



# Broader Horizons



A Monthly Maritime Bulletin and Perspectives of the Maritime Security Programme at the S. Rajaratnam School of International Studies

## 39<sup>th</sup> victim dies in Hong Kong maritime tragedy – p.5



## EU sanctions strangle Iranian LPG exports to Asia – p.8



### Naval Development & Policy:

Tension Rises Over China's Disputed Sea Claims  
– p. 1

### Maritime Safety & Security:

Naval forces warn Indian Ocean still dangerous – p.5

### Shipping, Ports, & the Maritime Economy:

Global shipbuilding market lead by Asian countries – p. 8

## Table of Contents

<b>NAVAL DEVELOPMENT &amp; POLICY.....</b>	<b>1</b>
<b>China begins aircraft carrier flight training .....</b>	<b>1</b>
Chinese warships spotted off Japanese island: Tokyo .....	1
Carrier Strike Groups Operate in Andaman Sea .....	1
China offers Asean \$474-M fund .....	1
Philippines and U.S. Start Joint Exercises .....	2
Phl spends \$15 M on 2nd US Hamilton-class cutter.....	2
Philippines to get five French patrol boats.....	2
The Race to beef up Japan's Coast Guard .....	2
Philippines, Australia to hold joint maritime training exercise .....	2
South Korean MPs trigger Japan protest with island visit .....	2
East China Sea tension: China conducts naval exercises .....	3
Senkakus not flagged as 'core interest' in China's talks with U.S. ....	3
Japan, US to cancel island drill.....	3
U.S., Cambodian naval forces to jointly conduct exercise next week .....	3
Myanmar set to join US military exercise.....	3
US, Indian Navies to Conduct Submarine Exercise.....	4
India to focus resources on Naval Operations.....	4
Still-vigorous Asian budgets focus on Naval, Air Forces .....	4
Indian Aircraft Carrier handover delayed .....	4
China dismisses reports about Second Aircraft Carrier.....	4
<b>MARITIME SAFETY &amp; SECURITY .....</b>	<b>5</b>
<b>39<sup>th</sup> victim dies in Hong Kong maritime tragedy .....</b>	<b>5</b>
Geopolitics, resources put maritime disputes back on map .....	5
India expresses grave concern over menace of piracy.....	5
Chinese surveillance ships enter Japanese territorial waters again.....	5
Pirates release video of hostages .....	6
Halong Bay safety scrutinized after tragedy.....	6
Families of South Korean sailors held by pirates ask Seoul for help .....	6
Fisherman's death a new thorn in Korea-China ties .....	6
Chinese warships cross waters near Japanese territorial islands.....	6
Pirate-hunting benefits S'pore navy .....	6
George Washington cruises disputed Asian seas .....	7
4 pirates held off Sarawak .....	7
World sea piracy hits lowest level; Asia attacks slightly up.....	7
14 Sri Lankan asylum seekers sent home .....	7
Shanghai to open maritime investigation lab.....	7
<b>SHIPPING, PORTS, &amp; THE MARITIME ECONOMY.....</b>	<b>8</b>
<b>EU sanctions strangle Iranian LPG exports to Asia .....</b>	<b>8</b>
Surplus capacity still bane of dry bulk shipping.....	8
Indonesian shipper hopes for \$2 billion debt restructure by year-end .....	8
Mitsui OSK Posts First-Half Loss.....	8
Vanguard Logistics expands in south east Asia .....	9
ABB Wins Contract for Icebreaker .....	9
Shipping companies hike freight rates on Asia-Europe route .....	9
Iran Oil Sanctions Boosting Returns for Nordic American: Freight .....	9
Maersk ceases Iran operations to 'protect reputation' .....	9
Port eyes big jump in cargo volume .....	9

Singapore's ASL Marine Holdings Reports Increased 2012 Revenue .....	10
Shanghai port cluster's shipping lines now extend services to 180 nations .....	10
Vietnam's trade hub ambitions run into rough weather .....	10
Maritime leaders gather in Singapore for latest industry trends and best practices .....	10
PSA goes for \$ 2.8 b expansion as S'pore bets on more trade .....	10
NOL back on track.....	11
No future for nuclear-powered container ship .....	11
Time ripe for Chinese shipping investment: expert .....	11
Singapore reopens Port Operations Center .....	11

# **Notes**

Please click on the links for the full report. All links and news reports are correct at the time of publication. Through this bulletin, you will be linked to external websites. We have no control over the nature, content, and availability of those sites. The inclusion of any links does not necessarily imply a recommendation or endorsement of the views expressed within them.

