the time of the accident.

The ferry's hull was punctured on the port side, but the vessel was able to enter port under its own power.

The Swedish Coast Guard has divers in the water checking the tanker's damage and potential for an oil spill. The tanker is operated by Terntank.

Local media reports quote Niclas Mårtensson, deputy CEO of Stena Line, saying: "It was the tanker that hit us, not the other way around."

An investigation is now underway.

**One Dead after Grounding in the Philippines:** 20 Filipino seafarers were rescued from a Singaporean-flagged ship that ran aground on Friday one nautical mile off Santa Lucia, Ilocos Sur, in the Philippines.

The 231 gross tonnage Alam Manis was reportedly battered by huge swells that drenched its nickel ore cargo, causing the vessel to lose its stability until it listed and eventually grounded.



Alam Manis was enroute to China when the incident occurred.

Two of the 21 crew were earlier reported missing, one of whom was identified as C/M Henry Libo-on who passed away due to heart attack.

Meanwhile, the rest of the 20 seafarers were successfully rescued by the escort tug Salviscount and ferried to the port of San Fernando, La Union.

According to Ng Cock Soon, manager of PSM Perkapalan Sdn, Bhd, a wholly owned subsidiary of Malaysian Bulk Carriers, the survivors were brought to San Fernando where their families were waiting.

No signs of oil spill were found where Alam Manis ran aground, but oil spill boom equipment was provided by the Philippine Coast Guard as a precaution.

**USS Little Rock (LCS 9) Launched:** On Saturday July 18, the future USS Little Rock got one step closer to patrolling the world's shorelines and open seas when it was launched Marinette Marine Corporation shipyard.

The ship's sponsor, Janee Bonner, christened Little Rock(LCS 9) with the traditional smashing of a champagne bottle across the ship's bow just prior to the launch.

"It is such an honor and a privilege to serve as the sponsor of the future USS Little Rock and to be a part of this major milestone along the way to her assuming her place as part of the great U.S. Navy fleet," Bonner said.

Following christening and launch, Little Rock will continue to undergo outfitting and testing before delivery to the Navy later this year.



"This future USS Little Rock will use interchangeable mission modules that empower her to face a variety of high-priority missions, from Anti-Surface Warfare to Anti-Submarine Warfare to Mine Countermeasures," said Vice President of Littoral Ships & Systems, Joe North. "She is ideally suited to navigate the reefs and shallows in the Asia-Pacific, as so well demonstrated by USS Fort Worth on her current deployment."

The Little Rock is one of seven littoral combat ships under construction at Marinette Marine.

The Lockheed Martin-led industry team is building the Freedom variant, and has already delivered two ships to the U.S. Navy. USS Freedom (LCS 1) successfully deployed to Southeast Asia in 2013 and is currently operating out of her homeport in San Diego, California. USS Fort Worth (LCS 3) is currently deployed in Southeast Asia, serving in the U.S. 7th Fleet to strengthen international relationships, engage in multi-regional naval exercises and further LCS capabilities using manned and unmanned assets.

Milwaukee (LCS 5) was christened and launched in 2013, and is slated to be delivered to the Navy this fall. Detroit (LCS 7) was launched in 2014. Sioux City (LCS 11) is in construction, and Wichita (LCS 13) had its keel laid in February 2015. Billings (LCS 15), Indianapolis (LCS 17) and St. Louis (LCS 19) are in the construction phase.

USS Little Rock will be the first of an eventual eight Freedom-class Littoral Combat ships to be homeported in Mayport, Florida.

Manned by a crew of fewer than 100 sailors operating under a concept known as the "3-2-1 plan", the Navy will rotate three crews for every two ships, keeping one of those ships underway at all times. The LCS will have a core crew of about 50 sailors, then a specialized crew for each type of mission.

The Littoral Combat Ship is the model of modularity. The Little Rock will be a launch pad for aircraft (manned and unmanned) and unmanned surface and underwater vehicles.

Depending on its mission package (which requires only a 3-day turnaround), the ship can conduct anti-submarine, anti-surface warfare or mine countermeasures missions. The Little Rock has a built-in capacity for growth, with sensor packages and equipment designed using open architecture and already linked to a vast network across the US Navy fleet.

Freedom-class ships are 378.5 feet long with a 57.4-foot beam and have 3,000 metric tons displacement (with a full load). Draft is 12.8 feet and top speed exceeds 40 knots.

Little Rock will be the fifth in the fleet of the odd-numbered Freedom variant, featuring a steel double-chine advanced semi-planing monohull design. The even-numbered LCSs are of the Independence-variant featuring stabilized slender monohulls of aluminum.

Smaller than a frigate, the LCS is an agile force multiplier in gaining and sustaining maritime supremacy while conducting operations consisting of freedom of navigation, theater and maritime security, maritime law enforcement, counter-piracy, humanitarian assistance, disaster relief, search and rescue and maritime domain patrols.

### **The Original Little Rock**

Little Rock (LCS 9) is the second Navy vessel named after the capital city in Arkansas. Upon its champagne-splashed hull, the littoral combat ship will continue the proud heritage of the original USS Little Rock (CL 92), which is now a museum ship at the Buffalo and Erie County Naval and Military Park, Buffalo, N.Y.

The first Little Rock featured three different hull numbers and designations during its 31-year career.

USS Little Rock (CL 92) was originally in service from 1945-1949. That first four year tour of duty included training and exercises off Cuba and transiting the Panama Canal. Later, it sailed in the Mediterranean 1947-1948 and was then decommissioned in 1949 to join the Atlantic Reserve Fleet at New York.

After a three-year conversion to a guided-missile cruiser, USS Little Rock (CLG 4) was recommissioned in 1960. During November 1961, Little Rock was ordered to the waters off Santo Domingo to provide stability during a period of unrest following the assassination of President Rafael Trujillo. The ship also sailed annually to the Mediterranean as it maintained peace in southern Europe and the Middle East.

Little Rock was the Sixth Fleet flagship during the Arab-Israeli Six-Day War June 5-10, 1967. The cruiser provided assistance to USS Liberty (AGTR 5) after the ship was mistaken for an Egyptian vessel and attacked by Israeli Air

Force fighter aircraft and Israeli Navy motor torpedo boats June 8. The attack, which severely damaged the ship, killed 34 crew members and wounded 171.

While steaming in the Mediterranean with the USS John F. Kennedy (CVA 67) task group, a young ensign named Ray Mabus, now the Secretary of the Navy, served as a surface warfare officer aboard the cruiser from 1970-72.

Mabus presented the keynote address at the christening of the new USS Little Rock (LCS 9).

On June 5, 1975, USS Little Rock represented the United States during the ceremony at Port Said, Egypt, for the reopening of the Suez Canal which had been closed since the June 1967 Six-Day War. It was the only foreign warship in the official flotilla that sailed down the canal to Ismailia for the occasion.

In 1975, Little Rock's designation was changed from CLG-4 to CG-4. The cruiser and other ships of the Sixth Fleet provided protection and assistance during the June-July 1976 evacuations of non-Lebanese citizens of Beirut, Lebanon.

Little Rock was decommissioned at the Philadelphia Navy Yard on Nov. 22, 1976, stricken from the Naval Register, only to be re-designated for the last time - as a museum ship, the only World War II cruiser on display in the United States and the sole survivor of the Cleveland class, according to the Historic Naval Ships Association.

On June 30, 1979, USS Little Rock opened to the public, along with Fletcher-class destroyer USS The Sullivans (DD 537) and Gato-class submarine USS Croaker (SS 246) at the Buffalo and Erie County Naval and Military Park, Buffalo, N.Y.

### **Livestock carrier sinks in Gulf of Aden:**

Dubai: A livestock carrier has sunk off the coast of the Gulf of Aden with all animals perishing and two of the 29 crew still missing.



