

## World Maritime Day 2017 - Connecting Ships, Ports and People



The maritime sector, which includes shipping, ports and the people that operate them, can and should play a significant role helping Member States to create conditions for increased employment, prosperity and stability ashore through promoting trade by sea; enhancing the port and maritime sector as wealth creators both on land; and through developing a sustainable blue economy at sea.

This is the key message being shared around the world today (28 September), as IMO and the global maritime community celebrates the annual World Maritime Day, under the theme: Connecting Ships, Ports and People.

World Maritime Day is an official United Nations day. Every year, it provides an opportunity to focus attention on the importance of shipping and other maritime activities and to emphasize a particular aspect of IMO's work. Each World Maritime Day has its own theme.

"As a UN agency, IMO has a strong commitment to helping achieve the aims of the Sustainable Development Goals. Shipping and ports can play a significant role in helping to create conditions for increased employment, prosperity and stability through promoting maritime trade. The port and maritime sectors can be wealth creators, both on land and at sea," said IMO Secretary-General Kitack Lim in his annual World Maritime Day Message.

"Our theme for this year will enable us to shine a spotlight on the existing cooperation between ports and ships to maintain and enhance a safe, secure and efficient maritime transportation system." Mr. Lim said.

Individual governments are encouraged to mark the World Maritime Day, on a date of their choosing but usually in the last week of September.

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– Editor: "Marine Waves"

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## USS Ashland Rescues Two Sailors in Western Pacific



The Navy sailors of the dock landing ship USS Ashland came to the assistance of two yacht sailors who had been adrift for months in the Western Pacific. The two survivors, Jennifer Appel and Tasha Fuaiba, had attempted to sail from Hawaii to Tahiti, departing in May for a trip that would take them across the equator and the doldrums. However, on May 30 they ran into serious trouble: their motor died, leaving them dependent on sail. They continued on their course for two months before attempting to signal for help, but to no avail. Despite multiple signals to passing vessels, no one answered their call. Appel said they survived the situation by bringing water purifiers and over a year's worth of food on board, primarily in the form of dry goods like oatmeal, pasta and rice.

On October 24, a Taiwanese fishing vessel located them 900 miles southeast of an unspecified Japanese territory - thousands of miles to the west of their original course. The fishing vessel contacted the U.S. Coast Guard station at Guam, which coordinated with authorities in Taiwan, Japan and Honolulu to arrange a rescue. USS Ashland was operating in the vicinity, and she transited to assist, arriving at 1030 hours the following morning. The Ashland's sailors brought the two women aboard, along with their two dogs. They were provided with medical assessments, food and berthing, and they will remain on board until the vessel's next port of call.

"I'm grateful for their service to our country. They saved our lives. The pride and smiles we had when we saw [U.S. Navy] on the horizon was pure relief," said Appel. "I honestly believed we were going to die within the next 24 hours," she added in a later interview.

### Air Pollution

A study in the Lancet medical journal has linked huge number of deaths to air pollution in India, but the government has, of late, been sceptical of such studies which often come out with startling numbers.



The environment ministry has recently told the Supreme Court that the international reports/studies are very misleading as there is no conclusive evidence to establish a direct correlation of deaths exclusively to air pollution.

Senior advocate and amicus curiae in the air pollution matter, Harish Salve, had on October 11 flagged in the apex court the government's affidavit in this regard where the ministry requested that international studies not be cited as a reference to highlight the impact of air pollution.

The ministry had submitted the affidavit in response to a comprehensive action plan, prepared by the the Supreme Court appointed Environment Pollution Control Authority (EPCA).

Asked whether such a stand doesn't contradict several government reports which unequivocally spoke about air pollution-linked health hazards in India, an official said, "We never denied air pollution-linked health hazards, but it's extremely difficult to link those huge number of deaths with toxic air. Different international studies have come out with different figures, using different data from different sources".

The official cited the examples of two global studies of 2017 to substantiate his point. He noted how the State of Global Air 2017, released in February, had put the number of premature deaths due to air pollution in India in 2015 at 1.09 million whereas the Lancet study, released on Thursday, had arrived at the figure of 1.81 million deaths in the same year due to air pollution.

"Unless we have our own studies having uniform parameters, we cannot quantify those deaths and link it to specific type of pollution", he said.

The only available report on the air-pollution linked hazards relates to an epidemiological study on ambient air quality and its impact on children in Delhi. It was brought out by the Chittaranjan National Cancer Institute, Kolkata in 2010. It highlighted impact of air pollution on human health, but didn't speak about specific number of deaths in India linked to it.

## *From the Editor's Desk*



**Trees are sanctuaries:** *Whoever knows how to speak to them, whoever knows how to listen to them, can learn the truth. They do not preach learning and precepts, they preach, undeterred by particulars, the ancient law of life.* – Hermann Hesse

**Work and Knowledge:** *Birds fly with their two wings; even so both work and knowledge together lead to the supreme goal of liberation. Neither work alone, nor knowledge alone can lead to liberation; but, both together, form the means to liberation.* – Sage Agastya in Yoga Vasishta.

**AN EMOTIONAL saying:-** Self, almost spent my life-time on research, whether it is in my professional-way of life activities, or in my daily-life activities, when repetitive acts comes into play, which is only to better the situations. hence, I totally condemn/protest appointees, of the honorable bench of the armed forces tribunal, (who are retirees, combination of a Judge of HC's and retired Defence Flag officers, as the Administrative bench member, through political lien, and not on merits, without considering their personal veracity, in character and attitudes. which should not be, to mere favor any member they like, but for primarily to fulfill the aim and objectives of this sacred institution, in serving the ex-servicemen, discharged from defence in varying conditions and situations, hence to be in a fair and just manner, without bias, prejudice, neglect and discrimination etc. not to act to their whims and fancies, as primarily considering, "EQUALITY BEFORE THE LAW, JUSTICE TO BE GIVEN " not to cause 'sky and mud below differences, as they need to inter-act, with the like-minded officers and not to spell on their own whims and fancies, hurting the sentiments of the already aggrieved ex-serviceman, who once came forward to give their life to their nation, in protecting their mother - land with a spirit of NATIONHOOD and PATRIOTISM.

Considering the reality of cases handled by such appointees, view the harassment and humiliation to the core, meted-out to an honest ex-serviceman of integrity. (ref: OA7 and RA16 of 2013, followed by W.P.2989/2014, numbered and heard only once in Madras High Court, and further not listed, most probably because of the influence of the judicial member, Justice V. PERIYA KARUPPIAH, who a retired judge of MADRAS HC., after two and a half years, this period also considered as 'condone delay' meaninglessly AND when applied for the mandatory "leave to appeal" resting on the AFT CHENNAI, as monopolistic rights FOR JUSTICE TO BE HEARD AT HONOURABLE SUPREME COURT, not considering here again the valuable time of the litigants and the precious time of the Courts.

Investigations would reveal the deliberate delay caused, it to be numbered and appear in the cause-list, making it unnecessarily 'a case of condonement of delay'. such unwanted formalities and A F T located near the Chennai Airport, in a secluded place away from other courts functioning in this metropolitan city of Chennai. Any enlightened human-being could get emotional and outspoken, for self dragged with deliberate delay to the old age of seventy(70), with geriatric diseases, deprived of the basic claim and

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privileges of an ex-serviceman and not yielding to the linked advocate to the bench. Hence, handled differently, meting out injustices. An awakening to the higher judiciary of the States, and the Apex Court (Honourable Supreme Court) to oversee lower courts, in instilling justice to common citizens of the nation, who came forward to safeguard the nation from external threats.

Qualified lawyers and Jurists to view this Case of a citizen inducted into the Indian army, in his early age of about 15 fifteen, more particularly during National Emergency(1962-66), being the son of an ex-serviceman of World War II, recipient of Long service and Good conduct Medal. Scrutiny to all the awards made by the Armed Forces Tribunal, would reveal nothing less than a local khatta panchayat without any standard norms not following the already laid down Laws, Rules and Regulations, or without fear of almighty god or their own conscience, during this innovative age, while the retired judge companion is carried away by the pomp and show exhibited by the retired flag officers, gaining importance from Defence personnel who call into Open court of AFT, unsuitable to this judicial arena, where true justice is prime.

Each institution requiring specialization, must be allowed to concentrate on to their own work. What was earlier thought to be a seasonal affliction, worrying but not a cause for either alarm or panic, seems to have turned into an epidemic. For the past few months, India seems to have declared both the legislatures and the executive redundant. Instead judge-made laws have replaced the old custom-decreed, I daresay, by the Constitution of the country, not to mention the conventions of democracy that laws should be made by duly-elected legislators. The judges, apart from their bread and butter role of playing the honest umpire in the event of complex disputes and doling out justice, were entrusted with the onerous task of ensuring that laws made by Parliament and the State Assemblies were in accordance with the Constitution of the day. That the judges had the power to overrule the wishes of those duly-elected by the people, either directly or indirectly, was itself a judicial invention. In the Westminster model, only Parliament has the right to make laws. The judges could not override the wishes of Parliament. In theory, therefore, as I recall the late Mohan Kumaramangalam arguing during the high noon of Indira Gandhi's socialism, Parliament has the right to decree that all blue-eyed babies born to Indians should be, say, deemed stateless. It would be a preposterous piece of legislation but the right of Parliament to pass tendentious laws was deemed to be undeniable. Kumaramangalam's associated argument that Parliament had the right but would never exercise that right is neither here nor there. The point is that since the inception of the Republic (not to be confused with the new TV channel) the absolute right of Parliament to frame laws has always been questioned. The courts have struck down innumerable pieces of legislation, including the abolition of zamindari, the abolition of privy purses, the right of habeas corpus, a law to streamline judicial appointments and the right of triple talaq. Second guessing the courts has to be one of the compelling imperatives of lawmakers. Those entrusted with the task of making laws spend as much time determining what is necessary as with what will pass judicial scrutiny. It is not even the "basic

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structure" of the Constitution that must be adhered to. What is equally relevant is how that loose principle will adhere to the subjective predilections of the judges. This is because legality is not a scientific test that should lead to a fixed conclusion but a test of how a certain body of people will view the issue. And that too is so dependant on the prevailing climate of opinion, conventional wisdom and even fashion. Judgments vary depending on which judge is hearing the case.

