Lloyd's List

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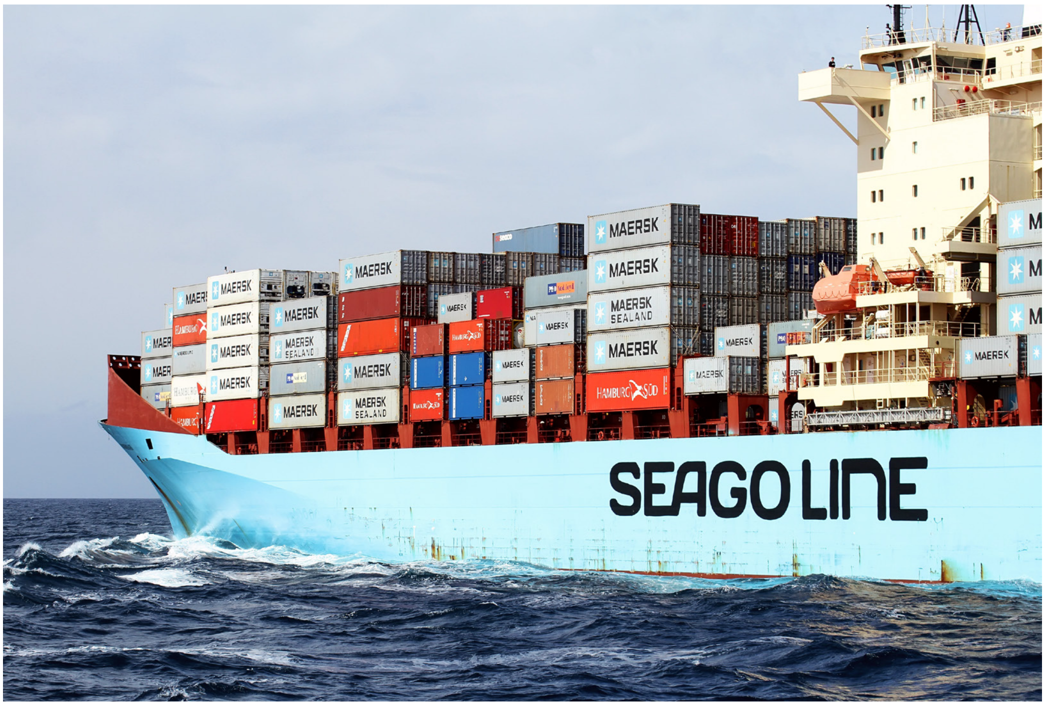
Maersk kickstarts new round of orders with feeders for Seago

Danish Line picks Cosco Shipyard to build seven 3,600 teu ships for Intra-Europe trades



The vessels have been ordered for Seago Line, Maersk's fully-owned container shipping line dedicated to shortsea services.

MAERSK has returned to the shipyards after a gap of more than four years with an order for seven feederships for its regional operator Seago, *writes Janet Porter*.

The Danish Line said it has placed an order with Cosco Shipyard in Zhoushan for a series of ice-class 3,600 teu vessels. No price has been revealed.

This is the first step in a five-year $15bn investment programme in ships, retrofits, containers and other equipment.

The ships have been ordered for Seago Line, Maersk's fully-owned container shipping line dedicated to shortsea services in Europe and throughout the Mediterranean region.

"I am very happy to announce this new order and the first in our investment programme. Our strategy is to grow with the market and to do so, we need new vessels from 2017," said Søren Toft, Maersk Line's chief operating officer. "We expect to place additional orders during 2015."

The vessels, built to trade in northern Europe through sea ice, will achieve unprecedented economies of scale, the company said.

Seago Line will deploy the vessels in the Baltic and North Sea regions. They will replace several containerships, half the size or less of the newbuildings.

The vessels will burn marine gas oil, and will therefore be compliant with the SOx emission limits, which came into force at the start of the year.

The ships will be delivered between April and November 2017. The order includes an option for two additional vessels to be declared within eight months.

This is the first time that Maersk Line has placed a newbuilding order with Cosco Shipyard, while it is also the first time the shipyard has built containerships.

However, the Maersk Group has worked with Cosco Shipbuilding Group in the past and also uses the shipyard for vessel retrofits and drydocking.

Mr Toft said Maersk Line is confident the yard will deliver and didn't rule out further orders with Cosco Shipyard later in the year if designs and costs are competitive.

He also told Lloyd's List that the shipping line still expects to place orders for its next group of 18,000 teu vessels in the first half of 2015.

Seago Line currently operates 67 vessels with a capacity of around 133,000 teu, making it one of the largest shortsea and feeder operators in Europe. It was established in 2011 and is a fully-owned subsidiary of Maersk Line.

Ship Finance International eyes investments in large post-panamax boxship

John Fredriksen-controlled lessor reluctant to put money into offshore sector

SHIP Finance International, the John Fredriksen-controlled leasing outfit, is eyeing investment opportunities in large-sized post-panamax containerships, tankers and bulkers but is relatively hesitant in putting more money into the offshore sector, *writes Max Tingyao Lin*.

