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New maritime dimension

As the first country in the region to be elected to the IMO Council as a Category B member, (see p.04) the United Arab Emirates has taken a major step forward in the maritime world. More than ever it will now act as reference point in all matters shipping-related for the whole Middle East.

The choice of Louvre Abu Dhabi as the cover photo for this year’s 11th edition of Seatrade’s annual UAE Special Publication – which also marks the 100th anniversary of the birth of the country’s Founding Father Sheikh Zayed bin Sultan Al Nahyan – was thus a natural one.

Just as Louvre Abu Dhabi embodies the country’s bold vision of cultural progression and openness, in its own words designed to ‘shine fresh light on the shared stories of humanity’, so the UAE will increasingly act as beacon for the maritime industry and the ‘fraternity of the sea’ in the region.

This enhanced role that will be underlined in this year’s UAE Maritime Week, organised by Dubai Maritime Cluster Office (DMCO), taking place under the patronage of HH Sheikh Hamdan bin Mohammed bin Rashid Al Makoum, Crown Prince of Dubai, October 28 – November 1.

See you there.

Bob Jaques
Editor
Your trusted maritime arbitration Centre in the Middle East region

As countries in the Middle East continue to enhance and develop infrastructure, their maritime presence is gaining traction. Furthering development notably sees an increased requirement for support services. Amongst these services is a maritime arbitration Centre within the Middle East that now provides parties with access to alternative dispute resolution.

Established in 2016, in accordance with an Emiri decree by His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the United Arab Emirates and Ruler of Dubai, as an independent, non-governmental, non-profit institution, the Emirates Maritime Arbitration Centre (EMAC) fills the geographical gap for specialised maritime arbitration between East and West. EMAC is managed by the maritime industry, as represented by its 14 member board of trustees, and competent secretariat.

Impartial and transparent, EMAC works with organisations across the region to facilitate resolution of maritime disputes through arbitration and mediation. As the first and only maritime arbitration Centre established in the MENA region, EMAC aims to position itself as a Centre of excellence for maritime dispute resolution, adhering to best practices in-line with international standards.

EMAC’s Arbitration Rules adopt the latest UNCITRAL Rules with the addition of emergency arbitration and fast track arbitration for smaller valued disputes. For the team at the Centre, the priority remains to deliver a trusted global standard in maritime arbitration and mediation.

EMAC actively promotes arbitration and mediation with rules that provide for efficiency through light touch case management, access to the latest studies on alternative dispute resolution as well as education for professional development in maritime arbitration. One of the messages that EMAC continues to deliver at maritime events and through corporate meetings with maritime stakeholders, is the importance of a well drafted dispute resolution clause and the impact this has on the efficiency of cost and time when a case arises.

With a growing membership base, EMAC connects the maritime industry with a panel of arbitrators, mediators and experts who offer a wide range of cross border maritime expertise.

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Any dispute, controversy or claim arising out of or relating to this contract, or the breach, termination or invalidity of it, shall be settled by arbitration in accordance with the Rules of the Emirates Maritime Arbitration Centre (EMAC). The seat of arbitration shall be the Dubai International Financial Centre (DIFC), United Arab Emirates unless otherwise agreed by the parties. The number of arbitrators shall be (one or three). The language to be used in the arbitral proceedings shall be (specify language here). The governing law of the contract shall be (specify governing law here).

Contact us at: DIFC, Building 5 South, 3rd Floor, PO Box 507333, Dubai, United Arab Emirates
Tel: +971 4 427 3311, Email: info@emac.org.ae, www.emac.org.ae
Cautious optimism

The Arabian Gulf remains a challenging market for shipping and logistics. Competition is fierce, and the collapse of oil and gas prices in 2014 made life difficult for all stakeholders in countries heavily dependent on petro-dollars generated by exploration and production.

The region’s merchant shipping market never recovered to the levels that existed before the global financial meltdown in 2008 – and some fear never will – while political tensions with Qatar and Iran have only exacerbated matters.

