Tugs Towing & Offshore Newsletter

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BUYING, SALES, NEW BUILDING, RENAMING AND OTHER TUGS TOWING & OFFSHORE INDUSTRY NEWS

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TUGS & TOWING NEWS

SVITZER PLACES ORDER FOR FOUR ADDITIONAL TUGS FROM SANMAR SHIPYARDS

Svitzer is ordering four more ASD tugs from Sanmar Shipyards to service the multi-hundred million USD TMSA, Tanger Med 2 Port in the Kingdom of Morocco. The four newbuildings will be 90 tonnes bollard pull RAstar 2900 SX terminal tugs with escort ability and accommodation space for eight crew members. The tugs are equipped with render/recovery winch, FIFI 1 and three of them with aft winch. The delivery is expected to take place in the autumn of 2018 and will service APMT's concession for container terminal services to the port of Tangier Med 2 for a minimum period of 20 years. The ASD design is from Robert Allan Ltd, measuring 29,4m in length with a moulded beam of 13,4 and an overall draft of 6,0m. The ASD is powered by a pair of MTU 16V4000 M73L engines, delivering 2700 KW each to the Schottel SRP 560 azimuth drives 3m propellers. The render recovery winch is supplied by Ibercisa. As well as towage, the other services the tugs will be required to provide are: Pollution response, Fire-fighting, and Salvage operations within the Port. Also two self-righting unsinkable pilot boats will provided together with a workshop and storage area within the Port area. In the future two more tugs and two more pilot boats may be required. *(Press Release)*

TIRRICK SET TO LEAVE PORT AFTER 33 YEARS

The long serving Sella Ness harbour tug **Tirrick** completed her last job for Shetland Islands Council this week before leaving for new owners in Greece. She was involved in berthing the 248 metre long tanker **Solviken** at Sullom Voe on Thursday as her time in the isles came to an end. **Tirrick**, built by Ferguson brothers at Port Glasgow, has been part of the council's fleet of tugs for the last 33 years. She has been replaced with the two year old Dutch **Multratug 29**, a Damen 3212 class vessel, which is 32 metres long and has a bollard pull of over 70 tonnes. Port manager John Smith said **Tirrick** would be leaving Sullom Voe on Monday for Aberdeen where she will be handed over to her new owners. She is due to be renamed the **Christos XLI**. "Over 33 years **Tirrick** has provided outstanding service, safely mooring many tankers under all conditions and helping the smooth running of Sullom Voe. "We wish her and her new owners every future success and look forward to the replacement vessels being successful for us." Smith added that the port needed to "make the same move for the tug **Shalder**" within a year. The **Shalder** is also expected to be replaced with a leased tug of proven design and capability. *(Source: Shetland News)*

KEEL LAYING CEREMONY OF PAKISTAN NAVY TUG HELD AT KARACHI SHIPYARD

Deputy Chief of naval staff said construction of 32 tons tug is evident of Pakistan Navy's vision. Keel laying ceremony of thirty-two tons bollard pollard pull tug being built for Pakistan navy held at Karachi ship yard on Friday. Deputy Chief of naval staff vice admiral Arifullah Hussaini was a chief guest of the ceremony, lauded the cooperation extended by ministry of defense production and hard working of Karachi ship yard staff. He said that construction of 32 tons tug is evident of Pakistan Navy's vision of achieving self reliance in the field of ship making

industry. *(Source: Radio Pakistan)*

SVITZER SECURES 20-YEAR TERMINAL TOWAGE CONTRACT IN MOROCCO HIGHLIGHTS MAERSK TRANSPORT & LOGISTICS SYNERGIES

Svitzer has been awarded a 20-year concession to provide terminal towage services to the multi-billion dollar TMSA, Tanger Med 2 Port. The new container transshipment terminal will be operated by APM Terminals and is scheduled to open in 2019 under the terms of a 30-year concession agreement with the Tanger Med Special Agency (TMSA). The Tanger Med port complex is strategically located on Africa's northwest coast near the mouth of the Mediterranean Sea on the Strait of Gibraltar and is the second-busiest container port on the African continent. The several hundred million USD contract will significantly add to Svitzer's top line between 2018 and 2036 and calls for a total of 9 vessels by the end of the contract. The project holds significant importance for Maersk's Transport & Logistics division, as Svitzer, APM Terminals and Maersk Line will work in an integrated approach to further improve efficiencies in this location. Svitzer CEO Henriette H. Thygesen states, "Securing this major contract not only supports our global strategy to keep long term terminal towage services partnerships at the core of what we do, it is also a great example of what Svitzer can achieve as part of an integrated Transport & Logistics division." The new Transport & Logistics organisation allows for easier coordination between the business units. Through collaboration across the division during the fourth quarter of 2016 as the tender was released, Svitzer was able to bid competitively and in January was declared the preferred bidder. The signing ceremony was held on the 6th of April in Rabat, Morocco. "Svitzer and the larger Maersk Group has been an active investor in the Kingdom of Morocco for decades and we are

honoured to be availed the opportunity to further serve the resilient and fast growing Moroccan economy, and in particular its world class maritime developments", said Mohammed Ahmed, Svitzer MD of AMEA region. Delivering seamless berthing & unberthing of vessels and pilotage services, Svitzer will operate through a joint venture and will work with both Maersk Line and APM Terminals in a coordinated approach to provide the highest quality services at the lowest possible cost. *(Press Release)*

