

## Issue 38 | November 2022

## RIGA – A RESOUNDING SUCCESS

It was extremely encouraging to see so many members of ABTO getting together at the Bulk Terminals 2022 conference in Riga to explore new developments and current challenges faced by industry. It gave those present a chance to air some of the issues that the industry is addressing – not least on the effect of political developments, how restrictions on trade are progressing and how energy costs are affecting business.

There is plenty of work going into improving energy efficiency and lessening emission footprints, but also shipment and logistic challenges. In a number of cases, the concept of just-in-time deliveries has taken a back seat and companies have had to adapt to different routes, new suppliers and a whole new set of challenges.

Updated strategies have to take into account new supply chains and what will happen to freight rates over the coming year as operators adapt to demand for product from new suppliers and demand for ships changes. The industry also faces a surge of new regulation implementation and market players must decide how they adapt to this state of affairs. They also need to address the issue of a move towards new energy supplies and how they will adapt to the zero-carbon challenge. Meanwhile, the demands of the Chinese market and other developing countries will take centre stage as suppliers seek to establish whether the uptake of commodities and bulk products will change dramatically.

Bulk cargoes such as iron ore have dominated in certain ship segments and it remains to be seen how these will be affected if demand for iron ore declines rapidly in markets such as China. It will be interesting to see how the aluminium market might develop if creating products in the metal grows rapidly as shipowners see to reduce weight – not to mention demand for specialised alloys to meet the low-carbon future.

For more details on the conference, see the latest edition of Bulk Terminals International.

#### SEAFARER SUPPORT

The UK P&I Club is funding Sailors' Society's Crisis Response Network. The Club's contribution will fund the costs of two trained crisis responders. They will provide vital counselling and ongoing care to seafarers, their families and companies following a traumatic incident such as abandonment, accident, ambush or natural disaster.

Maritime charity Sailors' Society's Crisis Response Network is a free service, operated by 37 trained crisis responders around the world.

Patrick Ryan, sustainability director at the Club says: "The UK P&I Club is delighted to be working with Sailors' Society and contributing towards this important service.

"Although a great deal of effort is put in to avoid accidents and other traumatising events, and to look after seafarers' mental health more generally, it is vital to ensure that proper support is in place for seafarers if and when they do need it. Sailors' Society's Crisis Response Network provides seafarers with the very support they might need, 24/7 all year round."

The service, which receives additional support from The TK Foundation and The Seafarers' Charity, has been running for seven years and also assists with raising awareness of mental health, stress and trauma, as well as providing suicide prevention training and coping techniques.

In 2021, the Crisis Response Network dealt with more than 100 cases assisting almost 1,000 seafarers, with piracy the dominant issue. The majority of cases so far in 2022 have been due to abandonment, bereavement, accident and ill health.

A recent case concerned a second officer whose mental health had deteriorated and was suffering suicidal thoughts as a result. The ship was not due to dock for at least a week and the crew were deeply concerned for their colleague. The Crisis Response Network was contacted and counselled the officer and his crewmates until they arrived in port and could receive further help from the local health authorities.

The Crisis Response Network can be contacted via a 24/7 helpline on +1-938-222-818, instant chat via http://sailors-society.org/helpline or by email at crisis@sailors-society.org

For further information about ABTO Email: info@bulkterminals.org Phone: +44 (0) 7546 978020

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#### **OCEAN PROJECT SETS SAIL**

#### Awarded funding by Horizon Europe, the Ocean project has now launched and is due to run until 2025.

The project is focused on enhancing operator awareness in navigation, to reduce the frequency of severe accidents such as collision and grounding, to mitigate ship-strike risks to marine mammals and to mitigate the risk presented by floating obstacles to ships.

The project will contribute to an improved understanding of accident root causes and will strive to reduce the resulting human, environmental and economic losses through socio-technical innovations supporting ship navigators.

The Ocean consortium, co-ordinated by Western Norway University of Applied Sciences, includes 13 partner organisations across seven different European countries from the industry, academia, NGOs and end users.