Should you encounter any problem in retrieving the articles, please feel free to contact us. As some of the articles are available to subscribers only, we will send you the full article upon request.

# **Contact Us**

For comments / suggestions /requests, kindly write to us at

[RSISMSP@ntu.edu.sg](mailto:RSISMSP@ntu.edu.sg)

## **Maritime Security Programme, RSIS**

### **Editorial Team**

**Jane Chan**

**Ristian Atriandi Supriyanto**

**Lim Chee Kia**

**Joash Loh**

# Naval Development & Policy

CHINA | 15 OCTOBER | THE ASSOCIATED PRESS

## China begins aircraft carrier flight training

BEIJING (AP) — China has begun flight training on its first aircraft carrier, with photographs posted on websites Monday showing navy pilots practicing touch-and-go landing exercises. Military enthusiast websites posted pictures of a J-15 fighter-bomber executing the manoeuvre, in which the plane makes brief contact with the flight deck before flying on. It wasn't clear when the pictures were taken, and they did not appear on the Defense Ministry's website or in official media.

[Full Report](#)

CHINA-JAPAN | 16 OCTOBER | CHANNELNEWSASIA

## Chinese warships spotted off Japanese island: Tokyo

TOKYO: Chinese warships, including two destroyers, were spotted in waters near a Japanese island on Tuesday, the defence ministry in Tokyo said, further stoking tensions with Beijing over a disputed archipelago." A Japanese aircraft spotted seven Chinese naval ships in waters 49 kilometres (30 miles) south-southeast of Yonaguni island at 7:00 am (2200 GMT)," a ministry official said. Yonaguni is an inhabited territory internationally acknowledged as Japanese.

[Full Report](#)

U.S. | 12 OCTOBER | MILITARY.COM

## Carrier Strike Groups Operate in Andaman Sea

ANDAMAN SEA -- The USS George Washington and USS John C. Stennis Carrier Strike Groups (CSGs) steamed together in the Andaman Sea Oct. 12, conducting integrated flight operations while also practicing surface and anti-submarine drills. Located in the northeast edge of the Indian Ocean, the Andaman Sea narrows to form the Strait of Malacca, one of the most important shipping lanes in the world. Both CSGs have been conducting forward presence operations and

port visits in the vital Asia-Pacific region for the past three weeks, but having two aircraft carriers operating together in the Andaman Sea is an unusual opportunity.

[Full Report](#)

CHINA-ASEAN | 6 OCTOBER | THE PHILIPPINE STAR

## China offers ASEAN \$474-M fund

MANILA, Philippines - Officials disclosed that China has offered a three-billion-yuan (\$474 million) maritime cooperation fund with the 10-member Association of Southeast Asian Nations (ASEAN), some of whose members have territorial disputes with Beijing. Vietnamese Deputy Foreign Minister Pham Quang Vinh said China announced the fund yesterday at the inaugural maritime forum of ASEAN and eight of its partners, including Japan, China, South Korea and the United States.

[Full Report](#)

**Philippines and U.S. Start Joint Exercises**

SUBIC BAY, the Philippines — Marines from the Philippines and the United States began 10 days of joint exercises focused on disaster relief, humanitarian assistance and maritime security. The exercises, now in their 29th year, come at a time of increased tensions in the South China Sea with the Philippines and China involved in a territorial dispute over islands lying near rich energy deposits. About 2,600 American Marines and 1,200 of their Philippine counterparts will be training around the northern island of Luzon.

[Full Report](#)

PHILIPPINES | 8 OCTOBER | THE PHILIPPINES STAR

**Phl spends \$15 M on 2nd US Hamilton-class cutter**

SUBIC BAY FREEPORT, Philippines ([Xinhua](#)) - The military said today that it is spending more than P600 million (\$15 million) for the acquisition of a Hamilton-class cutter from the United States. Philippine Navy Chief Vice Admiral Alexander Pama said the second US ship costs \$5 million more than the first Hamilton-class cutter which the government bought under the US Excess Defense Articles Program.

