

## Wärtsilä and Crowley extend Maintenance Agreement for 11 Articulated Tug Barges



The technology group Wärtsilä and Crowley Petroleum Services are continuing their co-operation by extending and expanding their maintenance agreement for 11 articulated tug barges (ATBs) owned and operated by US-based Crowley. An ATB has a hinged connection system that allows a powerful ocean-going tug to connect to a notch in the stern of the barge, which enables the tug to propel and manoeuvre the barge.

The agreement, signed in December 2017, extends the original contract term from 2019 to 2023 and covers the maintenance of 22 Wärtsilä engines installed on board 11 ATBs. With the contract Crowley receives a comprehensive maintenance package, access to prompt technical service and troubleshooting and a response time guarantee in case of unforeseen circumstances requiring immediate action. The agreement also includes performance guarantees regarding field service confirmation in time-sensitive situations. This ensures that dedicated support team can quickly address and troubleshoot problems, thus maximising the uptime of vessels. The contract is Wärtsilä's first maintenance agreement to cover complete propulsion systems, including seals and bearings.

(contd. on page 2)

## Highlights

	Page
Wärtsilä and Crowley extend Maintenance Agreement for 11 Articulated Tug Barges	1
Construction and Working of 3 Phase Induction Motor on Ship	2
From the Editor's Desk	3
European Court: Rulings to Free 2 Turkish Journalists	7
Five controversial interrogation techniques still not judged as torture in missed opportunity for human rights	8
Chinese Carrier Poses No Threat for Taiwan	9
Centuries-Old Ships Uncovered in Alexandria	10
Turkey Sends Drillship to Contested Waters off Cyprus	11
Look Beyond the Flag	12
AAPA Elects its Next Chairman	13
Budget Deal Includes New Training Ships for U.S. Academies	14
U.S. Destroyer sails near Chinese-held Island	15
Open simulation platform launches with new partners	16
Dry Bulk FFA: Capesize Market Finds Renewed Optimism	17
Europe's top shipping nations among worst in IMO maritime climate talks - ranking	19
A Trade War is Harmful to us all and Clearly Bad for Global Shipping	20
Tariffs and Shipping: What will the Immediate Impact be?	21
Groups cry foul over planned closure of Boracay	23

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

Images / photos are used for representation purpose only.

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

- Editor: "Marine Waves"

### OUR LEGAL ADVISORS

## Surana & Surana — International Attorneys



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

(contd. from page 1)

"We are pleased to continue our cooperative arrangement with Wärtsilä," said Crowley Engineering Director Marc Aikin. "Our agreement allows us to execute carefully planned maintenance schedules, customize scopes, and achieve constant cooperation to complete our ATB dry docks on schedule, ensuring the reliability and efficiency of our vessels' operations."

"Our customers are showing increased interest in comprehensive maintenance agreements, as they allow the customers to focus on their core business. We are proud to continue our partnership with Crowley and are committed to ensuring that their maintenance needs are met efficiently," says Sean Carey, Services Unit Director, USA, Wärtsilä Services.

ATBs consist of a tank vessel (barge) and a large, powerful tug that is positioned in a notch in the stern of the barge, which enables the tug to propel and manoeuvre the barge. Unlike an ITB (Integrated Tug/Barge), where the tug and barge are locked together in a rigid connection and become for practical purposes one unit, the ATB has an articulated or "hinged" connection system between the tug and barge. This allows movement in one axis, or plane, in the critical area of fore and aft pitch. No such movement is possible with an ITB unit.

## Construction and Working of 3 Phase Induction Motor on Ship

The popularity of 3 phase induction motors on board ships is because of their simple, robust construction, and high-reliability factor in the sea environment. An induction motor can be used for different applications with various speed and load requirements.

The ship's generator 3 phase AC supply can be connected to the AC induction motor via a starter or any other arrangement like an auto-transformer to improve the torque and current characteristics.

Related Reading: Why Are Transformer And Alternator Ratings in kVA On Ships?

Induction motors are used in almost all machinery system of the ship such as crane motor, propulsion motor, blower motor, sea water pump motor, and even small synchronous motor.

### What is an Induction Motor?

An induction motor or asynchronous motor is an AC motor in which the electric current in the rotor needed to produce torque is obtained by electromagnetic induction from the magnetic field of the stator winding.

There are basically two types of an induction motor:

**1. Single Phase Induction Motor:** Single phase induction motor: As the name suggests, this type of motor is supplied with single phase power supply. AC

current is carried in the main winding of the motor. The type of single phase induction motor used depends on the starting arrangement they use as an auxiliary as they are not self-starting.

Single phase induction motors are mostly used in low power applications, some of those are mentioned below:

- Small pumps
- Small portable compressors
- Small fans
- Drilling machines

### 2. 3 Phase Induction Motor:

These 3 phase motor is supplied with 3 three-phase AC supply and is widely used in ships for heavier loads. 3 phase induction motors are of two types, squirrel cage and slip ring motors. Squirrel cage motors are widely used on ships due to their rugged construction and simple design, few e.g. of their applications are:

- Lifts
- Cranes
- Large capacity exhaust fans
- Engine Auxiliary pumps
- Engine blower fan motor
- Engine room heavy load pumps -Ballast, Fire, Freshwater, Sea Water etc.
- Winch motor
- Windlass motor

### Construction of 3 Phase Induction Motor

The main body of the Induction Motor comprises of two major parts:

#### Stator



The stator is made up of a number of stampings in which different slots are cut to receive 3 phase winding circuit which is connected to 3 phase AC supply.

The three-phase windings are arranged in such a manner in the slots, that they produce a rotating magnetic field after AC supply is given to them.

(contd. on page 5)

## From the Editor's Desk



*He is born in vain who, having attained the human birth so difficult to get, does not attempt to realize God, in this very life. – SRI. RAMAKRISHNA*

*I am the mother of the wicked, as I am the mother of the virtuous. Never fear. Whenever you are in distress just say to yourself . I have a mother'. – SRI. SARADA DEVI*

*Each soul is potentially Divine. The goal is to manifest this Divine within by controlling Nature, external and Internal. Do this either by work, or worship, or psychic control, or philosophy, by one, or more, or all of these - and be free. – SWAMI VIVEKANANDA*

**From Mindfulness to Heartfulness – by Stephen Murphy-Shigematsu, Mar 08, 2018. The following is an excerpt from Stephen Murphy-Shigematsu's book, "From Mindfulness to Heartfulness: Transforming Self and Society with Compassion". (Berrett-Koehler Publishers, 2018)**

**Why Heartfulness?** Heartfulness describes a way of being in mindfulness, in compassion, and in responsibility. The word mindfulness, by itself, seems insufficient to explain how mindful consciousness extends into compassion and is expressed in active caring. Heartfulness portrays this expansive sense of living with openness and clarity, being true to ourselves, acting in sympathy with all beings, resonating with and being part of the world around us. The word compassion literally means "feeling with," and is enabled by first being willing to feel what you feel, opening up a certain rawness and tenderness. Today's mindfulness movement is full of potential. Mindfulness training programs in diverse settings, including schools, businesses, and governmental agencies, offer good training in reducing stress and increasing the powers and flexibility of ordinary mental processes. Making mindfulness more of a biological, cognitive, brain activity has helped many people overcome resistance to it, as evidence-based research findings convince many that it is legitimate. However, the focus on science also takes mindfulness further from the heart by making it an activity that can be done pragmatically for its benefits. This perpetuates the illusion that we can achieve anything through our intellect and willpower. The science focus disguises the reality that truth, beauty, and kindness are not reached merely by rationally thinking our way to them. Our love of technology and faith in science is countered by the recognition that these will never provide what we need to live with meaning. We realize that no matter how advanced we become, regardless of how sophisticated our gadgets are and how many of them we possess, they will not give us the essential elements of a good life. A meaningful life is focused in the heart and filled with compassion and giving.

Heartfulness seeks to overcome limitations to the kind of mindfulness that is used for the pursuit of profit and pleasure and doesn't challenge materialistic beliefs, values, or practices. - Mindfulness can enable other virtues, but if we remain on the purely cognitive level, or stay narrowly focused on stress reduction, we are missing its true power. While the science focus is extremely convincing as to the reality of the power of mindful practice, we also need to maintain and expand the heart's role in mindfulness. Mindfulness is still becoming equated with the individual pursuit of happiness, with people seeking pleasure and more joy, with less stress and less involvement. Yet the popular culture's adoption of mindfulness alone risks losing its original meaning.

(contd. on page 4)

(contd. from page 3)

Heartfulness emphasizes purpose through connecting to something larger than the individual self. A heartfelt life finds meaning in making a difference in the lives of others. A beautiful expression of this evolving form of mindfulness is in the Japanese word kokoro. While minds and hearts are separated in a Western sense, with mind referring to thinking capacity and heart meaning emotions and sentimental feelings, in Eastern thought they are the same reality. In Asia, people often point to their chest when referring to mind as an openness or a universal wakefulness that resonates with the world around them, rather than something created or possessed by their own ego. The word heartfulness brings us closer to the meaning of kokoro and the deep meaning of mindfulness. Kokoro unites feeling emotion, mind, and spirit -- the whole person -- and seems close to the word heartfulness. This word appears in Jon Kabat-Zinn's writings since the 1990s, in which he suggests another way to think of the gentle, appreciative, and nurturing way of mindfulness is to use the word heartfulness. He later warns that many people are not equating mindfulness with heart, thereby missing its true essence. Heartfulness is opening and cultivating the heart to enter stillness and silence, becoming more human, more compassionate, and more responsible, both to oneself and to all other beings. The meaning of heartfulness is expressed in the kanji. It consists of two parts, the top part, meaning "now"; the bottom part, meaning "heart." This symbol clearly expresses the sense of being wholly present in the moment. Living in a state of heartfulness means listening to one's heart, to one's inner voice, affecting our relationship with ourselves as well as our relationships with our family, with our work, and with the larger world.

**Heartful Community:** I believe that we are at the point now in the United States, where a movement is beginning to emerge.... demanding that instead of just complaining about these things, or just protesting about these things, we begin to look for, and hope for, another way of living.... I see hope beginning to trump despair... in the many small groups emerging all over the place, to try and regain our humanity in ways. Grace Lee Boggs. Like the individual psychotherapy that I practice, mindfulness is a solitary activity. But heartfulness is practiced in groups with the clear goal of creating community, a sense of openness, direct communion with others, and an awareness of oneself as part of something greater. Grounding our encounters in mindfulness enables vulnerability and authenticity. People realize connectedness, engage in deep listening, feel more accepting, and are grateful for what is happening. Mindfulness is a path, not an ending - something to be practiced, put into action. It fosters the awareness of being connected to the self, to something beyond the self, and indeed to everything and everyone.