NEW HARBOR TUG FIRST FOR VETH Z-DRIVES IN THE US

68' harbor tug with Veth VZ-700 Z-drives designed by Sterling Marine, LLC

Barbour JB Shipyard of St. Louis, Missouri, has laid the keel for a new harbor tug that will be powered by Veth Z-drives. The purchase agreement was signed at the Inland Marine Expo, St. Louis, Missouri, by Kurt Johnson, Southern Illinois Transfer president and owner of the vessel; Guido Davids, Veth Propulsion area sales manager; and Tim Batten, Twin Disc director of global marine sales. Twin Disc is the distributor for Veth Propulsion in the US, exclusive of the Gulf Coast region. The tug has a planned length of 68' and beam of 28'. It will be powered by twin 750 hp Cummins diesels and **Veth VZ-700 Z-drives**. While this is the first Veth Propulsion product purchased by Southern Illinois Transfer, it was Johnson's history with Twin Disc that drew him to the Z-drives. "We've always used Twin Disc reduction gears," he noted. "Their choosing to partner with Veth says a lot—we're certain they wouldn't associate their name with an inferior Z-drive. The combination of a well-built thruster and Twin Disc's reputation, extensive parts supply and outstanding customer service was a win-win for us." Southern Illinois Transfer, a partner in Barbour JB Shipyard, will use the harbor tug to move barges on the Mississippi and Kaskaskia Rivers. It currently operates seven vessels in the Ste. Genevieve, Missouri, area, and is building another boat to expand its fleet. The expected launch is January 2018. *(Press Release)*

From the left: Guido Davids, Veth Propulsion; Kurt Johnson, Southern Illinois Transfer; and Tim Batten, Twin Disc

GONDAN DELIVERED DUX, THE FIRST DUAL FUEL TUG BUILT IN EUROPE, TO ØSTENSJØ REDERI A/S

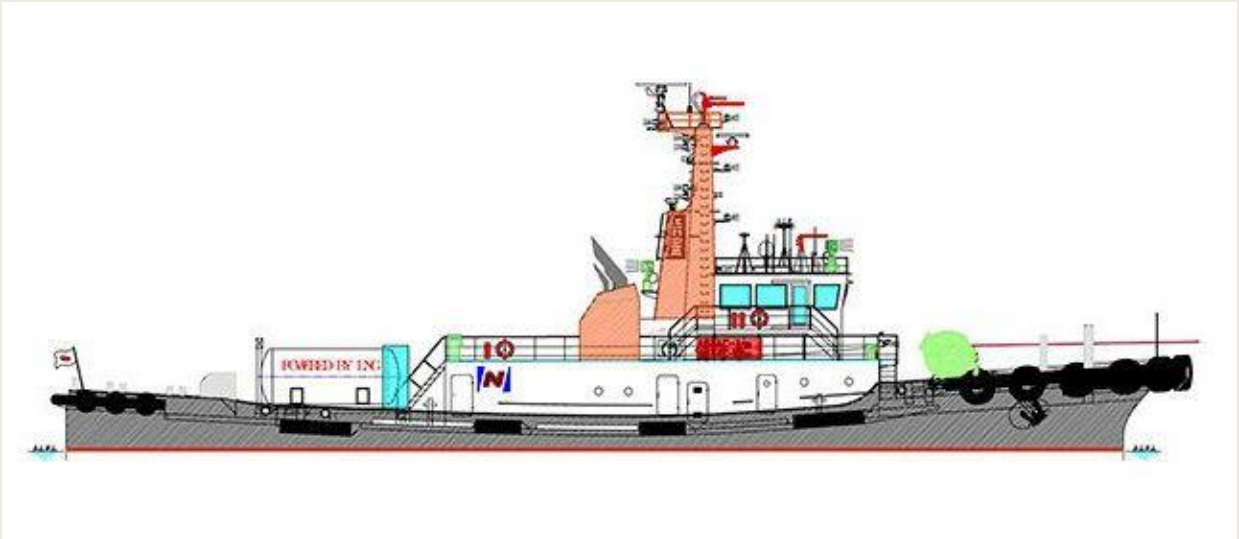
After completing its sea trials program successfully, **Dux**, the first dual fuel tug ever built in Europe, was delivered yesterday to its owner, the Norwegian company Østensjø Rederi A/S. This state of the art vessel is the first tugboat of a series of three. Designed by the renowned Canadian company Robert Allan Ltd. the new escort tug, with 40.2 meters length and 16 meters beam, will provide tug services to Norwegian state-owned energy company Statoil, at the far-north terminal located at Melkøya under severe weather conditions. Built to withstand harsh environments, the vessel is shaped specifically to grant full operational availability at temperatures of 20 degrees below zero and combines environmental sustainability through the use of LNG in most of its operations -complying therefore with IMO Tier III emissions standards- with the flexibility of diesel power to ensure a high level of operational security. **Dux** has a free running speed of 15 knots and is capable of remarkable direct and indirect towing performance, providing exceptionally high direct pull and escort forces: 107 ton bollard pull and 167 ton steering force, both class approved by Bureau Veritas. Outfitted to comfortably accommodate a crew of 8 people, the vessel has been built according to the highest shipbuilding standards. The extraordinary behaviour regarding noise and vibration isolation can serve as example, achieving noise levels as low as 45 dB on the crew's cabins. Among its duties, it will conduct approximately 300 LNG ship escorts annually, will assist with berthing operations and will be maintained in readiness for emergency services such as long line towing, fire-fighting, and oil spill response. *(Press Release)*

BRUCOLI TOWING AMT CARRIER

The 1974 built Italian registered with call sign IRCB tugboat **Brucoli** (Imo 7351068) was seen towing

the 2009 built Malta registered 9,025 DWT submersible deck cargo barge **AMT Carrier** off Valletta, Malta from Ravenna, Italy bound to Palumbo Malta Shipyard Ltd on Wednesday 24th May,2017. The tug is owned by Augustea Terminal SRL – Napels; Italy and managed by Augustea Ship Management SRL – Napels; Italy. She has a grt of 349 tons and is classed Registro Italiano Navale. *(Photo: Capt. Lawrence Dalli - www.maltashipphotos.com)*