‘Overall, the business for us is improving but the addressable market has shrunk, and competition has increased significantly,’ says Roy S. Strand, COO of engineering services’ provider Goltens Worldwide. ‘In addition to continued downward pressure on rates, one of the major factors weighing on the market is the challenge of dealing with environmental compliance. We could see a situation with increased scrapping as a result.’

‘Cash flow has become a huge problem for shipowners and ship management companies,’ observes Paul Friedman of repair and maintenance specialist Nordmarin (formerly GMMOSTECH). ‘Suppliers are also being squeezed on price and payment terms, with some clients demanding credit for periods as long as six months; and, even after getting such terms, defaulting on the due payment.’

There are many strategies for survival in the ship services’ market. Some companies are paying much more attention to exhaustive project preparation before starting work, in order to cut costs, while others are diversifying into new and more lucrative niches.

However, ‘amidst all this gloom, there is some scope for cautious optimism, with oil prices having staged a minor recovery,’ adds Strand.

‘We are seeing oil rigs which were laid up for a couple of years starting to be mobilised. Also, companies that have only used OEMs (original equipment manufacturers) in the past are looking for cost-effective alternatives, and that is where firms like ours are being approached.’

In short, a new focus on operating efficiencies is emerging, which in the long run can only bode well for the region’s maritime industries, especially with signs that a macro economic recovery may now be underway.

Solid growth forecast

The UAE’s economy is forecast to expand by 2% in 2018 and 3% in 2019, according to the International Monetary Fund’s latest World Economic Outlook. This marks a solid rebound from the 0.5% growth seen last year, but is down on its earlier projection of 3.4% made in October.

Higher oil prices are driving the recovery, and are expected to translate into improved investor sentiment.

Meanwhile, preparations in Dubai for hosting the World Expo in 2020 continue to accelerate, stimulating construction, which together with hospitality and transport & logistics are forecast be the strongest growing sectors in Dubai this year, according to local bank Emirates NBD.

One area of challenge for the UAE in 2018 is consumer confidence. The introduction of 5% VAT at the start of the year, intended to improve the country’s fiscal balance, has led to a spike in inflation, which in turn has dampened consumer spending and demand for personal loans.

Leading figures within the UAE maritime sector recently called for the shipping industry to be exempt from VAT.
In December 2017, the United Arab Emirates became the first Arab country to be elected to the International Maritime Organization’s (IMO) 40-member Council, under Category B, which pertains to states with the largest interest in international seaborne trade.

For the UAE’s Federal Transport Authority (FTA), being ranked among the world’s leading maritime nations is a major achievement for the young country and cements its position as the region’s most developed maritime hub.

‘It is a huge source of pride not only for UAE, but for all Arab nations,’ says Abdullah Belhaif Al-Nuaimi, UAE Minister of Infrastructure Development and chairman of the FTA – Land and Maritime. ‘The Council is the executive organ of the IMO…and is responsible for supervising the work of the organisation, scrutinising [its] work programme and budget, coordinating activities, presenting reports and proposals to the assembly.’

‘It creates further responsibilities,’ he adds, ‘but we are committed to playing a significant role in shaping the future of the global maritime system and efficiently contributing to the work of the IMO to achieve its mission for safe, secure and efficient shipping on clean oceans.’

In gaining this seat at the top table, the UAE will now participate directly in decision-making at the IMO and help to formulate future regulations governing the global maritime industry, says Al-Nuaimi. Stakeholders in the UAE maritime sector will in turn benefit from attending IMO meetings, gaining from the rich seam of knowledge and high-level dialogue.

Ultimately, Al-Nuaimi expects it will enhance the reputation of the UAE maritime industry, paving the way for more investment in the sector.

The maritime industry currently accounts for about 5% of the UAE’s GDP, but the FTA believes this could be increased to 25%. To encourage investment in the sector, the UAE is preparing a new Maritime Law, and the transport authority is currently revising the first draft.

