

UK shipping minister praises salvage industry at ISU conference

The UK Shipping Minister, Stephen Hammond MP, gave the keynote address at the International Salvage Union's annual conference for its Associate Members. There was a full programme of speakers and panel discussions on topics related to the salvage industry particularly Arctic operations and container operations.

Mr Hammond paid tribute to the salvage industry and said he recognised that specialist contractors provide the bulk of the marine casualty response capability and most of the technical expertise in emergency response. He went on to describe the evolution of the UK's SOSREP system. He said that "salvage by committee" is ineffective and inefficient and that the SOSREP system allows for a single voice to over-ride other interested parties if necessary.

Mr Hammond told some 170 delegates that the UK and the European Union are tackling the issue of Places of Refuge for casualty vessels – a matter on which the ISU, along with the International Chamber of Shipping and the International Union of Marine Insurance, is campaigning – particularly following the case of the MARITIME MASIE off Japan.

He said that the case of the MSC FLAMINIA in 2012 showed the need



ISU President Leendert Muller (above) introduces the UK Shipping Minister, Stephen Hammond MP (left) at the ISU Associate Members' day conference in London

for guidelines on Places of Refuge and added that the UK SOSREP had recently been in Qatar to discuss the issue with regional representatives following the case of the Stolt Valor, also in 2012.

In concluding, Mr Hammond said that the success of righting the Costa Concordia showed that the salvage industry is "innovative and capable of meeting the most demanding challenges at sea." ISU

President, Leendert Muller, said: "We are privileged to have had Mr Hammond as a speaker at our event. The UK's maritime emergency response decision making – through SOSREP – is admired around the world and we look forward to further developments in international attitudes to Places of Refuge."

ISU Annual Pollution Prevention Survey - 2013 Results

The International Salvage Union has announced the results of its annual Pollution Prevention Survey for 2013.

The total quantity of pollutants salvaged by ISU members – nearly three quarters of a million tonnes – was slightly less than in 2012 although the overall picture is consistent over the two years. The 2012 numbers included a small number of substantial coal cargoes under the "other" category. In 2013 there were more, but smaller and more varied, cargoes salvaged in the "other" category. There was a marginal increase in the number

of services performed by ISU members compared with the previous year.

The total of all pollutants salvaged in 2013 was 718,602 tonnes compared with 810,068 tonnes in 2012. It is a decrease of 11%. The average annual figure for the 19 years for which data is available is a little below one million tonnes of potential pollutants salvaged per year. It mirrors the trend of a decreasing number of casualties which chiefly reflects improvements to ship and operational safety over the past two decades.

In 2013 the major change was a significant increase in the quantity of oil cargoes (crude and refined products) salvaged, up 58% from 104,665 tonnes to 165,395 tonnes. However, this category is highly variable and can be dramatically affected by one or two large cargoes. Another notable increase was in chemicals salvaged – up 49% from 99,015 to 147,987 tonnes. Again, this category may be affected by a small number of large casualties.

(Continued on page 3)

Annual Dinner

The President of the ISU, Leendert Muller hosted the ISU annual dinner at the prestigious Trinity House in the City of London in March on the eve of the annual ISU Associate Members' day Conference.

Guest of honour was Dorthe Lange, widow of Paul Lange, the first recipient of the ISU Meritorious Service Award (see P 10). Other guests included speakers from the ISU Associate Members' Day conference, past ISU Presidents, members of ISU Executive Committee and dignitaries from the shipping industry.



Pictures: above, ISU President Leendert Muller welcomes guests. Top right: Asger Lange, Dorthe Lange, Sandro Vuylsteke. Right: Keith Hart, Hugh Shaw, Helle Hammer, Karen Purnell.



New Member

ISU welcomes Global Diving & Salvage, Inc. as a full member

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SCOPIC/SCR matters

The SCR sifting group met on 17 March and approved the appointment of Abhay Damley, Rosalind Spink and John L David as SCRs. Okki Grapow and Lars Landalius have resigned as SCRs.

In addition to the guidelines written at the time SCOPIC came into being, there have been a number of Digests issued giving further guidance to SCRs. These Digests have now been summarised into a new single document although the original guidelines remain unaltered. The draft of the summary document will be agreed by relevant parties by the end of April 2014 and then approved by Lloyds.

SCR Letters of Appointment have not always been provided to and signed by SCRs and so a revised Letter of Appointment has been drafted which can be either issued at the time of appointment of the SCR or when he first goes on board the casualty. The intention is to clarify the role and duties of the SCR in particular that they represent all salvaged

interests and their primary role is to use best endeavours to assist in the salvage of the vessel and property and in so doing to prevent and/or minimise damage to the environment.

For late payment under LOF, in Clause 9 of the LSSA Clauses, there is a Currency Correction Clause to give effect to any change in the relevant rates of exchange which may have occurred between date of termination of the services and date on which the award or appeal award is made.

Any currency can be agreed under LOF. ISU is seeking a similar Currency Collection Clause for SCOPIC payments - which, since its inception in 1999, have always been in US\$ - to bring it into line with LOF. Discussions are continuing on this point.