*To be continued: Heartful community*

**Dr. Chandran Peechulli**, .D.,F.I.E.,M.B.A.,L.L.M.,PgD.L.,PgDIMS. A Writer, Social & Rights Activist.

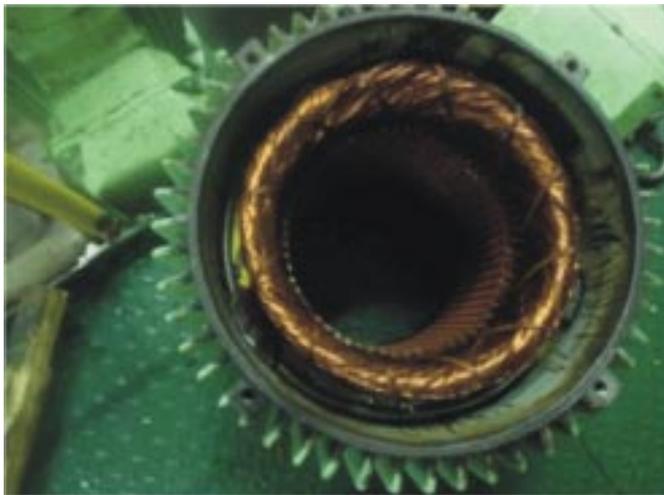
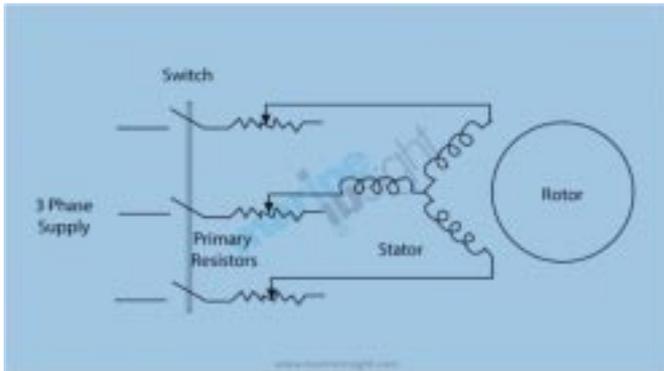
A Fellow Chartered Engineer and Corporate Lawyer. With Masters - LLM. Specialized in Labour Laws and Administrative Laws. Corporate Member of the "Chennai Press Club" Foundation member and First General Secretary, "Chennai Society for Fast Justice", Managing Editor, [www.themarinewaves.com](http://www.themarinewaves.com), [www.seafarersvoice.com](http://www.seafarersvoice.com), Ex.Director - Sri Nandanam Maritime Academy, T.N.\*Approved by D.G. Shipping, Govt. of India, Ministry of Shipping. Fellow/Member of various Professional Bodies in India and Overseas.Ex.GM(Tech) and Designated Person Ashore for six vessels of Crossworld Shipping Ltd.

**Head Office:** M107-12, First Floor, 29th Cross Street, Besant Nagar, Chennai - 600090. India.

e-mail ID : [chandranpeechulli@gmail.com](mailto:chandranpeechulli@gmail.com), [www.seafarersvoice.com](http://www.seafarersvoice.com), [www.themarinewaves.com](http://www.themarinewaves.com), Landline: 044-48581218 Mobile Phones: 9445157728, 9444983905, 79049 72990

(contd. from page 2)

Usually, windings are kept at different pitch circle with 30 % overlap to each other.



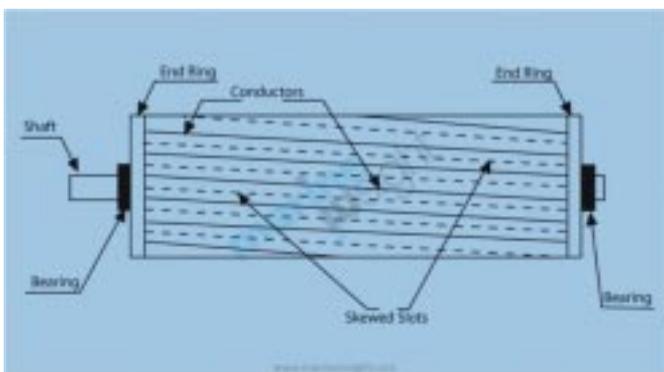
The windings are wound for a definite number of poles depending upon the speed requirement, as speed is inversely proportional to the number of poles, given by the formula:

$$N_s = \frac{120f}{p}$$

Where  $N_s$  = synchronous speed  
 $f$  = Frequency  
 $p$  = no. of poles

**Rotor:** The rotor consists of a cylindrical laminated core with parallel slots that carry conductor bars.

Conductors are heavy copper or aluminium bars which fit in each slot. These conductors are brazed to the short-circuiting end rings.



The slots are not exactly made parallel to the axis of the shaft but are slotted a little skewed for the following reasons:

- They reduce magnetic hum or noise
- They avoid stalling of the motor

**Principle and working:** When 3 phase supply is given to the motor, the resulting current generates a magnetic flux "Ø".

Due to the switching sequence of 3 phase current in R, Y, and B, the generated flux rotates around the rotor conductor.

According to Faraday's law, which states that -"an emf induced in any closed circuit is due to the rate of change of magnetic flux through the circuit", Emf is induced in the Copper bar and due to this, current flows in the rotor. The direction of the rotor can be given by Lenz law which states that - "the direction of induced current will be in the opposite of the motion causing it."

Here the relative velocity between the rotating flux and static rotor conductor is the cause of current generation; hence the rotor will rotate in the same direction to reduce the cause i.e. the relative velocity, thus rotating the rotor of the induction motor.

**Advantages of Induction Motor:** The motor construction and the way electric power is supplied give the induction motor several benefits such as:

- They are robust and simple in construction with very few moving parts
- They can efficiently operate in a rugged and harsh environment such as in seagoing vessels
- The maintenance cost of 3 phase induction motor is less and unlike that of DC or synchro motor, they do not have parts like brushes, commutators or slip rings etc.
- An induction motor can operate in an intrinsic environment as they do not have brushes which can cause the spark and can be dangerous to such atmosphere
- 3 Phase induction motor does not need any additional starting mechanism or arrangement as they can generate self-starting torque when three-phase AC supply is provided to them, unlike synchronous motors. However, single-phase induction motor needs some auxiliary arrangement for the starting torque
- The final output of a three-phase motor is nearly 1.5 times the rating (output) of a single phase motor of the same size.

**Disadvantages of 3 phase Induction motor:**

- During starting, it draws high initial starting current when attached to a heavy load. This causes a dip in voltage during the starting period of the machine. Soft

starting methods are connected to the 3 phase electric motor to avoid this problem.

- Induction motor operates at lagging power factor which results in increased I<sup>2</sup>R losses and efficiency reduction, especially at low load. To correct and improve the power factor, static capacitor banks can be used with this type of AC motor.
- Speed control of 3 phase induction motor is difficult as compared to DC motors. A variable frequency drive can be integrated with the induction motor for speed control.

### Problems in 3 phase Induction motor:

Like any other machinery, a 3 phase induction motor can face various types of challenge which can be broadly classified as:

**A) Environmental related faults:** The harsh environment of the sea may take a toll on ship's machinery at an early stage if they are not properly maintained. The ambient temperature and the moisture content in the air at sea will affect the operational performance of the induction motor.

The motors are installed on other big machinery (main engine) having their own vibrating frequency, which affects the motor parts.

A wrong installation or loose foundation of the motor or the load it is connected to may also lead to the reduction in the motor efficiency and on a longer run- a failure of the motor.

**B) Electrical-related faults:** Problem occurs in the motor due to electrical supply faults such as the unbalanced supply of current or the line voltage, earth fault in the system, the problem of single phasing, short circuit etc. Different types of electrical faults are:

**Winding Fault:** The winding provided in the stator may fail due to the problem in the insulation caused leading to short circuit.

**Single Phasing Fault:** When any one or more than one phase of the 3 phase supply is lost, a running 3 phase motor will continue to run but at elevated parameters of temperature and loss. This condition is known as single phasing.

**Crawling:** This is a mix of electrical and mechanical fault where the induction motor runs at a lower speed (nearly 1/7th of its synchronous speed) even at full load application. It is the result of abnormal magnetomotive force or high harmonic content in the power supply to the motor.

**C) Mechanical-related faults:** The motor consists of several mechanical parts, and their alignment with each other and with the load plays an essential role in motor

efficiency. Some of the prominent mechanical related motor faults are:

**1. Imbalance Rotor:** The rotor is the only moving part in a 3 phase induction motor. If there is an imbalance in between the shaft rotational axis and weight distribution axis of the rotor, it will create vibration, additional heat and efficiency loss in the system.

The unbalance can be due to defect in the rotor, internal misalignment, bending of the shaft, uneven loading and problem in the motor and load coupling.

**2. Fatigue Failure:** If the maintenance schedule is not proper or the parts used in the motor are of poor quality, weakening of material may lead to fatigue failure which is usually caused by repeatedly applied loads.

**3. Bearing failure:** The motor is fitted with two bearings at rotor's each ends for supporting and freely rotating the shaft. The bearing can fail if timely maintenance is not done or due to overloading, wrong installation, contaminated lube oil and operating at an excessive temperature.

**4. Corrosion:** The surrounding of the motor installed in a ship is highly corrosive. As the motor consists of several mechanical parts like the rotor, bearing etc. the moisture present in the atmosphere or the water present in the lubrication (grease) will corrode the bearings, motor shaft and rotors. The insulation can also be affected by the corrosion, and lead to a short circuit between the windings

**5. Lubrication problem:** Lack of lubrication or contamination of the lubricant can lead to increase friction between parts and bearings may worn out quickly.

### Protections for 3 phase induction motor

**Single phasing protection:** To tackle this problem, protection devices are used for 3 phase induction motor. All motors above 500 KW are to be provided with protection devices or equipment to prevent any damage due to single phasing. The details of these devices can be found here.

**Over-temperature:** The winding of the motor can be heated due to problems like overloading or single phasing. Fuses, relays etc. are used to protect the motor from overheating

**Soft Starting:** As described above one of the disadvantages of 3 phase induction motor is the high current it draws during the starting period. To protect it from this problem, different starting method are used by integrating the motor with soft starter, DOL, Star delta starter, auto transformer etc.

By using a soft starter for an induction motor, the mechanical and electrical stresses are reduced, protecting the motor during the time of starting.

**European Court: Rulings to Free 2 Turkish Journalists: Urgent to Carry Out Judgment, Groups Say.**

Turkey should immediately implement the judgments of the European Court of Human Rights (ECtHR) and release the veteran journalists Mehmet Altan and ?ahin Alpay without delay, a coalition of nongovernmental groups said today. Furthermore, Turkey must ensure that domestic remedies for human rights violations are effective, in particular by ensuring the urgent review of all cases of journalists and writers currently pending before its Constitutional Court.

The organizations, which had intervened as third parties in the cases before the court, included PEN International, ARTICLE 19, Committee to Protect Journalists, European Centre for Press and Media Freedom, European Federation of Journalists, Human Rights Watch, Index on Censorship, International Press Institute, International Senior Lawyers Project and Reporters Without Borders. The coalition welcomed the judgments announced on March 20, 2018. The rulings are the first by the court in the cases of journalists arrested and detained on charges in relation to the failed 2016 coup attempt in Turkey. They set an important precedent for the other cases of 154 detained journalists in Turkey.

'We welcome these rulings, in particular the European Court's recognition that a state of emergency must not be abused as a pretext for limiting freedom of expression,' said Carles Torner, Executive Director of PEN International.

In its two judgments, the European Court found violations of Article 10 of the European Convention on Human Rights, which protects the right to freedom of expression. The court made clear that criticism of governments should not attract criminal charges since, in addition to pre-trial detention, this would inevitably have a chilling effect on freedom of expression and would silence dissenting voices.