DEAL SIGNED FOR JAPAN'S FIRST LNG-FUELED TUG



Mitsui O.S.K. Lines (MOL) has ordered Japan's first LNG-fueled tug from Kanagawa Dockyard in Japan. Yanmar will supply the high-perfromance dual-fuel engines, and Osaka Gas will supply LNG fuel to the tug which will be operated by Nihon Tug-Boat Co. The new tug will be deployed in Osaka Bay in April 2019. She will be the first **LNG-fueled tug** to escort large-scale cargo vessels in Osaka Bay and the Seto Inland Sea. The construction of the tug is expected to spur the development of an LNG fuel supply system for vessels in Osaka Bay. MOL's experience with the tug will feed back to various types of LNG-fueled ships including a planned environment-friendly ferry. In April, DNVGL issued an Approval In Principle to MOL and Samsung Heavy Industries (SHI) for the future design of a series of four LNG-powered 20,000 TEU container ships, which have been under construction. MOL signed a deal for the series of container ships in 2015. The ships were designed in anticipation of using LNG as a fuel. At the construction stage, MOL and SHI developed a basic plan targeting vessels in service, performance evaluation, compliance with new regulations, and risk assessment in a joint study, and completed the basic design in March. MOL positions this series of vessels as its environmentally advanced next-generation ships. The first vessel of the series, the MOL Triumph, was delivered on March 27. MOL Triumph is expected to be converted to run on LNG fuel when the LNG supply becomes commercially available in the future. Last year MOL signed an MOU for the first dual-fueled bunker for singapore with Harley Marine International, Pavilion Gas and Mitsui & Co. *(Source: Marex)*

SAAM SMIT TOWAGE BRASIL OPERATING IN TWO NEW PORTS IN BRAZIL, PECÉM AND VILA DE CONDE / BARCARENA

SAAM SMIT Towage Brasil proudly announces that as from 18 May 2017 we are operating in two new ports in Brazil. The ports of PECÉM and VILA DE CONDE / BARCARENA are now being attended by two ASD tugs each. In PECÉM the tugs **Godofredo** and **Tupari** and in VILA DE CONDE / BARCARENA the tugs **Caillean** and **Pelagius**. The new operations in these two ports follow the numerous requests from our clients. With this our portfolio increases from 12 to 14 ports in Brazil. Adding these two new ports, we now offer our towage services in, from north to south: Santarém; Santana / Macapa; Vila de Conde / Barcarena; São Luis (PDM, Itaqui, Alumar); Pecém; Suape; Salvador / Aratu / Usiba; Vitoria (Tubarão, Praia Mole); Sepetiba / Itagua / Sudeste; Angra dos Reis; Santos; Paranaguá; Itajaí / Navegantes; Rio Grande. With our newbuild program on the way, receiving 2 new 70 TBP ASD tugs this year and another two towards the end of 2018, SAAM SMIT Towage is further strengthening their portfolio in the main ports of Brazil, focused on providing SAFE Harbour Towage. We are happy to attend our clients in any of these ports! *(Press Release)*

ACCIDENTS – SALVAGE NEWS

COAST GUARD RESPONDS TO TOWING VESSEL AGROUND NEAR CAMERON, LOUISIANA

Coast Guard crews responded to an uninspected towing vessel taking on water prior to running aground in the Calcasieu Ship Channel, early Monday morning. At 3:45 a.m., the three-man crew of the 60-foot towing vessel **Mr. Landon**, purposefully ran their vessel aground near Monkey Island to avoid sinking when they realized they were taking on water in the stern. Coast Guard Marine Safety Unit Lake Charles members coordinated with the National Oceanic and Atmospheric Administration and oil spill removal resources to clean up an approximate 10 gallon spill that resulted from the incident. MSU Lake Charles members also oversaw salvage operations to free the **Mr. Landon**; ensuring there was no further damage to the vessel and minimizing impact to the waterway. The vessel was safely refloated with the aid of a crane barge, de-watering pumps and assist towing vessels. There were no injuries reported. The **Mr. Landon** will proceed to Amelia for repairs. **(Source: USCG)**

LOF NEEDS TO BE REWRITTEN TO SAVE SINKING SHIPS FASTER

Lloyd's Open Form (LOF) needs to be rewritten to make it more attractive to the salvage industry and prevent marine casualties becoming wrecks. This was the personal view of long-term marine insurance expert, Marsh global marine training leader Stephen Harris. He told Tug Technology & Business that the salvage industry and insurers needed to repurpose the standard LOF to increase the use of this document when there is a sinking vessel to save. He was speaking during a frank discussion at the launch of a new report by Marsh & McLennan*. "LOF should be more fit for purpose, it is good to have a standard form for when a ship is sinking," he said. "We need something that salvors will use." LOF is a single-page contract that is quick and easy to agree and sign that should lead to a more rapid deployment of tugs to stricken ships. But the use of LOF has diminished significantly over the last

few years as project-type contracts have taken over. This has resulted in a slump in revenues for the salvage industry from salvage and wreck removal, despite a significant rise in the number of salvage projects. *(Source: Tug Technology & Business)*

FIVE KILLED IN FIRE ABOARD INDONESIAN FERRY

At least five were killed after a fire broke out aboard a car and passenger in the Java Sea on Friday, Indonesian authorities confirmed over the weekend. The fire reportedly started in the vehicle deck of the Indonesian ferry **Mutiara Sentosa 1** and quickly spread to other parts of the vessel, prompting the captain to give the order to abandon ship. The Indonesian Search And Rescue Agency said Saturday that 192 people were rescued with the help of nearby vessels and search and rescue assets. The fire started Friday as the ferry was approximately 2 miles Masalembo Island in the Java Sea. It was unclear exactly how many people, if any, remained missing as the true number of persons on board did not match the ships manifest. *(Source: Marex)*

OFFSHORE NEWS

HISTORIC SUPPLY VESSELS – THE BALDER VIKING

Back in the 1970s a Norwegian company known more for its colour scheme than anything else was Viking Supply Ships, whose craft were painted in black and yellow diagonal stripes. One, the **Edith Viking** featured on the first rig shift I ever went on in about 1977 and I was struck by its paint job. Later another of the company ships, the **Ben Viking**, was hired by a film company to take part in the movie "North Sea Hijack" which featured, in addition to the delightfully painted ship, the British actor Roger Moore (who died last Tuesday). If this was a film blog I would say more. Like many OSV companies Viking have had their ups and downs and in their lifetime have had other names, and for a while we thought that the striped ships were toast, so we were cheered when the **Tor**