Finally, there is the tricky question of jurisdiction. In recent years, the question of what comes under the purview of judicial review and what should be the prerogative of the executive has troubled the country. Increasingly, in what is being called judicial activism, the courts appear to be more than willing to pass orders on matters that should, ideally, concern the executive. Last week, to take a random example, the courts banned the sale of fire-crackers during Diwali in Delhi, leading to the criticism that the courts are more than willing to impose restrictions on Hindu customs. The criticism is unfair since the question of animal cruelty involved in Jallikattu apart, the courts have also ruled on triple-talaq on the grounds of gender justice. However, the larger question as to whether the sale or ban on fireworks is an executive decision and whether protests in Jantar-Mantar can be regulated by the courts, does not appear to have been addressed. All parties to the dispute seem to be open to the idea of the courts passing orders on purely administrative matters. While the respect for the judiciary is admirable, it is worth considering whether or the courts should get into the business of running the country and more particularly, Delhi. This in turn has prompted questions over the relationship of the judiciary with democracy. In recent years, India has witnessed the growth of a small but influential community of activists that are determined to bypass the pace of change and grievance redressal through judicial activism. Inspired by European notions of "constitutional universalism", they have sought to impose global norms on a society that is unevenly prepared to abandon local and national concerns. The recent attempt to force the Government to accept an influx of Rohingya refugees from Myanmar is a classic attempt to bypass the political process and concerns over national security and sentiments in the North-East regions of India. In this case, an absolute commitment to humanitarian ideals has confronted democratic norms. It has also brought to the fore, the vexed question of whether a small group of the so-called 'enlightened ' have a right to impose their value systems on a larger majority. There is a larger battle being fought between those who believe that the main task of the judiciary is to safeguard laws made by the elected representatives of the people and those who feel that judges must also set the direction of politics. It is not a new battle and centers on different philosophies of public conduct. But it is also a battle that is likely to intensify. The controversy needs careful deliberation.

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**Japan, Spain opt out of mega submarine project, four left in fray:**

• The formal tender or RFP (request for proposal) will then be issued for the four to submit their technical and commercial bids.

• The Indian shipyard for the collaboration with the selected foreign vendor will be chosen in a parallel process under the def ministry's new 'strategic partnership' policy.



Japan and Spain have opted out of India's proposed project to build six advanced stealth submarines for an estimated Rs 70,000 crore (\$10.9 billion) through a collaboration between a foreign ship-builder and an Indian shipyard.

Sources said four ship-builders, Naval Group-DCNS (France), ThyssenKrupp Marine Systems (Germany), Rosoboronexport Rubin Design Bureau (Russia) and Saab Kockums (Sweden) have responded to the initial RFI (request for information) issued by the Indian Navy for the conventional submarine programme called Project-75 (India). Mitsubishi-Kawasaki Heavy Industries combine (Japan) and Navantia (Spain), however, failed to do so before the deadline ended on Monday.

Under Project-75 (I), which has been languishing in the files for over a decade after it was granted 'acceptance of necessity' in November 2007, the Navy wants the six new diesel-electric submarines to have land-attack cruise missiles, air-independent propulsion for greater underwater endurance and the capability to integrate indigenous weapons and sensors as and when they are developed.

While Russia, Germany and France already have submarine-building experience in India, Japan with its Soryu-class submarines was included as a contender for Project-75 (I) after it ended its self-imposed arms export embargo, as first reported by TOI in January 2015. But Japan, which has little experience selling military products in the global arms market, apparently wanted a direct government-to-government deal for the project.

It is going to be a tough competition for the four

submarines - Scorpene (Naval Group-DCNS), A26 (Saab Kockums), Amur (Rubin) and Type 214 (TKMS) - left in the fray. Based on their responses to the RFI, the Navy will now formulate the technical parameters (naval staff qualitative requirements) for the kind of submarine it requires.

The formal tender or RFP (request for proposal) will then be issued for the four to submit their technical and commercial bids. The Indian shipyard for the collaboration with the selected foreign vendor will be chosen in a parallel process under the defence ministry's new 'strategic partnership' policy.

As earlier reported, it will take around two years for the original equipment manufacturer (OEM)-Indian shipyard combine to be down-selected. Once the contract is finally inked, it will take another seven to eight years for the first new submarine to roll out.

**Why Repealing the Jones Act could be a Disaster for the U.S.:**

The recent spate of hurricanes reaching America has reawakened critics of the Jones Act, a statute signed into law nearly a century ago that prohibits foreign vessels from carrying cargo within the United States. Opponents of the law contend that by excluding foreign shippers from waterborne commerce between, say, Texas and the East Coast, the government enables domestic shippers to charge higher rates that are passed on to consumers.

Complaints seem to arise most often when the restrictions are applied to trade between the U.S. mainland and non-contiguous areas such as Hawaii and Puerto Rico - although a 2013 study by the Government Accountability Office reported "it is difficult to isolate the exact extent to which freight rates between the United States and Puerto Rico are affected by the Jones Act." Nonetheless, most economists would agree that the Jones Act - officially the Merchant Marine Act of 1920 - distorts the functioning of market forces.

But so does the Federal Reserve, and nobody is calling for abolition of the nation's central bank. The real issue is whether this deviation from classic market principles is justified by other concerns. At its inception in 1920, the Jones Act was an attempt to avoid repetition of the shipping shortages that occurred in World War One, when lack of access to foreign shippers left America's military without adequate means for moving men and materiel to the war zone.

The Jones Act was supposed to ensure that the nation would in the future maintain a sizable fleet of U.S.-owned and crewed commercial vessels, available for military use in national emergencies. Setting aside domestic waterborne commerce for U.S. operators was deemed a better way of achieving that goal than providing federal subsidies to the industry. Things remain that way today:

domestic carriers get no direct subsidies, but their routes between U.S. ports are protected from foreign competition.

Many countries have so-called "cabotage" laws restricting who may provide transport services within their borders, and the laws don't just apply to ships - they may also cover airlines, railroads and trucking. It is easy to find fault with such restrictions, but they often are grounded in legitimate security concerns. Here are five seldom-noted benefits of the Jones Act that explain why the law is more important to national security than the critics seem to realize.

Without the Jones Act, the Navy would need to spend many billions of dollars on new sealift vessels. In wartime, the vast preponderance of military cargo moves by sea. The U.S. Navy maintains a reserve fleet of military sealift vessels, but its war plans assume the availability of a sizable U.S. commercial fleet that can supplement the reserve ships. Foreign-owned, foreign-flagged, and foreign-crewed vessels might not be available (or reliable). However, 90% of U.S.-flagged tankers and 36% of U.S.-flagged container ships are used on routes protected by the Jones Act. If the Act were repealed, these vessels would either cease operation or be registered elsewhere. The Navy would have to greatly expand its organic sealift assets.

Without the Jones Act, the Navy would be hard-pressed to crew the sealift vessels it already has. The Navy can mothball unneeded sealift vessels during peacetime, but it can't mothball unneeded mariners. Nine out of ten trained mariners in the U.S. are employed on trade routes protected by the Jones Act. In past military emergencies, this pool of professional mariners has provided about half of the workforce required to crew the aforementioned reserve sealift vessels once the ships were mobilized for duty. In the absence of Jones Act protections, this workforce likely would not exist, forcing the Navy to rely on mariners who are not trained to a similar level of proficiency and/or are foreign nationals.

Without the Jones Act, U.S. construction of large oceangoing commercial vessels would cease. The United States once was a major builder of oceangoing commercial vessels, but in 1981, the Reagan Administration abolished the "construction differential subsidy" provided to domestic shipyards without seeking reciprocity from other shipbuilding nations. As a result, the U.S. now builds only 1% of the world's big commercial vessels, and virtually all of those are destined for Jones Act routes. In the absence of Jones Act protections, the U.S. would likely exit the business entirely - destroying tens of thousands of jobs in shipyards, in the supply chain, and in repair centers along the nation's coastlines.

Without the Jones Act, foreign ships and mariners would take over critical U.S. economic infrastructure. Domestic waterborne commerce is a vital part of the nation's

economic infrastructure. For instance, a study by the Department of Homeland Security found that most of the nation's integrated steel production depends on Jones Act ships carrying ore in the Great Lakes region. Any disruption in supplies to steel mills would quickly and severely impact the auto, appliance, machinery and railcar industries. However, in the absence of Jones Act protections, transport of ore in the Great Lakes or oil along the nation's coastlines would likely become dominated by foreign shippers and mariners - raising major security concerns.

Without the Jones Act, safety and professional standards would erode. The main reason U.S. shippers and mariners are not competitive outside the U.S. is because standards are so low in many places where the global fleet is registered. U.S. flag vessels by law must comply with the world's most stringent safety standards, and the credentialing of professional mariners is very rigorous compared with what prevails in other countries. But if Jones Act protections were lifted, vessels and crews subject to looser standards would be able to transport goods between U.S. ports, including those on the nation's interior waterways. This would raise homeland security concerns requiring a mechanism for monitoring and regulating foreign-flag carriers.

The bottom line is that the Jones Act provides major national security benefits that critics seldom acknowledge. One need only contemplate the possibility of Chinese or Liberian tankers transporting oil between the Gulf Coast and East Coast refineries to imagine some of the security issues that would arise from opening up domestic waterborne commerce to foreign ships and crews. There would be increased likelihood of domestic terrorism, drug trafficking, illegal migration and economic disruption in wartime. But once foreign providers have gained a foothold on domestic routes there would be no going back, because the U.S. domestic fleet, marine workforce and commercial shipbuilding industry would largely disappear.

**As global shipping explodes, it presents a logistical and security challenge:** Modern shipping containers are a bit like Legos - you can take them off a ship and snap them perfectly onto a truck or train. This relatively simple innovation, which started in the 1950s, has allowed global trade to go gangbusters.

"In was in 1992 when 100 million containers moved through all the world's ports, then in 1998, we went to 200 million," said Stephen Flynn, founding director of the Global Resilience Institute at Northeastern University in Boston. "Roughly we're at a little over 600 million today.

"So just between the events of 9/11 and the events of today, you almost have a three-fold [increase] of volume moving through the world's ports."

Container shipping is a big part of the reason why, when we visit the grocery store, fresh apples, avocados and

bananas are all available 365 days a year. Yes, there are environmental and social costs to having pretty much anything we want on demand, shipped from across the planet. But let's leave that debate for another day and focus on what made the global trade dance possible: container ships.

The Port of Boston is New England's busiest container port and has been seeing record volumes year after year. (Boston is still tiny compared with major US ports like Long Beach in California, New Orleans, or New York and New Jersey.) After a recent expansion of the Panama Canal to allow larger container ships to pass through, the vessels North American ports are seeing have become massive.

"The ships that come here now, frankly our cranes can barely work those ships," said Port of Boston director Lisa Wieland.

And the ships being built are only getting bigger. Much bigger.

"What that means is ports like the Port of Boston, as well as ports across the East Coast, are having to invest to dredge their harbors and put in new, larger cranes and deeper berths to handle these vessels and all of the cargo that's coming with them," said Wieland.

The port is in the middle of a roughly \$350 million state and federally funded multi-phase expansion, with work performed by the US Army Corps of Engineers.