The updated legislation will include provisions to encourage investment in shipping and provide incentives for ship registration under the UAE flag.

The business environment as a whole has been undergoing significant change in the UAE this year. At the start of 2018, as part of a wider regional initiative, the federal government introduced value-added tax for the first time, set at a rate of 5%. There have been calls from within the shipping industry to seek an exemption from VAT, but Al-Nuaimi points out that other recent regulatory changes have improved the attractiveness of the UAE as an investment destination.

‘We think that there are several incentives to attract and promote investment in the shipping industry other than exemption from VAT,’ the minister says. ‘In a major announcement [in May], the UAE cabinet approved 100% foreign ownership of companies, which was previously limited to [those] based in free zones. In addition, the cabinet approved a new long-term visa system aimed at attracting international investors and high-skilled professional workers.

‘These major incentives are going to draw foreign direct investment as well as top talent into the UAE [helping it] to remain the most attractive and investment friendly destination in the region. It is also expected that the new measures will help raise the UAE’s global profile as a preferred investment destination, positively impacting the local business environment and ultimately enhancing the country’s economic competitiveness.’

Abdullah Belhaif Al-Nuaimi, UAE Minister of Infrastructure Development & Chairman of the FTA – Land and Maritime

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Building a vibrant maritime community

The UAE’s election to the 40-member IMO Council under Category B last December placed all things maritime in the country under a brighter spotlight. For Dubai Maritime City Authority (DMCA) in particular, which was established in 2007 to regulate, coordinate and supervise all aspects of the maritime sector in that emirate, it brought both greater responsibility and opportunity.

At a time of growing regional competition, DMCA is focusing its efforts on streamlining processes to make Dubai an investment-friendly and attractive environment for maritime companies from all over the world and the number one choice for companies looking to base themselves in the region.

‘We aim to provide the best marine services and develop them on the basis of innovation and intelligent transformation,’ says Sultan Ahmed Bin Sulayem, chairman of DMCA. ‘We are simplifying, accelerating, and facilitating government services.’

Earlier in 2018, DMCA rolled out a new digital payment and services portal, which it hopes will enable it to process transactions and queries more speedily and efficiently, and reduce the number of visits to its customer service centres by 80% by the end of the year. The gateway allows users to track application statuses, verify crew and craft licence validity, as well as deal with penalty objections and payments, among other services.

DMCA’s other main role is building and supporting a vibrant maritime community in Dubai. According to DMCA, Dubai currently hosts more than 5,500 maritime companies and 13,000 maritime activities, which in turn support more than 76,000 jobs. The authority regularly hosts workshops and training programmes and collaborative meetings between the private sector and key government bodies involved in the maritime industry.

As part of efforts to encourage knowledge-sharing and innovation in the sector, over the past year it has launched the Dubai Maritime Virtual Cluster, the Maritime Innovation Lab and Innovation Quay.

‘We have launched initiatives designed to improve the local maritime infrastructure, enacted new key regulations, adopted the best international practices, and forged important local, regional, and global partnerships,’ says Bin Sulayem.

DMCA’s activities are shaped by the Maritime Sector Strategy, drawn up by the authority a few years ago. ‘Enhancing maritime services, operations, and logistics services in Dubai is part and parcel of our strategy,’ says Bin Sulayem. ‘We make this possible by promoting excellence, quality, and inclusiveness across key indicators such as shipping services, maritime legal expertise, and maritime insurance, to name a few.

‘We will continue to develop and implement strategic initiatives centred on nurturing a maritime environment that attracts leaders of maritime industries all over the world. We will also consistently provide all the necessary legislative and infrastructure to enhance the components of the maritime cluster, especially shipping, ports, maritime engineering, training and maritime support services. These components collectively form a strong foundation for maximising the contributions of the maritime sector to the local economy.’