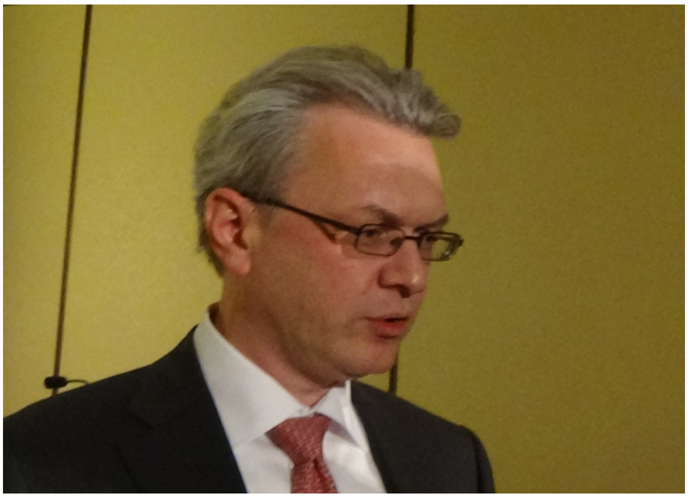
While having a diversified fleet, the New York-listed company relies on rigs and offshore supply vessels for more than half of its revenues.

However, with the offshore segment facing dismal market conditions amid the collapse of the oil price, SFI chief executive Ole Hjertaker said his company would be reluctant to invest in this sector.

“The only segment that we are being really careful about is offshore. We are kind of sitting on the fence for that one,” Mr Hjertaker told Lloyd’s List on the sidelines of the CMA 2015 conference.

He did not completely rule out investments in this sector, though, saying much could depend on how the deals were structured.

The company generally decides on its investments in accordance with cyclical risks, charterparties and periods, financial leverage and residual values, while keeping the proportion of speculative orders below 10% of its total portfolio.



Hjertaker: “The only segment that we are being really careful about is offshore.”

Having sold an ultra deepwater drillship for $111m in December after Seadrill — also controlled by Mr Fredriksen — exercised its purchase option, SFI now has more cash to invest in new shipping assets.

In the container shipping sector, Mr Hjertaker said SFI would focus more on 9,000 teu vessels or larger, where much current charter interest lies.

“We see more interest in 9,000 teu ships or larger... we are seeing many liner operators interested in 18,000 teu-20,000 teu vessels,” he said.

“With vessels at this size, we are looking at their residual values when deciding on the length of charter periods.”

Mr Hjertaker reckons the general charter period for the large ships might become 10 years, compared with 12-15 years now, as their chances of finding satisfactory employment opportunities after initial charter agreements expire grow.

More and more ports on main trading routes have expanded to receive larger vessels.

Being an affiliate of tanker giant Frontline and Frontline 2012, SFI looks at opportunities to invest in all classes of vessels in the oil shipping segment as the ready-made charter parties.

“We look at tankers from the medium range size to very larger crude carriers,” Mr Hjertaker said.

“Should there be any problems with a chartering counterparty, we can easily redeploy most vessel types we are invested in through one of our affiliated companies where Mr Fredriksen and his family have a significant shareholding.”

Mr Hjertaker also said there could be chances for bargain hunting in dry bulk shipping, which has faced persistent low rates and falling asset values.

“If you get into the low point of a cycle, the risk is relatively lower... if we do get in, we’ll have a more opportunistic approach, such as using index- or performance-linked charter contracts,” he said.

Smooth switch to new sulphur rules in North American ECA

Sufficient marine gasoil eases supply concerns but ultra-low sulphur fuel oil is unavailable

THE North American emission control area has seen a relatively smooth switch to 0.1% sulphur bunker fuel this year, with readily available marine gasoil, according to a leading supplier, *writes Max Tingyao Lin*.

The new rules require vessels to use the cleaner fuel instead of 1% sulphur fuel in North American waters from January, but few operators have had trouble meeting the requirements.

According to data from the US Coast Guard, there were 13 bunker non-availability reports as of mid-March this year, fewer than the year-ago level.

“It was relatively easy. We’ve not see too many problems,” Agean Oil (USA) managing director Adrian Tolson told Lloyd’s List on the sidelines of the CMA 2015 conference.

The remark was similar to those of officials from World Fuel Services, ABS and the USCG, in contrast to earlier

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worries of the shipping community.

In the Lloyd's List 2014 Sulphur Survey, 52% of respondents thought there might be a fuel shortage in both North America and northern Europe, where the same rule took effect this year.

Based on Mr Tolson's observation, US shipping players have been more prepared for this year's rules compared to the first stage of ECA rules that required a switch to 1% sulphur fuel from the 3.5% sulphur grade from August 2012.

"The 1% sulphur grade was a new product then... this time, people are more prepared," Mr Tolson said.

However, supplies of 0.1% sulphur fuel oil — which could be possibly cheaper than the same-grade gasoil — have not been widely available in the US market.

Most owners have been reluctant to purchase ultra-low sulphur fuel oil, due to compatibility and storage issues, so few refiners are willing to supply this product, according to Mr Tolson.

"Getting a critical mass to supply to is a problem. We don't see us market that product in the US," he said.

As a result, Mr Tolson observes that marine gasoil has taken almost all the 15%-25% market share that 1%-sulphur fuel oil had in his home market.

"It's almost like one tonne for one tonne... But in the long run, I would expect sales of marine gasoil to be slightly lower than 1% sulphur fuel oil," he said.

There are more supplies of marine gasoil around the world, so owners have more chances to purchase overseas, Mr Tolson said.

US Coast Guard figures show 13 bunker non-availability reports as of mid-March this year, fewer than the year-ago level.

More from CMA 2015

LNG-fuelled future for shipping presents risks and opportunities
More owners are interested in using LNG as marine fuel but development of supply chain remains slow
www.lloydslist.com/ship-operations

Shockwaves at Hapag-Lloyd as CSAV chooses new finance chief

Peter Ganz steps down in favour of Nicolas Burr as new shareholder exercises right to pick executives

NEW Hapag-Lloyd shareholder CSAV is flexing its muscles and exercising its right over executive appointments in a way that may alarm Germany's financial community as the country's largest shipping company once again eyes a possible initial public offering, *writes Janet Porter*.