It's a wise investment, said Rockford Weitz, director of the Maritime Studies Program at the Fletcher School at Tufts University. Weitz explained that container shipping has become so efficient, it's often cheaper to move items halfway across the world by ship than 50 miles by truck.

"It's cheaper in Boston to send the container from China through either the Suez Canal or the Panama Canal, occasionally around the Cape of Good Hope. They come to Boston - in any scenario that is cheaper than then shipping it to Vermont from Boston by truck," Weitz said.

Shipping containers are part of the reason we can get flat screen TVs for a few hundred dollars. Again, yes, there are downsides to globalization, including hurting lots of local manufacturing across America.

Flynn said our modern shipping was developed with two goals: to be cheap and efficient. He said a challenge now is to make it more secure.

"The amount of materials that are out there, and dangerous actors who want access to these materials, has only grown," said Flynn.

At the Port of Boston, about 600 trucks pass in and out each day. As they exit, each truck must drive between two yellow poles.

"As you see this truck coming at us, he'll slow down to about 5 mph and we'll do a full scan of his truck," said

Shawn Fayles, the US Customs and Border Protection watch commander in Boston.

In the span of about a minute, three trucks are scanned for radioactive material.

"That's about as fast as the exam is, so as you can see, it really does keep the flow going," said Fayles.

This protocol is standard at all US maritime ports. If radiation were to be detected, the container would undergo further testing before it could leave the port. Trucks can also be X-rayed, kind of like a huge piece of luggage at an airport.

Port Director Lisa Wieland explained that tomorrow's scanning technologies are only getting better: "You can actually tell the difference between a Coke and a Diet Coke in the box, and you can also detect exactly where that is in the container."

The technology, which is still in the testing phase, isn't reading the label - it can differentiate between sugar and artificial sweetener.

Overall, port security has come a long way since 9/11, said Rockford Weitz.

"I think Congress needs people to praise it more. They're not asleep at the switch on this one. They're asleep at the switch on many issues, but in port security, they have tried," said Weitz.

But Weitz said we could go much further to increase our safety.

The major threat isn't a dirty bomb passing through the port of Boston, the fear is that it could go off at a port. That could put port employees and people nearby at risk, potentially disrupting our entire way of life.

"What will happen is not just a local incident, the response to the incident will almost certainly be: Wait, we've got to check all the other boxes so they don't pose a risk," said Flynn.

"And that process of trying to do that post an event will cause cascading, essentially, backups across the global system that would take weeks to sort out. So it's a case of not mass loss of life. It's not a case of mass destruction; it's really a story of mass disruption."

Flynn has testified before Congress 33 times about maritime safety and has argued that we need to do a better job knowing what's in our containers before they arrive at our ports. The US Department of Homeland Security does have a lot of that information, but Flynn has said that there are still too many points of vulnerability in the system overseas.

Flynn argued that the world's largest shipping companies, based in Asia and Europe, need to work more with governments and ports. By his estimation, for \$10 to \$15 a container, we could all be much safer. (That cost would likely be passed along to consumers.)

As ports like Boston continue to expand, Flynn called that an "incredibly cheap" investment in security, and something we just need to do.

### **Andre Grikitis, Thomas Merrell And James Miller Receive United Seamen's Service 2017 Admiral Of The Ocean Sea Award:**



The United Seamen's Service (USS) 2017 Admiral of the Ocean Sea Awards (AOTOS) were presented before some 700 maritime industry leaders to Andre Grikitis, Operating Chairman, Intermarine LLC; Captain Thomas Merrell, President, General Dynamics American Overseas Marine (AMSEA) and James Miller, Chairman, Board of Directors, Philly Shipyard ASA.

The American maritime industry's most prestigious awards were presented at the 48th annual gala at the Sheraton New York Times Square Hotel, New York City, on October 13, 2017.

Andre Grikitis has used a combination of personal commitment and business savvy to propel Intermarine LLC to the forefront of America's heavy lift and specialized cargo vessels.

Speaking to a ballroom filled with international transportation management, labor and military leaders, Mr. Grikitis said: "What we should all be doing is uniting the industry. Unity: through the communication of clear goals, in seeking support of these goals and the ability to provide better information. On an aspirational level, we must influence the maritime community and the general public via education. As a newly minted 'Admiral', I can only hope my views reach more ears than when I was a civilian, but, in keeping with the spirit of this moment, and speaking directly to all of you - I intend to only restate what must be evident to all of us here - and I believe the physical proximity we have here - can help bring our diverse views and goals together to form a more unified, singular voice that can communicate the realities and the status of our industry better, as well as, the consequences of the status quo."

2017 AOTOS Award Recipients (L-R) James Miller, Chairman, Board of Directors, Philly Shipyard ASA; Andre Grikitis, Operating Chairman, Intermarine LLC; Captain

Thomas Merrell, President, General Dynamics American Overseas Marine (AMSEA)

During his term as President and CEO, and currently as Operating Chairman, Mr. Grikitis led the expansion and development of the company and its services. These include a U.S. Flag fleet consisting of seven U.S. Flag multi-purpose vessels engaged in worldwide trade.

Thomas Merrell leads one of America's most productive U.S. - flag vessel operators. He has been with General Dynamics American Overseas Marine (AMSEA) since 1984 and was named President in 2008. He noted in his remarks: "In the wake of the devastating storms, Harvey, Irma and Maria, Jones Act waivers have been issued to assist in providing needed supplies (oil, gas, etc.). So, here we go again. These waivers sound the drumbeat for the 'repeal the Jones Act' crowd." He added: "It is astonishing that there is no mention, and therefore no acceptance, of the strategic importance of having U.S. Flag Ships, with U.S. sailors to provide the logistical support to our military overseas. S1561 is a chilling example of how uninformed many in our Congress are when it comes to American flag shipping.

With the Jones Act fully functioning, the U.S. economy is expected to grow significantly; by 2020 marine freight is anticipated to grow domestically by 43% and internationally a staggering 67%. There is room in that growth for the U.S. flag, providing jobs for our sailors, jobs for our shipyards and a reliable energy supply for the U.S. and our trading partners."

After 20 years with AMSEA in 2004, he was named Vice President of Marine Operations, responsible for the efficiency of Marine Operations, Safety and Training, Insurance and Communications ashore and afloat for the American Overseas Marine fleet of over 21 vessels.

Jim Miller is Chairman of the Board at Philly Shipyard and previously served as President and CEO of the Shipyard from June 2008 to April 2011. Recognizing as well the significance of the Jones Act, Miller noted that "Philly Shipyard has turned out 27 magnificent, modern cargo ships for the Jones Act trades in recent years using union labor without any issues for companies representing more than 50% of the entire U.S. oceangoing commercial fleet production, for a variety of U.S. based shipping companies, including Matson, OSG, Crowley, American Shipping Company, American Petroleum Tankers and SeaRiver Maritime, Inc." He also talked about his passion for the people who work at Philly, noting that they embraced each other as "family" from the day he began working there.

During his tenure at the shipyard, Mr. Miller was instrumental in reinvigorating the yard and positioning it for the increased oil transportation needs following the shale oil "revolution" in 2010 and onwards. Prior to his role at the shipyard, he was President of Aker Solutions Process and Construction (P&C) Americas, where he was responsible for the operations of seven business units.

Philly Shipyard, was formerly Aker Philadelphia Shipyard. Proceeds from the AOTOS event benefit USS community services abroad for the U.S. merchant marine, seafarers of all nations, and U.S. government and military overseas. The recipients shared the evening with a group of American seafarers who were awarded for heroism at sea.

For AOTOS 2017, The Honorable Cory A. Booker was Honorary Chairman. Michael Sacco, President of the Seafarers International Union, served as Dinner Chairman. F. Anthony Naccarato of American Maritime Officers Service and Joseph Cox were National Committee Co-Chairmen.

The USS' prestigious annual Admiral of the Ocean Sea Award dinner has been honoring American maritime management, labor and government leaders since 1970. The proceeds from this event help the USS to maintain services for seafarers against the ever-increasing cost of operations. But further support is still needed from both the maritime community and the general public to ensure these vital services for seafarers can be continued and also to enable the USS to improve its facilities moving forward.

Edward Morgan is President and Roger Korner is Executive Director of USS. USS AOTOS Coordinator is Barbara Spector Yeninas.

### **Never Let a Good Crisis Go to Waste – Joseph Keefe:**

Some things never change. For example, my good friend and OMSA President & CEO Aaron Smith told MarineNews magazine readers in September 2016 that, "I'm running out of ways of telling the Board of Directors and membership of the latest unprecedented attack against the Jones Act." That reality is as true today as it was 12 months ago. This week's assault, of course, comes in the choppy wake of Hurricane Maria, a powerful storm that walloped the island commonwealth a little over one week ago. The latest line from Jones Act opponents is that the Jones Act is solely responsible for the slow and painful recovery now underway there. Taking a page from Winston Churchill, these folks 'never let a good crisis go to waste.'

Without discounting the horrible tragedy that the storm represents, it is also true that the Jones Act has absolutely nothing to do with whether the needed aid and supplies are getting inland to those who need this help the most. Nevertheless, President Trump this week waived Jones Act shipping restrictions for Puerto Rico at the request of the island's governor, Ricardo Rosselló and after an outcry from Congress about the scarcity of fuel, food and emergency supplies following Hurricane Maria. The move, for the time being, placates local residents and responders who feel that the U.S. flag operators are the cause of not only this crisis, but indeed, all of their problems. Ultimately, when recovery does come, it won't have anything to do with who delivered the goods in the first place.

### **If you repeat a lie often enough, it becomes the truth**

The residents of Puerto Rico and their leadership have long believed that the Jones Act - that American law that requires that goods and passengers shipped between two U.S. ports be carried on an American flag vessel, crewed by Americans, and built in America - is at the root of all their financial and social woes. Hurricane Maria merely provided the latest pretext for this week's renewed calls for the end of the Jones Act and/or the island's permanent exemption from its requirements. What's really happening in Puerto Rico at the moment, however, tells another story.

The two biggest Jones Act operators in the Puerto Rico markets have permanent operations in PR, employing hundreds. They've built dedicated terminals in the island, they burn (or are planning ) LNG in their state-of-the-art fleet (so that the good people of the commonwealth can breathe easier), and both firms built fit-for-purpose tonnage to meet the island's unique needs (vessels that accommodate the U.S. over-the-road 53' trucking model). I guess your tramp, voyage-charter low price operator would do better. Not so much, actually.

By all accounts, the collective U.S. flag response was remarkable, it was pre-staged and instantaneous - and it is ongoing. My understanding is that they are delivering mountains of cargo daily - some of it going directly onto the multi-million dollar docks built by these turnkey operators. In fact, they've got cargo stacked up that can't be loaded or discharged because their own vessels are already at the docks doing just that in the commonwealth.