Viking II and the **Balder Viking** (Photographed in the ice by Bart Trondsen in 2004) arrived in Aberdeen in 2000. They were KMAR 808s, and only recently I reviewed the KMAR 404 probably as different from the 808 as chalk from cheese. They were designed in the marine architects house owned by Kvaerner, which had been Maritime Engineering and actually was to become Moss Maritime…but more of that company later. The first two 808s were followed in 2001 by the **Vidar Viking**. They were all constructed at Kvearner Leirvik and were intended to double as commercial anchor-handlers during the summer, and if requested, as Baltic ice-breakers during the winter, and in their icebreaker role they would be fitted with a V shaped extension at the stern, and a helideck in the middle of the main deck. The V shape would enable them to pull commercial vessels close up to their sterns, and then they would steam ahead breaking the ice and dragging the cargo ship behind them. As anchor-handlers they were provided with four MAK engines providing them with 18,300 bhp and 200 tons bollard pull and for the purposes of keeping them free of ice they were provided with pumping systems and wing tanks which could create a 10 degree list in 20 seconds. From the start they proved popular with operators and for all three to be together at any time proved to be a rare occurrence (although captured on film by the author in Aberdeen in 2001). As well as working in the North Sea and the Baltic they have been out to Sakhalin and also to Alaska in support of potentially icebound exploration drilling. Today, in what might be described as an extremely competitive offshore environment they are still proving popular, the **Tor Viking II** and the **Balder Viking** currently being engaged in a North Sea rig shift, although the **Vidar Viking** is laid up, and may only be reactivated at the end of the year, one assumes in time to engage in icebreaking activities. *(VICTOR GIBSON is author of "The History of the Supply Ship", "Supply Ship Operations", and "A Catalogue of Disasters". They can be purchased from www.shipsandoil.co.uk or most good booksellers.)*

INNOVATIVE SUBSEA CRANE ORDERED FOR RSV CONVERSION

Brazilian ship owning company CBO's vessel **CBO Manoella** is currently being retrofitted from an offshore platform supply vessel (PSV) into a ROV Support Vessel (RSV). As part of the conversion project, CBO has assigned Rolls-Royce to equip the vessel with a new patented hybrid dual draglink (DDC) subsea crane, marking the first installation of a subsea crane designed to be able to use either fiber or steel wire rope. Marcelo Martins, CBO, Technical Director said, "This is one of two vessels CBO is now retrofitting from PSVs to RSVs, and we are very satisfied about the flexibility of the crane from Rolls-Royce. A hybrid solution, with use of either fiber or wire, makes the vessel better prepared to take on a larger variety of future subsea tasks." Rolls-Royce said the active heave compensated crane is designed for continuous operation in a tough and corrosive offshore environment with focus on efficient and safe load handling. The crane to be installed on **CBO Manoella** is a hybrid dual draglink crane with a lifting capacity of up to 50 metric tons and an operating depth of up to 3,000 meters. It will be equipped with wire rope when it embarks on its first subsea assignment off the coast of Brazil. However the possibility of changing to fiber rope provides flexibility in a challenging market. Because of the low weight of the fiber rope, the vessel's deck load capacity can be increased by approximately 100 metric tons. Another benefit of using a low weight fiber rope instead of steel wire is increased lifting capacity at large depths. The cable tractions control unit (CTCU) forms the crane winch and is located at the crane's main boom. This solution saves space compared to a solution where the CTCU unit is mounted below deck, and also makes it a better choice for retrofits. The horizontal elbow derrick movements provide Active Heave Compensation (AHC). This significantly reduces wear and build-up of heat in the lifting line compared to when the AHC is part of the winch. **CBO Manoella** has 76.7m overall length, a beam of 17m, and a gross tonnage of 2,668 metric tons. It has a Rolls-Royce UT 715 L design and first went into service in 2009. It was then number two in a series of nine UT 715 L-designs ordered by CBO. Today the vessel is part of CBO's current fleet of in total 27 offshore vessels, of which 14 are UT-designs from Rolls-Royce. Rolls-Royce's delivery is set to take place in Q3 this year, comprising a complete DDC crane system including the CTCU, cabin and control system. *(Source: MarineLink)*

EZRA EXTENDS LEWEK CONNECTOR CONTRACT

Oslo-listed offshore vessel owner Ocean Yield has, through its wholly-owned subsidiary Connector 1 AS, entered into a contract with Ezra Holdings for extension of the bareboat charter contract for the vessel **Lewek Connector**. The extension is for a firm period of 3 months, plus further extensions in charterers option for a period of up to 2 months, at a rate of USD 40,000 per day. To remind, Ezra has taken the **Lewek Connector** on a short-term charter contract in February this year after Ocean Yield terminated a charter with EMAS Chiyoda Subsea (ECS). According to Ocean Yield, the extended charter period begins on June 1, 2017. *(Source: Subsea World News)*

24 NEW JOBS AS SENTINEL MARINE EXPANDS FLEET WITH NEW VESSEL

Aberdeen-headquartered Sentinel Marine has taken delivery of a new emergency response and rescue vessel (ERRV) which will see 24 new jobs being created within its North Sea operation. Sentinel Marine, which owns and operates offshore support vessels for the oil and gas industry, has secured a contract for the **Mariner Sentinel** with a major producer for its North Sea oil field. Following construction in China, the vessel is en route to Aberdeen and is expected to commence operating in July 2017. **Mariner Sentinel** is the latest of six new build for Sentinel Marine since 2015 – making its fleet the youngest operating in the sector. The company's new builds have an advantage over aging ERRVs in the North Sea fleet – many of which are converted fishing boats or supply vessels – in that they are more efficient to operate. Rory Deans, chief executive of Sentinel Marine says, "**Mariner Sentinel** is part of a new breed of ERRVs; vessels which have not been repurposed but instead have been custom built to ensure they are equipped with the latest technology and are more fuel efficient. "Safety is key when working in a hazardous environment, and we are continuously looking for innovative ways in which to provide emergency and rescue support to our clients. Multi-role

vessels can keep operating costs low while providing a full range of services, including oil recovery, rescue towing and dynamic positioning. "It is thought that over 30% of ERRVs currently operating are at least 30 years old. With vessels that are purpose-built to the highest technical standard, Sentinel Marine is better equipped to ensure that safety comes first for all of our clients." *(Press Release)*