Around 3,000 maritime incidents occur every year in the European maritime fleet. Some 28% of these accidents are categorised as severe or very severe accidents, resulting in the loss of life onboard, pollution, fire, collisions or grounding. Navigational accidents are dominant in these statistics, according to the European Maritime Safety Agency, be it for cargo, passenger or service ships.

The Ocean project ambition is to contribute to the mitigation of navigational accidents by supporting the navigators to do an even better job than they do presently. The Ocean consortium will address the most pertinent factors that may contribute to events becoming accidents: training, technical, human or organisational factors, operational constraints, processes and procedures, commercial pressures, and will recommend improvements and amendments to regulations, standards and bridge equipment design approaches.

Ocean seeks to enhance navigational awareness "on the spot" and to improve the performance of evasive manoeuvring to avoid collision with near-field threats. The project will deliver and demonstrate several human centred innovations. For example, the 4D Situation Awareness Display, which will be developed in the project, will improve the visualisation of navigational hazards, integrating current bridge information systems with marine mammal and lost floating containers detection and tracking capacity specifically developed by the project.

Going further, the project will design and implement a European navigational hazard data infrastructure to feed multi-source observations and hazard predictions relating to floating containers and large aggregations of marine mammals into the existing distributed maritime warning infrastructure. Ocean seeks to transfer this data ecosystem to relevant European organisations for deployment and maintenance.

# MARPOL AMENDMENTS GO INTO ACTION

Amendments to the International Convention for the Prevention of Pollution from Ships (MARPOL) Annex VI entered into force on 1 November 2022. Developed under the framework of the Initial International Maritime Organization (IMO) Strategy on Reduction of GHG Emissions from Ships agreed in 2018, these technical and operational amendments require ships to improve their energy efficiency in the short term and thereby reduce their greenhouse gas emissions.

From 1 January 2023, it will be mandatory for all ships to calculate their attained Energy Efficiency Existing Ship Index (EEXI) to measure their energy efficiency and to initiate the collection of data for the reporting of their annual operational carbon intensity indicator (CII) and CII rating.

IMO secretary-general Kitack Lim says: "The short-term greenhouse gas (GHG) reduction measures, adopted in 2021, form a comprehensive set of amendments to MARPOL Annex VI, which provide important building

blocks for IMO's future mid-term greenhouse gas reduction measures."

"Decarbonising international shipping is a priority issue for IMO and we are all committed to acting together in revising our initial strategy and enhancing our ambition," Lim says. "These latest amendments build on energy-efficiency measures which were first adopted in 2011 and strengthened since - the CII and EEXI measures represent the next stage in our work to meet the targets set in the Initial IMO GHG Strategy."

"IMO Member States are currently actively engaged in the process of revising the Initial IMO Strategy on Reduction of GHG Emissions from Ships with a view to adoption of a revised Strategy in mid-2023. Member States are also engaged in developing a basket of candidate mid-term measures, including technical and economic elements, that will set global shipping on an ambitious path to phasing out GHG emissions towards the middle of this century. We are, in tandem, working to support Member States in their implementation of measures and to ensure that no one is left behind in this transition towards a decarbonized future for shipping."

# NORTHSTANDARD – THE NEW NAME FOR NORTH AND STANDARD CLUB

#### Introducing NorthStandard

On 20th February 2023, The North of England Protecting and Indemnity Association Limited (North) and The Standard Club will merge to form NorthStandard, a new single legal group with oversight of the marine insurance activities of both organisations.

The merger will make it possible for all the companies within the NorthStandard group to provide even more benefits for members through increased scale, enhanced financial security, and service expansion.