Where salvors use their own equipment under SCOPIC, there is a tariff rate for such equipment in Appendix A and there is a cap on those expenses. However, if they are hired in from a party who is not an ISU member and the hire is greater than the tariff rates, that cost will be allowed in full and is not capped.

This is a concern to ISU given that it may result in ISU salvors not maintaining substantial equipment stocks and hiring them in from a non-ISU member when required. This issue continues to be discussed with the International Group.

Finally, the ISU 5 Guarantee is the new SCOPIC remuneration guarantee initially provided for salvors in the sum of US\$3

million. The guarantee contains the usual consideration of refraining from arresting the casualty vessel. However, that prevents the right to arrest if additional security is required and therefore an amended wording has been drafted. The provision of additional security by the ship owner has been agreed by the International Group in principle but the wording of the first draft will need further amendment.

Annual General Meeting

The ISU General Meeting 2014 will be held in Hamburg at the Fairmont Vier Jahreszeiten Hotel, on Thursday 02 October. Details of booking arrangements will be circulated to ISU members in the coming period.

IMO Bravery Award

ISU members are invited to submit entries for the 2014 IMO Award for Exceptional Bravery at Sea award. All submissions must be returned to ISU General Manager at isu@marine-salvage.com by 14 April 2014.

Submissions should give a description of the circumstances and events relating to the nomination. They should, as appropriate, include such factors as: location; prevailing weather conditions; skill displayed; leadership demonstrated; determination to conduct the rescue operation; exceptional courage demonstrated; degree of risk (to human lives and/or the marine environment) involved; any other information supporting the nomination.

ISU Annual Pollution Prevention Survey - 2013 Results

(Continued from page 1) The quantity of "other" cargoes salvaged went down by 40% from 501,348 tonnes in 2012 to 299,074 in 2013. This category included coal in bulk in 2012 for the first time and there were two large coal cargoes included in that year's numbers. The 2013 "other" quantity represents a greater number of smaller and more varied "other" cargoes.

There were 190 services carried out by ISU members. The Japanese contract was the most widely used with 54 services, many of which were relatively small cases involving fishing vessels.

The Lloyd's Open Form salvage contract accounted for 44 services compared with 52 in the previous year. 31 services were carried out under towage contracts (32 in 2012); wreck contracts accounted for 31 of the services (42 in 2012) and fixed price, day rate and other types of contract were used in 30 services.

Commenting on the results, ISU President, Leendert Muller said: "Our members are to be congratulated on the huge quantity of potential pollutants that they salvaged last year – nearly three quarters of a million tonnes. Keep in mind that the in United States' worst

	2013	2012	% variation
Number of services	190	188	+1.1%
Oil cargo salvaged	165,395	104,665	-58%
Bunker fuel salvaged	106,146	105,058	+1%
Chemicals salvaged	147,987	99,015	+49%
Other pollutants	299,074	501,348	-40%
Totals	718,602	810,068	-11%

All figures in tonnes

environmental disaster, 700,000 tonnes of oil was released into the Gulf of Mexico in 2010 from the Macondo Well.

"We are always careful to say that not all of the potential pollutants which were salvaged were at imminent risk of spilling into the sea but it is certainly right to ask what might have happened in many of these cases if there had been no salvor available to provide response services.

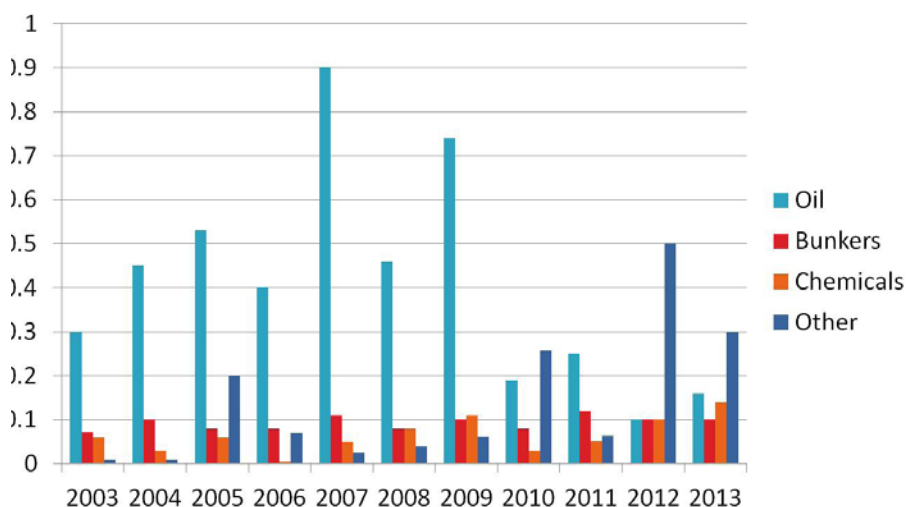
"There can be no doubt that the work of ISU members has continued to be of great benefit in helping to protect the marine environment from potential damage."