TIDEWATER GETS 'RELIEF' FROM COURT

U.S. offshore support vessel owner Tidewater has received a court approval of first day motions to continue normal operations following a recent Chapter 11bankruptcy filing. The bankruptcy move was intended to help Tidewater pursue a prepackaged plan of reorganization in accordance with its previously announced restructuring support agreement with its lenders. Following the bankruptcy filing, the company also filed a series of motions with the bankruptcy court to ensure a seamless transition into chapter 11 and sought the approval of the court to continue paying prepetition employee wages and salaries and to provide employee benefits without interruption. The company informed on Friday that the United States Bankruptcy Court for the District of Delaware has granted the relief requested by the company in certain first day motions related to ordinary course business activities. Among other things, the approved motions authorize the company to pay prepetition employee wages and benefits without interruption, maintain its insurance programs, utilize its current cash management system, and pay undisputed prepetition obligations owed to its vendors and trade creditors in the ordinary course of business. Jeffrey M. Platt, President and Chief Executive Officer of Tidewater, said, "With the entry of these 'first day orders', the company will continue normal operations as we work to implement a comprehensive financial restructuring. "I would like to thank all of our stakeholders, including our lenders, noteholders, stockholders, employees, customers, vendors, and trade creditors

for working constructively with us during this challenging time." *(Source: Offshore Energy Today)*

PACIFIC RADIANCE FORMS MIDDLE EAST JV WITH ALLIANZ OFFSHORE

Singapore's vessel operator Pacific Radiance has entered into a joint venture agreement with Allianz Offshore Middle East, forming a new company which will be involved in offshore vessel operations. The agreement between Pacific Radiance's subsidiary, Crest Offshore Marine, and Allianz, a company incorporated in Saint Vincent and The Grenadines, was entered into on Friday, May 19. The pair will jointly incorporate a company in Singapore known as Allianz Radiance Pte. Ltd. (ARPL) with an initial capital of $100.00. ARPL has been incorporated on the same date the agreement was signed. Under the terms of the JV agreement, Crest Offshore and Allianz Offshore respectively will hold 51% and 49% equity interest in ARPL, making ARPL an indirect subsidiary of Pacific Radiance. Pacific Radiance said that ARPL will be principally engaged in owning, managing, chartering and leasing offshore support vessels particularly in the Gulf Cooperation Council and Egypt offshore oil and gas segment. *(Source: Offshore Energy Today)*

IMPAIRMENTS DRAG VALLIANZ INTO RED

Singapore's Vallianz Holdings, a provider of offshore support vessels and integrated marine solutions, recorded a net loss during FY2017 due to impairment charges. Vallianz on Monday reported its financial results for the 15 months ended March 31, 2017 (FY2017). The company's financial year-end has been changed to March 31 from December 31 previously. The company recorded an operating profit before tax of $20.3 million on revenue of $247.8 million in FY2017. Around 84% of the group's revenue was generated by its vessel chartering and brokerage business which is buoyed primarily by long-term charter contracts in the Middle East. According to the company, this contribution was higher

compared to 64% for the 12 months ended December 31, 2015 (FY2015), which is in line with the group's strategy to focus on its core vessel chartering and brokerage business. As a result of the business slowdown in the offshore oil and gas industry, the company had to record non-cash net impairment expenses totaling $214.6 million, including impairment expenses of $22.3 million attributable to non-controlling interests, for certain of its assets in FY2017. These exceptional expenses caused the company to slip into the red in FY2017 with a net loss of $158.4 million. Looking at the first quarter 2017 performance, the company's revenues dropped by 21.5% to $38.7 million from $49.3 million in the first quarter 2016. Ling Yong Wah, CEO of Vallianz, said: "The industry conditions continue to be extremely challenging amid intense competition in the offshore support vessel market. Although sluggish demand has placed significant pressure on vessel utilization and charter rates in most markets, Vallianz's vessel chartering business remains operationally profitable. This is because most of our vessel charters are long term in nature and based primarily in the Middle East region where there are sustained oil production activities." At the end of March, the company's order book was valued at approximately $1.3 billion, comprising mostly of long-term charters which include two-year extension options stretching up to 2025. *(Source: Offshore Energy Today)*

VALLIANZ CLINCHES WORK FOR FOUR VESSELS

Vallianz Holdings, an offshore support vessels provider, has secured long-term charter contracts for four vessels valued up to $115 million in total. These contracts were awarded by a national oil company (NOC) in the Middle East, as well as two offshore marine services companies based in Egypt and Turkmenistan respectively, Vallianz stated on Tuesday. The contracts also marked Vallianz's entry into two new markets in the Middle East and Central Asia. The group clinched its first contract with an Egyptian company for a three-year charter of one OSV which started operations in the Red Sea. The company will also be starting charter of another OSV at the end of May 2017 under a new contract secured with an offshore chartering company based in Turkmenistan. This OSV will be deployed in the Caspian Sea

for three years. Under its contracts with the NOC, the company will supply two maintenance and accommodation OSVs for five years, with the customer having an option to extend the charter for another two years. These vessels will be used to support the NOC's maintenance operations and accommodation requirements for its offshore oil and gas activities in the Arabian Gulf. These two vessels, which will be added to the group's current fleet of 52 OSVs, are scheduled to start charter progressively from the first half of the financial year ending March 31, 2018 (1H FY2018). Ling Yong Wah, CEO of Vallianz, said: "Vallianz is one of the largest OSV providers in the Middle East and has now expanded our footprint to include Egypt." He also added: "Besides the Middle East region, our first contract win in Turkmenistan will also enable the Group to access a new market in Central Asia. "For the new contracts with the NOC, the maintenance and accommodation vessels is a new vessel type which will broaden the spectrum of service offerings that we provide to our existing customer." *(Source: Offshore Energy Today)*