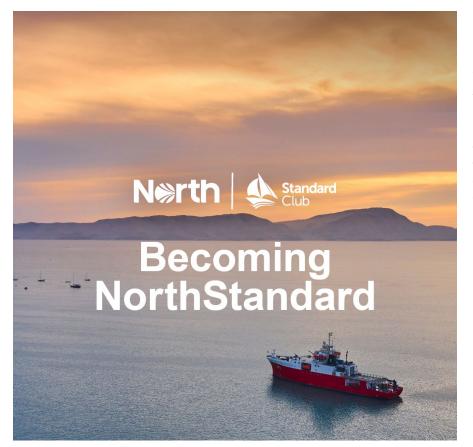
#### What's changing

As part of creating this new entity, North will become the group's parent company and change its registered corporate name to NorthStandard Limited. There will be no change to the underlying insurance business. Apart from North, all other businesses within the NorthStandard group will continue to use their existing names and provide their current services. In short: in England, The North of England Protecting and Indemnity Association Limited will be renamed NorthStandard Limited but the company registered as North of England P&I in Ireland will not change its name; meanwhile The Standard Club UK Ltd, The Standard Club Asia Ltd and The Standard Club Ireland will not change their names.

#### Uninterrupted cover

The merger of North and The Standard Club will have no impact on any cover already in place.

All existing insurances, certificates, blue cards, guarantees, undertakings, powers of attorney and other insurance or legal documentation bound or issued by insurance



underwriting entities in either North or The Standard Club prior to 20th February 2023 will continue uninterrupted in accordance with their terms.

For the avoidance of doubt, the change of name of The North of England Protecting and Indemnity Association Limited will not affect the validity or enforceability of documents issued under that name.

#### **Continuity of contact**

From 20th February next year onwards, NorthStandard will continue to provide timely guidance, continuous support and efficient claims handling.

Over the coming months we will keep our members and other market stakeholders updated the progress around the on merger. In the meantime, where documentation includes contact information for North, The Standard Club, or correspondents or agents authorized by either organization, relevant parties should continue to contact them in the usual ways. Any documentation issued after the merger date will include a relevant NorthStandard contact.

The merger of North P&I Club and The Standard Club is expected to yield significant benefits for members through scale, enhanced financial security, strategic investment and service expansion. For more information on NorthStandard, please visit www.nepia.com/topics/ north-and-the-standard-club/

For more information on our contacts: please visit: www.nepia. com/about-us/our-people/

For inquiries relating to planned changes to the wording in certification, please get in touch with your usual contact, or email namechange@nepia.com.

# **COST-OF-LIVING CRISIS FUELS STRIKE ACTION**

The cost-of-living crisis has prompted more labour disputes across developed markets as dock workers seek to make up for price inflation, heaping more disruption on congested ports.

Strike action at major German and UK ports has caused major disruption to carrier schedules and has adversely impacted port performance with average call durations rising after the strike action.

A series of dockworker strikes impacted the main German seaports in June and July, while the UK's largest container port, Felixstowe, was hit by two eight-day walkouts in late August and September.

In response to these planned strike actions, carriers took steps to divert vessels away from the impacted terminals. Drewry's analysis, published in its Ports and Terminals Insight, shows a significant increase in pre-berth waiting time, especially in Hamburg, where larger mainline vessels incurred an average four-day wait to enter the port in July and August. While agreement with the unions has now been reached in Germany, labour availability continues to be a challenge. Yard occupancy remains high and this is impacting productivity, resulting in extended call durations

In the UK, cargo handling operations at Felixstowe also remains disrupted, due to the backlog created by the walkouts. Disruption is expected to continue through the fourth quarter of the year.

Drewry's view is that rising inflation increases the likelihood of strike action in other markets as dock labour push for higher wages to address the increasing cost of living. Disruption on the US West Coast remains a risk, for instance, while labour contract negotiations remain ongoing between the International Longshore and Warehouse Union (ILWU) and employer body the Pacific Maritime Association (PMA).

Whether terminal operators will be able to pass higher wage costs back to customers at the end of the year remains to be seen.

#### **REEFER CLAIMS SPIKE**

A new report from The Swedish Club, *Container Claims – Refrigerated Containers*, has identified a peak in refrigerated (reefer) container claims during the pandemic years as a result of disruptions in the supply chain, with a high number of reefer containers being delayed either in port or during transportation to and from port via road or rail.