Mr Muller added: "As ever, the survey

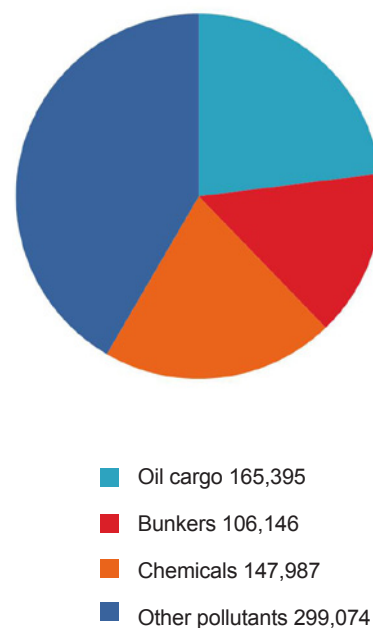
reminds us how variable our industry can be. A small number of large cargoes can cause significant differences year on year. But everyone connected with the shipping industry should be aware that just one major casualty could cause an environmental disaster."

The ISU's Pollution Prevention Survey began in 1994. In the 19 years to end-2013, ISU members have salvaged 18,575,702 tonnes of potential pollutants, an average of just under one million tonnes per year. This consists of 13,142,007 tonnes of oil cargoes; 1,307,706 tonnes of chemicals; 1,616,101 tonnes of bunker fuel and 2,818,565 tonnes of "other pollutants".

Pollution prevention trends (million tonnes)



Pollution prevention results - 2013



Five Oceans Salvage



Five Oceans Salvage's IONIAN SEA FOS, left, and above, left to right Kyriakos Mitsotakis, Xenophon Constantinides, Nikolaos Pappas and Konstantinos Chasabalis

Five Oceans Salvage has announced the latest addition to its fleet, AHTS IONIAN SEA FOS, at a function that took place on 29 January 2014 onboard the tug in the port of Piraeus. The AHTS IONIAN SEA FOS was acquired at the end of last year in Greece. She is a 10,500bhp anchor handling and supply tug with a FiFi2 firefighting capability, built in Holland in 1982 and flying the Maltese flag. The tug carries onboard a large array of salvage and anti-pollution equipment and will be used as a station-keeping salvage tug, based in Suez, Egypt.

Smit and Mammoet

The Dutch Department of Public Works will award the contract for the salvage of the wreck of the car carrier Baltic Ace to Boskalis and its partner Mammoet Salvage.

The authorities say the wreck and its cargo need to be removed because they pose a threat to the environment and to shipping on the busy route towards the Port of Rotterdam. The Department of Public Works expects the definitive signing of the contract in the second half of March 2014. The project is expected to commence in the course of 2014 and will be completed before the end of 2015.

The activities include the removal of the entire wreck, its cargo and 540 tonnes of fuel oil. Diving support vessel, tugs, barges and sheerlegs will be deployed as well as equipment from SMIT joint venture Asian Lift and Boskalis' subsidiary Dockwise. Specialist salvage equipment will also be deployed.

SMIT Salvage has also been awarded the wreck removal project of the sunken jack up platform PERRO NEGRO 6 off Angola and a project to remove the pollutants from a sunken general cargo vessel off the east coast of India.

Titan

Samina Mahmood, former commercial manager for Titan Salvage, has been appointed manager for Marine Response Alliance, an association of US emergency responders providing OPA 90 Salvage Marine Firefighting (SMFF).

Mahmood will lead the MRA administrative team and work closely with the alliance's emergency response center and the US-based emergency response and salvage team.

Titan has also announced that Captain Ajay Prasad has joined its leadership team as general manager, Southeast Asia. The veteran mariner, who started his career at sea over 20 years ago, will work from Titan's Singapore office and report to Chris Peterson, vice president, and will oversee the company's business and operational activities in Southeast Asia, Australia, the Pacific Rim and Middle East.



Captain Ajay Prasad

Titan has also been presented with the Maritime Casualty Response Award during the Lloyd's List North American Maritime Awards ceremony and dinner, held in Houston.

The award recognized Titan's efforts in the COSTA CONCORDIA wreck removal project. In accepting, Titan's Chris Peterson said: "It was a true privilege to accept this award on behalf of the Titan/Micoperi team and the hundreds of people who have worked tirelessly on

this project. And while we celebrate this, it is also important for those of us who represent an industry that responds to disaster to remember those who have lost their lives as a result of incidents such as this one, and that we honor and respect their families."

Spanopoulos

Spanopoulos' OSV/AHTS CHRISTOS XXIII, 8000 bhp and 95 ttp, conducted a demanding tow of the semi-submersible rig PENTAGON 91 TYPE ZAGREB 1 (length 103.4 m and breadth 106.3 m) from the Shipyard of Brodotrogir in Croatia to its delivery location off Libya.