WAGENBORG'S SUPPLY VESSEL HIRED FOR WORK IN CANADIAN ARCTIC WATERS

International offshore specialist Wagenborg Offshore, a subsidiary of Royal Wagenborg, has been awarded a long-term contract by Fathom Marine, a provider of marine logistics services to offshore industry. Wagenborg said on Monday that the five-year contract with Fathom Marine, starting mid-July 2017, was for the multi-purpose offshore supply vessel **Arcticaborg**. The company added that the vessel would be used for the provision of marine support in the Western Canadian Arctic. The vessel will be operating from the port of Vancouver in Canada. From this port, the **Arcticaborg** would provide ice-breaking support, ice navigation assistance, fuel supply, salvage, and will make cargo runs on a regular basis. The vessel was previously active in several oil and gas related projects in the Caspian Sea, which is characterized by shallow waters and severe ice conditions. After working for twenty years in the region, it will take on a new project in a similar environment. **Arcticaborg** is currently on its way from Wagenborg's Kazakhstan base in Bautino, heading to Vancouver. At the moment, the vessel is moored in the port of Astrakhan. The 65-metre vessel and its sister vessel, **Antarcticaborg**, were built at Kvaerner Masa-Yards, Helsinki, and delivered to Wagenborg in 1998. *(Source: Offshore Energy Today)*

CAVENDISH SEA TO THE BREAKERS

A tug with a short Canadian history has gone to the breakers in India, while still retaining its Canadian name. Built as **Ouro Preto** in 1978 by Mitsui Engineering + Shipbuilding, Fujinagata Works, Osaka, Japan, it was a small (40m x 13m) anchor handler of 877 grt, powered by a pair of 8 cylinder Pielsticks (built by IHI-Aioi) giving 8,000 bhp. At the time this was considered to be extremely powerful, particularly for its size. It had twin fixed pitch props and a bow thruster. In

1981 it was transferred from its first owners Brasil Offshore to Petroleo Brasiliero (Petrobras) and renamed **Boreal**. The tug was one of a pair picked up by Secunda Marine Services in 1993 and renamed **Cavendish Sea**. Sister tug **Bonace** ex **Ouro Fino** was acquired in the same deal and became **Tignish Sea** named for resort areas on Prince Edward Island. This was the second pair of tugs acquired by Secunda in the 1990s in South America. (**Ryan Leet** and **Magdalen Sea** were the others.) **Tignish Sea** towed **Cavendish Sea** into Halifax May 9, 1993 from Brazil. Unlike the pair of big tugs however, there was not a lot of work around for the small **Cavendish Sea** and in 1994 its Canadian registry was closed and it was sent abroad to work. I know it worked in the North Sea for a time, but I lost track of it after that. The tug wound up back in South America registry flying Panamanian, Brazilian and Chilean flags until arriving at the breakers in Aliaga, Turkey, May 13, 2017. *(Source: Mac Mackay-Tugfax)*

WINDFARM NEWS - RENEWABLES

WIND FARM OPERATOR SETS UP NEW SUPPORT PROGRAMME FOR LOCAL FISHERMEN

Life Cell Marine Safety has been included in a new initiative aiming to support local fishermen operating from coastal locations between Hartlepool and Saltburn by the Sea, who have traditionally used the fishing grounds in and around the windfarm. The new programme, developed by EDF Energy Renewables, aims provide essential safety equipment for personnel and vessels in line with Marine and Coastguard Agency for fishing vessel operators. The scheme will provide Life Cell models to local fishermen, ensuring they have essential safety equipment in a readily accessible location in the event of an emergency. The Life Cell is used as a flotation device, which can float free or be easily removed from a vessel. The bonus is that it can also be safely and easily removed

after each day's fishing to reduce the possibility of theft of essential safety equipment. James Wilson, local fishing liaison officer with EDF Energy Renewables, said: "Our aim has always been to ensure that the wind farm can co-exist safely and effectively with local fishing activities. "We have maintained close contact with the local fishermen at all stages of the project and we are delighted to be able to provide support for this very important local activity and community. "The dedicated new fishing support programme will provide targeted assistance for specific fishing activity needs and will hopefully provide a positive contribution to the activities of local fishing groups and individual operators." The new programme will be managed by Tees Valley Community Foundation (TVCF) in association with Coastwatch Redcar. Trevor Smith, chairman of Coastwatch Redcar, said: "We are delighted to participate in this initiative. Ensuring that local fishing boat operators are equipped with vital safety equipment is a natural extension to our role in supporting HM Coastguard with local surveillance activities and helping those in trouble at sea. "The new equipment being provided could make a real difference to the safety of small fishing boat operators and their crews who find themselves in difficulty and we would encourage all local fishermen to take up this generous offer from EDF Energy Renewables." Local fishermen can find out more details on the new programme, including accessing Life Cell for their fishing vessel at the 2017 Sea Work Show on the 13th – 15th June. To learn more about the Life Cell, please visit the Pinpoint booth at stand PB99. *(Press Release)*

NKT VICTORIA REPORTS FOR CAITHNESS-MORAY CABLE DUTY

NKT's recently launched cable laying vessel – **NKT Victoria** – has started working on her maiden project – the installation of two subsea power cables connecting Caithness and Moray in Scotland. The **NKT Victoria** arrived to Aberdeen Harbour on 19 May following her maiden voyage from Sweden. The vessel departed Aberdeen on 20 May in preparation for the cable installation. The vessel is being used to lay 113 kilometres of high voltage direct current (HVDC) subsea cable across the Moray Firth as part of Scottish and Southern Electricity Networks' GBP 1.1 billion Caithness-

Moray transmission project. The purpose-built cable laying vessel will lay the cables in two campaigns – the first from Noss Head in Caithness to the midpoint of the cable route and the second from Portgordon in Moray to the end of the previously laid cable. Once the cable is installed, the specialist plough which is being used to create the trench will be brought back and reconfigured to backfill the trench using the seabed material previously excavated during the trenching operation. The Caithness-Moray project is required to transport renewable electricity from across the north of Scotland to areas of demand across Scotland and beyond. *(Source: Offshore Wind)*