The more than 30-year-old ship was en route from Somalia to the United Arab Emirates when it sank in rough seas. It was believed to be carrying more than 3,000 animals. A nearby vessel was able to rescue 29 crew-members and the search for the missing two seafarers is ongoing. Livestock is Somalia's biggest contributor to its national gross domestic product, accounting for around 40% of GDP. The majority of the livestock heads for Middle Eastern markets.

Need for stricter/stringent Rules for transporting Livestock on land, overseas and air.

The Rules to specify the size of partitions for different categories of livestock and poultry inside transport spaces, to curb mistreatment.

**TAGS:** Animal Cruelty, Livestock, Poultry, Motor Vehicle Act 1988, Prevention Of Cruelty To Animals Act, Prevention Of Cruelty To Animals Act 1960, National Governance, UN Agency, the International Maritime Organisation(IMO).

**Philippines Reinforcing Old Navy Ship on Spratlys:** The Philippine navy is quietly reinforcing the hull and deck of a rusting ship it ran aground on a disputed South China Sea reef in 1999. The navy is trying to stop it breaking apart, determined to hold the shoal as Beijing



creates a string of man-made islands nearby.

Using wooden fishing boats and other small craft, the navy has run the gauntlet of the Chinese coastguard to move cement, steel, cabling and welding equipment to the BRP Sierra Madre since late last year, two navy officers who have been inside the vessel told Reuters in recent interviews.

The 100 meter-long (330-foot) tank landing ship was built for the U.S. Navy during World War Two. It was eventually transferred to the Philippine navy, which deliberately grounded it on Second Thomas Shoal to mark Manila's claim to the reef in the Spratly archipelago of the South China Sea. A small contingent of Philippine soldiers is stationed onboard.

Manila regards Second Thomas Shoal, which lies 105 nautical miles (195 km) southwest of the Philippine region of Palawan, as being within its 200-nautical mile exclusive economic zone. China, which claims virtually all the South China Sea, says the reef is part of its territory.

"We know China has been waiting for the ship to disintegrate but we are doing everything to hold it together," said one of the officers, adding that while the work was progressing slowly, it should be finished by the year-end.

The other naval officer said welding was being done at night because of the heat. Concrete foundations were being laid inside the ship's hull to try to stabilize it, he added.

Without giving exact dates, both sources said they witnessed the repairs taking place earlier this year. They declined to be identified because they were not authorized to speak to the media.

The soldiers currently stationed on the ship, who are demolition experts, were doing the work, said the second source.

Just to the west of Second Thomas Shoal is Mischief Reef, one of seven coral formations in the Spratlys that China is rapidly turning into islands that Beijing says will have undefined military purposes.

Vietnam, Malaysia, Taiwan and Brunei also have overlapping claims to the Spratly waterway, which is some 1,100 km (680 miles) from the Chinese mainland.

#### RUSTING OUTPOST

Asked about the repairs, Philippine Foreign Ministry spokesman Charles Jose declined to comment. But such work would not violate an informal code of conduct signed in 2002 by China and Southeast Asian states that prohibited any change to the status quo in disputed areas, he said.

"In our view, repairs and maintenance of existing facilities are allowed ... especially if such repairs and maintenance work are for the safety of our personnel and safety of navigation," Jose added.

The Philippine Defence Ministry declined to comment.

China's Defence and Foreign Ministries did not respond to a request for comment.

A Philippine general familiar with the repairs told Reuters the ship's hull and deck were being strengthened, and air-conditioning units added.

"We are improving the living quarters inside, to make life for our soldiers more comfortable," he said, declining to give further details about the repairs or be identified.

Pictures taken by a Reuters photographer who sailed to the BRP Sierra Madre with other media in March last year show a pockmarked vessel covered in rust, sitting on the permanently submerged reef but listing slightly to one side. Much of the boat's hull is visible.

#### BUT STILL ON ACTIVE DUTY

Besides being a military outpost, the BRP Sierra Madre is also a commissioned Philippine navy ship.

That means Manila could request U.S. military assistance under a decades-old security treaty with Washington if the ship was attacked, said senior Philippine military officials.

"Even if it's covered with rust, it will remain an active duty commissioned navy ship. It's a symbol of our sovereignty," said the Philippine general.

Second Thomas Shoal illustrates the mismatch in power between the Philippines and China.

Since the start of 2014, the Philippine navy's regular attempts to re-supply soldiers on the BRP Sierra Madre with food and water have become a cat-and-mouse routine, with large Chinese coastguard vessels on patrol in the area trying to block the path of the smaller Philippine boats, naval officials said.

The Philippine vessels have always gotten through by making a run for the shoal's shallow waters, which aren't

deep enough for the Chinese coastguard, naval officials said. The tear-shaped shoal itself is large, some 10-11 nautical miles from top to bottom.

Zhang Baohui, a mainland security expert at Hong Kong's Lingnan University, said Beijing would be angry about the repairs, adding that Chinese ships would probably continue their "menacing" tactics. But they would not do anything that could be considered an act of war, Zhang said.

"The larger geo-strategic context is more important than Second Thomas Shoal," he said.

**Bulk Carrier Rescues Five off Kiribati:** Coast Guard crew members drop emergency supplies to five men who were stranded in the water in a 14-foot skiff since July 8.

The bulk carrier Shourong Harmony rescued five men over the weekend. The men were stranded at sea in a 14-foot skiff since last Wednesday.

The U.S. Coast Guard reports that the bulk carrier was able to rescue the men after the HC-130 Hercules air crew from Coast Guard Air Station Barbers Point, Hawaii, spotted the 14-foot aluminum skiff 184 miles east northeast of Teraina Island, Kiribati.

The men were reported to be in good condition once they were rescued.

The Coast Guard mounted the search after the men were reported missing last Wednesday. They had departing Kiribati on a fishing trip on Monday.



The men were in a skiff with no engines, little provisions and no lifesaving equipment.

After searching for several days with negative results, the Hercules air crew located the men at 4:15 p.m., Friday, and dropped food, water, two VHF radios, a Coast Guard issued Personal Location Beacon, a signal mirror and flares to the skiff.

In conjunction with AMVER, watchstanders at the JRCC in Honolulu and the Kiribati Search and Rescue Liaison coordinated two vessels, the Shourong Harmony and the Moamoa to assist with the rescue of the men.

The distance from Honolulu, Hawaii, to where the men were rescued was about 1,087 miles.

AMVER, sponsored by the Coast Guard, is a computer-based, voluntary global ship reporting system used worldwide by search and rescue authorities. With AMVER, rescue coordinators can identify participating ships in the area of distress and divert the best-suited ship or ships to respond.

**Gas Inhalation Kills Crew:** Three crew members of the M/V Hi Ram were killed while working in an isolated area of ship on July 12th. The Malaysian Maritime Enforcement Agency (MMEA) chief Captain Amran Daud released a statement saying his unit received a distressed call from the ship earlier in the day and dispatched a patrol boats.

The M/V/ Hi Ram, a Vietnamese registered ship, was in transit from Bintulu Sarawak, Malaysia to India and had just bunkered in the nearby town of Pengerang. The MMEA patrol boat about an hour to find the vessel about four nautical miles southeast off of the coast.

When MMEA authorities boarded the ship they found three bodies covered with blankets on the deck and two sick crew members, who had also been overcome by gas fumes. All of the crewmembers were Vietnamese nationals.

**Shell Icebreaker Heads to Shipyard:** Royal Dutch Shell said on Monday an icebreaker crucial to planned Arctic oil drilling will be sent to Portland, Oregon to repair a gash in its hull, but the issue is not expected to delay the beginning of drilling off Alaska later in July.

Shell crew on the Fennica icebreaker last week found the 39-inch (1 meter) gash in the hull, likely caused by an uncharted shoal. Voyage time between Portland and southern Alaska should not delay the company's plans to begin drilling off northern Alaska in the Chukchi Sea later this month, Shell spokesman Curtis Smith said.

Shell believes that drilling can proceed while the Fennica is being repaired so long as it does not extend into the undersea zone bearing oil and gas. It plans to build the foundations of wells and do other preparatory work before drilling into that zone.