Elsewhere, Spanopoulos safely delivered the new build Hull 117 FS STORMY at Leirvik in Sogn, Norway on behalf of Havyard Ship Technology. The hull was towed from Yalova, Turkey via Gibraltar by Spanopoulos' AHTS Christos XXII.

Spanopoulos described the voyage as "challenging" with difficult weather conditions encountered throughout and particularly off the coast of Portugal, in the Bay of Biscay and in the North Sea.

Tsavliris

Milena Tsavliris, wife of ISU past President, Andreas Tsavliris, is to compete in the London Moon Walk Marathon. She will be competing in the full 26.2 mile event on behalf of the WalktheWalk charity. It is a cause which she says is very close to her heart: "I lost my mother to breast cancer and this has given me the motivation and drive to complete the full distance in her memory. I ask you to join me in support of this great cause."

The charity considers various projects and campaigns connected with breast cancer and grants funds to where they will make the most difference. It is also a strong supporter of research - over the past 13 years some ground breaking research has been made, not only into the causes of breast cancer but also identifying cancer genes and consequently improving the treatments.

Mrs Tsavliris added: "I ask that you join in my effort to support this cause by donating to WalktheWalk at my fundraising page."

<https://moonwalklondon2014.everydayhero.com/uk/milena>

To learn more about the Walk the Walk charity, and to see the impact it has had, visit <http://www.walkthewalk.org>

Svitzer completes first ship-to-ship LNG transfer in Singapore waters



Under one of SVITZER's preparedness contracts, two liquefied Natural Gas (LNG) vessels carried out the first Ship-To-Ship (STS) transfer operation of LNG between two Q-Flex type LNG carriers while anchored in Singapore.

The operation required rigorous planning, including formal Risk Assessment in conjunction with a HAZID/HAZOP to be completed to ensure the safety of all personnel and protection of the environment. These all had to be approved by all relevant parties before starting the STS operations.

The transfer of 211,000 m³ from LNG Carrier AL GHARRAFA started on 22 January 2014 and was conducted using in-house equipment and a contractor with LNG STS expertise. The transfer was completed on 28 January. The client considered various options and the STS operation was chosen to ensure that they were able to meet their obligations to their own customers in order to maintain their position as the world's largest and most reliable producer and supplier of LNG.

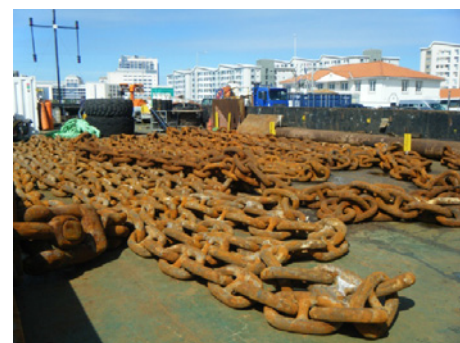
The dedicated LNG STS equipment

is supplied, stored, maintained and supported in-house by SVITZER and the success of the operation was achieved through collaboration with its partners MariFlex & EXMAR. There is an extensive training program of staff in use of the equipment and in conducting an actual LNG STS operation. SVITZER says that this STS operation enhances its focus "to become an experienced Emergency Response provider for LNG lightering operations on a world-wide basis."

Steel Mac recovers anchors

Steel Mac has recovered substantial anchors in two separate operations. In the first case the TU QUIANG lost its anchor in 42 metre water depth off Gibraltar. Steel Mac surveyed the area and on finding the anchor used lifting bags to recover it.

In a different incident the anchor of the MAERSK PRIME could not be hoisted due to windlass and hydraulic problems. It was decided to release the anchor with its chain to enable the vessel to proceed. SteelMac subsequently used an ROV to locate the anchor and recover it to a barge. Inspection showed the anchor to be damaged but the chain was sound. A new anchor was connected to the chain on the barge, taken to a rendezvous with MAERSK PRIME and taken aboard.



New Associate Members

ISU welcomes the following new Associate Members

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Fairmount to be bought by Boskalis

Royal Boskalis Westminster N.V. (Boskalis) (parent company of Smit Salvage) has announced that it has reached an agreement to acquire Fairmount Marine B.V. and Fairmount Ocean Towing Company B.V. (Fairmount) from the French group Louis Dreyfus Armateurs. The transaction values the company at an average multiple of approximately 6 times EBITDA.

ISU member Fairmount is a global provider of long distance ocean towage services and operates five 205 tonne bollard pull towing vessels with anchor handling capabilities.

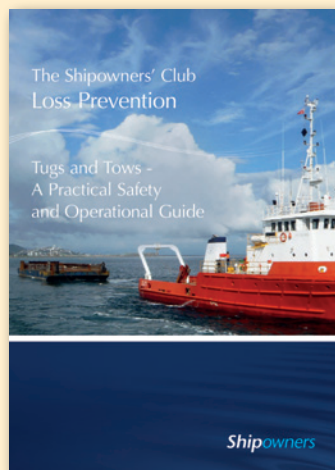
Boskalis said the addition of these ocean going anchor handling tugs (AHTs) will allow it to further expand its market position in both offshore energy and salvage. It noted that the use of ocean going tugs for long distance wet towage

is "complementary to Boskalis' current dry heavy marine transport offering. With the Fairmount assets, Boskalis can offer clients the full spectrum of heavy marine transport solutions tailored for the type of cargo or specific requirements. The AHTs also have the potential of being deployed into offshore projects thereby expanding Boskalis' current transport and installation offering and can be used in salvage projects."