The Government Accountability Office (GAO) reports that two-thirds of the ships serving Puerto Rico are foreign flag vessels. As many as 55 different foreign carriers provide imported cargo to Puerto Rico and these registered carriers compete directly with U.S. flag operators. No one is stopping the locals from using more. Nevertheless, the New York Times published an OP/ED this week entitled, "The Jones Act: the law strangling Puerto Rico." Another piece claims, "President Trump is denying more aid to Puerto Rico."

What's the real story? Thousands of cargo containers are backing up at the port of San Juan, filled with essential goods, relief supplies and other items that the Puerto Rican people desperately need. Sadly, the island lacks the necessary trucks, functioning highways and logistics plan to distribute the goods inland. That logistics nightmare, by the way, existed long before the storm and will continue long after the clean-up is complete; with or without a Jones Act. Who says so? I do. After spending the better part of three blissful years commuting back and forth from this island paradise, I know a little bit about how things do (and don't) get done there.

There is no lack of U.S. flag tonnage or capacity in this trade corridor. In the end, however, the only 'fact' that

matters to the general public is that if you tell a lie often enough, the masses will believe that it is true. Because, hey, why let the facts get in the way of snappy NYT OP/ED?

### **Be Careful What You Wish For**

Jones Act naysayers would have you believe that the elimination of this almost 100-year old statute would bring instantaneous and substantial relief to American consumers all across the fruited plain. While that assertion is very much a bone of contention from both sides of the equation, it is the long term impact of such an event which doesn't get nearly enough attention. That's because, while most stakeholders focus on the less than 300 deep draft, blue water ships left in the fleet, the U.S. merchant fleet consists of approximately 40,000 hulls of every shape, size and type. Supporting that fleet are 124 active shipyards in 26 states, creating 110,000 jobs, \$9.2 billion in labor income, and \$10.7 billion in gross domestic product, or GDP, to the national economy.

According to the U.S. Maritime Administration, economic activity associated with the industry reached 399,420 jobs, \$25.1 billion of labor income, and \$37.3 billion in GDP in 2013 alone. Make no mistake, all of that will go away with the Jones Act, if it is repealed, including the skill set that exists today to make it possible. Along with that will disappear our ability as an island nation to produce other vessels such as municipal fireboats, tugs, barges, police patrol boats, research vessels and everything else. And if you think it is expensive to build naval vessels today, wait until there are only two yards left who can manage that unique capability.

Jones Act shipping does come at a premium, and that premium pays for itself in the ability of the country to defend itself using a robust sealift capability - the same one that is amply supplying Puerto Rico with goods today - during good times, times of conflict and in dire emergencies. As the cleanup in Puerto Rico continues, hot spots such as the South China Sea, the Middle East, and North Korea all threaten to explode with little or no notice. Can we count on our good friends across the globe to support our armed forces in such circumstances? I'm not so sure about that.

Senator John McCain - the U.S. lawmaker who is arguably best known in maritime circles for regularly pushing legislation to repeal the Jones Act - is, without a doubt, a war hero, a veteran and someone who has for years passionately advocated for people and causes that he supports. We can and should celebrate a life of service. As he tries to sell his latest bid to roll back the Jones Act, and just because he's got some oceanfront property in Arizona, that doesn't also mean that we have to buy any. A 23-year U.S. Navy veteran who doesn't understand the inherent value of a robust sealift capacity is the last person who should be leading a discussion of cabotage rules. Yes, we should all be careful of what we wish for.

### **That won't play in Peoria**

Finally, we circle back to the +/- 220,000 professionals who make up the domestic credentialed mariner pool. We shouldn't expect John McCain or the army of anti-Jones Act lobbyists in Washington to give them a second thought. And, they won't. But, when the next ten-barge tow of North Dakota crude oil passes that 30-barge parcel of grain headed for export in the U.S. Gulf, you had better hope that we can trust the folks who are driving both pushboats. In the absence of an enforceable Jones Act, however, we can't know for sure who is on board either one. And, that's not going to play in Peoria. For that matter, it won't play in Pittsburgh, St. Louis, Baton Rouge, Cleveland or a hundred places in between.

If you simply aren't worried about national security in the context of the necessity of a robust domestic sealift capacity, then what should give you pause is the prospect of a couple hundred thousand, casually vetted foreign nationals threading their way across the heartland on board as many as 39,000 brown water workboats. That won't happen right away, of course; they'll need time to train and acclimate before all of those jobs evaporate from the American landscape. Nevertheless, that's exactly what will happen.

All that said, here's the real deal: eliminating one part of the Jones Act is very much like being a little bit pregnant. You either are, or you are not. And, there is either a Jones Act, or there isn't.

### **The Inconvenient Truth**

Already receiving as much as 75% of what they consume via foreign registered tonnage and free to increase that market share at any time, island residents and their leadership already know - but can't say it right out loud - that the departure of the dedicated U.S. flag shipping model to and from the island would, long term, create as much of a financial crisis as the considerable, insolvent mess they've already created for themselves. Like the celebrations that followed the commonwealth's 'success' in chasing the U.S. Navy from the island almost two decades ago, this 'victory' - should it happen - will also be shallow and short-lived.

Drilling down past all the arguments and carefully crafted campaigns, the real problem here has nothing to do with the Jones Act. Arguably, the best friends that the good people of Puerto Rico have ever had are the professionals at U.S. flag fleets that service the island. Collectively, they've invested hundreds of millions of dollars in the island, its economy and waterfront logistics. The fact that anything at all is getting ashore in the wake of Maria, is ample testimony to the commitment of the U.S. firms that regularly ply these waters. You won't read that in the New York Times, or hear about it on Capitol Hill.

It is simpler than all of that, actually. The collective domestic waterfront does a poor job in telling its story, primarily because there are too many voices in the choir.

Giving credit where credit is due, the previous U.S. Maritime Administrator, Paul Jaenichen, recognized that reality immediately upon settling into his chair at Marad. After organizing a series of meetings designed to get everyone into a single room to unify the message, he sadly had limited success in making that happen. After all, you can lead a horse to water, but you can't make it drink. Nevertheless, and unlike Senator McCain, here was a career Navy man who knew the value of robust sealift capacity when he saw it. But, the chronic 'perception' problem still persists today.

Look at this way: A recent temporary Jones Act waiver in the U.S. Gulf during the post-storm crisis in the Houston area made a lot of sense. There were legitimate energy concerns, here and across the U.S. East Coast in the wake of that disaster. But, like Puerto Rico, the vast majority of consumer goods and foodstuffs arrive to this region via foreign flag tonnage anyways. And, across the big pond, as soon as the magnitude of the crisis in Texas became apparent, European traders queued up a long line of tankers with refined products to fill the gaps, no doubt with visions of diesel and gasoline price 'spikes' dancing in their heads.

You can equate this week's Jones Act waiver for Puerto Rico with the recent release of a few thousand barrels of crude oil from the nation's Strategic Petroleum Reserve (SPR). Both moves were designed to address similar issues, neither provides palpable relief for anyone, but each makes for a nice sound bite on the evening news. I guess that makes people feel better. Anti-Jones Act activists know this only too well.

### **AAPA 2017 Convention at Long Beach, CA:**

The 106th Annual convention of the American Association of Port authorities kicked off in style on Sunday night with a gala reception in this vibrant port city, and two days later, the convention continues on with quality industry briefings and of course, plenty of networking opportunities for the many attendees who arrived from all over the hemisphere. There was something for everyone here this week, and as the impressive speaker lineup confirmed, it is indeed a busy and challenging time for all ports. As it turned out, the AAPA convention was the perfect venue to reflect on all of that, to look ahead to what comes next, and to gain insights on how to proceed in an uncertain world and business climate.

#### Port Econ 101

Among the many notable discussions that took place this week, there was perhaps none more valuable than the "Global Economics Trends" discussion that took place on Tuesday morning. Leading that session was Jock O'Connell, an International Trade Economist and Advisor at Beacon Economics. O'Connell also serves as an Economic Consultant to Sacramento-based PMSA. O'Connell brought the gathered delegates up to speed, but in the end, he and his panel asked as many questions



as they answered. And it is that uncertain climate in which all port authorities and shippers - here and abroad - must operate and carefully plan for the future. Bottom line: it won't be easy.

O'Connell kicked off by declaring that, for many prognosticators, the economy finds itself in a sweet spot as we look ahead to 2018. Indeed, says O'Connell, the World Bank, the IMF and the WTO all project global year-on-year growth in the range of 3 to 4% in 2018. Moreover, at least 45 major economies are seen to be "in growth" and most of those are growing at a rate faster than was seen last year. It's all good; right? Well, maybe not.

O'Connell also laid out the challenges for ports in the future, most of which cloud the crystal ball for maritime trade forecasting. These areas include demographics, trade policy, climate change and environmental policies and of course, technology. Without discounting the importance of all four variables, it turns out that the first issue (demographics) may be just as important as the unpredictable issue of changing technology. That's because a many as 83 industrialized countries are now seen as having fertility rates that fall below replacement levels.

Predicting where population growth will come and where it will not is a key metric for any port authority as they plan for port growth in the right areas, collaborating with the right international stakeholders and predicting what cargo will go where in the next ten years. Here at home, for example, the South Carolina Ports Authority is betting on long term population and economic growth in the southeastern United States to fuel its growth for the foreseeable future. Two new inland ports with rail connections attest to their commitment to that business model. Others might not be as sure, and O'Connell and his panel members, within the time frame allowed, gave a more precise assessment for global trends as a whole. Nevertheless, this aspect of global trade is an important one.

Trade Policy - especially here in the United States - will be especially important, and place an outsized role for

ports who hope to increase their throughput numbers in the coming years. To that end, the U.S. withdrawal from the so-called TPP agreement was characterized as a particularly bitter blow for California ports, which handle and touch at least 40 percent of every box that moves into this country from abroad. With many stakeholders - including Port of Long Beach Executive director Mario Cordero - calling the U.S. administration's move "a mistake," more than one expert cautioned that the rise of protectionism and so-called nationalism puts the maritime sector at risk.

O'Connell also shed light on the delicate subject of environmental policy and the regulatory machine. And, he cautioned that regulatory policies not universally imposed may influence where shippers take business, especially if those environmental regulatory costs are passed along to the beneficial cargo owners. Appropriately enough, then, was that this event was taking place in Long Beach, where collectively, the two ports of Los Angeles and Long Beach represent the largest gateway in North America and indeed, the ninth largest in the world.