The Hamburg line's supervisory board announced that Peter Ganz will step down from his position as the company's chief financial officer at the beginning of April, to be replaced by Chilean national Nicolas Burr.

News of the imminent departure of Peter Ganz, who is highly respected in local business circles, came as a great surprise, Lloyd's List was told.

With Hapag-Lloyd still thought to be hoping to sell shares through an IPO at some stage, the absence of an experienced CFO such as Mr Ganz could be a serious drawback, one source said.

The appointment of a new CFO follows an agreement stipulating that CSAV, as the new largest shareholder in Hapag-Lloyd, has the right to nominate an individual of its choice to assume that position.

The announcement came on the eve of Hapag-Lloyd's results for 2014, which are due to be released this morning by Rolf Habben Jansen, who took over as chief executive in the middle of last year at a time of considerable change for the German line.

The merger with CSAV's container shipping activities had already been agreed at the time of his arrival, and was completed late last year.

Burr: Chief financial officer at CSAV from 2012 to 2015 after jobs in Santiago, Buenos Aires and Wilmington in the US.

The CSAV brand name will gradually be dropped as integration of the two operations proceeds.

Mr Burr was CFO at CSAV from 2012 to 2015. He had previously held management positions at a number of companies in Santiago, Buenos Aires and Wilmington in the US.

"With Nicolas Burr, we have been able to obtain an outstanding leader for Hapag-Lloyd. The supervisory board is convinced that the executive board is superbly positioned to jointly tackle the range of challenges facing Hapag-Lloyd," said Michael Behrendt, chairman of the supervisory

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board and the line's former chief executive.

"We owe Peter Ganz a great debt of gratitude — in a situation that has not been easy for him — not only for seeing the merger of Hapag-Lloyd and CSAV through to the closing, but also for being willing to complete the annual financial statements," he continued.

"During his six-year tenure as CFO, Peter Ganz made a decisive contribution to securing and strengthening Hapag-Lloyd's future viability and competitiveness. Particularly during the financial and shipping crisis of 2009, Peter Ganz initially played a crucial role in the restructuring and refinancing of Hapag-Lloyd.

"Thereafter, he laid the groundwork for gaining access to capital markets and ensuring that Hapag-Lloyd had the financing it needed for growth. Furthermore, with great personal dedication, he contributed significantly to the successful merger of Hapag-Lloyd and CSAV."

Ganz: Highly respected in local business circles, the news of his imminent departure came as a great surprise.

Is NOL ripe for merger – again?

The pared-down Singapore line suddenly looks like a good prospect for another hungry line

TO paraphrase Jane Austen, it is a truth universally acknowledged that a single container line in possession of a fortune must be in want of a suitor, *writes Tom Leander*.

Following disposal of its APL Logistics unit, Neptune Orient Lines suddenly looks like a takeover target again. This, anyway, was the speculative view of Goldman Sachs analysts, who issued an upgrade to 'buy' rating on the stock on March 24.

The move reflected an improved balance sheet and better prospects this year for NOL, due to its exposure in the rates arena of the transpacific trades, which could improve its rating in the coming months.

NOL's sale of its logistic unit to Japan's Kintetsu Express for $1.2bn, announced in February, has trimmed the company down to its core business of box shipping.

"NOL is now more of a pure play," says Singapore-based CMC Markets analyst Nicholas Teo. "Almost entirely core," he adds. "It is obviously at the mercy of lower rates, but it will have a cleaner balance sheet [post the divestment] as it retires debt and it has better business prospects in the transpacific."

The most recent major merger between container lines was the Hapag-Lloyd and CSAV tie-up, completed in December, which created the fourth-largest shipping line after Maersk, Mediterranean Shipping Co and CMA CGM.

NOL itself was in discussion over a merger with Hapag-Lloyd in 2008, but this was cut off by the market crash. NOL confirmed it had submitted a binding bid to buy German travel group Tui's stake in Hapag-Lloyd in September that year.

The news immediately drove down NOL's stock price by 5%. Stock market jitters as the magnitude of the financial crisis emerged, combined with fears that it might overpay for the German line, managed to spook investors.

Nearly seven years later, in a market that still bears visible scars from the 2008 crisis, though improving all the same, investors are willing to romance the idea of NOL as a target. After the March 24 Goldman note and press coverage in its wake, NOL's stock jumped from S$0.95 to $S1.04, or up 9.5%.

An NOL merger may look more credible now. The most frequently cited suitor would be Hong Kong's Orient Overseas (International) Ltd, the parent

Following disposal of its APL Logistics unit, NOL suddenly looks like a takeover target again. © *Wikimedia Commons/Detlef von der Thüsen*

company of OOCL. According to Barclay's Capital analyst Jon Wyndham: "The potential for an OOIL and NOL merger is interesting, as they have similar fleet sizes, but NOL is more focused on the transpacific trade, while OOIL is more geared towards intra-Asia."

Mr Wyndham adds that OOIL's management could increase asset returns on combined fleet, "while NOL has struggled to keep pace with industry cost-cutting in the past four years".

NOL is bigger than OOCL, with 603,000 teu in total capacity, compared with OOCL's 530,000 teu. A merger would make the combined company replace Hapag-CSAV as the fourth-largest container shipping company, and would also make the new line the largest Asian player. This would give "scale advantages in the region, which could, in turn, drive further consolidation in Asia", says Mr Wyndham.