DREDGING NEWS

JAN DE NUL ORDERS ANOTHER GIANT TSHD

Jan De Nul Group has signed a contract with Keppel Singmarine for the construction of a 6.000m³ trailing suction hopper dredger (TSHD), bringing the current newbuilding order at the shipyard to four hoppers. An option for a fifth hopper dredger has been provided in the contract, Jan De Nul said. The vessel is in diesel-electric execution, allowing optimal use of the generated power and lowering fuel oil consumption and emissions. In addition, an exhaust gas treatment system is installed, and pollutant emissions will comply with the future EU Stage V regulations for inland waterway vessels. The system is similar to the one installed on the three 3.500m³ TSHDs ordered in July of last year and currently being constructed by Keppel Singmarine. "We are glad to be leading the way in meeting the most stringent global emission limits with the world's first EU Stage V dredgers, which will be highly fuel-efficient, versatile and productive," said Robby De Backer, New Building Director at Jan De Nul Group. "Their use will enable execution of dredging projects with the lowest level of pollutant emissions, even better than that of LNG powered vessels using dual-fuel engines." *Main characteristics* Hopper capacity – 6.000m³; Deadweight – 9.880 ton; Length o.a. – 111.7m; Breadth – 24.6m; Maximum dredging depth – 35.0m; Diameter suction pipe – 1.000mm; Speed -12.5kn; Pump power (trailing) – 1.500kW; Pump power

(discharging) – 4.000kW; Total installed diesel power – 7.700kW. *(Source: Dredging Today)*

NEW CUTTER SUCTION DREDGER FOR MANSON

Manson Construction Co. has announced the completion of its 30-inch ABS cutter suction dredger **Robert M. White**. Constructed at Halimar Shipyard LLC in Morgan City, Louisiana, with design and dredge components from IHC America Inc., the dredger was successfully launched on April 24, 2017. "We have high expectations for our state-of-the-art **Robert M. White** cutter suction dredger. We appreciate the quality and timeliness of the dredge's delivery by our team, such that she will begin digging this summer," said Manson President Eric Haug. Frederick Paup, Chairman of the Board of Manson, added: "We are proud that the **Robert M. White** is a U.S. built, U.S. flagged, and U.S. crewed vessel that will focus on the coastal restoration and maintenance dredging markets of the United States. We will continue to invest in the U.S. dredging market to help our stakeholders accomplish their missions." Named in honor of Mr. Robert M. "Mitch" White, a long-time Manson employee and one of the leaders in the advancement of safety in the maritime industry, the dredger is a testament to the excellent teamwork between IHC, Halimar and Manson, continuing Manson's fleet modernization, Manson said in its announcement. *(Source: Dredging Today)*

YARD NEWS

ALPHATRON MARINE OFFERS UNIQUE NAVIGATION EXPERIENCE WITH TRANSAS SIMULATOR

Alphatron Marine is pleased to announce that the company has fitted its AlphaBridge solutions with the trusted Transas marine simulation system in training centers and showrooms around the world. This unique combination will enable practical know-how sharing on a whole new level and support the decision-making process, offering an uncompromised and thorough insight of the AlphaBridge and its ergonomic and technical capabilities. In our flagship showrooms, we have various types of integrated solutions designed for various markets. From inland, harbor and offshore applications to passenger, fishing and large merchant vessels. The Transas simulation offer various

levels of training, such as equipment familiarization and standard and advanced operation and watch-keeping. By adding the Transas simulator to the integrated AlphaBridge solutions we are bringing technology, expertise and content together. Needless to say, Transas simulators play an important role in the safety of life at sea and therefore have been used extensively by specialist in commercial fleets, navies and coast guards. The global strategic partnership between JRC, Transas and Alphatron Marine announced earlier this year strengthens the development of innovative solutions, ultimately to offer a complete concept, including simulator technology to ship-owners worldwide. We are keen for you to experience yourself – in Rotterdam, Singapore and Houston – how the AlphaBridge operation and ergonomic design approach will help life and work on the bridge easier and more comfortable and reducing the chance of errors. *(Press Release)*

RV SALLY RIDE ENTERS DRY DOCK FOR MAINTENANCE

The **Sally Ride**, a Neil Armstrong Class Auxiliary General Oceanographic Research (AGOR) vessel, dry docked at Bay Ship and Yacht on April 15, 2017, to carry out modifications to superstructure and to perform general vessel maintenance. Named for the late astronaut Sally Ride, the ship is 238 feet long and incorporates the latest technologies, including high-efficiency diesel engines, emissions controls for stack gases, and new information technology tools both for monitoring shipboard systems and for communicating with the world. It will serve to provide scientists with the tools and capabilities to support ongoing research including the Atlantic, western Pacific and Indian Ocean regions across a wide variety of missions. The **Sally Ride** is a commercially designed, mono-hulled research vessel, capable of both coastal and deep ocean operations. The ship is equipped with cranes and winches for over-the-side loading of research equipment and supplies, as well as accommodations for twenty-four scientists. It is powered by a multi-drive, low-voltage, diesel electric propulsion system for efficiency and lower maintenance. The Neil Armstrong Class ship has state-of-the art oceanographic

equipment allowing deep ocean mapping and information technology for ship monitoring and worldwide land-based communication. The Sally Ride will be operated by the Scripps Institution of Oceanography under a charter party agreement with Office of Naval Research (ONR). A crew of 20 will operate the vessel with accommodations for 24 scientists. *(Source: MarineLink)*

ALBWARDY DAMEN WINS TWO SHIP REPAIR AWARDS IN 4 WEEKS

Best UAE Shipyard 2017 and Best New Building Yard. Albwardy Damen is very proud to have received two shipyards awards in the space of just 4 weeks. On the 19th of April, during the MASTECH conference in Dubai, Albwardy Damen received the prestigious Best UAE Shipyard Award for 2017. Then on the 16th of May it received the accolade of Best New Building Yard at the presentation ceremony for the International Maritime Awards. This was held at the two-day Shiptek 2017 conference in Dubai. The trophies were accepted on each occasion by Albwardy Damen managing director Lars Seistrup. “To receive two awards within such a short space of time is the ultimate in customer satisfaction feedback as well as recognition for the hard work that all our staff are putting in every day,” said Mr Seistrup. “Delivering safety and quality at the right price to our customers is very important to us in these very challenging market conditions. We are very pleased to receive these awards as they show that our suppliers and clients value the quality of the vessels that we build and the services that we provide. I would like to congratulate everyone in our company for their hard work and enthusiasm.” Albwardy Damen is a joint venture between the Damen Shipyards Group and UAE-based Albwardy Investment, bringing Damen quality and technology to the UAE. The group operates from four locations across the UAE and has the facilities to repair and construct all type of vessels. Recently deliveries have included tugs, workboats, support vessels, dredgers, landing craft, floating docks, barges and pontoons to operators in and around the Arabian Gulf. The main yard, located in the Hamriyah Free Zone, Sharjah, was officially opened in January 2014 and continues to meet the highest standards of modern ship construction and repair. Among its many facilities it features a new covered build hall, a 5,200 tonne ship lift and eight dry berths, each 125 metres in length. This year, to further strengthen its position as a high-quality provider of ship repair services, Albwardy Damen is constructing a new office and

workshop facility in Dubai Maritime City. This expansion will enable Albwardy Damen to offer its full portfolio of ship repair activities to customers in Dubai Maritime City and will seamlessly integrate with the existing business units in Al Jadaf, Sharjah and Fujairah. *(Press Release)*