"We do not anticipate any impact on our season as we don't expect to require the vessel until August," Smith said.

The Fennica is one of two ice management vessels in Shell's fleet of nearly 30 ships it expects to bring to the Chukchi off northern Alaska this summer. It contains the capping stack, or emergency equipment designed to contain a blown-out undersea well, required for the drilling.

The gash in the Fennica was the second recent setback to Shell's Arctic ambitions. On June 30, the Interior Department informed Shell that established walrus protections prevent it from drilling two wells simultaneously that are less than

15 miles (24 km) apart, which means the company has to adjust its drilling this year.

The Fennica is being repaired in Portland and not in ports in and near Seattle, where two Shell oil rigs had been stored before departing for Alaska, because those facilities are only available for light maintenance, Smith said.

Shell has not drilled in the Arctic since 2012 when after the summer drilling season, an enormous drilling rig it was leasing broke free and grounded. If Shell discovers oil, it could begin producing in 10 or 15 years. After this season, it will have spent about \$7 billion on Arctic drilling off Alaska before producing oil.

The company needs two minor permits from the Department of Interior before it can start drilling.

**First American Female Cruise Captain:** Kate McCue, a California Maritime Academy graduate, will become the master of the Celebrity Summit in August 2015.

Captain McCue has more than 15 years experience in the maritime industry and managed ship logistics on while sailing on various itineraries throughout Europe, Asia, Australia, the Caribbean, the Pacific Northwest and Alaska as well as the Panama Canal. Her experience included working on the ship revitalization in Singapore and she did several transatlantic repositioning cruises.



In Celebrity's ongoing dedication for the advancement of women, Captain McCue's appointment to be a master in the line's fleet follows Lisa Lutoff-Perlo, who became president and CEO of Celebrity Cruises in December 2014.

After graduating from California State University's California Maritime Academy, McCue served as a cadet and deck officer as well as successive responsible positions until becoming a master mariner at Royal Caribbean International.

"Becoming the first female American captain of a cruise ship has been a goal of mine for as long as I can remember," says McCue. "The honor is amplified by being the first at a company like Celebrity Cruises."

**Pilot Makes Mistake, Master Conceals Grounding:** The U.K. Marine Accident Investigation Branch has released its report into the grounding of general cargo vessel

Vectis Eagle citing errors of judgement made by both pilot and master, the later trying to then hide the incident

from management. On November 30, 2014, Vectis Eagle grounded as a result of the loss of directional control while entering Gijon, Spain. The loss of control occurred as the vessel was rounding an inner breakwater. The investigation identified that Vectis Eagle was unnecessarily close to the



breakwater and that the turn was started too early. The pilot had been navigating by eye and his advice was not challenged by the master. The cause of the loss of directional control could not be determined by the investigators, and the master did not save the VDR data and attempted to conceal the grounding.

Six days earlier, Vectis Eagle had struck and caused significant damage to a lock gate in the Kiel Canal. This accident influenced the master's decision-making and actions in Gijon.

In the Gijon incident, the vessel refloated under its own power two minutes after the grounding. There were no injuries and there was no pollution. The forward section of the vessel's hull was damaged below the waterline.

### Uncertainty Over Grounding

Vectis Eagle grounded soon after directional control was lost as the vessel turned to starboard in order to approach the inner harbor at Gijon. As it remained stationary next to No4 breakwater between 0804 and 0806, apparently neither the master nor the pilot was certain that Vectis Eagle had grounded. The noise and vibration of the engine running astern, the noise of the anchor cable paying out and the movement of the vessel would have masked the occurrence to some degree.

Nonetheless, it is evident from the rapid checking of the forward tanks, followed by the pilot's external inspection of the hull once the vessel was alongside, that the master and the pilot were aware that Vectis Eagle might have been damaged, states the investigation report. Both the reported loss of directional control and the length of time the vessel was stationary, despite its engine set to full astern, warranted investigation.

### Hiding the Truth

The master neither informed the chief engineer, who was in the engine room at the time, of the apparent steering failure nor saved data from the VDR when the vessel was alongside. Moreover, he took steps to conceal the possibility that the vessel had grounded. This included influencing the behavior of the vessel's crew. Following the discovery of water and damage in the pipe tunnel, the master did not inform the pilot or report the possibility of the vessel grounding to the ship's manager or the embarked surveyors and inspectors.

The master's attempt to conceal the grounding showed a

lack of integrity, states the investigation report, and misled the ship's manager to believe that the damage had resulted from the contact with the lock gate in the Kiel Canal. It was only when Vectis Eagle entered dry dock that the ship manager Carisbrooke Shipping realized that this was not the case. By then, the opportunity to save the VDR data was lost.

### Routine Pilotage

Pilotage in Gijon is relatively straightforward and navigation by eye in good visibility is routine. However, on this occasion, although the pilot was experienced and very familiar with the port, he navigated Vectis Eagle unnecessarily close to the breakwaters. The pilot also started to turn the vessel around the southern end of No4 breakwater too early.

It is not clear why he made this error of judgment, although his use of the prominent building as a visual reference was prone to inaccuracy, and his view of the breakwater was possibly obscured by Vectis Eagle's deck cranes. It is also possible that the pilot had not fully appreciated the maneuvering characteristics of the vessel.

Passing so close to No4 breakwater left little margin for error or mechanical breakdown. Although there would have been time to rectify the premature turn to starboard had port rudder been applied when ordered by the pilot, there was insufficient time for the master and chief officer to identify, diagnose and rectify the loss of directional control, despite them having participated in steering drills only one week earlier.

### Bridge Teamwork

The nine minute transit from the pilot's boarding to the vicinity of No1 breakwater was sufficient time for the master and pilot to exchange information. However, their discussion was mainly limited to engine settings and speeds, and it did not include the passage plan to the berth. Although the master had checked and approved the vessel's plan, which allowed greater clearances off the breakwaters (notably No3 and No 4) than the route followed by the pilot, it is evident that he relied solely on the pilot to keep the vessel clear from navigational dangers.

The master's reliance on the pilot was probably influenced to some extent by anxiety resulting from an accident in the Kiel Canal six days earlier and that this was to be his first visit to Gijon. Nonetheless, as the master retained the responsibility for the safety of his vessel, his failure to sufficiently challenge both the vessel's proximity to the breakwaters and the pilot's premature initiation of the turn to starboard were significant omissions, states the investigation report.

The effectiveness of the bridge team was also limited by the employment of the chief officer as the helmsman. This was at variance with the vessel's SMS and prevented the chief officer from supporting the master adequately during the pilotage. Given the vessel's manning levels, an OS could have been used as a helmsman instead of the chief officer. Amongst other things, this would have enabled the chief officer to closely supervise the actions of the helmsman and he would have been immediately able to manage the loss

of directional control in accordance with the emergency checklist provided.

**World's most important maritime capitals: Singapore ranks first according to Menon Group survey.** According to a survey conducted by the Norwegian consulting firm Menon, Singapore is considered as the most important maritime capital, followed by Hamburg, Oslo, Hong Kong and Shanghai.

Asiaone Singapore media reports that Singapore ranked first among 15 cities that were benchmarked in five categories: shipping centres, finance and law, technology, ports and logistics, and attractiveness and competitiveness.

Leading maritime capitals

Rank	Shipping centres	Maritime finance and law	Ports and logistics	Maritime technology	Attractiveness and competitiveness	Overall Rank
1	Athens	London	Singapore	Dubai	Singapore	Singapore
2	Singapore	Oslo	Hong Kong	Hamburg	Hamburg/Oslo	Hamburg
3	Hamburg	New York	Rotterdam	Tokyo	-	Oslo
4	Tokyo	Singapore	Shanghai	Busan	London	Hong Kong/Shanghai
5	Hong Kong	Hong Kong	Dubai	Singapore	Shanghai/Hong Kong	-

Source: MENON GROUP

"With its business-friendly policies and being strategically located on the trade route between Europe and Asia, Singapore has gained a position in the global economy few would have predicted 40 years ago," said the report, which comprised of responses from 196 maritime professionals from 33 countries.