Not everyone sees this as an ideal match. Lain Hoon Lim, managing director of Alix Partners, says: "A merger doesn't necessarily mean the two will keep all the business they are having now, as shippers nowadays like diversifying their risks by dispersing their cargoes on different shipping lines. The overlaps will also prevent the pair from creating a wider customer range."

But OOIL is not the only potential buyer. CMC Markets' Nicholas Teo says there is a

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credible argument for Japanese interest in NOL, with most likely suitors being NYK and Mitsui OSK Lines.

It has been a lively outbound mergers and acquisition season already this year from Japan, despite the strong US dollar and the yen's relative weakness to it.

Japanese companies, with limited growth prospects at home, are investing in overseas assets now ahead of a more volatile funding environment expected when the US Federal Reserve introduces monetary tightening, most likely later this year. In addition to Kintetsu's buyout of APL Logistics, Japan Post snatched up Australia's Toll Logistics for $5.1bn in February.

A play for NOL would make sense now, following the APL Logistics divestment, because MOL or NYK could buy the Singapore line without overlap with its substantial logistics operations. A buyout could take the form of a share swap in a new enterprise created post-merger, according to Mr Teo. This possibility would take the edge off the inevitable emotional side of any deal to sell off state-owned Singapore's flagship carrier, making a deal look like a partnership rather than a wholesale buyout by a foreign entity.

Would NOL's majority owner, state-investment arm Temasek, be willing to sell? According to a Singapore source familiar with the matter, Temasek's mandate has been subtly changing.

Its original mission was to invest in local Singapore growth companies, while Singapore's GIC invests overseas. But Temasek has increasingly been investing in foreign assets to increase returns, as local opportunities diminish, and for diversification purposes.

Is Temasek ready to send NOL to the altar? To return to Jane Austen's famous bon mot opening of Pride and Prejudice, it's the "fortune" bit that is the wildcard. NOL looks to be entering a period of profitability that will increase its value. The price now may just be right.

More container news online

LA and Long Beach explore collaboration opportunities
US rivals open talks on efficiency initiatives following FMC consent
www.lloydslist.com/ports-and-logistics

Dunkirk dredging project gains EU funding
EU pledges $600,000 to technical design studies into improving access to world's biggest boxships and capesize carriers
www.lloydslist.com/containers

Daily rail shuttle to link Marseille terminals
Direct service between Marseille and Fos box facilities to commence in May
www.lloydslist.com/containers

Six candidates now in running for IMO top job

Six countries have reportedly submitted candidates for the summer election of a new IMO secretary-general

SIX countries are now understood to have nominated candidates as the next secretary-general of the International Maritime Organization, the shipping industry's leading rule-making body, *writes Craig Eason*.

Lloyd's List has learnt that Russia and South Korea have put forward candidates, joining Cyprus, Denmark, Kenya and the Philippines.

The six candidates Lloyd's List knows about are:

Russia: Vitaly Klyuev, deputy director, state policy on maritime and river transport, Russian Ministry of Transport. He has been a frequent participant at IMO committee meetings.

South Korea: Lim Ki-Tak, currently president of Busan Port Authority, and former Commissioner of the Korean Maritime Safety Tribunal. He has been a long-term diplomat, including a period as head of the Tokyo MOU and chair of the IMO's Flag State Implementation sub-committee.

Cyprus: Andreas Chysostomou, acting director at Cyprus Department of Merchant Shipping, with more than a decade working with IMO committees, including being chairman of the Marine Environment Protection Committee.

Denmark: Andreas Nordseth, director-general of the Danish Maritime Authority, with experience of the IMO as a member of the Danish delegation.

Kenya: Juvenal Shiundu, member of the current IMO secretariat since 1997 and currently deputy director/head of programme management.

Philippines: Max Mejia, head of the Philippine Maritime Industry Authority, the Marina, was heavily involved in the rules changes on crew rest hours and work environment at the IMO.

The current IMO secretary-general Koji Sekimizu has said he will not be standing for a second four-year term for personal reasons.

Also previously involved at the IMO's World Maritime University.

Nominations close next week, with elections taking place at the next IMO Council meeting in late-June/early July.

Sources have told Lloyd's List that with the deadline so close, and with very little time for ministries to arrange the necessary diplomatic favours needed, there are unlikely to be many more nominations for the role.

An election for a new secretary-general is taking place because the current incumbent, Koji Sekimizu from Japan, has said he will not be standing for a second four-year term for personal reasons. His term will conclude at the end of this year, when the winner of the forthcoming Council election will assume the title.

State shipbuilding conglomerates in top executive swap

Move renews speculation that a reunion between CSSC and CSIC might happen

CHINA State Shipbuilding Corp and China Shipbuilding Industry Corp have announced a top executive swap, fuelling speculation of a merger between the two state-owned conglomerates, *writes Cichen Shen*.

According to the announcements, Hu Wenming, former chairman of CSSC, was designated on Wednesday to take up CSIC's newly created position of chairman, as the company has just established a board of directors under Beijing's scheme to reform the country's state-owned enterprises.

Mr Hu, who joined CSSC in 2010, became the company's chairman three years ago. Before that, he held executive positions at a number of state-owned groups, including deputy general manager at China North Industries Group Corp, China's largest arms manufacturer.

Meanwhile, ex-deputy general manager of CSIC, Dong Qiang, has been appointed as CSSC's new chairman. Mr Dong joined CSSC in 2001.