'The decision stated that "the investigating authorities had been unable to demonstrate any factual basis" that indicate that both journalists "had committed the offenses with which he was charged. The Court repeats what we have been saying with our affiliates for years to Turkish authorities that journalism is not a crime and journalists, like writers or academicians in the country, must not be prosecuted for their work or opinions', said Ricardo Gutierrez, General Secretary of the European Federation of Journalists.

While acknowledging the threat posed to Turkey by the attempted coup, the court crucially noted that "the existence of a 'public emergency threatening the life of the nation' must not serve as a pretext for limiting freedom of political debate, which is at the very core of the concept of a democratic society."

The European Court has also found that the journalists' detention was unlawful under the right to liberty protected

by Article 5 (1) of the European Convention. The European Court endorsed the January 2018 ruling of Turkey's Constitutional Court, which held that there was not sufficient evidence to keep the defendants in detention and ordered their release.

The judgment further sharply criticized the lower courts for refusing to carry out the Constitutional Court's decision. In particular, the applicants' continued pre-trial detention raised serious doubts as to the ability of the domestic legal system in providing an effective remedy for human rights violations, stating: "For another court to call into question the powers conferred on a constitutional court to give final and binding judgments on individual applications runs counter to the fundamental principles of the rule of law and legal certainty."

'We welcome the court's finding that the right to liberty of the applicants was violated,' said Caroline Stockford, Turkey Advocacy Coordinator for the International Press Institute. 'The Court rightly criticised the refusal by the lower domestic courts to implement the Turkish Constitutional Court's decisions and to release Mehmet Altan and ?ahin Alpay.'

The European Court decided not to examine the applicants' complaint that the detention of the applicants was politically motivated, under Article 18 of the convention.

'In deciding not to rule on Article 18, the European Court dodges an important question at the core of this litigation, which is whether Turkey's prosecutions of journalists just for doing their work is part of a larger campaign to crack down on independent journalism?', said Torner.

**What the judgments mean for other cases**

The judgments contain some important statements of principle on unlawful detention and freedom of expression. In particular, the European Court emphasised that it is not permissible to prosecute individuals on the basis of expression that is critical of the government.

However, in practice, the judgments also imply that the European Court will wait for the Constitutional Court to rule on the other pending cases of Turkish journalists before proceeding to its own review. This is because the European Court still considers the Constitutional Court an effective remedy in general.

Although the European Court was prepared to accept the length of time the Constitutional Court took to review these cases, the judgment is effectively putting the Constitutional Court on notice, saying that it will keep the situation under review and that it cannot continue taking this long to decide on cases.

The coalition repeats its call for the immediate implementation of these two judgments and for the release of Mehmet Altan from prison and ?ahin Alpay from house arrest.

'These judgments are an important affirmation of the right to free expression and clearly state that the state of emergency is not a good enough reason to hold journalists and writers in detention for what they say', said Gabrielle Guillemin, Senior Legal Officer at ARTICLE 19. 'The Turkish authorities must now immediately release them both and the Turkish courts should apply these principles to the many other cases of detained journalists in Turkey', she added.

### **Five controversial interrogation techniques still not judged as torture in missed opportunity for human rights:**

An opportunity to designate five interrogation techniques, including limiting a person's food, water and sleep, as torture has been missed, after the European Court of Human Rights failed to revise a key historical ruling on the issue.

The techniques were used against 14 men - often referred to as the "hooded men" - who were arrested and interned by the British government without trial in 1971 on suspicion of being involved with terrorism in Northern Ireland.



In 2014, the Irish government asked the court to consider revising its 1978 decision that the five techniques should not be described as torture. But on March 20, the court upheld its original landmark 1978 judgement which judged that the five techniques amounted to cruel and inhuman treatment but fell short of the severity of suffering required for them to be described as torture under the European Convention on Human Rights (ECHR).

The initial case had been brought by Ireland in 1971, and the court had originally ruled, seven years later in 1978, that five techniques - standing in a painful position for long periods (a "stress position"), using a hood over the head to restrict sight, consistent exposure to loud white noise, limited food and water, and limited sleep - "did not occasion suffering of the particular intensity and cruelty implied by the word torture as so understood."

Nonetheless, it judged that the techniques were in breach of the ECHR's prohibition of inhuman and degrading



treatment. By the time the court issued its judgement - seven years after the case was brought - the UK had already declared it would no longer use these techniques. But the original decision encouraged other states to use similar controversial interrogation techniques.

### **Fresh evidence**

In 2013 and 2014, the Irish government became aware of previously classified UK government records dating from the 1970s that threw the court's original judgement into question. These records primarily consist of letters about these interrogation techniques and their effects exchanged by senior members of the UK government. The majority of these records were released into the UK's National Archives between 2003 and 2008. They formed the basis of my PhD and my 2015 book on the issue.

The Irish government argued that these records indicated that a psychiatric expert recruited by the UK had misled the court in the 1970s about the severe and long-term effects of the techniques - and that the UK had withheld important information regarding their use in Northern Ireland.

In its new ruling, the court examined whether a different decision would have been made in 1978 had it then had access to those records submitted by the Irish government in 2014. It acknowledged that if the case was heard afresh today, it would likely judge the techniques to be torture. But it also concluded that the government records now available in The National Archives do not differ substantially from the information given to the court in the 1970s. Its 1978 decision therefore remains unchanged and the five techniques remain - in the eyes of the court - "inhuman and degrading treatment" and not torture.

The UK government will be pleased with this decision. But the Irish government, the surviving victims of the five techniques and their lawyers, the civil rights campaigners who have spent their time examining these newly-available government records and the victims' families will be disappointed.

Ongoing work to address outstanding legacy issues stemming from the Troubles, issues which range from unsolved murders to continuing efforts to find the truth regarding the UK's use of terrorist informers, has suffered a setback. An opportunity to reconsider a judgement widely believed to be inaccurate - even by the court itself - has been missed, damaging faith in the legal system's ability to help heal past wounds. It is understandably important to people, communities and politicians from across the political spectrum that all those who have suffered as a result of the Troubles feel that justice has been achieved.

### **Falling short of torture**

Internationally, the original case had little negative impact on relations between the UK and Ireland. Despite the fact Ireland caused embarrassment to the UK on the international stage with these allegations in the 1970s, the relationship between the two countries was sufficiently strong that they continued to work with one another on trade, for instance, largely unaffected. For the same reasons, the new ruling is likely to have little impact on relations between the two countries.

It will, however, affect how states around the world treat prisoners. The 1978 judgement remains a landmark decision in how to define torture, defining it as something that causes greater intensity of suffering than inhuman or degrading treatment. It was used by President George W. Bush's lawyers when presenting defences to politicians within the administration of the US's controversial treatment of suspected terrorist prisoners in the years immediately after the September 11 2001 attacks.

The new ruling was an opportunity to create case law that would have restricted states' use of similar techniques. This opportunity has been missed.

The court's decision to continue to regard the techniques as treatment that falls short of torture will likely encourage democratic and non-democratic states alike to continue to expose prisoners to methods that many victims and observers, such as Amnesty International, describe as torture.

**Chinese Carrier Poses No Threat for Taiwan:** Measured in terms of Chinese rhetoric, the temperature of cross-strait relations has risen sharply this week. Addressing China's National People's Congress, President Xi Jinping warned Taiwan that it would be "punished by history" if it declares independence. This comes amid an intensifying pressure campaign by Beijing to isolate Taiwan since President Tsai Ing-wen's pro-independence Democratic Progressive Party administration was elected in late 2016.

Beijing's ire has been aggravated by a recent step-up in US governmental engagement with Taiwan under the Trump administration. This is codified in the Taiwan Travel Act, which passed Congress last week and "encourages



visits between officials of the United States and Taiwan at all levels". As a pointed manifestation of US engagement, Deputy Assistant Secretary of State Alex Wong delivered a speech at the American Chamber of Commerce in Taipei yesterday, with President Tsai in attendance.

Never to be outdone on nationalistic jingoism, the Global Times has chimed in: "The mainland must also prepare itself for a direct military clash in the Taiwan Straits. It needs to make clear that escalation of US-Taiwan official exchanges will bring serious consequences to Taiwan."

The newspaper suggested that China "can send military planes and warships across the Taiwan Straits middle line," referring to the de facto maritime border.

In this increasingly febrile context, it is tempting to see the transit of China's sole aircraft carrier, the Liaoning, through the Taiwan Strait this week as a show of force intended to intimidate Taipei. Sending the Liaoning through the Taiwan Strait may certainly be a calculated signal of displeasure from China's military and political leadership. But in military terms, it is an irrelevance.

According to the Chinese-language Lead Story on Military Affairs, at approximately 8 pm on Wednesday, the Liaoning entered the north-eastern part of Taiwan's Air Defence Identification Zone (ADIZ). It sailed close to the middle of the Taiwan Strait, but stayed on the western side of the median line. By midday on Thursday, the Liaoning reportedly left the south-western part of the ADIZ and continued south-west, in what was deemed to be a training drill by Taiwan's Ministry of National Defence.

The Liaoning has reportedly entered Taiwan's ADIZ to conduct drills on three separate occasions (in 2013, 2016, and 2017), when it also stayed on the western side of the median line. Although Taiwan's military has closely monitored the Liaoning's progress, the Ministry of National Defence noted there were no "unusual developments", describing the ship's presence as "routine". None of the reports indicated that the Liaoning undertook flight operations during its transit of the strait, which would have indicated an active and provocative attempt to probe Taiwan's air defences.

China's first aircraft carrier is best regarded as a training ship for carrier operations. It is certainly not a strike carrier, as the J-15 aircraft that constitute its air wing are not capable of being launched from the ship's deck with more than a light load of air-to-air missiles. The ship's military function is predominantly for training, with some air defence capability.

With barely 180 kilometres separating Taiwan from the mainland, the island is already well within the reach of China's land-based offensive and defensive capabilities, many of which are deployed in deliberate proximity. There are concerns that if in future the People's Liberation Army fields the Russian-made S-400 surface-to-air missile system on the Chinese side of the strait, this will cover the length and breadth of the island.

Sending a fledgling aircraft carrier without strike capabilities through the Taiwan Strait contributes nothing of significance in military terms, except exposing Liaoning to additional scrutiny from Taiwan's military surveillance. In wartime, Chinese aircraft carriers would be dangerously exposed.

Arguably of much greater significance for future confrontations at sea was news reported by the South China Morning Post on Thursday that China's coastguard, previously under the control of the now-defunct State Oceanic Administration, has been placed under military command, via the People's Armed Police.

This represents a retrograde step from the viewpoint of civilian control over China's maritime law enforcement. More ominously, it suggests China is prioritising organisational changes designed to streamline PLA command and control for war-fighting purposes.

According to a Chinese expert quoted by the South China Morning Post, this measure "could remove some of the diplomatic leeway China had in handling conflicts", by removing "the buffer of a non-military authority". Nevertheless, "the confirmation of the party's absolute control over the military and the consolidation of all armed forces is a higher priority".

How easy a task that would be remains to be seen.

The Liaoning's transit through the Taiwan Strait this week is a military irrelevance. But make no mistake; China's president has set his sights on achieving reunification with Taiwan, by force if necessary, before he leaves office. Rhetoric aside, analysts should take greater heed of China's organisational war preparations in this context.