According to the report, Singapore led the way in port services and logistics, beating Hong Kong, Rotterdam and Shanghai. It was also named the most attractive and competitive city for the maritime industry, given the ease of doing business there and the complete maritime cluster. Singapore was second as a shipping center after Athens, which has "an impressively large and strong ship owning community". But it was ranked fifth in maritime technology, behind Oslo, Hamburg, Tokyo and Busan.

**Seafarers' labour rights endorsed by EU: EP's Plenary session adopts agreement reached in trialogue with the Council of EU.** the European Parliament's Plenary session adopted the agreement reached in trialogue with the Council of the EU last May, on the European Commission's proposal for a Directive on seafarers.

This adoption marks the end of a very long process, which



started some eight years ago and which had opposed shipowners to trade unions for many years.

However, in October last year, the Social Partners for Maritime Transport, the European Transport Workers' Federation (ETF) and the European Community Shipowners' Associations (ECSA), managed to reach an agreement that aimed at amending the Commission's original proposal on several essential points.

The joint ECSA/ETF agreement was presented both to the European Parliament and the Council of the EU and both institutions commended the social partners for having reached such agreement on an important matter for the shipping industry in general and its seafarers in particular. Hence, the agreement was fully taken onboard in the subsequent positions adopted by both EU Institutions.

Following this adoption, the following four EU Directives will soon also apply to the shipping industry, notably:

- Directive 2002/14/EC on information and consultation of employees in the EU
- Directive 2009/38/EC on the establishment of European Works' Councils for the purposes of informing and consulting employees,
- Directive 98/59/EC on collective redundancies, and
- Directive 2001/23 on the safeguarding of employees' rights in the event of a transfer of undertakings.

### **A Guide to Personal and Professional Well-Being of Seafarers:**

As seafarers we know that professional and personal challenges are a part and parcel of our career. It's not that we see them as hurdles in our paths, but the fact is that they definitely affect us to a certain extent- both professionally and personally.

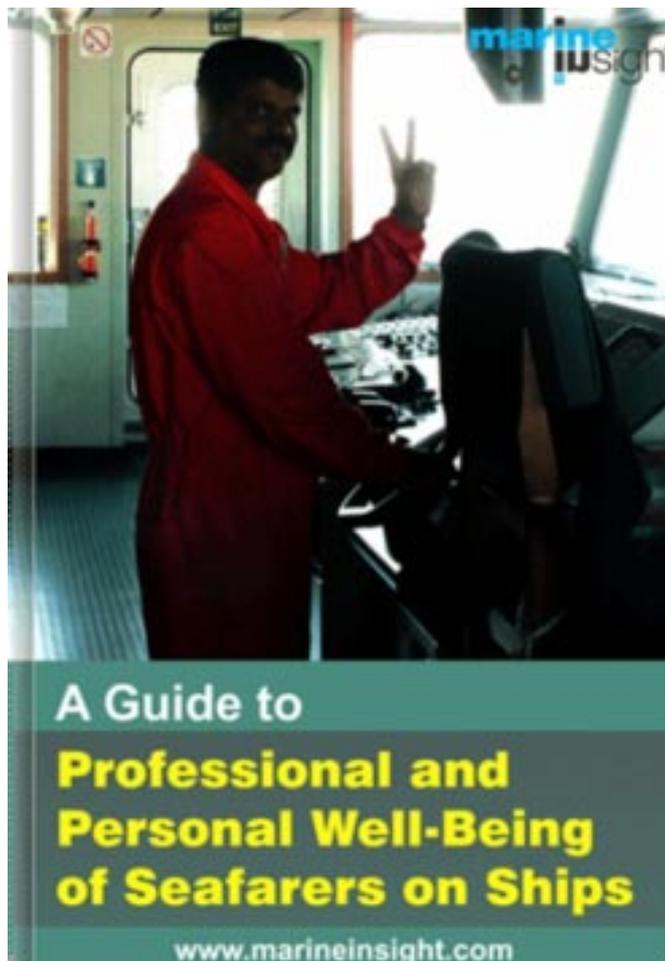
Working on board ships requires seafarers to have a certain type of mindset to ensure physical and emotional well-being. If you are a seafarer, you would know the kind of lifestyle at sea and the difficulties one has to face at personal and professional levels.

Taking care of small yet important things, preparing oneself for on board lifestyle, and making consistent efforts to avoid mistakes on ships help a lot in ensuring safety and well-being of ships.

As maritime professionals, we have ourselves faced a variety of problems on board ships both personally and professionally. However, we had to learn the hard way - making mistakes and learning from them. But just because we had to go through all the problems doesn't mean you also have to.

In order to ensure that today's maritime professionals are aware of some of the most common problems faced on board ships, Marine Insight offers a FREE eBook - A Guide to Professional and Personal Well-Being of Seafarers on Ships.

This FREE guide would answer some of the most frequently asked questions such as:



- \* Why life on board ships is becoming difficult for seafarers and what should they do to deal with it?
- \* How to deal with hectic life on ship?
- \* How to stay fit and focused on ship?
- \* How to deal with politics on ships?
- \* How to deal with difficult seafarers?
- \* How to make the best of your shore leave?
- \* How seafarers should take care of their health?
- \* How to deal with fatigue?

If you want to enhance your professional and personal well-being on ships, this guide would be a very helpful resource for you.

### **New Deprivation of Liberty at Sea guidance:**

This Guidance, published jointly by Human Rights at Sea ('HRAS') and the Network of Experts on the Legal Aspects of Maritime Safety and Security ('MARSAFENET') and financed through the European Union COST Action IS1105, is the first independently drafted international document covering Deprivation of Liberty ('DoL') by Shipmasters, crew and/or Privately Contracted Armed Security Personnel ('PCASP'). It is the result of in-depth research into the domestic and international legal frameworks governing deprivation of liberty on board private vessels. The Guidance, which complements existing guidelines on fair treatment of seafarers in the event of a maritime accident as adopted by the International Maritime

Organization ('IMO'), aims to become a leading soft law instrument voluntarily applied by relevant actors in the maritime, fishing and security industries. The issue of DoL of criminal suspects by Shipmasters, crew and/or PCASP is highly topical: this is true for piracy prone areas but also for areas with large migration movements like the Mediterranean and the Andaman Sea, where chances are that Shipmasters or crew may be confronted with persons suspected of trafficking in human beings or other criminal offences.

**USTDA Supports Study On LNG Terminal With The Panama Canal Authority:**

The U.S. Trade and Development Agency awarded a grant to the Panama Canal Authority (ACP) to support the planning of a liquefied natural gas (LNG) import terminal on 26th June, 2015. When the Panama Canal expansion project is completed next year, the Canal is expected to handle significant LNG tanker traffic. In order to capitalize on this growth, the ACP is interested in developing LNG-related infrastructure projects, including an import terminal.

"The U.S. Government is very pleased to partner with the Panama Canal Authority through this USTDA grant as the ACP looks to develop a LNG import terminal in the coming



years to take advantage of the Canal expansion project," said Chargé d'Affaires Kevin M. O'Reilly, who signed the grant agreement along with ACP Administrator/CEO Jorge L. Quijano.

"As we near the completion of the Panama Canal Expansion, we are eager to explore new segments such as LNG, which are now possible given our enhanced capacity to accommodate longer and wider ships. This grant by the USTDA will build on plans and projects related to LNG that are already ongoing and will present us with the ability to evaluate additional market opportunities and client services for the benefit of the U.S.-Panama energy trade," said Quijano.

The USTDA-funded feasibility study will help the ACP set strategic priorities and plan projects related to LNG infrastructure and natural gas utilization at the Panama Canal. The LNG terminal is anticipated to support the implementation of maritime- and energy-related projects that will accommodate increased shipping traffic through the expanded Canal.