CSIC executives contacted by Lloyd's List said the new designations were routine, but speculation of a marriage between the two shipbuilding giants has once again been aroused, following widely held discussion in China earlier this month.

Following the announcement, both giants saw share prices of their main listed units at Shanghai Exchange trade up until hitting the one-day limit.

One source from CSSC told local media that the executive swap will make the pair work more closely in future and is good for both sides.

CSSC's strength lies in management efficiency and armament manufacturing, whereas CSIC possesses more opportunity for research and development, having held on to more R&D facilities when the two broke up in 1999.

Hu: designated to take up CSIC's newly created position of chairman.

In addition to the top executive swap, Li Changyin, the former general manager of CSIC, has been relieved of his position, as he had reached retirement age, while Sun Bo, the former deputy general manager of CSIC, has been promoted to general manager.

Wu Qiang, CSSC's deputy general manager, has been promoted to general manager of CSSC.

Support the restructuring or we go bust, Ipsen tells Torm stakeholders

Plan to give Oaktree a controlling equity stake in Torm is the best we have, chairman tells AGM

SHAREHOLDERS have approved motions during Torm's annual general meeting to allow the company to push ahead with New Restructuring Plan, *writes Craig Eason*.

The Danish shipowner has won yet another reprieve from its debt-holders, but is still on the verge of bankruptcy if it fails to get more of them to agree to the plan.

In a detailed document published ahead of its annual general meeting, Torm chairman Flemming Ipsen spelt out the current state of the company and what the board of directors believe is the way forward to keep it a going concern.

The plan, which the company calls its New Restructuring Agreement, has the support of 61% of Torm's current lenders. It needs to have 75% of the lenders by value and 50% by number for it to go ahead.

In order to achieve the required acceptance of the new agreement, the company has obtained what it calls "forbearance" from a sufficient number of its lenders over certain loans that are due for amortisation as of March 31.

The company has until April 23 to secure the agreement, now that it has won shareholder support.

Should it fail to do so, Mr Ipsen writes, the alternative would likely be an insolvency process occurring either in Denmark or another jurisdiction, or a contingency plan of transferring assets and liabilities to another entity.

One of the proposals facing the annual general meeting is to prepare for this possibility by authorising the board, if needed, to transfer, on fair market terms, all or part of the company's assets and liabilities to another entity in exchange for equity.

Mr Ipsen said the board recommended that shareholders approve what was needed to give the board the powers to push ahead with

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restructuring plan which has three distinct steps.

The first step is for lenders to agree to write down debt to current asset values — this will correspond to a writedown of about $500m but give Torm a loan-to-value ratio of about 100%. The lenders will get warrants representing 7.5% of the share capital in return.

As of the beginning of the year, Torm had a debt of $1.4bn. This is a substantial change from a year earlier, when it was 19% higher. The fleet was valued at $859m by broker evaluations.

The second step will see lenders being allowed to voluntarily elect to convert debt to equity. The company said it has the hypothesis that all fund manager debt-holders will equitise their debts, and about 5% of the bank debt-holders will do so, giving a total of about 35%.

The third part of the plan is to give Oaktree Capital Management a controlling equity stake in Torm, and for the US-based private equity group to contribute a total of 31 vessels into the shipowner's fleet.

This will be in the form of 22 medium range tankers, six MR newbuildings and three long range two vessels.

Assuming the company can get this agreement under way and achieve these steps following shareholder approval, it expects to be able to have a fleet valued at $1.6bn, an equity ratio of 50% and working capital of $75m.

Ipsen: Has laid out what the board of directors believe is the way forward to keep Torm a going concern.

More online

New VLGC pool run by Dorian and Phoenix Tankers to start next week
Helios LPG pool begins operating on Wednesday from offices in London and Singapore
www.lloydslist.com/tankers

Speed should take precedence over confidentiality in refuge requests

Sosrep says vessel and cargo owners and salvors must proactively share timely information when seeking refuge

VESSEL and cargo owners must be prepared to drop confidentiality clauses when seeking places of refuge, according to the UK Secretary of State's Representative, Hugh Shaw, *writes James Baker*.

Competent authorities from European Union member states have been drawing up a set of guidelines in the aftermath of the *MSC Flaminia* casualty, which include an onus on owners and salvors to provide timely information when requesting places of refuge.

"The *MSC Flaminia* casualty demonstrated the difficulty of dealing with a large containership, particularly one that has a fire on board, so there is a need for information to come to member states in a timely manner," said Mr Shaw.

"There is a need to remove any confidentialities or commercialism about the cargo. If the situation is so bad that a vessel needs to request a place of refuge, then I'm afraid all these commercial aspects have to fall by the wayside."

This would mean that information such as cargo manifests and declarations should be given proactively to the member states. Other information, such as the modelling done for owners by classification societies, should also be made available.

"We're still seeing difficulties and challenges, because of confidentiality, in getting this information to member states. Quite often this information, when it reaches the member states, is the tipping point to say they will take a vessel," said Mr Shaw.

Failure to provide information could lead to delays in finding a place of refuge and increased costs for owners and salvors.

The new guidelines have come out of an exercise done by member state competent authorities at the end of 2013. It was discovered that there was a need to improve the process of place of refuge requests after *MSC Flaminia* was left stranded for five weeks before being towed to Germany.

The *MSC Flaminia* casualty demonstrated the difficulty of dealing with a large containership.