Dr Euan Graham is Director, International Security Program at the Lowy Institute. Euan has been a close observer of East Asian security affairs for more than twenty years, in academia, the private sector, and for the British Government. Euan joined the Institute from the S. Rajaratnam School of International Studies in Singapore where he was a Senior Fellow specialising in

maritime issues. Prior to this he was a research analyst in the UK Foreign and Commonwealth Office, and served as Chargé d'Affaires at the British Embassy in Pyongyang.

**Centuries-Old Ships Uncovered in Alexandria:** At a construction site along the waterfront in Alexandria, Virginia, archaeologists have uncovered the remains of two ships that likely date back to the early 1800s.



The site is the former location of Robinson Terminal South in Alexandria's Old Town area, and it is near where contractors found another buried vessel in 2015. "The discovery of three historic ships in a two-block area is absolutely incredible," said Eleanor Breen, acting city archaeologist. "There have been very few ships from this era excavated in Virginia or nationwide."

The city's archaeology museum is seeking preservation funding for the previous wreck located in 2015. It recently received a \$4,000 grant from Virginia Association of Museums towards the vessel's conservation, and it is accepting donations to its "Save Our Ship" fund.



The city has an archaeological protection code in place to protect its centuries-long heritage, and it is working on an analysis to determine the next steps for the site. The ships are unlikely to be the last set of maritime artifacts uncovered in Alexandria, as the city's waterfront is in the midst of redevelopment and there will be more excavation to come.

Ship's timbers found under English pub  
Andy Davis, a pub owner on the English isle of Jersey,

found a surprise during renovations to repair flooding damage. The floor of one of his rooms turned out to be supported by repurposed ship scantlings, which likely date back to the 1800s. The pub was built 160 years ago, and the curved "joists" in the floor are likely original.

Davis called in the island's heritage association to identify the beams. Conservator Roger Hills told local media that while the pub contained an unusually large find, the island has other examples of ship framing used in buildings. "There were a lot of shipyards along the coast here at the time the pub was built and we know that some local ship builders were involved in building houses," he told the Jersey Evening Post.

Davis intends to keep some of the timbers above the hearth in his pub as a reminder of the area's shipbuilding and fishing history.

**Turkey Sends Drillship to Contested Waters off Cyprus:** Turkey announced this week that it intends to send its own drillship into contested waters off Cyprus to explore for offshore oil and gas, upping the ante in its attempt to drive ExxonMobil and



Eni out of potentially-lucrative lease blocks in the Eastern Mediterranean. Turkish naval forces recently prevented an Eni-chartered drillship from operating in a lease area off Cyprus' east coast.

Turkey's state-owned petroleum firm has its own drillship, the Deepsea Metro II, along with two seismic ships. As of Thursday, the Metro was moored near Gebze, in the Sea of Marmara, and her AIS status showed her under repair. At the time of the Metro's purchase, Turkey's energy ministry suggested that she would be refitted and deployed in early 2018.

On Thursday, the European Union objected to Turkey's stance on Cypriot offshore exploration. "The European Council strongly condemns Turkey's continued illegal actions in the Eastern Mediterranean and the Aegean Sea and underlines its full solidarity with Cyprus and Greece," the EC said in a statement.

Turkey dismissed this diplomatic protest. "The EU has completely lost its objectivity on the matter of Cyprus. If this attitude continues, it is impossible to accept the EU as a third party on the Cyprus issue," Turkey's foreign

ministry said in a statement. Turkey insists that the revenue from petroleum exploration in Cyprus' EEZ should be shared with the Turkish Republic of Northern Cyprus, an autonomous region aligned with Ankara.

"We are heading for a full-blown crisis in the eastern Mediterranean," said Prof. Hubert Faustmann of the University of Nicosia, speaking to The Guardian. "And that is because Turkey is determined not to allow exploitation of any resources without its consent and participation of Turkish Cypriots."

**USS Iwo Jima departs Limassol:** As two ExxonMobil research vessels began operations southwest of Cyprus, AIS data showed that the U.S. Navy amphib USS Iwo Jima put to sea from the port of Limassol, on Cyprus' southern coast. The Royal Navy amphib HMS Albion departed the same port on the same day, also bound for sea.

The Iwo Jima arrived in Limassol on Monday, bringing units of the 26th Marine Expeditionary Unit (MEU) and a complement of Harrier II jump-jets, tilt-rotor troop transports and helicopters. She recently finished an annual training operation with Israeli forces off Haifa, and the U.S. Navy suggested that her presence in Cyprus is part of a routine deployment.

U.S. 6th Fleet announced Friday that the amphib USS Oak Hill has departed the Black Sea for an undisclosed destination. The Oak Hill is part of the Iwo Jima Amphibious Ready Group, along with the amphib USS New York.

**U.S.-Built Fishing Vessel Cannot Fish in U.S.:** The owner of the new, \$75 million catcher-processor America's Finest plans to sell the vessel



overseas. Regulations on steel content sank the U.S.-built vessel's ability to fish in the United States, leaving disposal through sale as the best available option.

The America's Finest contains foreign steel. This is not unusual in itself, as Jones Act ships may contain foreign-made flat plates or stock shapes. However, seven percent of the Finest's steel weight was cold-formed in the Netherlands before delivery to shipbuilder Dakota Creek Industries (DCI), a small yard in Anacortes, Washington. Under existing Coast Guard interpretation, cold-forming

of steel plate is a form of "fabrication," and no more than 1.5 percent of a Jones Act vessel's steel weight may be fabricated outside of the U.S.

Applying this rule, the Coast Guard's National Vessel Documentation Center (NVDC) concluded that America's Finest is "not be eligible to be issued a Certificate of Documentation with fishery or coastwise endorsements." Without the certificate, she cannot fish in U.S. waters.

Shipowner Fishermen's Finest told media that DCI was not aware of the Jones Act limits on foreign-fabricated hull shapes at the time the materials were ordered. After the NVDC's decision, the two companies worked with Anacortes' congressional representative, Rep. Rick Larsen (D-WA), in an attempt to secure a congressional waiver for what DCI's lawyer described as a "one-time technical misunderstanding." A waiver amendment for the vessel was included in the House version of the Homeland Security budget, but it did not make it into the final omnibus bill.

Fishermen's Finest president Dennis Moran told National Fisherman that the firm's next move will involve listing the boat for international sale. "There's a lot of fishermen who could be working on a boat that's safe, strong, and productive," he said. "But apparently that's the way it's going to go down."

**Look Beyond the Flag: The global nature of the maritime industry, embodied in the STCW Convention, makes it unique.**

**What's the measure of a merchant marine officer?**

Trick question: There isn't one measure, but many. Although requirements vary from country to country, merchant marine officers have in common that they are subject to the 1978 International Convention on Standards of Training, Certification and Watchkeeping for Seafarers (STCW).

In theory, thanks to STCW, all merchant marine officers meet the same essential requirements, and all possess a baseline of skills and capabilities. As a student, it can be tough going. When I pick up the STCW Convention, I sometimes get tired just reading the chapter headings.

**A Common Standard:** In the past, each nation could set down its own rules and regulations and exclude others. Now and again I run into people who want to turn back the clock and return to the old ways. I'm sure the few non-signatory states, like North Korea, would be quite grateful to have some company. Critics are often easily answered with a reminder of why STCW was implemented in the first place: Because a career at sea, even under the best conditions, is a dangerous one.

After all, it's a bit unusual to find professional standards written down in an international treaty. But as I've often suggested, shipping is indeed special, and the fact that all merchant marine officers play by the same rules is another piece of evidence that demonstrates the

uniqueness of our industry.

If you want to be a contractor or a lawyer, you must go through the process to become certified, generally in a specific geographic area. Then you can build houses or litigate there, but not elsewhere.

If you want to become a merchant marine officer, your certification is, in principle, valid globally and will be recognized in all 161 signatory states of the STCW Convention. Part of the reason why is because all STCW signatory states are obligated to uphold its training standards: From stowage to lashing, from medicine to English, from navigation to nautical rules of the road, merchant marine officers learn a range of skills that they'll need on the job.

That being said, there are differences between countries as to their individual STCW training requirements, and this has created not an insignificant amount of conflict when it comes to recognition of qualifications received outside an individual country's borders. Nevertheless, merchant marine officers trained in accordance with STCW benefit from a common foundation of knowledge and a shared professional ethos. Basically, they all ought to be equal.

**Cross-Border Flexibility:** For each graduating class of the Maritime Academy in Cuxhaven, where I teach, this is great news. The German market on its own is generally not able to provide careers to all its new officers, meaning we help graduates find employment abroad each year. Whether in Denmark, England, the Netherlands, the U.S. or elsewhere, there are many opportunities, and that kind of cross-border flexibility is mainly the result of STCW.

It doesn't matter whether it's work in offshore, on board passenger ships, on tankers, in towage or salvage or in traditional container shipping. Your passport matters less than that you be good at your job and have the right attitude and right qualifications.

The majority of students in my graduating classes used to not have jobs when receiving their certificates at the end of their program. Since the start of the international program in 2014, however, almost all international program participants have offers waiting. I love the renewed optimism, but shipowners love it even more because these students have had extra instruction in English and commercial law, not to mention specialized training in the areas of work they want to enter.

**Flag Fervor:** With reward, however, comes risk. When there's a global market for talent, as for merchant marine officers, there will be more competition. The tension between low- and high-wage countries is familiar from old school industries like steel or textile production, but this impact is also keenly felt in shipping, where the labor market is one big pool.

If graduates in Germany and the Philippines have similar qualifications, why pay more to hire a German? The only way to justify high wages is to add commensurate value.

You must pull your own weight and bring in at least your own cost. STCW asks us to challenge our own nationalistic feelings of entitlement and helps us recognize the fundamental humanity in all people seeking work.

The flag of a vessel may nevertheless prevent two similarly trained, qualified and experienced merchant marine officers with different passports from being interchangeable. This is because the applicable labor law on board a particular vessel depends on that vessel's flag, which means that U.S.-flagged ships sailing under the Jones Act must be crewed by U.S. citizens and ships flagged under an E.U. member-state's flag must have a minimum number of officers who are E.U. member-state citizens.

Because of this, the flag chosen for a vessel by its owner is often controversial and politically charged. It's a statement about who can work on board.

Even individuals well-versed in the nuances of the shipping industry tend to become suddenly patriotic when contemplating ships sailing under their own national flags. If they see the number of nationally flagged ships drop off, they become concerned about the health of their nation's shipping industry. In truth, the two have little to do with each other.

For example, according to the official statistics of the German Maritime and Hydrographic Office, on January 31, 2017 the German merchant marine had 332 German-flagged vessels and 2,284 foreign-flagged vessels under charter. On December 31, 2017, the German merchant marine had 326 German-flagged vessels but only 2,017 foreign-flagged vessels under charter. In other words, in 2017 the German merchant marine lost 273 vessels, but only six (!) of those were German-flagged.

Of course, 2017 was a pretty bad year for the German shipping industry: It shrank by nearly 6.8 million gross tons. Plus industry stalwart Bertram Rickmers filed for insolvency and Hamburg Süd was taken over by Maersk. It's revealing that big industry casualties like these can go hand-in-hand with the number of German-flagged ships staying more or less the same.

