

Neda to take delivery of 'new Arosa'

Greek operator to add two greener tankers

NIGEL LOWRY — ATHENS

NEDA Maritime Agency, the company that made tanker history nearly two decades ago when it introduced *Arosa*, will take delivery of a very large crude carrier this month that is just as exciting in terms of groundbreaking technology.

Only a few days will separate the delivery of the newly built *Aragona* from Daewoo Shipbuilding and Marine Engineering, and the departure of *Arosa*, the world's first double-hulled VLCC, now 18 years old, from the Neda-managed fleet.

The 320,000 dwt *Aragona* incorporates the latest environmentally friendly fixtures that reduce emissions and enhance structural integrity.

One of several high-specification Greek VLCCs under construction at DSME, it is thought to be the first tanker of its size to verify that its energy efficiency design index is well below the baseline and has other features that significantly reduce

emissions from cargo. According to Neda, the vessel is "the first VLCC structurally upgraded in order for inert gas excess cargo tank pressure at 0.35 bar for improved hydrocarbon vapour emission control and cargo loss mitigation".

The vessel's inert gas system has been fitted with the Vocon Press-Vac system to control cargo vapours in laden passage. Other equipment will reduce turbulence during cargo pass-through, increasing loading rates and reducing turnaround time in port.

At the same time, the tanker has been built to a robust design drawing from extensive studies for double-hulled liquefied natural gas carriers regarding hull structure and cargo-sloshing resonance that can lead to structural failures and increased vapour loss.

Aragona will be powered by a MAN Diesel & Turbo tier II-compliant engine fitted with cylinder cut-out and turbocharger cut-off systems. Other measures to reduce fuel consumption include propeller efficiency technology and a copolymer-based coating never before used on a VLCC.

The tanker can super-slow steam at a



The 320,000 dwt *Aragona* under construction at Daewoo Shipbuilding and Marine Engineering, which will also build sistership *Aquila*.

power order of 25%, moving at up to 12 knots on daily fuel oil consumption of about 30 tonnes.

The LR-classed vessel is due to be delivered next week and will sail under the Greek flag. A sister VLCC, to be named *Aquila*, is due for completion in summer 2012 and will be classed by ABS.

Meanwhile, Neda agreed to sell *Arosa* for \$23.5m to an Asian buyer in December, Lloyd's List has reported.

Arosa, due to be handed over to its new owners in Hong Kong on February 20, originally cost \$95m, a price raised after the owners converted the design from a single-hull order after the US Oil

Pollution Act of 1990. No price has been confirmed for *Aragona* and *Aquila* but because they were contracted from DSME in 2008 the figure, unadjusted for inflation, will be significantly higher than that for their illustrious predecessor. ■

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LNG vessel demand could double by 2020

LIZ MCCARTHY

IF ALL proposed liquefied natural gas projects filed at present gain approval, demand for LNG carriers could double by 2020, with an additional 352 vessels needed to carry extra cargo, according to Pareto Securities.

The Norwegian investment bank has forecast that LNG trade volumes could reach 781bn cu m in 2020, a 455bn cu m rise on last year's levels, if all planned liquefaction projects receive 'final investment decision'.

Its LNG market outlook report did warn that the weak economy could see funding for some projects at risk, which meant it was not likely that all would get approval and come on stream as planned.

However, Pareto also pointed out that that almost all projects last year got FID despite turmoil in the financial markets in the second half of 2011, and there are likely to be new projects that surface that will add to these forecast volumes.

Large scale growth in LNG trade volumes is set to hit in 2016, when

Australian projects are planned to start coming on-stream, with 425bn cu m expected that year if all proposed capacity goes ahead, which will create ship demand for 438 LNG carriers compared to 361 last year.

As additional LNG projects come on board, Pareto forecasts 782 vessels will be needed by 2020, which would imply a deficit of 352 ships when compared with the current fleet and orderbook for these specialised and expensive vessels.

Although there is concern that building liquefaction projects is so expensive, new LNG vessel orders will only be placed against large projects, there has also been a growing trend for short term charters.

Last year, Pareto estimates that in comparison to the 237bn cu m of LNG that was shipped on long term contracts, 95bn cu m was transported on spot and short term trade charters, including contracts under four years.