The opportunity to conduct the USTDA-funded feasibility study will be competed through Federal Business Opportunities (FBO). A link to the FBO announcement will be posted to USTDA's website at [www.ustda.gov](http://www.ustda.gov). Interested U.S. firms should submit proposals according to the instructions in the FBO announcement.

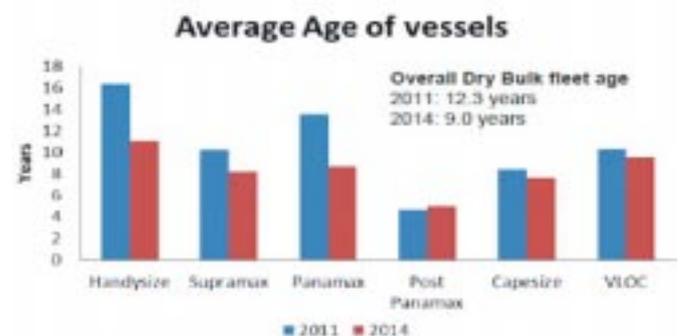
**Dry Bulk Shipping to Recover in Late 2015:**

Strong trade growth, moderating fleet development and deployment of new fuel efficient vessels are expected to lead to a recovery in dry bulk shipping rates later in 2015, according to the latest edition of the Dry Bulk Forecaster, published by global shipping consultancy Drewry.



"We expect rates to remain under pressure through the first quarter of 2015," said Rahul Sharan, Drewry's dry bulk shipping lead analyst. "However, thereafter earnings will recover as modern fuel efficient ships gain employment at higher rates relative to older ships. This is one of the reasons why average charter rates recovered in 2014 compared to 2013, despite continuing capacity pressure."

Modern vessels command higher rates due to their superior fuel efficiency and environmental credentials, relative to older units. Drewry estimates that since 2011 the average age of the dry bulk fleet has declined from 12 to 9 years (see above graph) which is one of several factors that has helped to support charter rates in an otherwise weak market.



Drewry estimates that the dry bulk shipping trade increased 8.3% in 2014, supported by strong iron ore demand and a 20% leap in grain trade. New vessel deliveries declined in 2014 as owners deferred orders in light of a weak market which limited 2014 fleet growth to 5.3% compared with 6.2% in 2013. Future capacity additions to the dry bulk fleet are likely to be checked by the conversion of some existing dry bulk orders to tankers, and continued slippage with new deliveries.

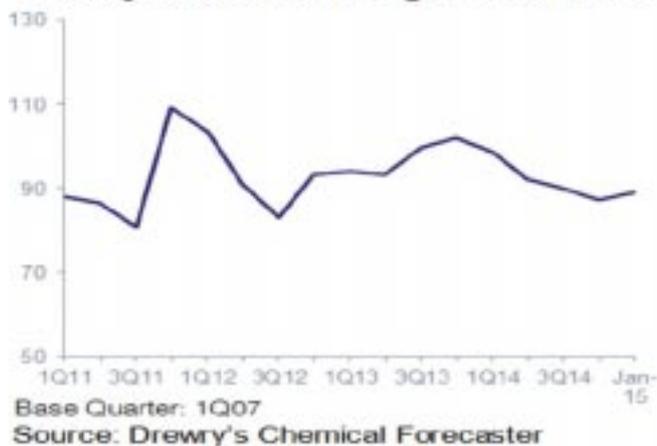
"We expect to see some acceleration in 2015 deliveries despite a moderating orderbook, thanks largely to increased slippage from 2014," added Sharan. "However, despite the uncertainty surrounding the global economy, we anticipate that 2015 will be another year in which dry bulk demand outpaces supply. This more favourable capacity outlook coupled with the influx of modern fuel efficient ships points to a recovery in the dry bulk shipping market in the second half of 2015."

**Drewry: Chemical Tanker Shipping Industry Faces a Challenging 2015:** Chemical tanker shipping faces another challenging year of falling freight rates in 2015 but the trade is expected to recover next year, according to the latest edition of the Chemical Forecaster, published by global shipping consultancy Drewry.



Seaborne trade in chemicals and associated products fell by 1.2% in volume terms in 2014. This decrease can be attributed to the overall weakness in the Chinese and European economies in 2014; however, with China accounting for approximately one third of global organic chemical imports, particular emphasis is placed on the fall in Chinese demand for chemicals as a major factor impacting the global market.

**Drewry Chemical Freight Rate Index**



'Uncertainty over the economic outlook and the recent fall in oil prices and its impact on plans for new petrochemical plants in the short term, are likely to restrain trade growth in 2015', notes Nazneen Fatima, lead analyst for chemical shipping at Drewry.

On the supply side, while the rate of new ordering in the chemical shipping sector has moderated, the total chemical capable fleet grew by 4.4% in 2014 and with a current

orderbook of 10.2 million dwt, further increases in supply will take place in 2015. When allowances are made for vessel scrapping and the loss of IMO certificates of fitness, the net increase in the size of the chemical fleet in 2015 is likely to be in the order of 7%, according to Drewry estimates.

Given that changes in vessel demand and supply are likely to be out of line for much of the year, pressure will remain on rates. 'Our chemical freight rate index dropped for much of 2014, before a brief rally at the year end. Our expectation is that average rates for 2015 will be lower than average rates in 2014. But in 2016 the market will begin to recover as supply growth moderates', adds Fatima.

**Drewry: Cheap Oil to Drive LPG Shipping Earnings:** LPG shipping earnings are forecast to remain buoyant on the back of low oil prices and the absence of fuel substitution, according to the latest edition of the LPG Forecaster, published by global shipping consultancy Drewry.



Low oil prices have not triggered the substitution of LPG as the fuel of industrial use, as feared by some analysts. As a result, LPG shipping demand has remained intact and low bunker prices have supported vessel earnings.

Drewry expects this trend to continue, as 60% of global consumption is residential whose demand is largely inelastic



to oil price change. The remainder is largely consumed by petrochemical production and Drewry estimates that only 20% of the sector's capacity is capable of switching away from LPG fuel. Historically, LPG consumption has proven remarkably stable in spite of oil price volatility (see above graph).

Meanwhile, the fall in oil prices has lowered shipping's fuel costs which have fed through into time charter equivalent (TCE) earnings despite weakening freight rates. For example, Drewry estimates that lower fourth quarter bunker costs contributed an 11% boost to LPG TCE earnings for very large gas carriers (VLGCs) on the Arabian Gulf-Japan route compared to the previous quarter. Over this period average freight rates fell 26% to \$85 per tonne.

A similar trend has been witnessed on coastal trades, with North West Europe-East Europe TCE earnings rising 22% over the same period despite lower freight rates.

"The implication is that LPG shipping has everything to gain from lower oil prices, despite unfounded fears that this may reduce cargo demand and so damage sector earnings," said Shresth Sharma, senior analyst, gas shipping at Drewry. "While we do not anticipate VLGC freight rates reaching the highs of last year given the large number of vessels lined up for delivery, we expect bunker costs to remain low through 2015 which will help support LPG shipping earnings."

### Shortage of Ship Officer Crew Receding:

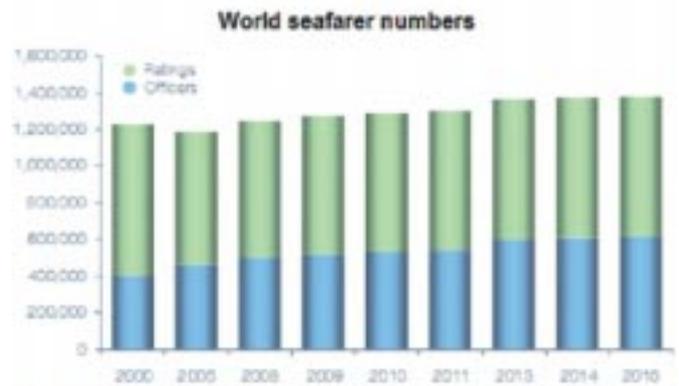
Shipping will require an additional 42,500 officers by the end of 2019 to cope with the expected growth in the main cargo carrying fleet, equivalent to 7% growth over the five year period. But the persistent shortage of officer crew is receding, according to the latest Manning report published by global shipping consultancy Drewry.