[Full Report](#)

PHILIPPINES | 30 OCTOBER | CHANNELNEWSASIA

**Philippines to get five French patrol boats**

MANILA: The Philippines will buy five patrol boats from France for about 90 million euros (\$116 million), partly to guard disputed areas in the South China Sea, the coastguard said Tuesday. Rear Admiral Luis Tuason, the chief of the poorly-equipped coastguard, said one 82-metre (271-foot) ship and four 24-metre (79-foot) patrol craft would be delivered by 2014. Tuason cited the need for such ships to patrol the rough waters of the South China Sea, which Manila calls the West Philippine Sea.

[Full Report](#)

**The Race to beef up Japan's Coast Guard**

Japan's territorial spat with China has produced a windfall for the Japanese Coast Guard. The cabinet of Prime Minister Yoshihiko Noda on Friday approved an accelerated plan to outfit the Coast Guard with ¥17 billion worth of new boats, helicopters and equipment. Those purchases were originally supposed to be included in a budget request for the next fiscal year, starting in March 2013.

[Full Report](#)

AUSTRALIA-PHILIPPINES | 21 OCTOBER | THE  
PHILIPPINE STAR

**Philippines, Australia to hold joint maritime training exercise**

MANILA, Philippines (Xinhua) - Navy forces of the Philippines and Australia will formally start Maritime Training Activity (MTA) dubbed as "LUMBAS 2012" in Manila Bay on Monday, the Philippine military announced today. This extensive and comprehensive training exercise will open aboard an Australian frigate "HMAS SYDNEY" docked at the South Harbor of Manila and proceed in nearby sea areas, the Philippine Naval Public Affairs Office said in a press release.

[Full Report](#)

JAPAN - S. KOREA | 23 OCTOBER | CHANNELNEWSASIA

**South Korean MPs trigger Japan protest with island visit**

SEOUL: A group of South Korean lawmakers on Tuesday visited an isolated set of islands at the centre of a territorial dispute with Japan -- prompting an immediate protest from Tokyo. Seventeen members of the parliamentary National Defence Committee flew to the Dokdo islands (known as Takeshima in Japan) on military helicopters for a day-long visit, an aide to committee member Han Ki-Ho said.

[Full Report](#)

### **East China Sea tension: China conducts naval exercises**

China is conducting naval exercises in the East China Sea, state media report, amid heightened tensions with Japan over islands both claim. The exercises are aimed at "sharpening response to emergencies in missions to safeguard territorial sovereignty", state-run Xinhua news agency said. They involve 11 ships and eight aircraft, including vessels from marine surveillance and fisheries agencies.

[Full Report](#)

CHINA-U.S. | 22 OCTOBER | THE JAPAN TIMES

### **Senkakus not flagged as 'core interest' in China's talks with U.S.**

WASHINGTON — Chinese leaders avoided referring to the Japanese-controlled Senkaku Islands as a core national interest during talks with U.S. Secretary of State Hillary Clinton in September in an apparent attempt to avoid a diplomatic clash with Washington, U.S. State Department sources said Sunday. In discussing territorial issues with Clinton in China, Premier Wen Jiabao did not make remarks suggesting the disputed islands, which China calls the Diaoyu, are part of its "core national interests," a term Beijing uses to refer to key territories it is determined to hold onto or ultimately take control of, the sources said.

[Full Report](#)

JAPAN – U.S. | 20 OCTOBER | CHANNELNEWSASIA

### **Japan, US to cancel island drill**

TOKYO: Japan and the US are dropping plans for a joint drill to simulate the retaking of a remote island from foreign forces amid a row between Tokyo and Beijing over a disputed archipelago, a report said. The governments are set to cancel the drill as it could provoke further anger from China after a row escalated when Japan last month nationalised some of the disputed islands, also claimed by Beijing, Jiji Press reported late Friday.

CAMBODIA – U.S. | 20 OCTOBER | XINHUA

### **U.S., Cambodian naval forces to jointly conduct exercise next week**

PHNOM PENH, Oct. 20 (Xinhua) -- Members of the United States Navy aboard the USS Vandegrift will join the Royal Cambodian Navy to conduct an exercise from Oct. 22-26 in Cambodia's Sihanoukville in order to boost naval cooperation, according to a press release from the U.S. Embassy to Cambodia on Saturday. The third Cooperation Afloat Readiness and Training (CARAT) Cambodia exercise will focus on enhancing maritime security skills through activities such as maritime interdiction, diving and salvage operations, maneuvering, and disaster response, the press release said.