Each country has different entry routes to its competent authority and it was felt there was a need for greater conformity to assist salvors. The guidelines will establish who the competent authority is in each country, publish a list of people responsible for making the final decision and give the access points for those individuals.

Masters and salvors will be required to provided a hazard assessment and an outline plan of how the casualty will be dealt with.

"This may only be an A4

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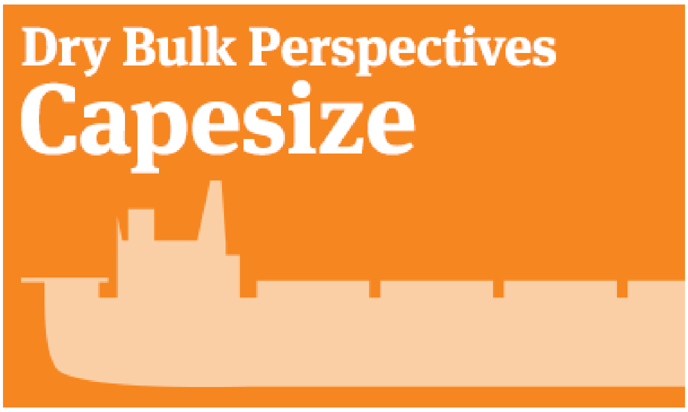
sheet to begin with," said Mr Shaw. "The detail can follow."

He added that there was little appetite for further legislation on places of refuge in Europe, but said he hoped the guidelines, due to be published later this year, would assist in the event of a major casualty in European waters.

"*MSC Flaminia* was a relatively small ship," said Mr Shaw. "When you start looking at vessels of 19,000 teu, the challenges get even greater."

Capesize rates still flat in a market without momentum



Steady volumes in the Pacific fail to spark a break-out from loss-making levels

THE capesize market stayed disappointingly in loss-making territory, despite a rates rise — more like a flicker — that vanished almost as soon as it arrived, *writes David Sexton*.

"A nice little spike at the start of the week brought some cheer to the market, although $4.80 per tonne levels fixed for WA/China was eventually dismissed as a rumour," Braemar reported.

This was despite the Baltic Capesize Index sitting around 455 points mid-week, a very low rating, albeit up modestly from 357 on March 18.

"I think we are going to see better rates in the second half of April, particularly around [April] 18, 19 and 20," a Singapore broker said.

"If we got up to about $5 [per tonne], that wouldn't surprise me. It would just be part of the geographic ebb and flow, rather than anything really substantial and not enough to get those owners who have gone into lay-up back into trading. But it would be a welcome improvement."

The broker downplayed talk of $20,000 per day rates (a suggestion that apparently came more from the finance sector than from within shipping), saying it should be taken with "a pinch of salt".

"Something like that would require a huge swing," he said. "But I think we might seem some better rates before long. The volume of cargo is still good."

Brokerage firm Braemar ACM noted "steady volumes in the Pacific" without much market impact.

"Rates remained at low levels in the Atlantic, with Brazil/China trading in the low-$10 a tonne and rumours of operators bidding sub-$10 for second-half April dates."

Braemar talked of charterers fixing for just above $3,000 per day for a transatlantic round voyage.

Another Singapore broker said fundamentals remained unchanged. "I think the excitement stemmed from the fact that there was a quick jump of about 20 cents in a few hours late last week," he said.

"Bear in mind that freight levels for the past few months have been at the bottom.

"We will need to see a sustained continued rally, rather than short-term spikes to see any real revival in capes."

Also causing ripples this week was Fortescue Metals' Andrew "Twiggy" Forrest. The colourful businessman used a Shanghai business dinner to propose a production cap by seaborne iron ore producers — something that would have clear implications for the capesize sector.

Such a cap, he was reported as saying, would see prices back to around $70, $80 or $90 per tonne.

The comments are understood to have already drawn the ire of the feared Australian competition regulator, the ACCC, as well as raising eyebrows among competitors such as Rio Tinto's Sam Walsh.

Mr Walsh was quoted as saying such a move was "not in Australia's national interest".

Brokers were also similarly puzzled at the suggestion. "So much money and time has been invested in mining and I can't see anything like this taking effect quickly," one broker said.

"From a shipping point of view, you're talking less volume, which wouldn't be a good thing, but it would also take a long time to filter through."

Lloyd's List

Editor Richard Meade *+44 (0)20 7017 4636*

Deputy Editor Craig Eason *+46 858 766 232*

Digital Content Manager Helen Kelly *+44 (0)20 7017 4651*

Digital Publishing Manager Nicola Good *+44 (0)20 7017 4840*

Editor-in-Chief, Containers Janet Porter *+44 (0)20 7017 4617*

Finance Editor David Osler *+44 (0)20 7017 4628*

Senior Markets Reporter Hal Brown *+44 (0)20 3377 3956*

Editor-in-Chief, Asia Tom Leander *+852 3757 9701*

Senior Reporter, Asia Max Tingyao Lin *+852 3757 9706*

Markets Reporter, Dry Bulk David Sexton

US Reporter Alexander MacInnes *+1 212 520 2780*

Containerisation International Editor Damian Brett *+44 (0)20 7017 5754*

Markets Reporter, Containers Linton Nightingale *+44 (0)20 7551 9964*

Correspondents
Australia Jim Wilson *+61 403 455 371*
jim.wilson@informa.com.au

Greece Nigel Lowry *+30 210 621 2340*
lowry@otenet.gr

Sweden/Baltic Craig Eason *+46 858 766 232*
craig.eason@informa.com

Shipping Movements *+44 (0)20 7017 5280*

Casualties *+44 (0)20 7017 5205*

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Editoral and commercial inquiries
Lloyd's List, Christchurch Court, 10-15 Newgate Street, London EC1A 7AZ
Tel: +44 (0)20 7017 5000
Fax: +44 (0)20 7017 4782
Email: editorial@lloydslist.com
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REPUBLIQUE ALGERIENNE DEMOCRATIQUE ET POPULAIRE

algérie - ferries

ENTREPRISE NATIONALE DE TRANSPORT MARITIME DE VOYAGEURS

(National Maritime Passenger Shipping Company)
NIF : 0000 16001500489
INTERNATIONAL INVITATION TO TENDER
N° 02/2015