Between 2021 and 2022, the Club saw an increase in reefer container claims of 270%, with 4.1% of all container vessels having a reefer claim in 2020, compared with 11.4% in 2021. Reefer containers are the main cause of all container claims, with 30% of the Club's total container claims being due to refrigerated cargo damage over the last five years.

Joakim Enström, senior loss prevention officer at The Swedish Club and author of the report says: "Reefer containers are very sensitive to fluctuations in temperature. During the pandemic, we saw disruptions during the many regional lockdowns – the majority of the claims were from China, but the situation was widespread.

"This emphasises the importance of monitoring cargoes properly and keeping correct records. If goods have already been damaged down the supply chain, then the onus is on the crew to demonstrate they have taken proper care of the container, from the moment it is on board until it leaves the vessel," he says.

The report highlights the important role of the crew in ensuring that these fragile cargoes are delivered safely, and how the actions of those on board can make a significant difference to the claims experienced by an operator.

Lars Malm, director strategic business development, explains: "A single reefer container may carry a cargo value of several hundred thousand US dollars or more. Pharmaceuticals are the most expensive cargoes, but as food prices continue to rise then the cost of spoiled meats, fish and speciality fruits and vegetables cannot be underestimated."

Over the past five years, temperature variation (18%), poor monitoring of the reefer unit (7%) and reefer mechanical failure (5%) have in total contributed to 30% of total container claims. This compares with wet damage at 27% and physical damage at 19%.

A copy of the publication can be downloaded free of charge from The Swedish Club website. click here.

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# **BV APPROVES NEW LNG CONCEPT**

Classification society Bureau Veritas has delivered an Approval in Principle to GTT for a new liquefied natural gas (LNG) carrier based on a three cargo tanks arrangement.

The new LNG carrier design features a total cargo capacity of 174,000 m3. In comparison to conventional LNG carriers, this new concept is based on a three cargo tanks arrangement instead of four.

The main ideas that have led to this innovative design are the reduction of boil-off gas and the cost optimisations for the ship (both CAPEX and OPEX). The concept is designed to fit either with Mark III or NO96 technologies, developed by GTT. In fact, the effect of an increase in tank length has been specifically investigated by GTT in order to address the specific challenges of this new concept (tank length increased by up to 55%).

To support and better understand the sloshing pressures caused by the liquid motion inside the tank, BV has developed specific tools that can now be leveraged for other large tanks.

#### SUCCESSFUL PILOT FOR BIOFUEL PARTNERSHIP

GoodFuels has announced the results of a new partnership with global certification organisation Control Union and France's IDS Group to test the effectiveness of a unique isotopic tracer for biofuels.

A successful pilot, conducted during a recent delivery of 500 tonnes of biofuel to the Norden-owned tanker Nord Gardenia, has proved the effectiveness of the tracer technology in real-life applications.

The partnership, which commenced in early 2022, has seen the companies collaborate to create the new tracer, which can be added to marine fuels as a unique 'fingerprint' and verification tool.

The isotopic tracer stays within the fuel throughout the entire downstream of fuel delivery. It then can be tracked and traced by inspectors to verify that a fuel product has not been diluted or tampered at any stage in the supply chain. The trial has demonstrated that the tracer does not adversely impact the physical properties, quality and stability of the biofuel, and that tracing and testing activities could be performed without any impact on bunker operations.

The pilot also showed that the isotopic tracer can successfully measure for fuel dilution, when biofuels are used in a blend, for example.

The tracer can be applied at any stage in the supply chain and is based on natural elements so as not to compromise the sustainability of the biofuel product. It has been specifically designed to trace fuels at different granularity levels, making it suitable to be used within fuel products whether they are 100% biofuel or part of a blend with conventional marine fuels.

It can also be used to support carbon calculations and provide evidence for carbon pricing and tax reductions, giving shipowners and operators assurance on the amount and quality of biofuel they are deploying in their pursuit of sustainable shipping.