MYANMAR – U.S. | 19 OCTOBER | CHANNELNEWSASIA

### **Myanmar set to join US military exercise**

BANGKOK: The United States plans to invite Myanmar to a major regional military exercise next year, host country Thailand said on Friday, reflecting a dramatic easing of tensions between the former foes. The move would see Myanmar's military join the annual Cobra Gold drills as an observer. "Myanmar is on the list of observers but it's not finalised yet," Thai Defence Ministry spokesman Colonel Thanathip Sawangsang said, adding that the participants would discuss the idea at a meeting later this month.

INDIA – U.S. | 19 OCTOBER | MILITARY.COM

### **US, Indian Navies to conduct Submarine Exercise**

SAN DIEGO -- The U.S. and Indian navies will conduct exercise INDIAEX 2012, a bilateral exercise designed to demonstrate cooperation between the U.S. submarine rescue system and Indian submarines. The exercise is

scheduled from Oct. 19 to Nov. 13, and will take place off the coast of Mumbai, India. Four Indian navy submarines are scheduled to participate with the U.S. Navy's Undersea Rescue Command (URC) to practice rescue scenarios which demonstrate URC's Submarine Rescue Diving and Recompression System (SRDRS).

[Full Report](#)

INDIA | 24 OCTOBER | DEFENSE NEWS

[Full Report](#)

### **India to focus resources on naval operations**

NEW DELHI — India will increase spending on naval forces in the next 10 years but is unlikely to raise total defense spending above the current level of a little under 2 percent of gross domestic product (GDP), despite encouragement to do so from some experts, said an official of India's Planning Commission. A Defence Ministry official said buys of weapons and equipment, worth \$100 billion, will be made in the next seven to 10 years from both domestic and overseas sources.

[Full Report](#)

ASIA | 24 OCTOBER | DEFENSE NEWS

[Full Report](#)

### **Still-vigorous Asian budgets focus on Naval, Air Forces**

TAIPEI — As European and U.S. defense budgets face aggressive cuts while their governments tackle massive debt, Asian countries are continuing to spend significant amounts on defense without signs of slowing. The top five defense spenders in Asia — China, India, Japan, South Korea and Taiwan — captured 87 percent of Asian defense spending in 2011, according to a study released by the Defense-Industrial Initiatives Group under the Washington-based Center for Strategic and International Studies (CSIS).

[Full Report](#)

INDIA | 3 OCTOBER | DEFENCE TALK

### **Indian Aircraft Carrier handover delayed**

The refurbishment of an Indian Navy aircraft carrier has hit further snags, with handover delayed to fall

2013, Russia's United Shipbuilding Corporation said on Tuesday. The previous official handover date for the carrier Vikramaditya had been December 4, 2012, but sea trials in September revealed the ship's boilers were not fully functional. This delay is the latest in a saga of hold-ups, cost overruns and mismanagement in a procurement program disaster for Russia's shipbuilders, with the original completion date of 2008 now a distant memory.

CHINA | 1 OCTOBER | DEFENSE TALK

### **China dismisses reports about second Aircraft Carrier**

Defense Ministry spokesman Yang Yujun on Thursday dismissed foreign media reports that said China is building a second aircraft carrier in Shanghai and that it will be launched late this year. "Such reports are inaccurate," Yang said at a regular news briefing. Yang said China will plan the development of aircraft carriers in an all-round way, taking its national economic and social development and the needs of national defense and military construction into account.

[Full Report](#)

# Maritime Safety and Security



HONG KONG | 5 OCT | ASSOCIATED PRESS

## 39<sup>th</sup> victim dies in Hong Kong maritime tragedy

The death toll from Hong Kong's biggest maritime tragedy in decades has risen to 39 and rescue workers have called off the search for any more missing, authorities said. Hong Kong's government said late Friday that another person had died following a collision between a commuter ferry and a smaller boat carrying people to see a holiday fireworks display Monday evening.

[Full Report](#)

ASIA PACIFIC | 1 OCT | REUTERS

## Geopolitics, resources put maritime disputes back on map

Small and occupied largely by seabirds, goats and a unique indigenous species of mole, the islands named Senaku by Japan and Diaoyu by China have long been largely ignored. But as rising powers face off against each other in a battle not just for influence but also vital resources, such disputed islets, reefs, and areas of seabed are swiftly growing in importance; and not just in Asia.