GIBDOCK TAKES INVASIVE ACTION FOR NORMAND REACH

A surge in offshore vessel repair and maintenance work at Gibdock has included a special project for returning customer Solstad, to ensure that **Normand Reach** meets the exacting hull cleanliness standards set by Australia's National Biofouling Management Guidelines for commercial vessels. The 120.85m length Solstad CSV entered the yard for a special wash and brush up on its way to Western Australia, where it has been reported as due to enter charter in the coming weeks to work in the Ichthys gas field development project. Solstad is a regular Gibdock customer, but this is the first time that the 2014-built **Normand Reach** has been in the yard, with an 11-day period spent in Gibdock Drydock No.2 for hull-washing, blasting and antifouling coating, routine drydocking works, and final tasks carried out afloat. "Our decision to use Gibdock on the **Normand Reach** project was based on our previous good experience with the yard," says Conrad Melhus, Solstad Shipping Technical Manager Norway. "The fact that Gibraltar is on the route from the North Sea to Singapore/Australia via Suez Canal was also a factor. A lot of cleaning and paintwork performed on the hull, and the climate in Gibraltar is most favourable in April compared to Norway. Gibdock demonstrated once again that it was a good choice for Solstad Shipping AS." above regular hull-cleaning work and propeller polishing, Australian inspections focus on niche areas where biofouling can accumulate, including the rudder hinge, sea chest, bilge keel and bow thruster, and any associated grates. "The internal surfaces of sea chests, for example need to be painted with antifouling coatings that are suitable for the flow conditions of seawater through the chest," says Gibdock Ship

Manager Filip Tsankov. "These standards demand deep cleaning and close attention to detail." Gibdock has performed hull cleaning work in line with Australian expectations on several occasions, he adds. Gibdock also undertook some special fabrication work as part of the job, with new plating installed to reinforce the vessel's bridge and main deck protection against the threat of piracy. Richard Beards, Managing Director, Gibdock, says the yard acquitted itself once more on offshore work demanding high quality solutions while meeting the owner's schedule. Of eight ships in the yard, three are offshore vessels from returning customers. It is not yet clear whether the upturn in offshore work demonstrates the green-shoots of recovery in the market, or is further evidence of Gibdock's favourable location on the main Europe-Asia trade-lane, he says. "What is certain is that more complex offshore projects have been coming through from the major oil and gas majors in recent months, and our purpose-built 'Pad 1' area for heavier work and fabrication has been playing a significant role in ongoing projects." said Beards. *(Press Release)*

PRESENTATION OF BUILDING BOARD DENOTES OFFICIAL START OF DE DELFT 2020

The presentation of the building board which will be placed at the Westzeedijk in Rotterdam denoted the official start of the project De Delft 2020. A plan according to which Stichting De Delft will build a historic-maritime experience based on the construction of the 18th-century ship of line 'Delft' within a period of four years' time. Bert Aben, chairman of the Wereldhavendagen (World Port Days), and Frans Temmerman, voluntary crane operator at De Delft for over fifteen years, jointly unveiled the building board: an artist impression of the historic-maritime experience. A delegation of the "Tamboers en Pijpers" of the Marine Corps took care of the musical setting and appropriate protocol. Stichting De Delft then presented the plan De Delft 2020: the realization of a Rotterdam-based attraction with a national allure. In four years, the Foundation wants to build a historic-maritime world on the wharf in Delfshaven, which is based on the construction of the replica of the 18th-century warship 'Delft'. An experience of our maritime history and the traditional shipbuilding, for young and old, active and interactive, old crafts combined with innovative techniques. An ambitious plan that revolves around community involvement, love of maritime history and for the city of Rotterdam and that is accomplished for and by the people of Rotterdam with a hands-from-the-sleeves mentality. *(Press Release)*

BOLLINGER RECEIVES THE 2016 SHIPBUILDERS COUNCIL OF AMERICA "AWARD FOR EXCELLENCE IN SAFETY"

Bollinger Shipyards was presented the 2016 "Award for Excellence in Safety" for the 12th consecutive year by the Shipbuilders Council of America (SCA) on May 18, 2017 during SCA's Annual General Membership Meeting in Washington, DC. This award is given to member companies with the lowest total recordable incident rates (TRIR) based on a quarterly injury and illness survey conducted by the Association. On winning the award, Ben Bordelon, Bollinger's President and CEO said, "Bollinger Shipyards has earned the SCA Award for Excellence in Safety for the 12th consecutive year. This recognition of exceptional safety performance by the shipbuilding and repair industry is realized only through the continued efforts of Bollinger employees who have made safety a priority. Bollinger remains committed to attain the highest level of safety and supports future safety innovations in the maritime industry." SCA members constitute the shipyard industrial base that builds, repairs, maintains and modernizes U.S. Navy ships and craft, U.S. Coast Guard vessels of all sizes, as well as vessels for other U.S. government agencies. In addition, SCA members build, repair and service America's fleet of commercial vessels. *(Press Release)*

WEBSITE NEWS

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1. Several updates on the News page posted last week:

- Boluda France invests in the potential of French ports
- New Damen ASD 2411 tug for Saam Smit Towage in Panama
- Dutch Dredging Orders Special-Purpose Vessel Peter
- Saqr Port UAE signs contract for Damen ASD 2913 Tug
- The first Dual Fuel Tug built in Europe to begin sea trials

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