# SMART STEPS FOR TANKERS

ASX Marine has introduced a Smart Calculator for the dry bulk community and is now providing tankers with a similar tool, especially designed for their own business needs.

The Tanker Smart Calculator implements a similar technology to its Dry forerunner, but comes with features specific to shipping professionals dealing with wet cargoes.

The speed with which it serves the users is one of its main advantages. The Tanker Smart Calculator can run quick voyage calculations for many vessels at the same time and return the results in a single grid.

It takes all key data for a voyage - cargo grade and quantity; load, discharge, bunkering and repositioning

locations and waiting times; port DAs; bunker costs on multiple fuel types, voyage ballast and laden speeds; and can calculate based on multiple rate types.

The Tanker Smart Calculator then returns the results for all vessels in the query suitable for the parameters set by its user. Apart from a TC Return, it provides results for CO2 emissions for each vessel for the specific voyage, as well as Energy Efficiency Operating Indicator and Annual Efficiency Ratio values. The scrubber-fitted status of the vessels and Emission Control Areas along the routes are also taken into consideration.

For further details, click here.

# PORT AND TERMINAL OPERATIONS FOR BULK CARGOES – Short Course

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For anyone concerned about or responsible for the safe handling and storage of bulk materials in ports and on the sea

Course Leader: Mike Bradley, Professor of Bulk and Particulate Technologies and Director of The Wolfson Centre, University of Greenwich



SHORT COURSE - Q

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DESIGNED TO HELP DELEGATES IDENTIFY AND RESOLVE COMMON PROBLEMS WHEN HANDLING VARIOUS BIOMASS MATERIALS

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For further course details, please contact Simon Gutteridge events@bulkterminals.org - +33 (0)321 47 72 19 - www.bulkterminals.org/events/courses-and-training

## RELIABLE TRANSPORT IN U-SHAPE

The U-shape conveyor allows the implementation of narrower curve radii than a troughed belt conveyor and higher mass flows than a pipe conveyor. At the same time and contrary to the troughed belt conveyor, it material protects the conveyed from environmental stress and the environment from material loss and emissions. Thus this u-shaped conveying solution has proven to be an ideal alternative in the cement and mining industry as well as in port terminals if high capacity is required with little space available.

The closed pipe conveyors are suitable to protect fine material such as ash and ore concentrates or even household waste from external influences. The higher the requested conveying capacity has to be, the larger the whole system has to be dimensioned. The diameter directly affects the width of the conveyor and the minimum curve radius. What happens if the required space is missing? "We offer our U-shape conveyors in different versions. This depends on the respective application," says Karl Filarowski, Sales Director, BEUMER Group Austria.. The P-U-shape conveyor offers the functionalities of a pipe conveyor, but is also able to transport coarse materials. In this version the upper strand is formed to an U, while the return strand keeps its tubular shape. "This saves space and prevents loss of material," explains Filarowski. This solution permits the owner to benefit from a significantly higher transport capacity with the same belt width compared to the pipe conveyor. Filarowski mentions an example: The pipe conveyor is a volumetric system. If we consider the starting basis of a tube diameter of 150 and a belt width of 600 mm, the conveying capacity amounts to 100 cubic metres per hour. The P-U-shape conveyor achieves a capacity of 170 cubic metres with the same size. "Thus we can offer the customer an approx. 70% higher conveying capacity".

#### U-shape conveyor instead of troughed belt conveyor

The T-U-shape conveyor, on the contrary, is suitable in case the owner relies on the advantages of a troughed belt conveyor, but has to consider the specific topographic conditions. This happens if for example narrower curve radii are required or if there are line sections, which require a thinner construction. This way it is for example possible to install a troughed belt conveyor for the routing outside the tunnel, and in the tunnel itself the design of the conveyor changes to a T-U-shape conveyor. "Compared to a troughed belt conveyor with a capacity of 500 tons per hour and a belt width of 650 mm, it is possible to achieve the same capacity with a T-U-shape conveyor saving 150 mm of space," describes Filarowski. "The bigger the troughed belt conveyor, the bigger the related space saving".

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