[Full Report](#)

INDIA | 2 OCT | ISLAMIC REPUBLIC NEWS AGENCY

## India expresses grave concern over menace of piracy

In the backdrop of the growing problem of piracy in international waters, Foreign Minister S M Krishna said India is gravely concerned by the menace of piracy and armed robbery at sea. He noted that apart from major economic and commercial consequences, the "scourge" of piracy has serious humanitarian implications for the large number of seafarers held

hostage by the pirates. "The need of the hour is once again concerted international action, under the UN auspices, with special attention being paid to address the welfare of seafarers and their families," he said addressing the 67th session of the UN General Assembly at UN, pti reported.

[Full Report](#)

JAPAN | 4 OCT | THE ASAHI SHIMBUN

## Chinese surveillance ships enter Japanese territorial waters again

For the second day in a row, Chinese marine surveillance ships entered Japanese territorial waters around the Senkaku Islands on Oct. 3, a strategy apparently designed to keep the dispute over sovereignty in the international spotlight. The uninhabited islands, called Diaoyu Islands in China, are effectively controlled by Japan but also claimed by China. It was the fifth such incident since the Japanese government on Sept. 11 purchased three of the five islands from a private landowner, making them state property.

[Full Report](#)

INDIA | 7 OCT | THE TIMES OF INDIA

### Pirates release video of hostages

Somali pirates have released a video showing seven Indian sailors, including one from Tamil Nadu, under captivity, appealing to the India government to take immediate steps for their release as their lives are in danger. The 1.26-minute footage uploaded on YouTube titled 'Breaking news Somali pirates the 7 India hostages are in bad condition and help India government 2' has got family members of the sailors worried, but the government is yet to respond.

[Full Report](#)

VIETNAM | 7 OCT | ASIAONE NEWS

### Halong Bay safety scrutinized after tragedy

Maritime tragedies in Vietnam have triggered the scrutiny of authorities both abroad and at home. Last Wednesday, a fatal collision between the boats Paradise QN 6688 and Dong Phong 2 tourist boat QN 1402 resulted in the death of five Taiwan nationals in Ha Long Bay, Vietnam. On May 8, 2011, the QN 2070 tour boat with 28 French nationals, one Vietnamese tour guide and 12 sailors aboard sank in Ha Long Bay. On Feb. 17, 2011, 12 tourists from 9 nations died after a tourist boat sank as they slept in the same picturesque bay.

[Full Report](#)

KOREA | 8 OCT | THE NEW YORK TIMES

### Families of South Korean sailors held by pirates ask Seoul for help

The families of four South Korean sailors held hostage by Somali pirates for more than 17 months appealed to the government on Monday to intervene for their release. The MT Gemini, a tanker owned by Glory Ship Management, based in Singapore, was carrying palm oil from Malaysia to Kenya when it was seized by Somali pirates on April 30, 2011. Seven months later, the pirates released the ship and 21 crewmen from China, Indonesia and Myanmar after a ransom was paid by the Singaporean company. But the pirates have

kept the four South Korean seamen as bargaining chips, threatening to execute them unless South Korea frees five Somali pirates.

[Full Report](#)

KOREA | 18 OCT | ASIA NEWS NETWORK

### Fisherman's death a new thorn in Korea-China ties

Relations between South Korea and China are taking a turn for the worst following the death of a Chinese fisherman during a raid by the South Korean Coast Guard in the West Sea on Tuesday. The Chinese government expressed "serious concern" over the incident on Wednesday. The Chinese Foreign Ministry demanded a thorough investigation and "concrete measures to prevent violent law enforcement and similar incidents from happening again," its spokesman Hong Lei said at a press briefing.

[Full Report](#)

TOKYO | 18 OCT | ASIA WEEKLY

### Chinese warships cross waters near Japanese territorial islands

Japanese military officials said they were keeping a close eye on seven Chinese warships spotted in waters off a southern island Tuesday, Oct. 16. It was unclear whether the ship movements were related to a territorial dispute that has prompted both countries to show off their maritime muscles. The Chinese ships were sighted about 30 miles from the island of Yonaguni, in Japan's Okinawa prefecture, according to Japan's Defense Ministry. They were about 125 miles from a chain of small islands that have sparked a heated dispute between Japan and China.