FAIRMOUNT EXPEDITION attends the MSC FLAMINIA in 2012



Shipowners' Club



Research from the Shipowners' Club from 2011 to 2013 has identified that 53% of all claims arising from towage by tugs are due to the 'human factor'. The next largest category of causation - inadequate navigational procedures - represents 12%.

The Club's latest research identified that these two factors alone lie behind a wide array of problems in tug and workboat operation across the world. Crew negligence, poor maintenance, sub-standard navigation, inadequate operational and safety procedures and insufficient training are all common and take their inevitable toll in avoidable injuries, damage to third party vessels and port infrastructures.

The Club has therefore published a booklet, "Tug and Tows – A Practical Safety and Operational Guide", written and produced by its own in-house Loss Prevention Department, managed by Louise Hall who said: "The booklet is a response to the mushrooming number of towage claims resulting in injuries, groundings, collisions, pollution, property damage and loss of cargo.

"It raises awareness of some of the practical aspects of towing operations including manning and training, safety management, planning, stability and the towing equipment. It aims to assist mariners who may not be fully familiar with these processes."

The booklet is available in PDF format at www.shipownersclub.com

The Club has also launched a policy for its high net worth super yacht client base to indemnify them against Seafarers Unpaid Wages Following Abandonment

(SUWFA).

Although some 80% of the world's gross tonnage of shipping has been signed up to the Maritime Labour Convention 2006 (MLC), there are still many owners and managers unsure as to the extent and applicability of some of the provisions. Crucially, this uncertainty includes the Convention's requirement for 'financial security' (in practice, compulsory insurance) to be guaranteed by the vessel owner, leaving them liable for any unpaid wages owed to the crew.

The SUWFA policy is the latest initiative taken by Shipowners' to respond to the particular demands of the super yacht sector.

C Solutions Limited

A new strategic alliance has been formed in Singapore between C Solutions Group (legal and claims consultants); SE Asia Claims Solutions (P+I correspondents and liability claims specialists); CSL Group (project cargo consultants and surveyors) and Moore Energy Solutions (offshore surveyors and energy adjusters).

The concept is to build on existing capability to create a highly skilled marine and energy claims and loss prevention cluster to service the Asian and global marine, energy and insurance markets.

With a combined network of over 62 offices in 33 countries, C Solutions says the alliance will focus on the provision of a 'one-stop shop' service, offering legal expertise, claims handling, adjusting and technical services to ship owners, charterers, shippers, offshore operators and insurers.

ABR Company Limited

The ABR Company Limited, organisers of the ITS 2014 conference and exhibition in Hamburg in June, has said the event will include an exclusive, on-stage interview with Nick Sloane, the senior salvage master who led the successful operation to parbuckle COSTA CONCORDIA. The interview will be conducted by conference Chairman, Mike Allen.

The interview is one of several salvage-related points of the biennial convention, which will take place at the CCH International Congress Centre in

Hamburg from 16-20 June.

Also in the programme of papers to be delivered by experts in their field is Current Challenges in the Salvage Industry and the Response of Marine Salvors from ISU President, Leendert Muller; SCOPIC and the SCR – Where Now? presented by John Noble and Capt Keith Hart; an examination of the issue of the rising costs of wreck removal by David Pockett and a consideration of LOF in 2014 by Simon Tatham.

The Convention has a record number of pre-registered delegates, and the exhibition, a traditional part of the ITS event, is a sell-out. All registered delegates will be given access to pre-prints of the papers in advance of the event.

To find out more about ITS 2014, or to register as a delegate, please go to www.tugandosv.com

Koffeman Consult

Geert Koffeman of Koffeman Consult BV - a former director of Smit Salvage - and Maup Hoppzak of Dekra Experts BV - a former General Manager of Touw Marine Surveyors - report that as part of their regular programme of courses in Crisis Management in Shipping they have in the last three months delivered training seminars in Rio de Janeiro, Madrid and in Rotterdam.

The main topics of the last courses were, among others, case studies; insurance; roles of parties involved; surveying; crisis management and legal issues.



Geert Koffeman conducts a training session

Tsavliris busy in first quarter

Tsavliris was appointed to undertake seven salvage cases, six of them under LOF and one under alternative terms.

The cruise liner, OCEAN COUNTESS - 16,800 GRT - sustained an on board fire while moored next to the Chalkis Shipyard at Evia in late November 2013 and Tsavliris mobilized the tug ALEXANDER 3 and the anti-pollution vessel AEGIS from Piraeus to tackle the fire.

When the fire was completely extinguished and bunker and lubricant removal was completed, water which had accumulated due to fire-fighting was pumped out correcting the list and services were terminated.