Together, the two ports now face the unenviable task of bringing their cumulative port emissions to "zero" by 2030 - the so-called CAAP plan - while at the same time remaining cost-competitive to a host of port alternatives stretching all the way to Pacific Northwest Canada. The cost of those environmental improvements could exceed \$15 billion. The two ports have a proven record of environmental stewardship, but with the low-hanging fruit now all picked, the final parts will be the hardest. As a personal observation, I've been coming to the West Coast on business for almost 30 years. Without a doubt - and I don't need an environmental consultant to confirm it - the air here is considerably cleaner than it was just two decades ago. Long Beach is nice place to spend a few days, with or without a good reason to come in the first place.

With CAAP now all but a done deal, the only question left is: who will pay for it? And, if California goes this route for all its ports, then will the cargo travel a little further up the coast to find a more economical gateway? That's the \$15 billion question.

The hardest variable to predict, said O'Connell, was the advent of new technology and what that will bring to the waterfront in the coming years. He adds that technology, all by itself, is a good enough reason not to trust long term forecasts.

He finished by reading a dated forecast made by an unnamed consultant who - not too long ago, apparently - advised ports and terminals to get ready for those 5,500 TEU mega-vessels. This brought a laugh from the gathered throng of port stakeholders. But, O'Connell had made his point: short term predictions, in this case, some positive indicators, often give way to long term uncertainties. And, that's where we find ourselves today.

AAPA 2017: moving ahead in uncharted waters

This week's convention wraps up tonight with a gala celebration guaranteed to send these port executives back to work invigorated, and ready for what comes next. Before that can happen and underscoring the real uncertainties that face the greater global community, this week's event appropriately started with a nod of sympathy for those ports in the Americas that had been impacted by recent hurricanes (and the earthquakes in Mexico). Those ports, as they also try to chart what comes next, first must pick up the pieces. And, a somber moment of silence acknowledging this week's tragedy in Las Vegas reminded all participants of the uncertainties that exist for all of us, sometimes out of sight and just over the horizon.

**Royal IHC Buys Into Rotterdam Offshore Group:** Royal IHC has announced its acquisition of 50% of the share capital of Rotterdam Offshore Group (ROG).

The agreement will enable IHC to strengthen its ship repair and conversion capabilities with the addition of a dedicated facility in Rotterdam, which has uninterrupted access to open sea.

Rotterdam Offshore Group has a strong reputation in the worldwide maritime and offshore industry for dockside and on-site services. Located in Rotterdam, ROG has lay-by facilities for vessels up to 300m, heavy-lift crane capacity, a large yard area and a fully equipped workshop.

The company has repeatedly facilitated conversion, ship repair and (de)mobilisation projects for some of the largest and most significant players in the offshore, dredging and maritime industries.

Royal IHC has a strong track record in designing and building vessels and equipment for the dredging, mining and offshore markets, and managing major renovations and ship repair projects all over the world.

By joining forces with ROG and using its dedicated facilities, Royal IHC will be able to further expand its services for complex renovations and conversions. The partnership enables ROG to offer its customers in the repair and maintenance sector access to the engineering, fabrication and mission equipment capabilities of Royal IHC.

The complementary competences of both companies result in full packages for conversions, (de-)mobilisations, and maintenance and repair for the whole spectrum of offshore, dredging and maritime vessels and equipment.

"Our focus at IHC is on maintaining long-term relationships with our customers," says Executive Director of IHC Services Diederik van Rijn. "This acquisition strengthens our capabilities to serve those based in Europe. We currently see opportunities to better facilitate conversions of existing vessels and equipment that are currently laying idle due to the ongoing crisis in the

market. In addition, we can offer our customers an attractive proposition as a repair and maintenance, and (de)mobilisation partner in the Rotterdam region."

Martin van Leest, Managing Director of ROG, adds: "We are delighted to have Royal IHC as our new partner. We have already experienced significant growth in recent years. The partnership will enable us to take on more complex jobs and be a partner for Royal IHC in delivering integrated turnkey solutions with all capabilities in-house. Our drive and flexible organisation during the execution of projects will most certainly be acknowledged by our customers."

**Asian Marine Engineering conference 7-8 November 2017, Singapore: Specifically tailored to the needs of shipowners. Focused on the latest developments across all engine power ranges and related marine engineering technology. The must-attend event for Fleet Managers, Superintendents, Chief Engineers and Technical Directors.**



The Asian Marine Engineering Conference is Asia's premier marine engineering gathering. It brings together regulators, shipowners, shipyards, classification and the wider marine engineering supply chain for two days of high-level discussion, networking and deal making.

This year, in addition to the 2 day Asian Marine Engineering conference we are also hosting, in association with the EGCSA, the first Asian Emissions Technology conference on November 6th, please contact us if you would like to attend all three days.

**DAY ONE:** Day one of the conference focuses on marine engines, propulsion systems, marine fuels and marine lubes all of which are at the heart of successful vessel operation and represent the most significant items of capital and operational expenditure. The next two years will see FOUR pieces of game changing fuels and emissions legislation enter into force:

- 1 January 2018 Mandatory at-berth sulphur limit of 0.5% applicable to all ports in Pearl River Delta, Yangtze River and Bohai Seas (CHINA)
- 1 March 2018 Amendments to Chapter 4 of Annex VI of MARPOL
- 1 January 2019 Mandatory at-berth sulphur limit of 0.5% while operating within the ECAs in China

- 1 January 2020 Amendment to Annex VI of MARPOL. The global cap on sulphur content in shipping fuel from 3.5% mass/mass (m/m) to 0.5% m/m

Attend this event to ensure you fully understand the technical, regulatory and operational implications today to ensure fleets are well placed tomorrow.

**DAY TWO:** Day two of the conference focuses on big data, digital transformation, condition monitoring / predictive maintenance and next generation data acquisition and analysis. Rather than being a technology of the future, this is happening now, meaning that competitive advantage is being gained by early adopters of the available technologies. The strategic use of 'big data' to monitor, maintain and manage equipment on board vessels represents a seismic shift for the shipping industry.

The analysis of equipment data allows businesses to undertake remote, realtime onshore monitoring of equipment performance, forestall problems and inform long-term purchasing and commissioning decisions.

**Asian Emissions Technology Conference 2017:** Given the apparently very light touch preparations for "2020" it might be assumed that plans are in place throughout the merchant shipping to commence compliance around June 2019 - only 19 months away from the start of this Asian Emissions Technology conference. The reality is confusion over the implications, cost, longevity and legal compliance effectiveness of the choices available.

This conference will inform delegates on the real story rather than the politics and marketing spin. Attendees will depart the conference with a full picture of the future shape of marine emissions controls how bunkers suppliers will really respond to the 0.50%S demand and the consequences of current and future technology solutions.

This conference will take place on the day before the Annual Asian Marine Engineering conference which runs on the 7 & 8 November, more details can be found here.

#### **About the EGCSA**

Member companies of the Exhaust Gas Cleaning Systems Association are involved in the development, design and final installed configuration and design approval and acceptance of turnkey exhaust gas cleaning systems to meet the current and future emissions regulations of IMO and where applicable additional regulations introduced by regional and national authorities.

Due to the diversity of exhaust emissions and technology solutions, Member's technologies vary in operating principles, design, size, power requirements and ancillary demands. "One size does not fit all" so it is important to make enquiries with all the members in order to establish technology that will be most suited to your application.

**Tanker Shipping & Trade Conference & Awards 14-15 November 2017, London:**  
**The Tanker Shipping & Trade Conference, Exhibition and Awards is the world's leading tanker conference.**



This two-day conference brings professionals from across the entire tanker shipping and trade globally to London to discuss the business, operational and technical issues impacting the crude, product and chemical tanker trades.

**Why this conference is a must-attend:**

Hear from and network with more than 50 owners and charterers that not only attend but participate in the conference programme.

Get insights into how to navigate the 5 commercial Cs challenging our industry: consolidation, competition, contracts, completions and capital flows.

Benchmark your preparations for the Tsunami of regulations and new technologies on the agenda

**Listen to what your colleagues in industry say!**

"Time and money well spent. To meet the number of people I met in one morning [here at the conference] I would have had to spend five times more time and money. The people who matter are here. This is one conference I would not like to miss."

Vijay Rangroo, Managing Director, MTM Ship Management

**Highlights for 2017 include:**

- Breakfast briefings on day one and day two.
- NEW: Conference Awards Dinner at the end of day one
- Exclusive insights into consolidation, competition, contracts, completions and capital flows
- NEW: Registries and the regulatory agenda
- Interactive discussions and Q & A through your mobile phone
- Inside the tank: best practice in tank coating, cleaning and inspection
- NEW: Vendors and owner opinion on new and emerging technology
- Ballast water, future fuels and digitalisation discussions
- Outstanding networking opportunities including lunches and cocktail receptions
- The industry's most credible awards programme

- NEW: Expanded industry exhibition with suppliers from across the tanker shipping and trade supply chain

**Safety drives remote monitoring:** Carnival Maritime has a unique perspective on safety that has driven its attitude to remote monitoring, finds Paul Fanning

Speaking at the recent Ship Machinery Conference in Rostock, Germany, Jens Kohlmann of Carnival Maritime made a genuinely impassioned and unanswerable case for the adoption of remote monitoring technologies.

To give some context, it is worth bearing in mind that Carnival Maritime was established in the wake of the Costa Concordia disaster (in which the vessel capsized and sank after striking an underwater rock) and the subsequent engine room fire onboard the Costa Allegra. One of the first moves the company made was to establish a fleet operations centre in Hamburg from which the vessels' functions and actions are closely monitored.

Given this context, it is perhaps understandable that Mr Kohlmann has little patience with considerations of the crew or captains' feelings about this monitoring. Asked whether the crews considered this to be 'meddling', he simply said, referring to the captain of the Costa Concordia: "Captain Schettino would not have done what he did if he were being monitored. Thirty-two lives were lost. Whether the captain likes being monitored doesn't matter in that context!"

This is, of course, an extreme case, but such cases often dictate actions and from Carnival Maritime's point of view it was all the motivation needed to impose remote monitoring from the top down.

No one is suggesting that remote monitoring should be done with no regard to the feelings of crew and captain, of course, and Mr Kohlmann was keen to point out that there had been no negative feedback. The progress of digitisation is of course made easier by working closely with those on board the vessel. However, as this instance makes clear, the concerns of the crew and captain are not necessarily paramount.

**What Happens after a Maritime Treaty is Adopted or Amended:** Throughout the maritime world, the technical regulations developed and adopted by the International Maritime Organization (IMO) are well known.

Shipmasters and officers, as well as expert trainers and educators, spend many hours getting to grips with the knowledge needed to implement and impart the detailed regulations governing ship safety and security and the prevention of pollution from ships.

But there is an important first step which needs to happen between adopting a new regulation or amendment and its entry into force and application on board ships.

Appropriate implementing legislation must be drafted at the national level, because international treaties can only become law when implemented into national legislation. IMO treaties are not self-executing and require domestic legislation to give effect to their provisions.