Ownership of vessels, and thus the right to exploit such vessels economically, is usually distinct from the flag of the vessels. The dialogue about bringing vessels under a certain flag belies the truth that this says remarkably little about the health of a nation's shipping industry.

In fact, it's commonly known that the top three major flag states - Panama, Liberia and the Marshall Islands - have little to no shipping industry. As these so-called "flags of convenience" prove, it should not be regarded as an economic achievement to have a large number of vessels under a nation's flag.

And yet recently, at the christening of two new German-flagged fishing vessels, I overheard several comments to the effect that these were "at least two new ships under

our flag." That kind of nationalistic thinking is a problem when it distracts from the real issues.

**Beyond the Flag:** Because it's a team effort, having a strong, competitive shipping industry means that the whole start-to-finish logistics chain must work properly and be in good shape. The value created on board a given vessel is what creates millions of jobs, both upstream and downstream, irrespective of what nationality on board the vessel is creating that value.

Ports, freight forwarders, brokers, railways, truckers, teamsters, shipyards, equipment manufacturers, translators, surveyors and even educators all ultimately benefit from the economic activity generated by the shipping industry. A discussion about flag states should be less important than a discussion about all of the above.

We should, therefore, be wary of demanding that the crew of a ship be a certain nationality. We owe it to the process to trust that the most competent, best people for the job - who are also the most cost-effective - will ultimately end up at the right place at the right time. The adoption of the STCW Convention by 161 countries, representing roughly 98 percent of the world's global tonnage, shows that the nationals of one country, even if they are not legally allowed to do so, are at least sufficiently competent to work on vessels flagged in any other country.

My time with recent graduates has shown that shipowners are looking for practical, hardworking, capable, educated, professional and diligent merchant marine officers who are good at writing, punctual, and have excellent working and conversational English. If cost plays a role at all, it's usually only a topic when the work is low-skilled. Otherwise, quality is the top priority, and shipowners will pay well for good work - but for good work only.

In a tough market where shipowners must always fight for an edge to survive, newly graduating merchant marine officers must do likewise. As excellent as STCW is, and for all its merits, it nevertheless only puts forward the minimum requirements that we must all strive to exceed.

**Common Purpose:** It's difficult to judge where anxiety about globalization ends and nationalism begins, but among the many redeeming aspects of shipping is that it brings together all nationalities for a common purpose. In a conflicted world where this is becoming rarer, we should guard against nationalistic barriers and legal obstacles designed to pit people against each other or consign them to categories.

The STCW Convention helps us remember that shipping is about people, not the colors on a mast. - MarEx

**AAPA Elects its Next Chairman:** The board of the American Association of Port Authorities (AAPA) announced Friday that it has elected William D. Friedman, the CEO and president of the Port of Cleveland, to serve



as chairman for the 2018-2019 year. The AAPA represents 140 of the leading maritime port authorities in the United States, Canada, Latin America, and the Caribbean.

"It's a great honor to be chosen as chairman-elect of the AAPA," said Friedman. "Our ports are the linchpins in the global supply chains that generate jobs and economic prosperity for our regions and our nations. I look

forward to working closely with port leaders and stakeholders to strengthen our vital industry." Friedman's term will begin this October.

AAPA says that in his eight years at the Port of Cleveland, Friedman has transformed the agency's business model. In 2014, Friedman led the port's efforts to launch the Cleveland-Europe Express service, boosting containerized shipping via the Great Lakes/St. Lawrence Seaway system and solidifying Cleveland's position as the waterway's leading international hub. In addition, the port's cargo volume has grown to 13 million tons annually, resulting in \$3.5 billion in yearly economic activity and supporting more than 20,000 local jobs.

Friedman will replace current AAPA chairman Steve Cernak, the CEO and port director of Port Everglades.

**Budget Deal Includes New Training Ships for U.S. Academies:** The U.S. federal budget for FY2018, passed by Congress and signed into law on Friday, contains significant wins for American seaports and for the U.S. maritime industry. Port authorities and



their tenants will benefit from hundreds of millions of dollars in additional funding for infrastructure and dredging, and the state maritime academies can look forward to long-awaited replacements for aging training vessels.

For projects on shore, Congress tripled the funding for the Obama-era Transportation Investment Generating Economic Recovery (TIGER) grant program, which provides competitive awards for multimodal infrastructure projects. TIGER grants for FY2018 will total \$1.5 billion, up from \$500 million in FY2017, with 30 percent dedicated to rural communities. For highway funding -

which benefits seaports indirectly - Congress added \$1 billion for the Federal Highway Administration and another \$2.5 billion for discretionary highway funding.

For waterways and ports, the Army Corps of Engineers will receive an additional \$790 million in funding over last year's levels, including \$100 million more from the Harbor Maintenance Trust Fund. The allocation of HMTF tax receipts to harbor maintenance (rather than to the general federal budget) is a longstanding priority for American seaports. Funding for Customs and Border Protection includes an additional \$7 million to hire 330 new CBP officers, which will help to close a shortfall identified by the American Association of Port Authorities (AAPA).

"We've worked hard to create greater awareness among policymakers and the public for the vital role that ports play in our economy, national security and international competitiveness," said AAPA CEO and president Kurt Nagle. "We're particularly pleased that Congress and the Administration are demonstrating through this bill that they recognize the importance of ports."

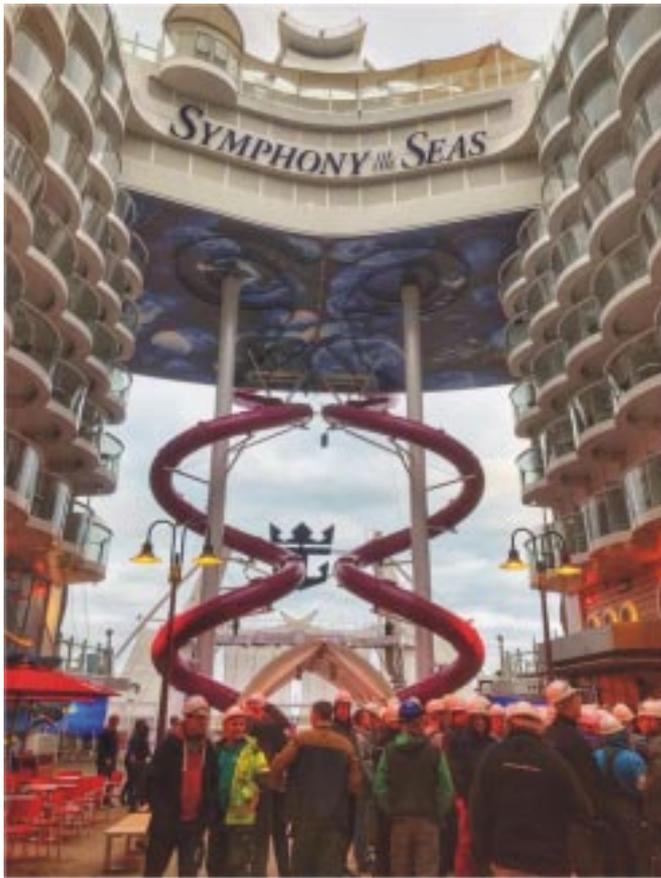
In another big boost, the U.S. Maritime Administration is receiving \$980 million in funding this year, twice the Trump administration's budget request (\$390 million) and well above last year's enacted funding level (\$522 million). The FY2018 amount includes \$300 million for the planning, design and construction of a new generation of training ships, the new National Security Multi-Mission Vessels.

Herbert Engineering completed Phase 3 design work for the new 525-foot training ships last year. The design calls for a draft of less than 25 feet, diesel-electric propulsion, a ro/ro ramp, a helicopter landing deck and berths for 700. The design is intended to give good performance in both cadet training and humanitarian assistance / disaster relief roles.

**RCL Takes Delivery of World's Largest Cruise Ship:** In a ceremony Friday at STX France, Royal Caribbean officially took delivery of the Symphony of the Seas, the world's largest cruise ship. She takes the title from another Royal Caribbean vessel, the Oasis-class Harmony of the Seas.

"Symphony of the Seas is the latest example of how our people work to push the envelope of innovation with each new ship," said Royal Caribbean Cruises Ltd. chairman and CEO Richard Fain. "The Oasis Class has been a trend-setting design, but the team has evolved the design to build on that success to provide even more incredible family adventures. We're thankful to have a partner in STX France that is every bit as ambitious as we are about building technologically advanced ships."

Symphony of the Seas is bigger than any cruise ship before her, and she weighs in at 228,000 GRT and nearly 1,200 feet in length. She will host up to 5,500 guests in 2,800 staterooms. She features novel new attractions,



like on-board lasertag, a custom-built puzzle "escape room," the world's tallest at-sea waterslide, the world's longest at-sea zipline and a 31-screen sports bar stretching the length of an internal "Boardwalk."

The ship's maiden week-long voyage departs Saturday, April 7 from Barcelona, Spain, where she will homeport until this fall. Starting November 10, she will be homeported at a brand-new terminal in Miami, Florida, for year-round operations in the Caribbean.

**U.S. Destroyer Sails Near Chinese-Held Island:** On Friday, as the U.S. and China sparred over trade and tariffs, the U.S. Navy destroyer USS Mustin conducted freedom of navigation operations (FONOPS) in proximity to Mischief Reef, a Chinese-occupied feature in the Spratly Islands.

In a statement, a spokesperson for U.S. Pacific Fleet declined to confirm the specific operation. "We conduct routine and regular freedom of navigation operations, as we have done in the past and will continue to do in the future," Lieutenant Commander Nicole Schwegman told Reuters.

The last published instance of a U.S. Navy FONOPS surface patrol near a Chinese claim was a transit by the USS Hopper within 12 nm of Scarborough Shoal, a disputed feature also claimed by the Philippines and Taiwan.

Beijing objects to the U.S. Navy's presence near its island claims in the South China Sea, and China's defense ministry described the latest FONOPS as "illegal." "The provocative behavior by the U.S. side will only cause the Chinese military to further strengthen building up defense abilities in all areas," the ministry said in a statement.

In remarks carried by Chinese state media, defense ministry spokesman Ren Guoqiang said that the PLA(N) warships CNS Huangshan and CNS Liupanshui were dispatched to warn off the USS Mustin. He asserted that China's sovereignty over the islands and their surrounding waters in the South China Sea is "without question."

"The U.S. should stop making trouble out of nothing," Ren said. "Its provocations would only urge the Chinese military to further enhance our defense capabilities to protect sovereignty and security and regional peace and stability."

In 2016, the Permanent Court of Arbitration in the Hague dismissed China's broad claims to the South China Sea, finding China's assertions of sovereignty to be inconsistent with UNCLOS.

Mischief Reef, a coral atoll in the Spratly Islands, is the site of a 1,400-acre Chinese installation built upon reclaimed land. It features an 8,500-foot runway and is believed to have close-in weapons systems (CIWS) and anti-aircraft guns on site. It is also claimed by the Philippines, Taiwan and Vietnam.

### Trade dispute

The Mustin's transit near Mischief Reef occurred against the backdrop of a growing trade dispute between China and the United States. On Thursday, U.S. President Donald Trump announced a new set of tariffs that will target \$50-60 billion worth of Chinese technology products, or roughly 10 percent of the total value of U.S. imports from China in 2017. The tariffs are intended as a penalty for alleged patterns of intellectual property theft and anti-competitive trade practices.