In January the bulk carrier CASSEIOPIA STAR - 32,300 tonnes dwt and laden with 27,500 tonnes of barite ore - was immobilized due to main engine problems about 1500 nautical miles west of Canary Islands. The AHT FAIRMOUNT GLACIER (16,300BHP/200TBP) was mobilised from Las Palmas to assist the casualty and, after connecting, towed her through bad weather back to Las Palmas where she was redelivered to her owners.

Also in January, the Panamax bulk carrier LIGARI - 75,500 tonnes dwt and laden with 66,000 tonnes of corn - was involved in a collision with the product tanker DL SUNFLOWER - 47,000 tonnes dwt - in the Korea Strait, South of Busan. The vessel sustained hull damage to cargo hold no 7, breaching one of the fuel tanks, as well as damage to the accommodation block resulting in water ingress in the engine room.

Tsavliris dispatched the tugs BAKYUNG No.1 and KUMGANG No.3 and mobilised a salvage master and salvage engineer to the casualty. Local divers, salvage and



anti-pollution equipment were arranged through sub-contractors Korea Salvage. The casualty was towed to Busan port anchorage and floating oil booms were deployed around the casualty.

The Tsavliris salvage team organised and supervised the whole operation including: underwater temporary repairs, cleaning of tanks, temporary repairs of the damaged area and oil spill response.

After the Class Surveyor inspected the repairs the Salvage Tug TERASEA EAGLE (16500 BHP, 203 TBP) arrived

to tow the vessel to the discharge port at Longkou, China.

In another bulker case RAPALLO - 75,000 tonnes dwt and laden with 71,000 tonnes of coal - grounded east of Anholt Island, Denmark. Tsavliris dispatched the fast service boat MICKEY A containing salvage personnel together with the Tug Boat SVITZER TRYM (76 BP) and Salvage Tug FAIRPLAY-33 (104 BP).

Following an inspection of the casualty, including stability calculations and a dive survey, deballasting commenced and the RAPALLO was successfully refloated and was escorted by FAIRPLAY-33 to Frederikshavn roads.

Elsewhere, Tsavliris was engaged to project-manage the anti-pollution services required for the containership HANJIN ITALY -122,9660 tonnes dwt - which was involved in a collision off Kusu Island, Singapore Straits. And most recently Tsavliris responded to the container vessel YUSUF CEPNIOGLU - 7000 tonnes dwt - which grounded on the north western coast of Mykonos Island, Greece (see pictures).



Five Oceans Salvage operations

Five Oceans Salvage final LOF for 2013 was signed in December involving the bulk carrier ANNA BO, 57,000 tonnes dwt and built in 2010. ANNA BO was on a laden voyage from Indonesia to China carrying 55,000 tonnes of nickel ore when she experienced a list due to cargo liquefaction off the east coast of the Philippines.

The vessel sought shelter near Polilo Island and her owners signed a LOF with Five Oceans Salvage on 06 December 2013. The salvors mobilized a salvage team from Greece and the salvage tug SALVAGE ACE to assist. After inspecting the cargo it was established that it was unsafe for the ship to continue the voyage.

The salvors organized the discharge of the entire cargo in Jose Panganiban in the Philippines and ANNA BO was



towed there by the SALVAGE ACE. In the course of the following weeks the entire cargo was discharged using three barges and assisting tugs, local equipment and labour, while the local tug VIGILANT

stood by the casualty and assisted in maneuvering her as and when required. The discharge was completed on 28 January 2014; LOF was terminated and ANNA BO was redelivered to her owners

Smit in refloating with a record length of towline

In December 2013 the 6,672 dwt product tanker SILVER, loaded with 4,900 tonnes of HFO, ran aground on rocks near Tantan port, Morocco. Initial refloating attempts by local means failed and on Christmas Day Smit Salvage was contracted on a LOF for immediate mobilization and assistance.

The heavy swell had caused the vessel to be lifted high on to the rocks leaving her parallel to the coast 75 metres from the cliffs. Water ingress was noted in several ballast tanks and a small sheen of oil was observed around the vessel.

Smit Salvage immediately mobilised the FAIRMOUNT GLACIER, a large team of its own salvage experts and an external oil pollution prevention team. 30 tonnes of salvage equipment was dispatched from Rotterdam on two chartered Antonov aircraft.

A navy helicopter and later a commercial helicopter helped to provide safe access to the vessel for personnel and equipment. On arrival, the salvage crew started inspection and preparation for salving the vessel. Part of the cargo was initially transferred to higher tanks and oil booms were deployed.

The FAIRMOUNT GLACIER was changed for the 180 tpb AHTS UNION

SOVERIGN for stand-by assistance and for the eventual refloating. A sophisticated lightering and refloating plan was presented by the salvage team and approved by the local Authorities.

The first part of the operation was to offload all cargo and bunkers using a quickly installed cable way with hoses to shore. All the oil was transferred to chartered oil trucks and then into a storage tank nearby. This part of the operation took six days and removed the threat of a major oil spill.