How to do this was the subject of a recent five-day global workshop (18-22 September 2017) held at IMO Headquarters in London. The workshop was attended by 28 lawyers and drafters from 25 countries.

"We get the seafarers coming up to us, asking 'how come you have not implemented this?', 'where are the regulations?', 'where do you derive your authority from?'

So it is important and imperative for us to ensure that IMO conventions are actually domesticated into our national law," said participant Jane Florence Otieno, from Kenya.

Participants agreed that the workshop would help them to effectively implement IMO regulations in their countries. "As a lawyer, I need to grasp the most important parts of legislative drafting," said Trevor Potoura, from Papua New Guinea.

The workshop also provided the opportunity for networking and sharing ideas, particularly with regards to the challenges countries may face in implementing IMO's technical regulations into national law, including often having to deal with several different government agencies.

"Right now, we have probably eight different maritime agencies that all deal with maritime. And sometimes their roles overlap. So one of the things we have to look at, particularly in writing our laws, is making sure that we know who does what at each point," said Daffodil Maxwell, from Trinidad and Tobago.

IMO's Head of Legal Affairs, Dorota Lost-Sieminska, said the workshop aimed to provide participants with the tools necessary to ensure effective, national, implementation of IMO treaties, with particular attention to the implementation of amendments adopted through the tacit acceptance procedure.

"IMO has always provided extensive training for technical experts. However, to give effect to the technical provisions, national implementing legislation needs to be drafted and adopted.

And this is why IMO offers this intense five-day training for lawyers -to provide participants with the tools necessary to understand treaties and their amendments - how they are developed and adopted, and how to implement them into the national legislation." she said.

Interactive Workshop on General Principles of Drafting National Legislation to Implement IMO Conventions, 18-22 September 2017

## **TOTE Maritime Named Top Ocean Carrier And Leader In Customer Service:**

TOTE Maritime Alaska has been awarded top honors as the leading Ocean Carrier and both TOTE Maritime Alaska and TOTE Maritime Puerto Rico received the highest scores in the customer service category in this year's Quest for Quality Awards.



Logistics Management's annual Quest for Quality awards ranks Ocean carriers on five categories - on-time, performance, value, information technology, customer services and equipment and operations. "TOTE Maritime Alaska is honored to receive this special award from the industry," commented Mike Noone, President of TOTE Maritime Alaska. "It is especially gratifying because it is an acknowledgement directly from our customers for the best-in-class service we provide them."

Driving TOTE Maritime Alaska's leader position in the Ocean Carrier category was its top ranking in both the value and customer service categories. Within the area of customer service, TOTE Maritime Puerto Rico and TOTE Maritime Alaska outranked the other carriers with a score of 9.85, while the carrier average was 8.32. TOTE Maritime is honored to be ranked the Best of the Best in Customer Service in LM's 2017 Quest for Quality Awards.

Tim Nolan, President of TOTE Maritime Puerto Rico noted "The TOTE Maritime team is dedicated to exceeding our client's' expectations with efficiency, integrity and unparalleled customer service. We are pleased to accept these awards that reflect our commitment to exceptional customer service in ocean cargo transportation."

Despite all of the uncertainty throughout the shipping industry, TOTE Maritime has maintained its focus on delivering excellent customer service throughout all facets of its supply chain. Logistics Management readers have stated that TOTE Maritime has done nothing less than provide world-class service over the last year.

## **WSS To Launch New Cargo Hold Cleaning Equipment At INMEX India:**

Wilhelmsen Ships Service (WSS) are launching a new line of cargo hold cleaning equipment at INMEX India, South Asia's largest maritime exhibition. Enabling crews to get the right



cleaning results, irrespective of where stains are located, scaffolding, ladders and specialist-cleaning crews are no longer required.

Expanding its cargo hold cleaning line in direct response to clearly identified customer needs, WSS have developed a high pressure lance and add-on heating system tailor made for cleaning difficult to reach areas of the hold.

Dubbed Anaconda, because of its impressive size and power, with the high pressure lance measuring over twenty metres and attached hose twenty-five metres, WSS believe cargo hold stains in elevated areas should no longer pose vessels crews any problems.

Mark Oliver Wittburg, Product Marketing Manager, Cleaning Solutions, WSS is so convinced of the system's value he believes the Unitor HPCE Anaconda Lance Kit should become an essential piece of equipment for all vessels regularly carrying cargoes prone to leaving persistent stains.

"Tried and tested onboard, the crew can easily assemble the cleaning kit and safely use it get at all those hard to reach problem stains and oily residues. With the additional heating unit warming water up to 100°C, which is then delivered through the high-pressure lance at up to 500bar, excessive amounts of cleaning chemicals are completely unneeded".

Along with consistently helping the vessel's crew to deliver spot test approved results, Wittburg believes that the Anaconda system can also help drastically reduce costs from the outset. He says, "The price of the complete kit may at first glance seem prohibitive, but compare it to several failed attempts at cleaning the hold or the typical outlay for a professional cleaning gang for a single job. The Anaconda system will all but pay for itself after its second use".

With specialist, third-party cargo hold cleaning gangs charging anything between 10,000USD and 50,000USD per job, depending on the circumstances, providing the vessel's crew with the right tools to achieve the correct cleaning results first time around will be preferable for many owners and operators.

Manoeuvred into position using a simple guide rope system and capable of delivering high pressure cleaning up to 20 metres in height, WSS suggests the Unitor HPCE

Anaconda Lance Kit is used in combination with the Unitor HPCE 520 INOX water heater to ensure the best possible results.

Available for pre-order now and supported by all necessary equipment, the WSS India team will be on hand to answer questions about the Anaconda equipment and our entire range of cargo hold cleaning products at stand B40.

## **Expanded Panama Canal Reaches Milestone Of 2000 Neopanamax Transits:**

The expanded Canal continues to exceed expectations by reaching the 2,000th transit neopanamax today, confirming the impact of the route on maritime trade for its advantages as a safe, reliable and efficient service.

The COSCO Yantian container ship, COSCO, completed the 2,000 transit through the expanded Canal, heading north (from the Pacific to the Atlantic).



The vessel measures 351 meters in length (long) and 43 meters in length (width) with a carrying capacity of 9,504 TEUs (20 foot containers).

"In 15 months of operations the expanded Canal has had an impact on the shipping industry realigning shipping routes. This trust of our clients reinforces our commitment to continue improving the service we provide, with the objective of attracting higher revenues and generating greater profits for the country," said Channel Administrator Jorge Luis Quijano.

The container ship is located in the Pacific East Coast 2 (PEX2) line service with a rotation on the Asia-Caribbean route.

Transit 2,000 marks a new step for the Expanded Canal, which since its opening on June 26, 2016 serves several segments of ships, most of them container ships, liquefied petroleum gas (LPG) and liquefied natural gas (LNG), which is a new segment for the interoceanic route. Other segments such as bulk carriers, tankers, car carriers and cruisers have also transited the expanded Canal.

The container segment represents more than half of the transits through the expanded Canal. 54% of the cargo transiting the inter-oceanic route on container ships uses the expanded Canal, followed by LPG and LNG vessels representing 29.2% and 8.6%, respectively.

## **Sovcomflot To Operate New Rosneft Large-Capacity Oil Tankers:**

PAO Sovcomflot ("SCF Group"), Rosneft, the State Transport Leasing Company (STLC), and Zvezda Shipbuilding Complex have signed a set of agreements that entail the construction of five Aframax tankers to enable export shipments of crude oil and oil products.



The 114,000 dwt vessels will be built by Zvezda jointly with Hyundai Heavy Industries (Republic of Korea), the world's leader in Aframax construction and the technology partner of Zvezda. The new vessels are due to enter service beginning from 2021. The tankers will have an ice class of 1A/1B, sufficient to ensure safe year-round operations in regions with challenging ice conditions, including the Baltic Sea and subarctic seas.

SCF will operate all the tankers, first supervising their construction and then providing a range of services to ensure the effective and safe management of these vessels, including the recruitment of high-skilled crews and their management.

This series of tankers heralds a new generation of merchant vessels with higher environmental safety standards. They are purpose-designed to use LNG (liquefied natural gas) as their primary fuel, which significantly reduces their environmental impact. The vessels were designed to comply with most stringent international Sulphur Oxide (SOx), Nitrogen Oxide (NOx), and Carbon Dioxide (CO2) emission standards, governed by new IMO regulations that are scheduled to come into effect from 2020 and will apply, amongst other areas, to the Baltic and North Seas.

The technical specification of the new tankers was designed by SCF's specialists, with the close involvement of the Far Eastern Shipbuilding and Ship Repair Centre (FESRC). When designing the tankers, SCF's team applied the Group's vast experience of operating large-capacity tankers under adverse climatic and ice conditions. (For reference: For more than 15 years SCF Aframax tankers have been successfully shipping crude oil in the Baltic Sea and subarctic seas).

Sergey Frank, President and CEO of Sovcomflot, said:

"On the global market, Sovcomflot has a strong reputation as a world-class operator of large-capacity

tankers, as well as platform supply vessels, and we remain the world's No.1 operator of Aframax tankers, which comprise over one-third of the SCF fleet.

"Sovcomflot welcomes the further expansion of mutually beneficial cooperation with Rosneft, Russia's largest oil exporter. SCF Group is already operating three Rosneft-owned ice-class 30,000 dwt tankers (RN Arkhangelsk, RN Murmansk, and RN Privodino), all of them transporting oil and petroleum products across the Baltic Sea and in the Arctic. SCF is also involved in crude oil transshipment operations for Rosneft.

"We welcome the commitment of Zvezda to a project that exceeds the highest technical requirements of the market. We hope that the beginning of serial production of cutting-edge large-capacity LNG-fueled tankers in Russia will facilitate the further development of Russia's port infrastructure that will allow ships to be bunkered with LNG fuel at Russian ports. We are also looking forward to seeing Russian regulators and maritime authorities continue with providing incentives for charterers, ship owners, and fleet operators who are taking real steps towards investing in green technologies."

Igor Tonkovidov, Executive Vice-President and Technical Director of Sovcomflot, said:

"For many years, our key customers remain some of the largest oil & gas companies and oil traders, both globally and in Russia, who are demanding in their selection of carriers. SCF Group makes it a priority to meet customers' expectation to transport their cargoes in accordance with the highest quality standards, and we work hard to maintain our fleet to a standard that always guarantees this. Sovcomflot is grateful to the specialists of Rosneft, FESRC, Lazurit Central Design Bureau, and Hyundai Heavy Industries for their active technical cooperation in the development of this project.