The Entreprise Nationale de Transport Maritime de Voyageurs (ENTMV) is issuing an international invitation to tender for the purchase of two monohull ferries less than five (05) years old, of capacity 200 to 300 passengers.

This notice of invitation to tender only applies to ship-owners, ship-brokers and shipyards.

Tenderers interested in this invitation to tender may collect, or instruct someone to collect, the specifications from the following three (03) addresses:

For collection in Algeria
ENTMV 5 et 6 rue J.NEHRU Alger
Direction des Affaires Juridiques Bureau N° 63
Tel/Fax : + (213) 21 42 41 03

For collection abroad
1) REPRESENTATION GENERALE ENTMV MARSEILLE
58 Bd des DAMES
13001 Marseille – France
Tel/ 04 91 90 79 07
Fax/ 04 91 91 59 58

2) AGENT ROMEU
JORGE JUAN , 6 - 03002 Alicante (Spain)
Tel/ + 34965141509
Fax/ + 34965208290

Against presentation of a bank transfer payment slip for the following amount :
- Thirty thousand (30,000) Algerian Dinars to the following bank account :
IBAN/ N° 002000101000602976/05 opened at the Banque Extérieure d'Algérie, 6 Boulevard ERNESTO CHE-GUEVARA for collection in Algeria,

- Three hundred (300) Euros to the following bank accounts :
opened at BNP PARIBAS, 5 BLD DUNKERQUE 13002 - Marseille IBAN n° FR76 3000 4007 2100 0152 0115 427 for collection from Marseilles.

- BBVA to bank account N° ES92 0182 2364 52 02 000 13999 :
Rambla de Mendez Nunez 42 – 03002 Alicante for collection from Alicante

The offers with all the required information are to be accompanied by documentation that is valid on the date of opening of bids, and are to be submitted in accordance with the terms and conditions stipulated in the specifications in two separate envelopes:

The first envelope containing the technical bid

The second envelope containing the financial bid

The two envelopes are to be put in a single anonymous sealed envelope, marked only with the following obligatory wording:

« A NE PAS OUVRIR »
AVIS D'APPEL D'OFFRES INTERNATIONAL
N° 02/2015
PORTANT ACQUISITION DE DEUX (02) FERRIES MONOCOQUES

The final date for lodging bids is …………… 2015 at twelve hundred hours (12.00), i.e. 30 days with effect from the initial publicationof this notice in a national daily newspaper or in the Bulletin des Annonces légales (BOMOP - Legal Gazette).

Offers must be lodged by bidders or their representatives at the following address:

ENTMV 5 et 6 rue J.NEHRU, Alger - SECRETARIAT DE LA COMMISSION D'OUVERTURE DES PLIS
(ENTMV 5 & 6 rue J. NEHRU, Algiers - Secretariat of the bid opening committee)

Tenderers are invited to attend the technical and financial bid opening procedure in a public session, which will take place on the same day as the date for submission of offers on ………………. 2015 at thirteen hundred hours (13.00).

Anyone (tenderer's representative) wishing to attend the bid opening session must be in possession of a letter of authorization duly signed by the tenderer.

Tenderers will remain bound by their offers for a period of 90 days with effect from the date of opening of the bids.

NATIONAL AND INTERNATIONAL CALL FOR TENDER

N° 04/HYPROC S.C/PMD/15

SALE OF ONE LNG VESSEL

HYPROC SHIPPING COMPANY SPA, located at ZHUN/USTO, Rond point cité Djamel, BP 7200 Es Seddikia 31025 Oran, Algeria, is seeking through this national and international call for tender, purchasers for is briefly described herebelow :

Designation	**VESSEL CHARACTERISTICS**
Name of the vessel	Motefa Ben Boulaid
Type	LNG Carrier
IMO N°	7359955
Construction date	1976
Shipyard	Chantier Naval de la Ciotat France
Gross Tonnage (tx)	82243
Net Tonnage (tx)	47682
Capacite (m3)	125 317
Deadweight (tons)	67170
PROPULSION	Turbine à Vapeur de 32 000 CV
L x B x T (M)	278,82 x 41,03 x 12,18
Speed (kn)	16
Vessel Classification Society	BV
Class Notation	BV I 3/3 Aut – IMS (SS) ERS - S

Interested Bidders are invited to get a copy of the tender documents from the following address :

HYPROC SHIPPING COMPANY
Cellule de Passation des Marchés de l'Entreprise CPME
ZHUN/USTO, Rond point cité Djamel, BP 7200 Es Seddikia 31025 Oran, Algeria
TEL : 213 41 42 62 62/ 63 63
FAX : 213 41 42 32 75
E-mail : hyproc@hyproc.com

Tender documents can either be handed out or mailed to interested bidders after the payment by check or bank transfer of the following amount, free of Bank charges : 200 Euro for foreign bidders or 20 000 DA for national bidders to :

HYPROC SHIPPING COMPANY's
Bank account Number (RIB): N° 002 00081 2200036 49.
Banque Extérieure d'Algérie (BEA), Agence EL DJAMEL, Oran

Vessel was operating in the wordlwide waters. Vessel will be on Sale in accordance with the following condition: « **AS IS, WHERE IS** ».