[Full Report](#)

SINGAPORE | 20 OCT | THE STRAITS TIMES

### Pirate-hunting benefits S'pore navy

When Singapore's first warship took part in multinational anti-piracy patrols in the Gulf of Aden four years ago, it was a mere subaltern among bigger

navies in the waters off Somalia. It was unfamiliar territory for a 3,000-strong green-water navy that had plied mainly the smaller waterways of the Malacca and Singapore straits during counter-piracy missions. But today, the Republic of Singapore Navy (RSN) has sent seven deployments of ships and men into the world's most notorious pirate haven. The results of the joint policing the RSN took part in, alongside some 20 ships from blue-water navies like the United States' and Britain's in the 2.8 million sq km waterway, are encouraging.

Full Report Available Upon Request

SOUTH CHINA SEA | 20 OCT | MARINE CORPS TIMES

#### **George Washington cruises disputed Asian seas**

A U.S. aircraft carrier group cruised through the disputed South China Sea on Saturday in a show of American power in waters that are fast becoming a focal point of Washington's strategic rivalry with Beijing. Vietnamese security and government officials were flown onto the nuclear-powered aircraft carrier George Washington, underlining the burgeoning military relationship between the former enemies.

[Full Report](#)

MALAYSIA | 20 OCT | THE NEW STRAITS TIMES

#### **4 pirates held off Sarawak**

Four men, armed with sticks and machetes, hijacked a tugboat and its barge laden with 116 containers. The tugboat sailing from Port Klang was on its way to Miri when a group of armed men boarded both vessels on Thursday at 1.30pm. The armed men split into two groups where the first took control of the barge where two Malaysian crew were restrained, while the main group attempted to take control of the bridge.

[Full Report](#)

WORLD | 24 OCTOBER | GMA NEWS

#### **World sea piracy hits lowest level; Asia attacks slightly up**

World piracy at sea has fallen to its lowest level since 2008, when attacks by Somali pirates first reached international headlines, while piracy in the Asia has slightly increased. A report from news site Gulf News cited data from the International Maritime Bureau (IMB) comparing attack statistics from the first nine months of 2012 to the same period last year.

[Full Report](#)

AUSTRALIA | 27 OCT | THE SYDNEY MORNING HERALD

#### **14 Sri Lankan asylum seekers sent home**

A man making his second bid for asylum was among 14 asylum seekers sent home after allegedly hijacking a ship off the coast of Sri Lanka, the federal government says. Speaking in Sydney, Immigration Minister Chris Bowen said the 14 asylum seekers left Cocos Islands on a plane bound for Sri Lanka at 1pm (AEDT) on Saturday. He said the group, which also included three children, had all been on the Chejan - a fishing trawler that was allegedly hijacked on October 13 off the Sri Lankan coast.

[Full Report](#)

CHINA | 29 OCT | SINOSHIP NEWS

#### **Shanghai to open maritime investigation lab**

Shanghai Maritime Safety Administration has recently announced that China's first laboratory devoted to investigating maritime accidents will open by the end of next year. According to a press release, the laboratory will be dedicated to analyze the causes of serious accidents that involve the loss of lives and property, including ship collisions, explosions, oil spills and sinking.

[Full Report](#)

# Shipping, Ports, and the Maritime Economy

ASIA | 31 OCTOBER | REUTERS

## **EU sanctions strangle Iranian LPG exports to Asia**

EU sanctions on Iran's natural gas have unintentionally also brought its exports of liquefied petroleum gas to a near half, industry sources say, starving Tehran of yet more dollar revenue and threatening to push European winter fuel bills yet higher. LPG, which comprises propane and butane, comes mainly from oil rather than natural gas, but shippers and insurers are steering clear of Iranian supplies due to uncertainty over the scope of the new European Union sanctions.

[Full Report](#)

WORLD | 2 OCTOBER | BUSINESS STANDARD

## **Surplus capacity still bane of dry bulk shipping**

We don't have to look beyond Shipping Corp of India (SCI) to understand the turbulent waters the world shipping industry continues to negotiate. The overcapacity in every segment of the industry, particularly in the dry bulk area in times of demand recession for vessel space, has forced SCI not to place any new orders for ships beyond its already committed capital expenditure plan of Rs 2,500 crore for 21 vessels.