"SCF Group strives to reduce systematically the environmental impact of vessels. To this end, we are prioritising the switch to the use of LNG as a primary vessel fuel, a complex solution which we consider to be efficient both environmentally and economically. When compared to engines running on standard marine fuels, it allows us to reduce the volume of all major emission types at once, such as Sulphur Oxide (SOx), Nitrogen Oxide (NOx), and Carbon Dioxide (CO2)."

## **Metal Shark Building Multiple Passenger Vessels For NYC Ferry:**

In early August, Metal Shark received orders from Hornblower for four 97' x 28', 350-passenger USCG Subchapter K vessels, which are a new and larger platform than the 150-passenger vessel fleet NYC Ferry currently operates. An additional 85', 150-passenger USCG Subchapter T vessel has also been ordered. All of the new vessels are currently in production at Metal Shark's Franklin, Louisiana waterfront shipyard, with accelerated delivery timelines calling for all five vessels to complete and deliver in 2018.



NYC Ferry's new USCG Subchapter K vessels are designed by Incat Crowther and powered by twin twelve-cylinder, 1,400-horsepower Baudouin 12M26.3 diesel engines, coupled to ZF Marine ZF3050 gearboxes and turning custom five-blade Michigan Wheel propellers. These larger "Rockaway Class" vessels boast an operating speed of 24 knots.

These new orders represent a continuation of Metal Shark's relationship with Hornblower and NYC Ferry. In July of 2016, Metal Shark was selected to build six 85', 150-passenger, Incat Crowther-designed aluminum catamaran ferries for the NYC Ferry System. Between April and June of this year, Metal Shark delivered all six vessels on time, with an average per-unit build time of ten months.

"As proud as we are of our previous record of on-time deliveries to Hornblower, it's even more of an honor that the client returned to us to produce these significantly larger vessels under even more challenging timelines," said Chris Allard, CEO of Metal Shark. "Over the past few months we have been working closely with Hornblower to meet the demands of these accelerated-delivery orders. Our client's confidence in us speaks volumes, and our team is one hundred percent up to the task. Metal Shark looks forward to delivering these new, state-of-the-art passenger vessels to NYC Ferry and to the people of New York."

**More Dead Cetaceans, Less Legal Wrangling:** Sea Shepherd's legal representatives sent a formal response to the European Commission condemning what it says is its sloppy and grossly inadequate reply to their detailed and painstakingly-researched legal arguments for infringement proceedings against Denmark for its role in the killing of dolphins.

Compiled over a two-year period, the evidence presented to the Commission in May 2017, after its request for comments, aimed to show that Denmark has broken E.U. laws by facilitating and participating in the slaughter of dolphins in the Faroe Islands.

"The Commission's deficient reply dismissing the case indicates they failed to properly consider the dossier and its legal arguments," said Sea Shepherd in a statement. "In accordance with the European Union's long-standing administrative rules and guiding principles, Sea Shepherd demands the Commission give specific responses - with legal justifications -- for each of the main points addressed in the request for infringement proceedings."

Sea Shepherd has requested the Commission provide its detailed justifications within 15 working days.

Meanwhile, on the same day, 219 more Atlantic white-



sided dolphins were killed at Skálabotnur on the Faroese island of Eysturoy, and nine more pilot whales were killed at Hvalba. That brings the 2017 statistics up to 1,605 small cetaceans slaughtered in 23 grindadrap hunts so far this year, says Sea Shepherd.

Although part of the Kingdom of Denmark, the Faroe Islands claim to be independent of European Union rules and regulation that prohibit killing of cetaceans. However, the Danish navy and Danish police have directly interfered with Sea Shepherd's ability to stop the slaughter, both participating in and facilitating the grindadrap, says Sea Shepherd. The organization's Operation Bloody Fjords is a campaign to hold the Danish government accountable for actions that result directly in the deaths of hundreds of dolphins every year.

Whaling has been practiced in the Faroe Islands since about the time of the first Norse settlements on the islands in around the 10th century. It is regulated by the Faroese authorities. The hunts are non-commercial and are organized on a community level. Anyone can participate, but special training is necessary to kill the whale with the spinal lance. The hunters first surround the pilot whales with a wide semicircle of boats. The boats then drive the pilot whales into a bay or to the bottom of a fjord. Many Faroese consider the hunt an important part of their food culture and history.

Animal rights groups criticize the hunt as being cruel and unnecessary. Some Faroese say it is not cruel.

**Passenger Ship Safety Miami 2018 - Pursuing Higher Standards in Passenger Safety:** Passenger Ship Safety Miami returns for its 2nd edition as the only conference dedicated to pursuing



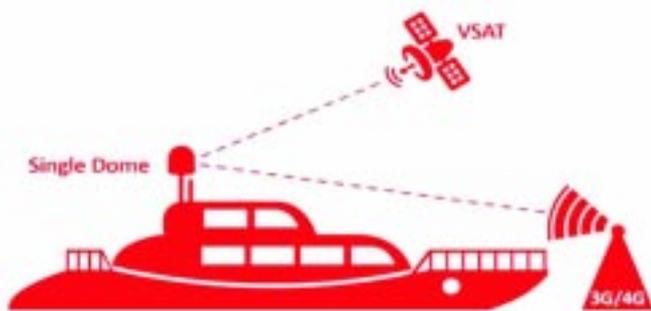
higher standards in passenger safety for the US and Caribbean cruise market. The cruise market is experiencing a period of high growth with operators committing to long-term ship building projects. However, it is at this time passenger safety must be incorporated into the design and build of ships.

Passenger Ship Safety Miami provides a forum for senior directors and VPs from cruise and ferry operators to meet, network, learn and share best practice to keep passengers safe at sea.

Industry organisations are also in attendance to provide updates and insight into new products, solutions and technology to drive higher standards in passenger safety.

The conference is free to attend for cruise and ferry operators, government employees, coastguards and first response. Passes include access to all conference sessions, networking receptions and exhibition room.

**NSSLGlobal Launches All-In-One Cellular/VSAT Solution:** Independent satellite communications provider NSSLGlobal today announces



the launch of FusionIP, which combines VSAT and cellular connectivity within the same device. Within one single 60cm SAILOR dome, FusionIP integrates the best of two worlds; LTE and satellite broadband, allowing ships to automatically switch between 4G/3G and satellite networks to achieve optimum data speeds and cost efficiency.

NSSLGlobal's new product presents a convenient, all-in-one, 'unified communications' solution that is easy to install and provides a global "one SIM, one contract" package with speeds up to 100Mbps.

FusionIP represents a leap forward in terms of convenience. With one aesthetically pleasing antenna, a single system, and one point of contact for technical information, the new product/service is ideal for yachts, crew transfer vessels, offshore wind installation vessels, fishing vessels and coastal commercial vessels.

"We've seen a great deal of demand for hybrid systems in the last few months," commented Sally-Anne Ray, CEO, NSSLGlobal. "We felt, however, that we could deliver a better experience than what was already in the market. We've eliminated the need to wire-in and support multiple devices, or to spoil the aesthetics of a vessel with multiple antennas. We've also eliminated the need to use multiple SIMs. Instead, we've provided a highly-optimised, convenient, aesthetically-pleasing solution that is easy to install and delivers entirely predictable, optimised pricing anywhere in the world, with no effort. It's simply a case of 'plug it in and go'."

**GHG Emissions Reduction Gain Traction At IMO-Singapore Future-Ready Shipping 2017:**

Close to 240 maritime leaders and professionals will gather in Singapore to identify priority areas for international action and exchange best practices in maritime technology transfer and capacity building at the Future-Ready Shipping 2017 Conference. Jointly organised by the Maritime and Port Authority of Singapore (MPA) and the International Maritime Organization (IMO), the conference will take place from 25th to 26th September 2017 at the Grand Copthorne Waterfront Hotel.

Future-Ready Shipping 2017 is the second edition in the conference series which pioneered a global dialogue on maritime technology cooperation. The first, also held in Singapore in 2015, saw the launch of the GEF-UNDP-IMO[1] Global Maritime Energy Efficiency Partnerships (GloMEEP) Project that is supporting 10 Lead Pilot Countries in addressing emissions from ships; as well as crystallised the concept of the Maritime Technology Cooperation Centre Network that has since become a reality (EU IMO GMN Project[2]).

The conference this year builds on the success of the inaugural edition, and will once again bring together maritime leaders from various segments of the industry including shipping companies, classification societies, government organisations and industry associations, with a view to bring about information exchange and foster a culture of cross-boundary collaboration. Conference participants will discuss the latest developments in maritime energy-efficient technologies and also study existing collaboration models and sustainability journeys of ship owners, port authorities and terminal operators.



A major development at this conference and in line with the theme of "Enabling Maritime Technology Collaboration: Bridging Gaps; Strengthening Partnerships", two new members, Bureau Veritas and the Port of Rotterdam, will be welcomed to the IMO-GloMEEP Global Industry Alliance (GIA) in support of developing innovative solutions that will transit the shipping industry into a low-carbon future. Within the GIA, 16 like-minded industry players have joined hands to collectively address barriers to the uptake and implementation of energy-efficient technologies and operational measures.

"No stakeholder, alone, can deal with the complexities the planet faces in addressing the challenge of climate change. More than ever, we require collaborations at all levels. This Conference is therefore very timely in looking into ongoing and future collaborations that can drive discussions towards identifying opportunities that can have a transformational impact on the shipping industry as it moves towards decarbonisation," said Dr Stefan Micallef, Director, Marine Environment Division, IMO.

Mr Andrew Tan, Chief Executive of MPA, reiterated Singapore's commitment to the efforts of the IMO to promote greater understanding of energy efficient technologies for the shipping industry. "Both the Future-Ready Shipping Conference and UN-IMO GloMEEP Project contribute to the efforts of the IMO in building a more sustainable maritime transport system. As shipping is a global industry, close collaboration and dialogue amongst all stakeholders will help pave the way for the discussions ahead to tackle issues such as Greenhouse Gas emissions from international shipping. We will continue to support the efforts of the IMO in taking the lead on this."

Later this week, on 27 September 2017, Singapore and the IMO will host a workshop on the "Development and implementation of Maritime Energy-Efficiency and Emissions Strategies". The workshop on maritime energy efficiency and emissions under the Singapore-IMO Third Country Training Programme, will be the first of its kind locally. In conjunction with the Future-Ready Shipping 2017 Conference, the inaugural workshop will provide a platform for participants to draw on the various insights

shared during the conference and distill best practices and recommendations for countries seeking to embark on the development of national energy-efficiency and emissions strategies and policies. Representatives from the GloMEEP Lead Pilot Countries together with participants from other developing countries will be attending the workshop.