For the refloating, the damaged hull was stabilized with temporary repairs. The shallow water and the fact the area was not charted meant that the tugs could not come closer to the vessel than

approximately 1.5 nautical miles.

Therefore a new record length of 2,132 meters Dyneema towing wire was composed and connected between the UNION SOVEREIGN and the SILVER with the assistance of a helicopter.

At high tide and with de-ballasting the vessel was first turned to head to sea and then successfully refloated and towed to the open sea and on to a sheltered location south of the Canary Islands. After a dive inspection, the authorities of Gran Canaria granted permission for the vessel to enter Las Palmas as the port of refuge and she was re-delivered to the owners and she subsequently entered dry-dock for repairs.



ISU makes first Meritorious Service Award

The ISU Award for Meritorious Service has been made for the first time to Paul Lange of Skuld. Sadly Mr Lange passed away after he was nominated for the award but his wife Dorthe and eldest son Asger attended the ISU Associate Member's Day conference during which the Award ceremony was held.

In making the award, President of ISU, Leendert Muller said: "It is with both pleasure and sadness that I am today making the Award to Paul Lange of P&I Club Skuld. The sadness, of course, is because Paul passed away after he had been nominated for the Award. The pleasure is because there could not have been a better first winner of the Award and also because Paul's widow, Dorthe, and son, Asger, have come here today to receive the Award.

"In making the Award, the ISU Executive Committee noted Mr Lange's long experience of dealing with marine casualties and, in particular, his efforts to promote a proactive and cooperative approach to casualty handling and his work to ensure meaningful dialogue between P&I Clubs, marine salvors and other parties responding to casualties.

"Mr Lange demonstrably promoted a spirit of cooperation which has led to improvements in casualty handling. The ISU also took into consideration his commitment to attend ISU and



other industry events where he worked to maintain good relationships and to improve understanding in what can be contentious matters. ISU also noted Mr Lange's contribution, with others, of the chapter on insurance in its Casualty Management Guidelines."

Mr Muller concluded by saying: "Mr Lange was very knowledgeable about

salvage and casualty response but he was always eager to learn more in order to improve processes and, again, to promote cooperation rather than confrontation. Paul Lange was well-respected, very personable and much liked. He was a breath of fresh air and is a worthy recipient of this Award."

Spanopoulos operations

The MV TINAZTEPE S ran aground Off Stylida port, loaded with 1400 tonnes of fertilizer and Spanopoulos Group's assistance was requested by the owners in order to refloat the vessel.

The floating crane AGGELA and the shallow draft tug boat CHRISTOS V and a salvage team were dispatched immediately to the casualty. It was assessed that discharging 400 tonnes of cargo would enable a successful refloating which was achieved after removing some 300 tonnes of fertilizer onto the deck of AGGELA and 100 tonnes of ballast water. The vessel was then safely delivered to her owners in the anchorage area of Stylida.

Elsewhere, on 27 December 2013 the Spanopoulos AHTS CHRISTOS XXII was en-route from Le Havre to Piraeus when her assistance was requested for the towage of MV VICTORIABORG – a fully



CHRISTOS XXII assists the MV VICTORIABORG

laden multipurpose vessel with a length of 132 m and suffering from steering failure. The tug was immediately mobilized to the casualty 80 nautical miles off Brest. On 29 December in a sea state with 5-6 m waves and with wind gusting at Force 7 to 8 the CHRISTOS XXII connected to the casualty.

The initial plan was for the convoy to make for Brest. However, due to the prevailing and forecast weather conditions, the convoy instead proceeded to St Malo where the vessel was safely delivered to her owners on 03 January 2014.

Minimum wages

Maritime Employer representatives, coordinated by the International Shipping Federation (ISF), met with International Transport Workers' Federation (ITF) counterparts at the International Labour Organization (ILO) to review the ILO recommended minimum wage for the Able Seafarer. It was agreed that from 01 January 2015, the ILO minimum monthly basic wage for an AB is to increase to US\$592 and from 01 January 2016 the basic wage will increase to US\$614.

ISF spokesperson Arthur Bowring led the shipowner group in the discussions held in February in Geneva. In his opening statement, Mr Bowring reflected that the current figure of US\$585 came into effect on 31 December 2013 and noted that the purpose of the meeting was to ensure the maintenance of a "safety net" for seafarers, particularly from developing countries.

Mr Bowring commented: "We believe the decision taken is an appropriate one that gives shipowners adequate notice to be prepared for the impact of agreed changes going forward to 2016."

UK

ISU Associate Member, shipping accountants Moore Stephens has assessed the recent UK Budget as "fairly neutral for shipping". Tax partner, Sue Bill said: "The main surprise is the restriction of the proposed rules on capping the amount of tax relief for intra-group leasing payments for large offshore oil and gas assets under bareboat charters to certain assets only, reducing the impact on the shipping sector".