[Full Report](#)

INDONESIA | 3 OCTOBER | REUTERS

## **Indonesian shipper hopes for \$2 billion debt restructure by year-end**

(Reuters) - Indonesia's PT Berlian Laju Tanker, the world's third-largest chemical shipper, hopes to restructure its \$1.9 billion debt by the year-end and will switch its focus to niche liquid chemical and gas transport, its founder and chairman said in a rare media interview. The country's leading oil and gas shipper defaulted on several debt instruments earlier

this year and has been talking to creditors about restructuring its operations and finances. Its shares were suspended in late-January when it froze payments on its debt, and its market value has collapsed to \$236 million - down 90 percent from the shipping boom of early 2008.

[Full Report](#)

JAPAN | 3 OCTOBER | MANILA BULLETIN

## **Mitsui OSK Posts First-Half Loss**

TOKYO — Mitsui O.S.K. Lines Ltd., operator of Japan's largest shipping fleet, reported a first-half loss, according to preliminary estimates, as rates for carrying commodities fell and fuel prices increased. The company posted a preliminary loss of 13.5 billion yen (\$173 million) in the six months ended September 30, compared with an earlier forecast for a 2 billion yen deficit, according to a filing today. The Tokyo-based shipping line also booked a 7.4 billion yen loss on stock holdings, it said.

[Full Report](#)

**Vanguard Logistics expands in south east Asia**

Vanguard Logistics Services has announced the opening of a new office in Danang, Vietnam, in association with local partner, Hanoi-based Khai Minh Global Co (KMG), according to the Shipping Gazette. Vanguard Danang said it is equipped with experienced local staff that provides export LCL consolidation and FCL cargo as well as import LCL and FCL consolidation, said office manager Le Lan Huong. Danang is located between Hanoi in the north and Ho Chi Minh City (Saigon).

[Full Report](#)**ABB Wins Contract for Icebreaker**

An order worth \$35 million for next generation icebreaker was recently received by ABB Ltd. in Russia from Baltic Shipyard Ltd. A new icebreaking vessel is being built in Russia for a state shipping company Rosmorport FSUE. Powerful propulsion and energy efficient electrical systems needed for this innovation will be provided by ABB. This significant contract is included in ABB's third quarter 2012 order booking.

[Full Report](#)**Shipping companies hike freight rates on Asia-Europe route**

Shipping lines plying on the Asia-Europe route have proposed increases in spot freight rates between October and January 2013, while the United Arab Shipping Company has already raised freights from 1 October, reports quoting shipping industry sources said. Danish shipping giant Maersk Line, Hong Kong's Overseas Orient Container Line and the United Arab Shipping Company have announced hikes in freight rates amidst sluggish business on the Asia-Europe route.

[Full Report](#)**Iran Oil Sanctions Boosting Returns for Nordic American: Freight**

European sanctions on buying oil from Iran are turning into a windfall for owners of Suezmax tankers, shipping the most cargoes in at least nine years as Saudi Arabia and Iraq increase supply. Rates for the vessels, which can sail fully loaded with 1 million barrels through the Suez Canal to destinations in the Mediterranean, will rise 61 percent to an average of \$19,000 a day this quarter, the median of six analyst estimates compiled by Bloomberg shows. Shares of Nordic American Tankers Ltd. (NAT), which operates a fleet of 20 carriers, will gain 33 percent in 12 months, based on the average of seven forecasts.

[Full Report](#)**Maersk ceases Iran operations to 'protect reputation'**

Maersk Line, the world's biggest shipping company, has stopped calling at Iranian ports as a result of sanctions against the country. The company said it was not prepared to risk the reputational damage associated with dealing with Iran. It said it had ceased operations for the "foreseeable future". The US and European Union have imposed sanctions due the country's nuclear programme, which Iran says is for energy needs and not nuclear weapons.

[Full Report](#)**Port eyes big jump in cargo volume**

Qingdao port, the world's seventh-busiest by cargo volume in 2011, expects to see its cargo volume increase in double digits this year. Despite the effects of the sluggish world economic recovery and China's economic slowdown on the global shipping industry, the port handled 372 million metric tons of cargo in 2011. Its goal for this year is more than 400 million tons of cargo and 14.5 million twenty-foot equivalent units. The company attributed the port's performance

to its "high efficiency" in handling cargoes, which saved the shipping companies' time and made it a stronger competitor against other ports.

would help the country become a trade hub like Hong Kong or Singapore.