On Friday, China announced a small set of retaliatory tariffs targeting about \$3 billion in U.S. goods and agricultural exports. "Under no circumstances will China sit idly and allow its legitimate rights and interests to be undermined. We are fully prepared to firmly defend our legitimate interests," said Chinese foreign ministry spokeswoman Hua Chunying at a press briefing.

She added that Trump's trade advisor, Peter Navarro, was "a little bit too arrogant" to suggest that China benefited more from trade relations with the U.S. "In making his remarks, the relevant American individual . . . has apparently miscalculated the situation and underestimated China's resolve," she said. "The US' persistence in . . . publishing the so-called findings to pick a trade war will undoubtedly undermine the interests of American consumers, enterprises and the financial market directly."

**Vessel operator Ezion warns of \$1 bln loss for 2017:** Beleaguered Ezion Holdings Ltd, a Singaporean offshore vessel operator, warned it expected to record a full-year net loss of about \$1 billion, hit by impairments.

The company, which owns a fleet of liftboats, said an industry-wide oversupply of offshore logistics vessels and jack-up rigs has cut charter rates and depressed the market value of its assets, reducing its gross profit margins and cash flow.

Ezion expects impairment losses in the fourth quarter of about \$900 million, it said in a statement late on Wednesday. The company reported a loss of \$13.7 million in the third quarter of 2017.

Ezion shares have been suspended since August amid a debt restructuring exercise. Last month, the company said it had signed term sheets with secured lenders for a refinancing package of about \$1.5 billion.

**Open simulation platform launches with new partners:** New partners joined the Open Simulation Platform (OSP) initiative that was launched at the Norwegian Maritime Competence Centre in Norway on March 20. In July last year Rolls-Royce Marine, The Norwegian University of Technology Science (NTNU), research organisation SINTEF Ocean, and classification society DNV GL signed a memorandum of understanding (MoU) with the aim of creating an open source digital platform for use in the development of new ships. With the launch of the project the founding partners are inviting more participants to harness the possibilities that exists from working with "digital twins".



A digital twin is a digital copy of a real ship, including its systems, which synthesizes the information available about the ship in a digital world. Using digital twins enable optimization of a ship's design, maintenance, production and sustainability throughout its entire lifecycle.

Among the new Joint Industry Partners to the OSP are the companies Hyundai Heavy Industries, Kongsberg Digital and the Offshore Simulator Centre.

"OSP is a joint industry project where the goal is to establish a maritime industry standard for models and system simulation, a standard that will allow companies

to reuse simulation models and construct digital twins of existing and future vessels in a safe and more cost-efficient way, said Jon Rysst, SVP and Regional Manager for North Europe at DNV GL - Maritime.

"Through working together in a virtual environment, we can achieve a larger degree of interaction between different systems and its owners. We can also avoid that individual businesses and developers spend a lot of time on their own testing systems in isolation, without having the opportunity to test how it actually will interact in operation with other systems," said Professor Hans Petter Hildre from NTNU.

The project partners will create a collaboration platform that is open for use by other parties, with core aspects built on an open source framework. The platform is also being designed to support model libraries for storing simulated ship concepts, systems and equipment.

A prototype of the OSP is already running with a simulated vessel and a DP system conducting a dynamic positioning operation. This particular prototype also uses cloud technology to enable teams in different locations to work together to optimize system design and vessel performance, verify correct handling of failures within the control system of the vessel's automated positioning system, and verify system changes and the operational impact they may have before a change is deployed to the actual vessel.

One of the first projects to utilise the new tool is being led by Rolls-Royce Marine. The company intends to create a digital twin simulation model to verify a vessel's power and propulsion system modules and their integration in a virtual test setup.

**Progress towards a ban on Heavy Fuel Oil in Arctic:** Following agreement at the July 2017 meeting of the International Maritime Organization's Marine Environment Protection Committee (MEPC71), the IMO is embarking on a body of work aimed at mitigating the risks of heavy fuel oil (HFO). This move was welcomed by the Clean Arctic Alliance, a coalition of non-governmental organisations calling for a ban on the use and carriage of HFO as fuel in the Arctic - as the simplest and most effective way to mitigate its effects.

**Heavy Fuel Oil:** Heavy fuel oil is a dirty and polluting fossil fuel that powers ships throughout our seas and oceans - accounting for 80% of marine fuel used worldwide. Around 75% of marine fuel currently carried in the Arctic is HFO; over half by vessels flagged to non-Arctic states - countries that have little if any connection to the Arctic.

The Arctic is under pressure - climate change is fuelling temperature rises double the rate of further south. As sea ice melts and opens up Arctic waters further, even larger non-Arctic state-flagged vessels running on HFO are likely to divert to Arctic waters in search of shorter journey times. This, combined with an increase in Arctic

state-flagged vessels targeting previously non-accessible resources, will greatly increase the risks of HFO spills.

Already banned in Antarctic waters, if HFO is spilled in cold polar waters, it breaks down slowly, proving almost impossible to clean up. A HFO spill would have long-term devastating effects on Arctic indigenous communities, livelihoods and the marine ecosystems they depend upon. HFO is also a greater source of harmful emissions of air pollutants, such as sulphur oxide, and particulate matter, including black carbon, than alternative fuels such as distillate fuel and liquefied natural gas (LNG). When emitted and deposited on Arctic snow or ice, the climate warming effect of black carbon is up to five times more than when emitted at lower latitudes, such as in the tropics (see infographic: Responding to Arctic Shipping Oil Spills: Risks and Challenges).

**What to expect from MEPC72:** The agenda of MEPC 72, which runs from 9-13 April at IMO HQ in London, does not include a formal move towards a ban on HFO. However, a number of papers have been submitted from member states and NGOs "on the development of measures to reduce risks of use and carriage of heavy fuel oil as fuel by ships in Arctic waters".

While NGOs cannot disclose the contents of these papers, on March 13th, Foresight Climate and Energy Business reported that one paper, co-sponsored by Finland, Germany, Iceland, Netherlands, New Zealand, Norway, Sweden and the US, calls for a ban on HFO. On March 20th, Radio Canada International published a story, Canada moves to dilute Finnish proposal to ban dirty fuels in the Arctic, quoting from the MEPC paper:

"A single HFO spill could have devastating and lasting effects on fragile Arctic marine and coastal environments," the Finnish proposal says. "In addition, Arctic shipping is projected to continue to rise, thus increasing the risk of a spill. For these reasons, the ban on HFO should be implemented as soon as possible, and any delay in implementation of the HFO ban by eligible ships should be short-lived."

The content of this paper will set out the stall for how movement towards a ban may occur, and sets up potential tasks for PPR6, the IMO's next meeting of its Sub-Committee on Pollution Prevention and Response 18-22 February 2019.

Russia, Canada and Denmark have all supported IMO work to consider ways to mitigate the risks associated with HFO. However, to date, Russia has not supported a ban on use of HFO in the Arctic, and while this appears to be still the case, the Clean Arctic Alliance notes that a Russian state-owned shipping company Sovcomflot is speaking openly about the need to move away from oil-based fuels.

Denmark has not yet made public a formal position on a HFO ban in the Arctic (this appears due to ongoing, but unconcluded consultation with Greenland). Canada has previously supported a "phase down" on HFO in a

joint Trudeau/Obama announcement in December 2016, and proposed work to mitigate the risks of HFO at MEPC71 in 2017, however this position appears to have changed, and for now remains unclear.

**Arctic Indigenous Attendees at MEPC72:** Several Arctic indigenous representatives will be in London the creation of a consistent indigenous representation to the IMO, and also to explain why shipping issues related to climate change and environmental protection are important to their communities. They will attend the IMO meetings as part of NGO delegations, take part in side events and plan to meet with the IMO Secretary General of the IMO. All are available to meet media.

## **Dry Bulk FFA: Capesize Market Finds Renewed Optimism:**

**Capesize FFA Commentary:** Signs of the physical market bottoming out gave the paper some renewed optimism yesterday as the entire curve lifted and some good volume changed hands. Despite the upcoming easter holidays and an index still sub \$9000, the april contract traded to a high of 13825 while q2 touched 15800. Q234 was paid a few times at \$19k and cal 19 traded up to 17900. The cal 20 and 21 also some renewed buying interest printing at 16750 and 15650 respectively. On the face of things, it would seem that there are still too many early ships to prevent significant rises for the spot rates but the paper is certainly full of expectation.

**Panamax FFA Commentary:** It was another range bound days trading on Panamax paper with limited activity as the market continues to hold a cautious tone awaiting further impetus off the underlying which similarly seemed to have seen a lull in activity towards the tail end of the week.

**Supramax FFA Commentary:** Supramax paper remained pretty flat to last nights close for the majority of the day with Q2 trading \$12600 and Q3 \$11950. Although after index (10TC \$32 and 6TC -\$49) there felt a little more pressure creeping back in on the offer side of the curve, however activity remained limited. Q2 closed the day trading \$12550.

**Handysize FFA Commentary:** Quiet day on Handy paper with no reported trading.

## **TOP Ships Announces Change in Its Capital Raising Corporate Strategy and Other Corporate Developments:**

TOP Ships Inc., an international ship-owning company (the "Company"), announced that for 12 months following the date of this release: (i) it does not intend to conduct any offerings that include variable priced securities; (ii) it does not intend to issue any further shares under the equity line offering registered on the Company's Form F-3 (333-215577) pursuant to the purchase agreement dated December 11, 2017; (iii) Race Navigation Inc., a company



controlled by Lax Trust, an irrevocable trust established for the benefit of certain family members of Evangelos Pistiolis, the President, Chief Executive Officer and Director of the Company, will not convert any of its 1,250,000 warrants pursuant to a standstill agreement with the Company.

**Other Corporate Developments:** The Company has determined to effect a 1-for-10 reverse stock split of the Company's issued common shares. The Company's shareholders approved the reverse stock split and granted the Board the authority to determine the exact split ratio and when to proceed with the reverse stock split at the Company's Special Meeting of Shareholders held on November 3, 2017.

The reverse stock split will take effect, and the Company's common stock will begin trading on a split-adjusted basis on the NASDAQ Capital Market, as of the opening of trading on Monday, March 26, 2018 under the existing ticker symbol "TOPS". The new CUSIP number for the Company's common stock will be Y8897Y800.

The Company has also announced today that it does not intend to conduct another reverse stock split of its common shares for the following 12 calendar months from March 26, 2018.

When the reverse stock split becomes effective, every 10 shares of the Company's issued and outstanding common stock will be automatically combined into one issued and outstanding share of common stock without any change in the par value per share or the total number of authorized shares. This will reduce the number of outstanding shares of the Company's common stock from approximately 170 million shares to approximately 17 million shares.

No fractional shares will be issued in connection with the reverse split of the issued and outstanding common stock. Fractional shares that occur as a result of the reverse stock split will be rounded down to the nearest whole share of the Company's common stock. Shareholders will receive instructions from the Company's exchange agent, American Stock Transfer and Trust, as to how to exchange existing share certificates for new certificates representing the post-reverse split shares.