Delivery of the vessel will take place at the mooring pier, at Arzew Port, in Algeria.

The tender process will consist of two steps: Interested bidder (s) will be required to submit ,firstly , a technical proposal and if compliant to the requirements of the general terms and conditions of the tendering procedure, bidder (s) will be invited to submit a price proposal as second step.

Step I: Technical proposal

At this stage the proposal should include all the documents required in the tendering procedure, but no reference whatsoever to price; otherwise the bidder's proposal will be rejected.

Proposals have to be in a double sealed envelope. In addition to the above mentioned address, the external envelope would have to be anonymous and contain only the following indications:

NATIONAL AND INTERNATIONAL CALL FOR TENDER
N°04/HYPROC S.C/PMD/15
TECHNICAL PROPOSAL
DO NOT OPEN

The tender closing date for the first step of the call will be on May 11th, 2015 at 9:30 AM, any proposals received after this date and time will be rejected . Bidder's proposals submission date will be considered according to the stamped date by Hyproc's "B.O.G. (Bureau d'Ordre Général)", located at Hyproc's Head office.

Bidders whose technical proposals are fully compliant to the tendering procedure will be invited to submit a price proposal for the second step.

Step 2: Price proposal

This step will be dedicated to the receipt of the price proposals, their evaluation, the selection and the award of the sale contract to the Bidder with the highest offered price.

Bidders will be invited to attend the bids opening ceremony, whereby the Bidder to whom the MEMORANDUM OF AGREEMENT (Sale Contract) will be awarded, will be publicly announced.

NATIONAL AND INTERNATIONAL CALL FOR TENDER

N°03/ HYPROC S.C/PMD/15

SALE OF ONE LPG VESSEL

HYPROC SHIPPING COMPANY SPA, located at ZHUN/USTO, Rond point cité Djamel, BP 7200 Es Seddikia 31025 Oran, Algeria, is seeking through this national and international call for tender, purchasers for is briefly described herebelow :

<u>**Designation**</u>	<u>**VESSEL CHARACTERISTICS**</u>
Name od the vessel	Brides
TYPE	Gplier / Chimiquier
IMO N°	8406767
Construction date	1986
Shipyard	Chantier du nord et de la Mediterranee de France
Gross Tonnage (TX)	6841
Net Tonnage (TX)	2052
Capacite (M3)	7100
Deadweight (tons)	6082
Propulsion	Sulzer 7 RTA 38 5300 HP, 178 RPM
L x B x T (M)	105,35 x 18,34 x 8,38
Speed (Knt)	13
Classification Society	BV
Class Notation	I 3/3 E LGC ; Deep Sea Aut MG, Ice II, ERS-S

Interested Bidders are invited to get a copy of the tender documents from the following address :

HYPROC SHIPPING COMPANY
Cellule de Passation des Marchés de l'Entreprise CPME
ZHUN/USTO, Rond point cité Djamel, BP 7200 Es Seddikia 31025 Oran, Algeria
TEL : 213 41 42 62 62/ 63 63
FAX : 213 41 42 32 75
E-mail : hyproc@hyproc.com

Tender documents can either be handed out or mailed to interested bidders after the payment by check or bank transfer of the following amount, free of Bank charges : 200 Euro for foreign bidders or 20 000 DA for national bidders to :

HYPROC SHIPPING COMPANY's
Bank account Number (RIB): N° 002 00081 2200036 49.
Banque Extérieure d'Algérie (BEA), Agence EL DJAMEL, Oran

Vessel was operating in the wordlwide waters. Vessel will be on Sale in accordance with the following condition: **« AS IS, WHERE IS ».**

Delivery of the vessel will take place at the mooring pier, at **Arzew Port**, in Algeria.

The tender process will consist of two steps: Interested bidder (s) will be required to submit ,firstly , a technical proposal and if compliant to the requirements of the general terms and conditions of the tendering procedure, bidder (s) will be invited to submit a price proposal as second step.

<u>Step I: Technical proposal</u>

At this stage the proposal should include all the documents required in the tendering procedure, but no reference whatsoever to price; otherwise the bidder's proposal will be rejected.

Proposals have to be in a double sealed envelope. In addition to the above mentioned address, the external envelope would have to be anonymous and contain only the following indications:

NATIONAL AND INTERNATIONAL CALL FOR TENDER
N°03/HYPROC S.C/PMD/15
TECHNICAL PROPOSAL
DO NOT OPEN

The tender closing date for the first step of the call will be on May 4th, 2015 at 9:30 AM, any proposals received after this date and time will be rejected . Bidder's proposals submission date will be considered according to the stamped date by Hyproc's "B.O.G. (Bureau d'Ordre Général)", located at Hyproc's Head office.

Bidders whose technical proposals are fully compliant to the tendering procedure will be invited to submit a price proposal for the second step.

<u>Step 2: Price proposal</u>

This step will be dedicated to the receipt of the price proposals, their evaluation, the selection and the award of the sale contract to the Bidder with the highest offered price.

Bidders will be invited to attend the bids opening ceremony, whereby the Bidder to whom the MEMORANDUM OF AGREEMENT (Sale Contract) will be awarded, will be publicly announced.