[1] Global Environment Facility (GEF); United Nations Development Programme (UNDP)

[2] European Union (EU) International Maritime Organization (IMO) Global Maritime Technology Cooperation Centres Network (GMN) Project

### **Essar Invests Rs 830 Crore To Double Vizag Port Iron Ore Handling Capacity:**

Essar Ports, India's second largest private port operator that has an operational capacity of 82 MTPA, today (24th September) announced that its Rs 830-crore expansion plan to upgrade the iron ore handling capacity of the Vizag Terminal (outer harbour) from 12.5 MMTPA to 23 MMTPA is nearing completion. On completion, the upgraded terminal will have a loading rate of 8,000 TPH (tonnes per hour), which will be among the highest for an Indian port.



Essar Vizag Terminals Limited (EVTL) took over the project in May 2015 on a Design-Build-Finance-Operate-Transfer (DBFOT) basis for a period of 30 years. Since then, the company has ramped up the iron ore loading capacity of the terminal from 25,000 TPD (tonnes per day) to 70,000 TPD. After the completion of the upgradation-cum-modernisation project, the loading capacity will increase to 120,000 TPD, and the facility will be able to berth vessels up to 200,000 DWT, with a draft of 18 metres, on the outer harbour.

**Modernised facilities:** EVTL's Iron Ore Handling Terminal at Vizag Port is an all-weather deep draft facility that has the wherewithal to serve the rapidly growing markets of South East Asia, including China, Japan, and Korea. The project facilities are state-of-the-art and require minimal human intervention. They include:

**Receiving System:** Completely mechanised facilities that comprise high capacity wagon tippers for receiving cargo by rakes, and one of the longest integrated conveyor systems that transfer cargo to a stackyard that has high capacity multiple stackers. The stackyard has a capacity to store 0.6 MT of cargo.

**Shipping System:** The system comprises high capacity reclaimers to load vessels up to Capesize through ship loaders. It is one of the fastest loading systems ever seen in an Indian port.

**Green focus:** An increased focus on global best practices and sustainable environment protection has reduced spillage to a mere 0.18% at the terminal. EVTL is aiming to bring this number down to zero, which will result in lower emissions and a cleaner environment. A 9.3-km open conveyor has been covered. Its junction houses that pass through the old town have been protected with cladding, and a "cold fog" system implemented at each junction house to further reduce the pollution. Cold fog (of ECODEA) is an advanced technology that uses ruby-orifice nozzles to create extremely fine water droplets of 1-15 microns, as opposed to the 100-250 micron droplet size prevalent in typical water sprinkling systems. The entire system has been upgraded from manual operations to a PLC-based automated system (of Honeywell make), which ensures a safe and secure environment for the workforce. The electric substation uses the latest hybrid technology and adds to the safety quotient.

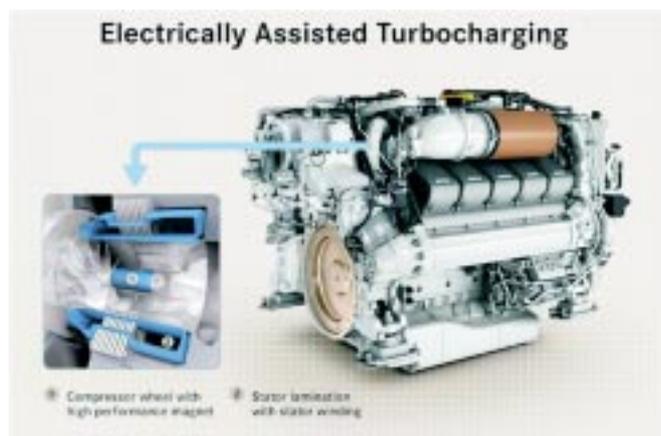
Mr Rajiv Agarwal, Managing Director, Essar Ports, noted: "The facility is one of a kind in India with a state-of-the-art mechanised system, and one of the highest loading rates (8,000 TPH). It has significant potential to increase our share of third-party cargo business to more than 40%. As a result of the enhanced performance parameters, exporters on the east coast will benefit immensely from shorter turnaround times, which will translate into competitive freight costs."

"We aim to be the preferred choice of exporters in eastern India," said Mr CH Satyanand, CEO, Essar Vizag Port, adding: "The communities around the facility will benefit from the upgradation of the technology stack at the port. We are determined to cut down spillage and emissions to virtually near-zero levels."

## **Rolls-Royce Acquires Technology For Electrically-Assisted Charging Of MTU Engines:**

Rolls-Royce has acquired from G+L innotec the exclusive rights of use for a new technology for the electrically-assisted charging of off-highway combustion engines in the power range above 450 kW. The new invention from the development and engineering services provider based in Laupheim in southern Germany is protected by patents and has thus not been available on the market to date. Rolls-Royce plans to offer engines of its MTU brand with this technology as of 2021.

"Electrically-assisted charging is a milestone on the way to the hybridising of the engine. Using this technology, it will be possible for us to develop agile, low-consumption engines," said Dr. Johannes Kech, Director of Development Turbocharging & Fluid Systems at MTU. MTU and G+L innotec will complete the next stages of development on the basis of a close partnership.



## **Electrically-assisted charging technology**

The electrically-assisted charging system comprises an electric drive combined with a traditional turbocharger developed and manufactured by MTU. As a result, the turbocharger can be accelerated electrically and the charge pressure built up earlier. In operating conditions, in which the energy required for a faster charge pressure of the turbine would normally not be sufficient, it is also possible to build up with the aid of the electric drive. Using the technology developed by G+L innotec, MTU will be able to increase the acceleration capability of marine engines, for example, and also the load response capabilities of generator drives significantly. In addition it will also be possible to reduce the engine's fuel consumption and emissions in a variety of different applications. Due to the increased load response capability, emergency standby gensets will be able to deliver their full output even faster than was previously the case. This technology is ideally suited to diesel and gas engines.

## **Operating principle of the electric drive from G + L innotec:**

To provide the turbocharger with electrical assistance, a permanent magnet is installed upstream of the compressor wheel and the electrical winding is integrated into the casing of the compressor. With this arrangement, the air drawn in by the compressor is not obstructed and at the same time the electrical components are cooled by the air. The special feature of this arrangement is the large gap between the magnet and winding. This so-called media gap motor requires specially designed power electronics. This ensures that there is no aerodynamic impact on the charger and also that existing chargers can be adapted easily to enable them to make use of this technology.

## **First applications: ships, emergency gensets and land vehicles:**

On the basis of a development collaboration agreement with G+L innotec, MTU has equipped turbochargers with this electric drive and has carried out component tests to determine its possible potential. In the next stage, the two partner companies will prepare the new products for series production, so that as of 2021, MTU will be able to launch engines equipped with this technology on the market. The first

areas of application suitable for these engines include ships, emergency gensets and land vehicles.

### **Bureau Veritas Joins Global Industry Alliance:**

The GIA will support the implementation of energy efficiency measures for ships and shipping. Neuilly-sur-Seine, France, September 25, 2017 - At a ceremony in Singapore today Bureau Veritas formally joined the Global Industry Alliance (GIA).

Philippe Donche-Gay, President Marine & Offshore, Bureau Veritas said that he was delighted BV was able to provide support to the GIA: 'Whether it's a better understanding of hull structures, digitalization, gas fueled and hybrid systems or the many other areas of research and development that are leading to practical solutions, our Marine & Offshore Division - and the 70,000 Bureau Veritas people around the world (10,000 in China alone) across our group - will be able to contribute towards this important initiative.'

The GIA was officially inaugurated on June 29 by IMO Secretary General, Mr Kitack Lim. 17 companies have now signed up to join the GIA, which will work within a framework established by Global Maritime Energy Efficiency Partnership (GloMEEP) Project, a Global Environment Facility (GEF)-United Nations Development Program (UNDP) - IMO project.

The GIA will support improving the energy efficiency of ships and shipping by collectively identifying and developing innovative solutions to address common barriers and promote the uptake of energy efficiency technologies and operational measures.

The GIA is focused on five priority areas of collaboration:

1. Energy Efficiency Technologies (EETs) and Operational Best Practices
2. Alternative Fuels and Energy Carriers
3. Digital Transformation
4. Finance
5. Human Element

Activities likely to be undertaken or promoted by the GIA on these priorities will include, inter alia:

- research and development
- showcasing advances in technology development and positive initiatives by the maritime sector
- industry fora to encourage a global industry dialogue
- implementation of capacity building
- information exchange activities

A GIA Task Force comprising of representatives of the members has been formed to act as the advisory body to the GIA and to take decisions on which activities to undertake under the GIA umbrella.

Selected GIA projects will be implemented by the GloMEEP Project Coordination Unit, with the advice of the GIA Task Force. Activities will be funded by a Fund (GIA Fund) established by IMO. The GloMEEP Project aims to

provide long-term global environmental benefits by supporting the effective implementation of IMO's energy efficiency regulations (chapter 4 of MARPOL Annex VI), particularly in the developing countries.

Three main streams of work have been set up so far:

- Legal, policy and institutional reforms
- Awareness raising, knowledge sharing and capacity-building activities
- Public-private partnership to support low carbon shipping

### **IMO Signifies Implementation Of Standards Hapag-Lloyd Recycles Three Container Ships In An Environmentally Friendly Manner:**

The liner shipping company Hapag-Lloyd has now completed the sale of three of its older container ships. The "Deira", the "Najran" and the "Sakaka" will be transferred to shipyards in China and Turkey, which are specially equipped and certified for safe and environmentally sound recycling.

The ships have a capacity of 4,101 TEU each and were delivered to UASC from Japanese shipyards in 1997 and 1998. They have been part of the Hapag-Lloyd fleet since the merger at the end of May. The ships are being taken from the market as they no longer fit with the portfolio of Hapag-Lloyd, which is now the fifth-largest liner shipping company in the world following the merger with UASC and has one of the youngest, most modern fleets in the industry.

Compared with W49 earlier this month. The September average is down to W49, from W52.

"Actually the market isn't that bad, there's been times this year when it's been worse," the unnamed Singapore broker said.

That came as around 15-20 Middle East cargoes have been fixed for loading in the first 10 days in August.

"We're waiting for the UAE cargo dates which is holding off a few co-loading charterers," the broker added.

Longer term there is potential for rates to see "a modest improvement in 2018 assuming the OPEC production agreement falls apart and overproduction of crude returns to the market," JP Morgan said in a report.

This step means that Hapag-Lloyd is continuing to implement the internal Ship Recycling Policy it adopted in May 2014, whereby ships which are no longer needed must be recycled in a safe and environmentally friendly manner.

"As one of the world's leading liner shipping companies, we are aware of our ecological and social responsibilities," said Anthony Firmin, Chief Operating Officer (COO) of Hapag-Lloyd. Hapag-Lloyd is thus taking a pioneering role here. In 2015, the Company sold 16 of its fleet's older units, which were also disposed of in an environmentally friendly manner.

## **“MARINE WAVES”**

(International Maritime Newsletter)

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“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.”

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**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*

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