The maritime sector currently contributes about 7% of Dubai’s gross domestic product, equivalent to AED26.9bn ($7.3bn). The government hopes to significantly increase this proportion by 2030, although no concrete target has been made public. Norwegian consultancy, Menon has predicted that Dubai could become the seventh leading maritime capital by 2020, displacing some of today’s established centres.
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DP World to boost Jebel Ali capacity to 22m teu

Jebel Ali, the biggest man-made port in the world and the DP World flagship, handled 14.7m teu in 2017, making it the 10th largest container port including 27 services to Indian ports every week.

Global trade enabler and an integral part of the supply chain. That is how DP World likes to describe an organisation that operates multiple yet related businesses – from marine and inland terminals, maritime services, logistics and ancillary services to technology-driven trade solutions.

The maritime giant has a portfolio of 78 operating marine and inland terminals supported by over 50 related businesses in over 40 countries across six continents, with a significant presence in both high growth and mature markets.

DP World handled 70.1m teu across its global portfolio of container terminals in 2017, with gross container volumes growing by 10.1% year-on-year. Within the UAE, its container facilities handled 15.4m teu in 2017, up 4.0%.

‘Benefiting from the improved trading environment and market share gains, our global portfolio once again delivered ahead-of-market growth in 2017, and has seen strong performance across all three regions,’ says group chairman and ceo Sultan Ahmed Bin Sulayem.

‘Over the years, we have deployed the relevant deep-water capacity in key markets, focusing on a diversified portfolio which continues to benefit from the recovery in global trade. Our performance in the first quarter of 2018 has been just as encouraging as it was last year.’

Jebel Ali, the biggest man-made port in the world and the DP World flagship, handled 14.7m teu in 2017, making it the 10th largest container port with Dubai the third largest partner to India, behind China and the US, the port has 27 services there every week.

‘If you miss one ship to India, there is another available within four hours,’ says Mohammed Al Muallem, DP World’s ceo and md, UAE region. ‘We have 180 shipping lines operating at Jebel Ali. The aggregate capacity of our three terminals at the moment is 19m teu, but when all four terminals will be in operation, we will have a capacity of 22m teu.’

Al Muallem points to the synergies that Jebel Ali has achieved, following the start-up of the new Al Maktoum International Airport, that already has two runways in operation, and expects to have five runways working in the next five years. ‘The passenger and cargo handling capacity of the new international airport is more than double that of the existing one in Deira,’ he says. ‘Air cargo can be converted into sea cargo within 30 minutes, and vice versa.

Jafza, created in 1985, operates as an integrated one-stop shop. Fifty thousand employees live within the free zone, while another 100,000 who live outside the zone, enter it daily for work, and it has around 1,000 pre-built warehouses available for hire under several different incentive schemes.

One of the most significant events in the UAE maritime sphere over the past year has been the takeover by DP World of both Dubai Maritime City (DMC) and the largest shipyard in the region, Dubai Drydocks World (DDW – see later article). The $405m acquisition was announced in September 2017 with formalities completed in January 2018.

‘DDW has bolstered our investment in the maritime sector through our subsidiary P&O Maritime (P&OM),’ Al Muallem says. ‘We have acquired a market leader in the Middle East with the potential to deliver near-term synergies and new revenue opportunities over the longer term, particularly in ship conversion and in areas where P&OM has existing expertise.

‘We remain excited about the growth prospects of this business. Overall, these transactions will enhance our position as a leading maritime services provider, and we look forward to leveraging on our proven track record to accelerate growth and deliver stakeholder value.’

Mohammed Al Muallem
"SAIFEE’s quality service is based on its founding principle of providing ship owners with cost effective supply solutions”

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Khalifa Port poised for massive growth

Headquartered in the UAE, Gulftainer describes itself as the largest privately owned independent port operator in the world and boasts a rapidly expanding international portfolio.

In April its US subsidiary GT USA signed a preliminary agreement with the State of Delaware for exclusive rights to operate and develop the strategically located Port of Wilmington for 50 years. The river port is located just four hours’ sailing from the Atlantic Ocean and is the top North American gateway for imports of fresh fruit into the US.