Current officer supply is in the order of 615,000 and there is a nominal shortfall of approximately 15,000 officers, which is expected to remain the case until 2019. In the main the shortfall is made up by officers working longer shift patterns.

"There is still a shortage of officers but the gap between demand and supply has narrowed as the recent growth in fleet size is coming to an end", comments Malcolm Jupe, Lead Analyst at Drewry.

Although ratings remuneration packages tend to follow the International Transport Workers' Federation (ITF) standard terms, officer earnings are more market driven; North West Europe is however the principle exception to the rule. In the current market, most ship owners cannot afford significant increases in wage rises and any increases which have been seen between 2014 and 2015 have been modest in nature.



Source: Drewry Maritime Research

It is also the case that ships are getting bigger and larger ships provide more shipping capacity for the same number of vessels. This is also helping to ease some of the pressure on manning.

"Manning is normally the single largest cost head in ship operations. Keeping these costs under control remains very important to all ship owners, especially when trading conditions are weak, as is the case in some of the key shipping freight markets - such as dry bulk carriers", concludes Jupe.

### Shipping Freight Rates Drop as Operators Wrestle with Overcapacity:

Shipping freight rates on the world's busiest route, from Asia to Northern Europe, fell by the largest percentage amount since 2008, reflecting wild volatility in the market as vessel operators continue to wrestle with overcapacity.

Rates for transporting containers from Asia to Northern Europe plunged 32.5 percent to \$444 per 20-foot container (TEU) in the week ended on Friday, a source with access to data from the Shanghai Containerized Freight Index told Reuters.

Shipping consultants Drewry reckon the Shanghai-Rotterdam and Shanghai-Genoa routes are the two most volatile among 11 that they track, with rates rising \$1,000 or more per TEU over just a few weeks and then falling back down again.

"The drop in freight rates is witness to the brutal price competition and there is a need for far more cuts in capacity," analyst Jacob Pedersen from Sydbank said.

Shipping companies such as Maersk have said they wanted to increase rate dramatically on the spot market. Sometimes they succeed in applying such high freight rates and the index rises as it did by 150 percent in May.

Global leader Maersk Line said it intended to increase spot rates by \$800 per TEU from June 1 and the world's third-largest shipping group, France's CMA CGM, said it wanted to boost rates by \$1,000 from June.

But more often than not, these shipping giants are forced to accept far lower rates due to overcapacity - too many ships, not enough goods.

"The volatility of global spot freight rates since the start of 2015 has continued to increase in comparison to 2014," Drewry wrote in a note.

In the week to Friday, container freight rates dropped 25.1 percent from Asia to ports in the Mediterranean, fell 7.0 percent to ports on the U.S. West Coast and were up 2.3 percent to ports on the U.S. East Coast.

A.P. Moller-Maersk Chief Executive Nils Smedegaard Andersen said last week Maersk Line would only sign long-term freight contracts if they were profitable. Otherwise, Maersk Line preferred to be exposed to the spot market.

### **Moore Stephens Says Shipping Must Adopt Can-do Attitude In 2015:**

International accountant and shipping adviser Moore Stephens says shipping needs to adopt a can-do attitude in order to successfully meet the challenges which are likely to come its way in 2015.

Moore Stephens shipping partner Richard Greiner says, "Shipping confidence started 2014 on a six-year high and ended it on a two-year low. It is difficult to predict with any certainty what the next 12 months will bring, beyond further uncertainty. To paraphrase an old adage, shipping goes into 2015 needing to accept the things it cannot change, to



change the things it can change, and to make sure it understands the difference between the two.

"Top of the list of things which shipping cannot change is the relentless march of regulation. In 2015 this will assume still more onerous proportions with the inception of new regulations governing Emissions Control Areas, and a further step towards ratification of the BWT Convention.

"Overtonnaging, meanwhile, is top of the list of things which shipping can change. Accelerated scrapping is needed, together with an acknowledgement that there are already too many ships on the market and that, absent some form of rationalisation, freight rates will not pay the bills.

"One area where shipping can demonstrate that it knows the difference between what it can and cannot change is in its attitude to private equity. Does private equity not know what the rest of us know, or does it know something the rest of us do not? Rather than bemoaning the short-term commitment of private equity, shipping should be looking to tick the boxes which attract such investors.

"Operating costs will go up in 2015, along with the cost of regulation, while it would be no surprise if oil prices were to go up faster than freight rates over the course of the

year. Environmentalists will be happier with shipping. There will be increased interest in risk management, without which there will be still more newbuilding disputes of the type currently sitting on the desks of arbitrators, and more companies following the unhappy route into bankruptcy taken at the end of last year by OW Bunker."

Greiner concludes, "Shipping embarks on a new year with confidence in a fragile state. The industry is volatile, and will be looking for improved political stability and a stronger global economy. But it should not underestimate its proven ability to endure throughout crises. The biggest danger may lie not in setting the targets too high and falling short, but in setting the targets too low and achieving them."

### **Moore Stephens Says Shipping Faces Increased Exposure From Failure To Manage Risk:**

A new survey from Moore Stephens has revealed that levels of sound enterprise and business risk management are currently satisfactory in the shipping industry. But the international accountant and shipping adviser warns that companies which fail to embed effective risk management procedures into their daily activities are likely to pay a high price in today's tightly regulated and highly competitive industry.

The inaugural Moore Stephens Shipping Risk Survey, which will be updated annually, sought to gauge how effectively enterprise and business risks are being managed in the shipping industry, and to analyse how key risks are being handled by companies. Respondents rated the extent to which enterprise and business risk management is contributing to the success of their organisation at an average 6.9 out of a possible score of 10.0. Over a quarter of respondents returned a rating of 8.0, while almost three-quarters put the figure at more than 5.0 out of 10.0.

A third of respondents felt that enterprise and business risk was being managed effectively by their organisations, while 37% confirmed that such risk was managed by means of discussion without formal documentation. Overall, 42% of respondents noted that risk was documented by the use of spreadsheets or written reports. Internally developed software was employed by 13% of respondents to manage and document risk, as opposed to the 6% who used third-party software. Other methods cited by respondents as a means of managing risk ranged from "industry data" to "hope".

One respondent noted, "We are highly focused, but a shipowner can only evaluate closely up until the moment when the ships are ordered or purchased. Once the bet is placed, Lady Luck takes a hand. The three most important things are timing, timing and timing." Another said the best way to minimise risk was to "avoid known high-risk clients who could seriously affect the rest of your business."

Some 72% of respondents felt that the senior managers in their organisations had a high degree of involvement in enterprise and business risk management, as opposed to the 18% who said senior management's involvement was limited to "periodic interest if risks materialise." While 8% of respondents said that senior management "acknowledged but had a limited involvement in" enterprise / risk

management, just 2% said senior management had no involvement whatsoever.

Demand trends were deemed by the greatest number of respondents (19%) to pose the highest level of risk to their organisation over the next 12 months, closely followed by competition (18%). The cost and availability of finance featured in third place, at 13%, while operating costs and tonnage supply each figured at 10%. Other factors cited as posing a high level of risk included political and economic developments and international sanctions, cyber security, counter-party creditworthiness, and technical breakdown. One respondent was convinced that demand for shipping would increase, but another was far less confident about the availability of competent crews to man the ships.

Respondents to the survey felt that the level of risk posed by most of the factors which impacted their business would remain largely unchanged over the next 12 months, with the exception of demand trends, the supply of competent crew and tonnage supply, which were perceived to have the potential for increased risk. Issues beyond the control of shipping also figured in the replies from respondents, one of whom emphasised, "Geopolitical issues will keep influencing the market economy, which will make business unstable and lead to lack of sustainability."