This was almost triple the 34bn cu m shipped on short term contracts in 2006 and just 11bn cu m transported in such a way in 2001. ■

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Bergen Group lands \$139m offshore order

NORWEGIAN offshore group Volstad Maritime has ordered an offshore construction vessel from Bergen Group's Fosen Yard, a contract valued at \$139m and subject to final approval and financing, writes Craig Eason.

The vessel, designed by Ålesund design firm Skipsteknisk, will be delivered in the third quarter of next year. It is the seventh vessel that Volstad has ordered from Bergen Group since 2005. Fosen Yard is building and outfitting the sixth vessel for Volstad, for delivery this summer.

Oslo-listed Bergen has delivered 16 offshore vessels over the last four years, and the group's shipbuilding yards will deliver four vessels this year.

Last year it restructured, focusing some of its yards on maintaining and constructing more complex offshore vessels and passenger ferries. Future orders include two gas-powered ro-ro passenger vessels for Fjord Lines.

Bergen tends to use third-party yards such as Gdynia, Poland, to construct the hulls before towing the vessels to Norway for more detailed outfitting. ■

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Large scale growth in LNG trade volumes is set to hit in 2016.

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Rio Tinto to pump \$1.2bn into Cape Lambert port expansion

TOM LEANDER — HONG KONG

RIO Tinto plans to invest \$3.4bn in expanding its Western Australia iron ore operations, including a \$1.2 funding of port and rail works to expand the capacity of Cape Lambert port.

This is the first time that the miner has put a price tag on its previously announced plans to expand the Cape Lambert port to a capacity to accommodate 353m tonnes of shipments per year.

The company said it was in the final stages of a feasibility study for the Cape Lambert expansion and would make a final investment decision later this year.

Rio Tinto has also committed \$3.4bn to an expansion of its Pilbara iron ore operations in Western Australia by

extending the life of its Nammuldi mine. The expansion project begins delivering its first ore in the third quarter of 2014.

The miner said that production capacity from its Pilbara region mines will reach a 283m tonnes per year in the second half of 2013.

"Today we are announcing another significant milestone in our drive towards a more than 50% increase in the size of iron ore operations in Western Australia," said chief executive Sam Walsh.

The announcement came after Port Hedland in Western Australia said that iron ore shipments to China through the port totalled 14m tonnes, down from 16.6m tonnes in December, a 15% fall.

BHP Billiton is Port Hedland's biggest user, followed by Fortescue Metals

Group. Despite mounting concerns that iron ore demand is slipping, BHP earmarked a further \$779m to expand its iron ore business by constructing a new outer harbour port and shipping facilities at Port Hedland.

BHP Billiton chief executive Marius Kloppers said: "In the longer term, we expect the rate of growth in steelmaking raw materials demand, particularly in China, to decelerate as underlying economic growth rates revert to a more sustainable level."

BHP saw its profit drop 5.5% to \$9.9bn in its fiscal first half ended in December, the first fall in profit in two years. The company cited rising costs and disruptions due to weather. ■

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MHI unveils stabilising system for Nippon ro-ro

MITSUBISHI Heavy Industries has announced a new system to reduce the risk of ships capsizing and will fit the technology for the first time into a Nippon Shipping ro-ro newbuilding, writes Tom Leander in Hong Kong.

MHI will build the ro-ro at Shimonoseki Shipyard for delivery in March 2013. Capable of 23 knots, the vessel will be 170 m long and will carry about 170 trailer chassis and 100 passenger cars.

The company developed the system to meet stronger regulations on ship stability during navigation introduced in January 2009, based on revisions to the Safety of Life at Sea Convention that was adopted by the International Maritime Organization in 1974.

MHI will target orders for high-end ships equipped with new systems and environmental technologies. It said that the

Nippon Shipping ro-ro would also burn 10% less fuel than other ships in its class.

If a ship's hull is damaged during navigation, the system diverts flooded seawater into void spaces in the ship's bottom. This reduces the risk of capsizing and increases righting momentum, quickly lowering the ship's centre of gravity, MHI said. ■

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MHI will build the ro-ro at Shimonoseki Shipyard.