Additional information about the reverse stock split can be found in the Company's proxy statement furnished to the Securities and Exchange Commission on October 19, 2017, a copy of which is available at [www.sec.gov](http://www.sec.gov).

On March 15, 2018, the Company's 50% owned subsidiary City of Athens Inc. took delivery of M/T Eco Holmby Hills, a high specification 50,000 dwt newbuilding product/chemical tanker constructed at the Hyundai Mipo shipyard in Vinashin.

On March 20, 2018, M/T Eco Holmby Hills commenced its time charter employment with Clearlake Shipping Pte Ltd. for an expected duration of 3 firm years plus 2 optional years.

On March 12, 2018, the Company's 50% owned subsidiaries, City of Athens Inc. and Eco Nine Inc., entered into a loan agreement with a European bank for a senior debt facility of up to \$36 million to fund the delivery of M/T Eco Holmby Hills and M/T Eco Palm Springs. The loan will be payable in 20 consecutive quarterly instalments of \$0.3 million per vessel, commencing three months from draw down on the facility and a balloon payment of \$11.9 million per vessel payable together with the last instalment. The credit facility will bear interest at LIBOR plus a margin of 2.90%.

#### **Comments from the Chief Executive Officer**

Evangelos Pistiolis, the President, Chief Executive Officer and Director of the Company, said:

"Our 8th vessel, which is 50% owned by TOPS, was successfully delivered from Hyundai and commenced its time charter employment with a high quality counterparty. The construction of all remaining 6 vessels is progressing according to schedule.

Following the delivery of the remaining 6 of our newbuilding vessels, our tanker fleet will have an average age of 2 years and will consist of 14 high specification newbuilding Product and Crude Oil tankers. All of our 14 newbuilding tankers are fitted with Ballast Water Treatment Systems. Three of our newbuilding tankers, 1 MR and 2 Suezmaxes, will be fitted with scrubbers, a technical feature that only a very small portion of the world tanker fleet has installed. Two of our MR vessels will be scrubber ready.

In line with our chartering strategy to date, all vessels have medium to long term charter contract coverage, even before being delivered, and as of January 1st, 2018, total gross revenue backlog for the fixed charter period of operating vessels was about \$155 million, increasing to about \$172 million when adding the 50% of our joint venture vessels.

We are currently focused on ensuring that our shipbuilding program is adequately funded both from an equity and debt point of view and within the boundaries of our newly adopted capital raising corporate strategy.

We are also focused on closing the gap between our equity market capitalization and our net asset value in order to be in line with the remaining listed tanker companies.

Based on the last closing price of TOPS, we estimate that our shares trade at a 75% discount to our current net asset value placing us among the most undervalued tanker shipping stocks on NASDAQ".

**CEPSA sees 2020 0.5% sulfur bunker fuel prices \$110-\$130/mt below MGO:** Spanish energy company Cepsa expects 0.5% sulfur bunker fuels to be available at a discount of about \$110-\$130/mt to marine gasoil prices at Spanish ports after the International Maritime Organization (IMO) cuts the global marine fuel sulfur cap in 2020, the company said.

0.5% sulfur bunker prices could be \$110-\$130/mt cheaper than MGO in the years 2020-22 and high sulfur fuel oil prices \$250-\$300/mt cheaper than it, Juan Berenguer, a bunker trader at the producer, said at the International Bunker Industry Association's bunker conference in Tenerife Wednesday. That would put the price difference between fuel oil and 0.5% sulfur bunkers at \$120-\$190/mt.

The IMO's new 0.5% sulfur cap in 2020 will force most shipowners either to shift to a new, more expensive low sulfur fuel, or to install a scrubber that cleans their vessel's emissions on board and allows it to continue burning fuel oil. The price spreads between the fuels will be a key metric in determining how quickly investing in a scrubber can pay off, as well as estimating how big a rise in costs shipowners can expect.

Cepsa plans to make a single 0.5% sulfur fuel for the marine market in 2020, Berenguer told S&P Global Platts. The fuel will be about 200 CST in viscosity, but the company will probably not be ready to release full details of its specifications for at least another year, he said.

Other producers are expected to announce more than just a single fuel each to meet marine demand in 2020. BP presented two new fuels to shipowners in February, while an ExxonMobil representative told S&P Global Platts it would produce "more than two, but less than 42."

**Europe's top shipping nations among worst in IMO maritime climate talks - ranking:** European ambition to clean up the shipping sector's greenhouse gas emissions is being led by Germany, Belgium and France, a new ranking shows. The top three, followed by the Netherlands, Spain, Sweden, and then the UK, Denmark, Luxembourg and Finland, were the most active in pushing for an effective climate plan to be agreed by the International Maritime Organisation (IMO), the UN's shipping body. The ranking, based on written and oral submissions to the IMO by EU countries, was compiled by sustainable transport NGO Transport & Environment (T&E).



The five worst performers in the ranking are Greece, Cyprus, Italy, Portugal and Croatia. The EU's biggest shipping registries, Malta, Greece and Cyprus received almost exclusively negative points given their near complete lack of ambition in the climate negotiations. The IMO is expected to agree a plan to reduce shipping's greenhouse gas emissions at its environment committee meeting next month.

Faig Abbasov, shipping officer with T&E, said: "When the European Parliament demanded action on shipping emissions back in 2017, the big European maritime nations cried out that the EU shouldn't regulate shipping, as everyone was doing their best to get things done at the IMO. But these same states are now working to derail progress on a climate deal for shipping at the IMO."

Shipping emits 3% of global CO<sub>2</sub> - and emissions are increasing year on year - yet it remains one of the few sectors of the global economy without sector-specific emissions reduction targets.

The IMO will meet in April 2018 to adopt its Initial GHG Strategy for the sector, over 20 years after being first tasked to do so by the Kyoto Protocol in 1997. The key issues on the table are: agreement on a long-term emissions reduction target; a commitment to immediate action; and the shortlisting of candidate short, mid and long-term reduction measures. Immediate measures under discussion include ship operational speed limits (slow steaming) and tighter efficiency standards for new



ships as there is massive over-compliance with the weak Energy Efficiency Design Index (EEDI).

The ranking also reveals deep geographical divisions between northern EU countries, which demonstrate higher ambition, and Southern and Eastern EU states, which are generally far less ambitious about ship greenhouse gas reduction targets and measures. The only notable exception is Spain, which holds 5th position. The ranking includes the 23 EU countries with a coastline plus Luxembourg, which has an active shipping registry despite not being a maritime nation.

Faig Abbasov concluded: "April is the last chance saloon for the shipping industry, the major flag states and the IMO to get their act together. Shipping can no longer free-ride on the efforts of other sectors. This is a wakeup call for the EU. Either EU governments, especially those with big shipping industries, get serious about delivering a good outcome at IMO, or they will have to accept solutions outside the IMO."

**A Trade War is Harmful to us all and Clearly Bad for Global Shipping:** The American President pushed through a metals tariff plan, that puts 25% tariff on imports of steel and a 10% tariff on imports of aluminium. They are set to enter into force on 23 March 2018.

The Trump administration seems positive towards protectionism and that picture unfortunately became clear

when the pro-trade US President Donald Trump's chief economic adviser Gary Cohn resigned on 6 March because of the tariffs imposed on steel and aluminium. The tariffs on steel and aluminium will have a limited impact on most international bulk trades. Nevertheless, they could trigger something bigger that would negatively impact global shipping in a much wider way including container shipping trades.

Since 2009, implementation of trade-restrictive measures amongst global trading partners has become more widespread according to World Trade Organisation (WTO). Fortunately, trade-facilitating measures have kept up well to limit some of the damage done. Just yesterday, the African Continental Free Trade Area (ACFTA) proved to be the latest of its kind. Above all, transparency and predictability in trade policy remain vital for all actors in the global economy as the WTO puts it.

BIMCO's Chief Shipping Analyst Peter Sand comments: "Free trade provides prosperity and peace. It's a fundamental principle to cherish and safeguard. All trade-restrictive measures are in principle bad for shipping."

Open economies are all better off from trading, as they make use of their resources in the most optimal way. The result of a trade war is more expensive goods of lower quality and little variety. This goes for all products and commodities."

Steel and aluminium tariffs may be 'dish of the day' and the impact on shipping is still unknown, but soon major trade action against China is also likely to come from the US. Despite the fact that there is good reason - violation of intellectual property rights - the result is the same. It is damaging for the involved countries.

The US is running large trade deficits with the EU as well as China. In addition to significant trade deficits in goods with Mexico, Japan and Canada. But starting a trade war is the wrong way to handle the situation.

**Now what?**

In a trade war, combatants retaliate against one another. While doing so, they often set aside normal business procedures.

As steel and aluminium import barriers are set by the US, trading partners like the EU, Japan and China, may set their own import barriers against e.g. agricultural products (soybean, corn, wheat) in general or more politically targeted products like the European Commission going for Kentucky bourbon, Harley-Davidson motorcycles and Levi's jeans - all hitting Trump's constituency.

The international atmosphere is full of threats of retaliation and it appears likely that major trading partners with the US like the EU and China will hit back to draw a line in the sand for the US Administration and President Trump.

"Overall we are seeing more trade-restrictive measures introduced. Some more high profile than others. This is

a worrying trend that limits demand for shipping globally. Even worse for shipping could be short-sighted political positions that may have lasting consequences for everyone involved in global industries like shipping if a largescale trade war emerges", Peter Sand concludes.

**Tariffs and Shipping: What will the Immediate Impact be?:** With 2018 looking to be the definite "comeback" year for dry bulk market, shipowners of dry bulk carriers were actively looking to return to a full year of profits. Little did they know! President's Trump administration proposed tariffs on steel and aluminum imports in an attempt to target China and Europe among others. Soon after, a tweet about the easy trade wars sent shivers across the shipping industry's spine, which is sure to not welcome such remarks or any action which could threaten global trade.

In its latest weekly report, shipbroker Cotzias Intermodal Shipping said that "earlier this month President Donald Trump went ahead with the imposition of 25 percent tariffs on steel imports and 10 percent for aluminum but exempted after all, Canada and Mexico specifically. Details of the plan came from a briefing by administration officials ahead of Trump's speech. Other countries can apply for exemptions, according to the administration, although details of when they would be granted were not available. So at this time most believe it is still at a preliminary stage and perhaps just another move of the US on the world trade playing field".



According to Mr. Christopher T. Whitty, Commercial Manager with Cotzias Intermodal Shipping, "President Trump has offered relief from steel and aluminum tariffs to countries that treat the US fairly on trade, a strategic move that is probably aimed at applying further pressure on Canada and Mexico regarding the potential new North American Free Trade Agreement (NAFTA). Of course separate talks are still ongoing between the States, Canada and Mexico on the NAFTA and there is still a lot of work on the table for the parties".

Whitty added that "several major trading partners such as the European Union, have said they will respond to the US tariffs with direct action. European Financial Affairs Commissioner Pierre Moscovici said if this goes ahead EU can easily respond with an "arsenal" of countermeasures that would include European tariffs on U.S. oranges,

tobacco and bourbon for example. As Europe accounts for nearly 5 million tonnes of the 35 million tonnes of steel the U.S. imports every year, the bloc is hopeful that its members would be exempt ultimately from the tariffs, one way or another. If not, officials have said that they would consider asking the World Trade Organization to impose its own measures".