Michael Simms, a partner in the shipping industry group at Moore Stephens, says: "It is good to see that respondents to the survey rated at almost 7 out of 10 the extent to which enterprise and business risk management is contributing to the success of their organisations. It is encouraging, also, to see the healthy level of senior management involvement in the management of risk. But the figures need to be higher still for shipping to be able to claim that it is effectively managing risk to the best of its ability.

"You cannot take the risk out of shipping. It is part of the tradition of the industry, and one of the factors which attract investors. For too long, however, too many companies have failed to follow a joined-up risk management process, and insufficient resources and time have been devoted to risk management, creating difficulties and increasing the risk of business failure.

"Risk is only likely to increase in the shipping industry. Some of the risks are well-recognised and traditionally well-handled, such as those arising from competitive pressures. But other risks are of an emerging nature, such as cyber-security, while others still, for example the financial stability of counterparties, fraud and money-laundering, tend to fluctuate in their level of severity with market conditions and geographic location.

"Shipping cannot afford to under-estimate its exposure to risk. The banks, who are now starting to show a renewed appetite for shipping finance, and the private equity investors who have over the past two years or so filled the investment void created by the exit of more traditional shipping finance, will be looking to work with risk-aware shipping businesses, to ensure that their money is in safe hands. So, too, will counter-parties and other third-parties.

"Last year's bankruptcy filing of Denmark's OW Bunker set alarm bells ringing, attended as it was by references to major

risk management and fraud losses, and to unrecoverable credit. Shipping is also vulnerable to an increasing level of IT-related risk and is in some respects operating in a changed world and to a different risk profile - all this, moreover, at a time of increasingly stringent regulatory controls, which bring with them serious cost implications.

"Given the level of accumulated knowledge within the industry, and the continued increase in technological innovation, there is no excuse for shipping not to manage its exposure to risk. Companies which fail to monitor risk intelligently and systematically, to oversee the effectiveness of risk controls, and to embed risk management into their daily activities, are likely to pay a high price."

**Rolls-Royce Completes LNG Retrofit of Bergen Viking:** The Rolls-Royce powered Bergen Viking has returned to service following a successful conversion from diesel-electric to Liquefied Natural Gas (LNG)-electric propulsion.



LNG is growing in popularity as a marine fuel, and to date Rolls-Royce has delivered a total of 63 LNG engines to ships. LNG reduces Nitrogen Oxide (NOx) emissions by about 90 per cent while Sulphur Oxide (SOx) and particulates emissions are negligible. LNG engines also reduce CO2 emissions by 25 to 30 percent in general, compared to diesel or heavy fuel oil powered vessels. Emissions from Rolls-Royce gas engines are already within the limits of International Maritime Organisation (IMO) Tier III environmental legislation, due to come into force in 2016.

The retrofit replaced four of the ship's original six diesel generating sets with two Rolls-Royce Bergen C6 generating sets. The LNG fuel containment system and control system is delivered by two off 155m<sup>3</sup> fuel tanks configured for redundant propulsion, with crossover options both on bunkering and supply lines.

Kjell Olav Haugland, Managing Director of Bergen Tankers, said: "We are delighted to take over a renewed and more environmental friendly vessel. Our fleet sails along the long and beautiful Norwegian coast, and visit several ports every day, reducing emissions is an obligation we take very seriously. With the Bergen Viking returning to service we are also looking forward to significant savings in operational costs."

John Knudsen, Rolls-Royce, President - Commercial Marine, said: "The Bergen Viking project demonstrates that LNG is



an option not just for new vessels but can be successfully retrofitted into existing ships to deliver significant economic and environmental benefits for owners."

The Bergen Viking is a 95 metre long chemical and product tanker, owned by Bergen Tankers supplying diesel and petrol along the Norwegian coastline in trade for Statoil. Delivered in 2007, the vessel is part of a total fleet of six vessels owned by Bergen Tankers AS.

Rolls-Royce engines fuelled solely by natural gas have been in production since 1991 and have completed over 25 million hours of operation; one million at sea. Since the introduction of Bergen Engines lean burn technology, more than 650 gas engines have been delivered for operation on land and at sea. The first engines using LNG entered service in 2006 powering doubled-end car ferries. The 63 Bergen LNG-fuelled marine engines are now in operation on a range of ship types including coastal cargo ships, tankers, cruise ferries, tugs and offshore support vessels.

Rolls-Royce has developed its expertise in the use of LNG as a marine fuel and secured a range of contracts to power both new vessels and retrofits.

These include a collaboration agreement with Spanish energy company Gas Natural Fenosa to develop and install a pure-gas Bergen engine aboard the Baleària-operated ferry Abel Matutes a 29,670 tonne ROPAX ferry, delivered in 2010. The contract gives Rolls-Royce its first reference for a pure-gas engine installation on a European-flagged ferry operating outside of Norwegian waters.

The company has also signed a contract with Keppel Shipyard in Singapore to supply two all-gas engines for power generation on-board a Floating Liquefaction Vessel (FLNGV) owned by Golar LNG Ltd. The vessel Hilli was a former LNG carrier and is being converted to a FLNGV carrier. The contract includes an option for additional two engines for a second Golar LNG carrier to be converted, Gimi.

The Bergen engine range is produced in Norway by Rolls-Royce Power Systems, part of the Group's Land & Sea division.

**Port of Prince Rupert Enhanced Green Wave Incentive Program Rewards Environmental Performance:** With the maritime shipping industry making investment in sustainable practices and technologies a priority, the Port of Prince Rupert is enhancing one of its programs that rewards positive environmental performance.

Launched in 2013, the Green Wave program provides incentives for shipping companies to install emission-

reduction technology or other sustainable systems on vessels. The Port Authority offers discounts on harbour dues when such vessels call at the Port of Prince Rupert. In 2014, participation grew to 140 vessels, accounting for nearly half of the Port's 494 vessel annual calls.

"2015 has already seen even greater year-over-year participation, which is a testament to the shipping industry's awareness and support for increased environmental performance and sustainability," said Don Krusel, President and CEO of the Prince Rupert Port Authority. "By rewarding clean vessels, we are reducing local air emissions and connecting to a global effort to mitigate greenhouse gas emissions."

The program uses rankings in various environmental programs including RightShip, Green Marine, the Environmental Ship Index, the Green Award, Clean Shipping Index and the Energy Efficiency Design Index (EEDI). Earlier this month the Port of Prince Rupert rolled out revisions to a number of program criteria, both to increase the recognition of vessels with the lowest footprint and to adapt to new international standards now in place.

RightShip's GHG Emissions Rating, which measures an individual ship's CO2 output, is represented by an A-G scale where A represents the most efficient vessel. RightShip "A" rated vessels will now qualify for Tier 3 discounts in the program, rewarding the top performing vessels. With new North American Emission Control Area measures in place, which enforce 0.1% sulphur content for fuel used by commercial vessels, Green Marine qualifications will shift from SOx to GHG-based measures. EEDI will also evolve to include a mechanism for vessels to qualify for a Tier 2 discount.

"These changes demonstrate the continual evolution of the program," said Krusel. "We are pleased to work with the shipping fleets, along with other ports and environmental programs, as we deliver on our ability to improve environmental sustainability in the marine shipping industry."

The Port of Prince Rupert's Green Wave program has garnered international attention since its inception for its role in promoting sustainable practices and technologies. RightShip CEO Warwick Norman has congratulated Prince Rupert on the success of its program.

"The Prince Rupert Port Authority's Green Wave program is one of the most successful environmental incentive programs we collaborate on with the GHG Emissions Rating," said Norman. "With the program now in its third year and going from strength to strength, Prince Rupert is demonstrating industry stewardship to those ports considering an environmental incentive program."

## Day of the Seafarer Campaign Highlights the Benefits of a Career at Sea

On this year's Day of the Seafarer, the International Maritime Organization (IMO) is encouraging young people to consider a career at sea as a viable attractive and enticing career option.