Other measures which may be of interest to UK shipping groups include the government's decision to extend the UK tax rules applying to high-value UK residential property held by non-natural persons, so that they will also apply to properties worth between £500,000 and £2 million.

The UK government has continued to emphasise its commitment to tackling tax avoidance and aggressive tax planning on the part of large businesses exploiting international tax rules in order to avoid paying tax, for example, by manipulating the UK transfer pricing rules or exploiting double tax treaties. Additional anti-avoidance rules have been announced. For example, where companies transfer profits within a group in order to obtain a corporation tax advantage, the position will be as though the transfer had not taken place. Further rules will be introduced to prevent the artificial

use of dual contracts by non-domiciled individuals.

EU and the Philippines

The European Maritime Safety Agency (EMSA) has raised concerns over the ability of the Philippine Maritime Administration to fully and effectively implement all provisions of the STCW Convention with fears that it could lead to a ban on Filipino officers on EU vessels.

It follows EMSA's most recent audit of the Philippines in October 2013. In response, the Philippines Government and industry representatives said they are working hand-in-hand to rectify the original EMSA findings and Philippine sources said they are confident this continuing effort and work in progress will achieve the desired results.

Flag State performance

The International Chamber of Shipping (ICS) has launched its latest "Shipping Industry Flag State Performance Table". ICS says the table is intended to encourage shipowners to maintain a dialogue with their flag administrations to help bring about any improvements that might be necessary in the interests of safety, the environment and decent working conditions.

Following the entry into force of the ILO Maritime Labour Convention (MLC) in August 2013, the latest ICS table now requires flag states to have ratified the ILO MLC in order to receive a positive indicator.

Minor changes have also been made with respect to the way in which Port State Control data is recorded in the ICS table. Following discussions with governments about the treatment of flag states whose ships make relatively few port calls in certain Port State Control regions, the ICS table now includes data on those flags with fewer than the required number of inspections/arrivals to be included in PSC 'white lists' but which have nevertheless suffered no detentions within a particular region during previous three years.

ICS advises that the absence of a couple of positive indicators next to a flag in the table should not be seen as a serious concern - they are only potential indicators. For example, a flag state may not have ratified a particular maritime Convention due to a conflict with its national law while nevertheless implementing the Convention's main requirements.

ICS director of External Affairs, Simon

Bennet said: "If a flag is lacking a large number of positive indicators in the ICS table then shipowners may want to ask serious questions."

ICS emphasises that in today's modern global industry, distinctions between so called 'traditional' flags and 'open registers' are increasingly meaningless and, it says, unhelpful. The ICS table shows that flag states such as Liberia, Bahamas and the Marshall Islands are among the top performers alongside many European registers and Asian flags such as Japan, Hong Kong and Singapore that might be expected to perform very well.

With the exception of data for maritime Convention ratification, the ICS Table uses information derived from the public domain as at the end of June 2013.

The table can be downloaded from the ICS website www.ics-shipping.org/docs/flagstateperformancetable

International Association of Classification Societies (IACS)

IACS has unanimously adopted new, harmonised Common Structural Rules (CSR) for oil tankers and bulk carriers. The new rules will apply to all oil tankers over 150 m and bulk carriers over 90 m in length contracted for construction on or after 1 July 2015.

The CSR will be presented to the IMO which will verify their compliance with the IMO GBS that will be compulsory for new building contracts signed on or after 1 July 2016. Among the main benefits of the new CSR are that ship designers will be able to work to one common standard applicable to both ship types; there will be more comprehensive structural analyses including FEM calculations covering fore and aft parts; new rule checks including new buckling, fatigue and ultimate strength criteria which will enhance safety and reliability of the structure.

At the same meeting, IACS Council decided to take a "proactive approach to structural safety of containerships". It follows a comprehensive review of existing technical requirements for hull structural design, construction and survey. IACS decided to expand the scope of current IACS unified requirements for post-Panamax containerships. These requirements will cover two important areas: scope of hull girder strength assessment and specific loading cases that will provide more comprehensive safety margins.

ISU PHOTO COMPETITION 2012



Shortlisted entries

1. WINNER "Costa Concordia" – Titan
2. "Ievoli Amaranth" – Svitzer
3. "Hellas in the Channel" – Gigilinis
4. "Heavy Lift" – Fukada Salvage
5. "Burnt" – Svitzer
6. "Ocean Breeze - high line cargo discharge" – Titan
7. "Chamarel on the skeleton coast" – Resolve Marine
8. "Kulluk" – Smit
9. "Fully Aground" – Smit
10. "Katherine" - Tsaviris



ISU Associate Members' Day March 2014



1. Gilles Longueve

2. L - R Drew Shannon, Jason Bennett

3. Simon Tatham

4. L - R John Witte, Peter Pietka, Andreas Tsavlis

5. L - R Charles Hume, David Barlow

6. Karen Purnell

7. L - R Jimmy Nichols, Chris Peterson

8. L - R Mauricio Garrido, Jim Allsworth, Kevin Clarke

9. L - R Mark Loughlin, Eric Shelley



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