[Full Report](#)

[Full Report](#)

SINGAPORE | 10 OCTOBER | MARINELINK.COM

### **Singapore's ASL Marine Holdings Reports Increased 2012 Revenue**

Total revenue for the Singapore-based group increased by 7.7% year-on-year to \$391.2-million in financial year ended 30, June 2012. ASL Marine Holdings Ltd. is a vertically-integrated marine services group principally engaged in shipbuilding, shiprepair and conversion, shipchartering and other marine related services, catering to customers mainly from Asia Pacific, South Asia, Europe, Australia and the Middle East.

[Full Report](#)

CHINA | 11 OCTOBER | TRANSPORT WEEKLY

### **Shanghai port cluster's shipping lines now extend services to 180 nations**

Having been under rapid development since being established 15 years ago, the Shanghai port cluster, which is the aggregation of ports in neighbouring province of Jiangsu and Zhejiang centring on Shanghai, is now operating a container shipping network with over 900 lanes, covering more than 180 countries and regions in the world.

[Full Report](#)

VIETNAM | 12 OCTOBER | THANHNIEN NEWS

### **Vietnam's trade hub ambitions run into rough weather**

The decline of Vinalines from a strong shipping group into what the government has called a bad example of a state-owned company has also put Vietnam's goal of becoming a sea transportation giant at risk. As the largest port operator in the country, the group had been assigned the task of developing Van Phong, a multi-billion dollar seaport in central Vietnam that

SINGAPORE | 15 OCTOBER | INFOMARINE.NET

### **Maritime leaders gather in Singapore for latest industry trends and best practices**

Senior maritime representatives from 11 countries embarked on the 2nd Maritime Public Leaders' Programme (MPLP) today at the Nanyang Technological University's (NTU) Infrastructure Systems and Maritime Studies Division, School of Civil and Environmental Engineering. Organised by the Maritime and Port Authority of Singapore (MPA), in partnership with NTU, and supported by the Ministry of Foreign Affairs (MFA) under the Singapore Co-operation Programme, the MPLP is a seven-day programme that offers a holistic and interdisciplinary curriculum.

[Full Report](#)

SINGAPORE | 15 OCTOBER | DAILY FT

### **PSA goes for \$ 2.8 b expansion as S'pore bets on more trade**

Singapore is planning an ambitious expansion of its container port capacity, betting that global trade will pick up in coming years and that the country can weather a continued challenge from ports in Malaysia. PSA Singapore Terminals, a unit of government-owned port operator PSA International, last week said it would spend 3.5 billion Singapore dollars (US\$2.85 billion) expanding its Pasir Panjang Terminal in the city-state's southwest, where land has been reclaimed from the sea to create space for a large terminal.

[Full Report](#)

**NOL back on track**

Neptune Orient Lines (NOL) is back on track to sustainable operating profits on better-than-expected volumes on its key Asia-North America trade business for its container shipping unit APL and aggressive cost-cutting, according to its President and Chief Executive, Mr Ng Yat Chung. But in an interview, Mr Ng predicted 2013 would not be much better than this year, which he described as "soft", referring to the overall shipping environment.

[Full Report](#)**No future for nuclear-powered container ship**

The vessel, which has been lying idle in the Atomflot base outside Murmansk for years, was on 31 July this year taken out of the Russian Ship Register. The unique ship will end up a scrap metal, experts in Murmansk confirm. The "Sevmorput", which in the 1990s experienced major problems in international shipping following port restrictions, was used mainly on the route between Murmansk and Dudinka, the main port on the Yenisey River.

[Full Report](#)**Time ripe for Chinese shipping investment: expert**

Opportunities emerge as European shipping operators face financial woes. Det Norske Veritas, one of the world's leading shipping industry classification societies, says the time is ripe for Chinese shipyards to invest in European counterparts, as a way to raise their design capability, but also meet the challenges being posed by tougher environmental regulations. Despite a few big shipyards with a strong design capability, "Chinese yards in general lag behind the industry leaders such as South Korea and some European countries in customer service and diversification", Remi Eriksen, chief executive officer of DNV Maritime and Oil & Gas, said in an interview.

**Singapore reopens Port Operations Center**

Singapore has reopened its port operations control centre (POCC) at PSA Vista in Pasir Panjang after a year of upgrading works aimed at enhancing navigation safety and the protection of the marine environment in its port waters and the Singapore Strait. The Maritime and Port Authority of Singapore (MPA) said the new centre is now equipped with state-of-the-art vessel traffic information system, costing about \$10 million and first used in the newly commissioned POCC in Changi.