Seafaring offers unique opportunities to navigate the seas of the globe and encounter the wonders of the ocean. It offers the opportunity to experience a world of real adventure on the seas and oceans and to interact with people from all over the world.

At the heart of this year's campaign is the sharing of seafarer stories. Therefore, IMO invites aspiring and current seafarers, organizations, ship-owners, Governments, port-authorities and general supporters across the world to share their stories about life at sea and to be ambassadors for their own industry.

Maritime professionals are invited to show, on social media, what a career at sea could look like and by doing this, inspire young people. The campaign hashtag is #CareerAtSea.

A virtual photo wall has also been created to invite seafarers to upload photos of their time at sea.

IMO has also posted videos to view and share:

- A short video animation highlighting the exciting possibilities of a career at sea;
- A video message from IMO Secretary-General Koji Sekimizu speaking from the Seaman's Center at Intramuros, Manila, Philippines, which is the world's leading supplier of manpower to the global maritime industry.

In his message, IMO Secretary-General Sekimizu called on active and past seafarers to inspire the next generation by sharing their experiences on social media, using the hashtag #CareeratSea.

*"On the Day of the Seafarer, I wish to encourage everybody who is already engaged in this vital professional world to reach out to a new generation; tell them about your life and your work; inspire and encourage them to explore for themselves a career at sea or elsewhere in the maritime industries," Mr Sekimizu said.*

*"Please, show your support for our campaign, using the resources available on the Day of the Seafarer page on the IMO website; and if you're on social media, don't forget to share your experiences using the campaign hashtag #CareeratSea. Together, let us reach out new audiences and inspire a new generation of maritime experts and seafarers," Mr Sekimizu said.*

*UN Secretary-General Ban Ki-moon also highlighted the Day of the Seafarer, noting that demand for shipping is growing along with global population, but that there are fears that in the future, there may be a shortage of seafarers.*

*"Seafaring opens the door to decent work and unique and enriching experiences. Moreover, in running today's modern, high-tech vessels, seafarers acquire skills and technical expertise that make them very well qualified for work in many shore-based industries once their sea-*

*going days are over. Seafaring is often an attractive option for people in developing countries," Mr Ban said.*

*"On this International Day, I encourage young people to consider seafaring as a career. I also urge those who are a member of the maritime community to share your passion and experiences with young people. And if you are a serving seafarer, today I salute you, thank you for your hard work, and wish*

*you calm seas as you serve the world and make your way home." Mr Ban said.*

### Day of the Seafarer background

In 2010, comprehensive revisions to update and revise IMO's international convention on seafarer training, the STCW Convention, and its associated code, were adopted at a Diplomatic Conference in Manila, Philippines. That conference also agreed that the unique contribution made by seafarers from all over the world to international seaborne trade, the world economy and civil society as a whole, should be marked annually with a "Day of the Seafarer". The date chosen was 25 June, the day on which the landmark amendments were formally adopted.



## **“MARINE WAVES”**

(International Maritime Newsletter)

**CHENNAI – 600 090, INDIA.**

**Ph: +91-44-42018982**

### **REGISTERED OFFICE**

Edited and Published at

M107/5, Kalakshetra Colony, 29<sup>th</sup> Cross Street, Besant Nagar, Chennai - 600 090, INDIA.

Ph : +91-44-42018982

### **OVERSEAS ASSOCIATE – E.U. COUNTRIES**

**Dr. Swarna Prasad, M.Sc., PhD.,**

14, Collins Close, Chandler's Ford, Eastleigh, SO53 4HS, Hampshire, England, U.K.

Phone(L/L). +44 2380 253367.

**E-mail: [seafarersman@indiatimes.com](mailto:seafarersman@indiatimes.com)**

**[chandranpeechulli@gmail.com](mailto:chandranpeechulli@gmail.com)**

**Website: [www.themarinewaves.com](http://www.themarinewaves.com)**

“Maritime Group” knows as to what we are, not forgetting that we are here to share our valued flow of thoughts, inter-changed with quality of expression exchanged, is to arrive at a QUALITY consensus, since “MARINE NEEDS A MULTI-DISCIPLINARY APPROACH - Do something instead of killing time or else, time will be killing you.”

For all practical purposes, my e-mail ID would be:- [chandranpeechulli@gmail.com](mailto:chandranpeechulli@gmail.com), OR [chandran.peechulli@yahoo.com](mailto:chandran.peechulli@yahoo.com)



### **Attention Seafarers! TOLL FREE NUMBER**

In case of Emergency seek Help, while in Indian waters / Indian EEZ, Contact: INDIAN COAST GUARD Dial City Code, followed by 1554.

*For example from Chennai, 044-1554*

#### **TELEPHONE NUMBERS**

**PORTS ON THE EAST COAST OF INDIA, COAST GUARD REGIONAL HEAD QUARTERS (EAST), (MRCC) Chennai,**  
Tel: +91-44-2346 0405, Telefax: +91-44-2539 5018 Email: [isareast@dataone.in](mailto:isareast@dataone.in), Inmarsat “C” (IOR) 44190 7510  
Inmarsat “M” (IOR) 64190 1410

**PORTS ON THE WEST COAST OF INDIA, COAST GUARD REGIONAL HEAD QUARTERS (WEST), (MRCC) Mumbai,**  
Tel: +91-22-2438 8065, Telefax: +91-22-2431 6558  
Email: [indsar@vsnl.net](mailto:indsar@vsnl.net) Inmarsat “C” (IOR) 44190 7210 Inmarsat “M” (IOR) 76288 2349

**ANDAMAN AND NICOBAR SRR, COAST GUARD REGIONAL HEAD QUARTERS, ANDAMAN AND NICOBAR, MRCC  
PORTBLAIR, Tel: +91-3192-245530, Telefax: +91-3192 - 242948**  
Email: [mrcc-ptb@indiancoastguard.nic.in](mailto:mrcc-ptb@indiancoastguard.nic.in) | [pblmrcc@sancharnet.in](mailto:pblmrcc@sancharnet.in) | [Com\\_cs@dataone.in](mailto:Com_cs@dataone.in)  
Inmarsat mini ‘C’ (IOR) 583-441922666 /  
583-441908010 Inmarsat Fleet-77: 00-870-600938555

This site is owned and operated by “MARINE WAVES” whose registered office is in M107-5, 29th Cross Street, Besant Nagar, Chennai - 600 090, INDIA. 42018982. Managed by Shri R Venkatakrishnan, M.Com; MCA; MBA., Managing Trustee, for “Marine Waves Trust”. Founded / Authored by Dr. Chandran Peechulli, Ph.D; MBA; D.Sc; FIE (India), PgDIMS (UK), PGTED; FIPE; MSEI; MSNAME (USA), Ex.Chief Engineer (Marine), G.M. (Tech) Crossworld Shipping, Managing Editor & Publisher - “MARINE WAVES” International Maritime Newsletter. [www.themarinewaves.com](http://www.themarinewaves.com)

Readers’ valued feedback very important to us. Please be free to e-mail: [seafarersman@indiatimes.com](mailto:seafarersman@indiatimes.com), [seafarersman@hotmail.com](mailto:seafarersman@hotmail.com) You don’t have to be a “Writer”, all you need to be yourself and pour-out your thoughts on Seafarers and their life and work out at sea.

Service to active Seafarers out at Sea on top priority.

Do write to us of your unsolved problems/grievances, the matter will be taken up with the concerned Civil Authorities/ Telephone, Electricity Board and other Government Agencies / Departments.

## **K.M. SCHOOL OF MARITIME ENGINEERING (COCHIN UNIVERSITY OF SCIENCE AND TECHNOLOGY)**

**KOCHI – 682 022, KERALA, SOUTH INDIA**

**Contact : The Director, Dr. K.A. SIMON**

**The only and foremost Maritime Training Institute in India, directly being run by a government university.**