According to Intermodal's analyst, "China, together with Japan, South Korea and India, accounted for 6.6 million tonnes of steel imports to the U.S. in 2017. Beijing, which until now had kept largely silent on the issue, sharpened its rhetoric significantly. Another important lever that China has, is U.S. agricultural exports and it has said in the past that it could target soybeans if needed to take action. "Especially given today's globalization, choosing a trade war is a mistaken prescription. The outcome will only be harmful," Foreign Minister Wang Yi said on the sidelines of an annual meeting of China's parliament. "China would have to make a justified and necessary response." China had a record \$375.2 billion goods surplus with the United States last year".



He went on to say that "because the US tariffs are being levied under a provision of US trade law that applies to national security, rather than dumping or import surges, it will be possible to exempt imports from military allies in NATO, as well as Japan and South Korea, focusing the tariffs on China and avoiding the risk of a broader trade war. The administration has not yet said that it will focus the tariffs in this way; but, given that they are being introduced with a phase-in period, during which trade partners may seek exemptions, such targeting seems to be the likeliest scenario", the shipbroker concluded.

**Pinoy captain circumnavigated the world many times:** Serendipity, I met Ric Autajay and his wife Ces on a ship, about the same time last year. It was the maiden voyage of Star Virgo, the 19-year-old luxury vessel to Manila, a much-publicized event that hugged lifestyle sections of many broadsheets in the Metro.

The 13-story ship with 2,600-passenger capacity and 935 cabins had carried 2,000 Filipino tourists per sailing over a three-month period to Laoag, Kaoshiung and Hong Kong.

It happened on our last night on the ship, where all passengers were requested to attend a black-tie gala dinner. As the ship was heading back to Manila, we agreed to meet in the grand lobby. On that crowded night when the bands were playing loud music and people were pushing elbow-to-elbow to get to the dining hall, I suddenly became sociable (I was chasing deadlines the night before). Alas, that happened only for less than one hour. I had lost them in the stream of people and I thought I would never ever see them again.

Fast-forward after 12 months, I would meet them again in San Jose de Buenavista, Antique, on the opening of the national SCUAA (State Colleges and Universities Athletic Association) sports meet, part of our Department of Tourism media-familiarization tour activities that the Western Visayas Tourism council had planned for us.

As he toured me around the town, Ric told me his story. Being a retired captain of large foreign ships, it was time to get to know him better and know how it was to travel around the world, living on a ship most of the year. Now happily building his gasoline station business and tending to his fish farm, I would learn later on that he has also helped a lot of people in Antique pursue a maritime career.

The subject of Filipinos always being away from their homeland always interested me, and the fact that Ric had mentioned that he had circled the world many times excited me more. As I was writing this article, I was wondering how many Filipino seamen are sailing the world seas right now, and why shipping companies prefer to hire them than other sailors from other countries.

According to the Department of Labor and Employment, the country remains to be the world's top source of seafarers, with around 229,000 Filipinos onboard merchant shipping vessels around the world at any given time. Filipino seafarers comprise more than 25 percent of the 1.5 million mariners worldwide, making them the "single biggest nationality bloc" in the global shipping industry.

In a study made by the Commission on Filipinos Overseas (CFO), 358,898 Filipino seafarers were deployed last year, infusing about \$5.575 billion to the country's economy through their remittances.

Filipinos are the most preferred seafarers in the world because they are better trained and proficient in English.

Ric emphasized the importance of English communication, especially in life and death situations in the middle of the sea. He related a horror story that caused logistical nightmares to his shipping company when a foreign crew mistook a message and delivered "ice" instead of "rice" to a foreign port during a typhoon.

Being a seaman gave Ric a great satisfaction to provide for his family and some form of financial stability. "The fact that I would like to feel being an adventurer, to see many places in the world and still get paid for doing it excited me no end," he said. Ric, who was expected to

be away from his family for at least 10 months every year prepared for the worst. He and his wife made some adjustments.

"What's the difference between manning a vessel and a cruise ship?" I asked. "Being a seaman and a captain, at the same time, is a big responsibility. You are dealing with millions of dollars of goods to be transported to some specific locations all over the world, and making a safe voyage without any major problem to the vessel, its crew and the company as well," he emphasized. A cruise-ship crew has its own way of dealing with thousands of passengers onboard to make them safe and enjoy their trips," Ric said. To be a successful seaman, Ric gave important pointers: "First of all, you need a degree in nautical or maritime science to be eligible for an on-board training experience with subsequent testing process until you get to the highest level of being a captain, which takes about five years to accomplish," he said.

"On top of that, maritime law requires you to have rigid training onboard ocean navigation with specific scenarios. The traits you need to have: You must be calm, level headed and very knowledgeable on all aspects of seagoing oceanography, that includes safety of life and protection of the environment at sea [to maintain the blue color of our oceans]," he added.

He also stressed that one must be passionate about being a maritime adventurer, you must have the determination, decisiveness and diligence," he pointed out.

His career as a seaman started in April 1973, until July 2015-a span of 42 years. Among his many memorable trips was being an apprentice onboard a freight vessel from Manila to the vast expanse of the Pacific Ocean, to Hawaii and trans-exiting through the Panama Canal, and then to Philadelphia, United States-a full circle of an exciting but very challenging internship.

He has sailed to Scandinavian seas, Europe, Africa, the Atlantic and Indian oceans and South American sea-lanes.

What about his most frightening experience? Ric related that it happened near Alaska, when he and his men encountered bad weather during winter. The temperature was below zero and a hurricane was fast approaching, ready to slam their boat with brute force. It almost rendered him witless, but he and his men were able to manage and pull through the storm.

He would also get many awards throughout his career. The highest award he received was from Mitsui OSK Lines (MOL), the Japan presidential award given out during the first Annual General Meeting for safe operation on December 10, 2008, an industry gathering sponsored by Japan's Safety Operation Headquarters.

He also received a plaque of appreciation from Toyota Automotive Co. for safe, efficient operation with zero damage in transporting cargoes. During the time, the biggest issue facing the company was maintaining safety, maintaining zero incidents, and making the safety of the

vessel, as well as seafarers, the highest priority. The plaque has been onboard the vessel, on display throughout his tenure as captain of the vessel.

Born in Hamtic, Antique, Ric attended primary schooling in the same town and finished high school in Antique National School (ANS) in San Jose. At Iloilo Maritime Academy, he finished an Associate in Nautical Science college degree. His parents were Mariano Xavier Autajay and Salvation M. Mosquera. He has six brothers and a sister, all of them grew up in Hamtic and Manila. He and Ces got married in 1982 and had their first child in 1983. Being a seaman was his choice right after he graduated from high school, mainly for the following reason: To be able to enjoy what the world has to offer. The very first world city he saw was New York City, then on to his most exciting trips as a sailor: Practically every European country, Middle Eastern, Caribbean, South and Central American countries, the West and East Coast of the US, African nations, the Southeast Asia and Australia, including New Zealand.

He did not forget to tell me the reason Filipinos are the top priority by maritime companies: "Filipinos are hardworking and they have the ability to communicate intelligently. They are full of energy," he said.

Did he ever encounter discriminatory acts? Ric said, "No, we were given orientations on how to handle derogatory remarks and try to solve them if there were issues."

Loneliness and homesickness

"Having a family away from your sight for a length of time makes your heart grow fonder," Ric said. "I was able to separate my job responsibilities and the longing for my family. We have entertainment facilities for our crew. We have movies on weekends and mount crew parties," he related. Being a captain of a big shipping company gave Ric financial stability for himself and his family. He had no qualms in saying that if he would go through life again, he would still choose being a seaman and a captain. "I loved the adventure and challenges I met," he proudly said. He added that in the next 10 years, shipping companies would still prefer Filipino seamen even with the advent of modern equipment, computerized technology, with other countries like China, India, Vietnam and Russia training seamen also.

"I think it will be a big boost to the hiring process of the shipping companies," he said.

After retirement, what keeps him busy? "I deal with the 'ins and outs' of owning a business, but the best fringe benefit of being retiree is seeing my family every day [though, deep inside, I still crave for life on the sea]," Ric said. "I try to maintain a regular routine schedule that benefits my family and our business as well, and tending to my fish farm. I try to be very considerate and understanding of people I work with. Life is really too short to have enemies at our age," he added. Had he not become a ship captain, Ric wanted to be a criminal lawyer. Today, he just wants to share his knowledge and

experience to the younger generation of seafarers. "To be able to tell them how challenging but rewarding this profession is, and be able to help their potential to succeed and have a meaningful life," he said.

### **Groups cry foul over planned closure of**

**Boracay:** Boracay's calm waters belie the state of calamity it is in as declared by the government, with Environment Secretary Roy A. Cimatu recommending its closure to tourists for up to one year in order to rehabilitate it.

**Economic sabotage:** That, in effect, is what the Duterte administration is committing if it pushes through with the



planned closure of Boracay Island, which attracts over a million foreign tourists, and earns some P56 billion in revenue for the economy.

More tourism associations, resort managers, former tourism officials and a lawmaker spoke out on Friday against the recommendation of Task Force Boracay, headed by Environment Secretary Roy A. Cimatu, to declare a state of calamity for six months on Boracay, then close it starting April 26, 2018, for a maximum of one year, to complete the government's rehabilitation plan for the island. The task force is composed of the Departments of Environment and Natural Resources, Interior and Local Government, and of Tourism.

Annabella Wiesnewski, president of the Raintree Hospitality Group and Jojo Clemente, president of the Tourism Congress of the Philippines decry the lack of private sector involvement in the decision-making process for Boracay's rehabilitation. 'No one has consulted us!' Wiesnewski said, when the resorts owners and their employees are the ones substantially affected by the closure.

In an interview with the BusinessMirror, Clemente, who is also president of Rajah Tours Corp., pointed out that it took one year to have Boracay included in the tour programs of foreign travel agencies and tour operators for 2018-2019. On that basis, tourists booked their tours and stay on Boracay about a year in advance. "What will you tell them? Go to Cebu? Davao? What if they don't like to go to these places because the contract between the guests and the travel agencies is for Boracay? So they go to Phuket instead, and the entire Philippines loses out," he warned.

## **“MARINE WAVES”**

(International Maritime Newsletter)

**CHENNAI – 600 090, INDIA.**

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

### **REGISTERED OFFICE**

Edited and Published at

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

Ph : +91-44-42018982

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

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

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

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

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

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

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

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

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



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

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

*For example from Chennai, 044-1554*

#### **TELEPHONE NUMBERS**

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

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

**ANDAMAN AND NICOBAR SRR, COAST GUARD REGIONAL HEAD QUARTERS, ANDAMAN AND NICOBAR, MRCC PORTBLAIR,** Tel: +91-3192-245530, Telefax: +91-3192 - 242948

Email: [mrcc-ptb@indiancoastguard.nic.in](mailto:mrcc-ptb@indiancoastguard.nic.in) | [pblmrcc@sancharnet.in](mailto:pblmrcc@sancharnet.in) | [Com\\_cs@dataone.in](mailto:Com_cs@dataone.in)  
Inmarsat mini ‘C’ (IOR) 583-441922666 /  
583-441908010 Inmarsat Fleet-77: 00-870-600938555

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

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

Service to active Seafarers out at Sea on top priority.

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

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

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

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

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