Wilmington currently handles container volumes of 350,000 teu a year, a throughput predicted to double under the new deal, where Gulftainer is planning to invest $580m in the facility over the next nine years.

The river port is located just four hours’ sailing from the Atlantic Ocean and is the top North American gateway for imports of fresh fruit into the US.

For over 40 years, and as the oldest container operator in the Gulf Region, Gulftainer has been at the forefront of transforming port and logistics operations across four continents,’ commented Badr Jafar, ceo of Crescent Enterprises and chairman of Gulftainer’s Executive Board. It was Gulftainer’s ambition to ‘continue to pursue a strong growth trajectory in the USA’ where the group has also operated Canaveral Cargo Terminal in Florida since 2015.

Also in April Gulftainer welcomed the largest ever vessel at its flagship Khorfakkan Container Terminal (KCT) in the UAE with a call by the 400mtr CMA CGM Antoine De Saint Exupery (pictured). The 20,600teu vessel is one of the world’s largest containerships and is deployed on French Asia Line 1 service.

Gulftainer also operates Sharjah Container Terminal (SCT) and Sharjah Inland Container Depot in the UAE, as well as other terminals in Brazil, Iraq, Lebanon and Saudi Arabia, handling a total 5.2m teu in 2017.

In a major technology upgrade designed to boost productivity and improve service quality, the company successfully implemented a state-of-the-art Marine and Container Handling (MACH) Terminal Operating System at SCT last year, and is now rolling out the system across its other terminals in the UAE.

Mina Khalifa, Abu Dhabi’s largest port, is set for exponential growth, following the signing of a 30-year concession with the world’s second largest container line, Mediterranean Shipping Co (MSC).

The Geneva-based shipowner will make through its subsidiary, Terminal Investments Ltd, a total investment of AED4bn ($1.09bn) over the lifetime of the concession. This will include 12 quays over the next two years, bringing the port’s total to 25, and deepening of berths to be able to handle handle the world’s largest containerships.

The port currently has a capacity of 2.5m teu, which is set to increase to 5.3m teu by 2020. A new terminal, operated by China’s COSCO on a 35-year concession, went on stream in April this year, and will eventually handle 3m teu.

‘Abu Dhabi Ports (ADP) has successfully attracted two of the world’s largest companies in the field of shipping and container handling to develop a regional hub at Khalifa Port,’ says ADP’s ceo, Mohamed Juma Al Shamisi.

Over the next five years, the capacity of the two container terminals at Khalifa Port is set to increase to more than 8.5m teu annually. Rail is still in its infancy, but ADP sees a lot of potential for rail to connect to the entire region.

‘Even though ours is currently a semi-automated facility, there are plans to introduce far more automation, including blockchain technology, and turn it into the world’s first paperless port,’ says Al Shamisi.

‘The port is attached to a Free Trade Zone admeasuring 100sq km, which has been specifically designed for foreign direct investment, and will become an industrial and economic city.’

Abu Dhabi’s other major port, Mina Zayed, which has been in operation since 1972, currently handles cruise and bulk cargo. ADP-managed Fujairah suffers from poor draught, but plans are underway to dredge it and to install super-post Panamax cranes, to ensure handling capacity of 1.5m teu.

Gulftainer expands at home and away
PROFILE: TRISTAR’S EUGENE MAYNE

Tristar stays true to founder’s vision

Shirish Nadkarni hears the rags-to-riches story of Tristar ceo and founder Eugene Mayne, whose grit, determination and sheer hard work have steered his group towards becoming a major global shipowning force.

A little over four decades ago, in September 1976, a wide-eyed, ambitious 22-year-old Indian flew from Mumbai (then Bombay) to Dubai with exactly US$10 in his pocket and big dreams.

‘I came across from India at a time in the year when the climate was unbearably hot; and I had to walk most of the time because I had nothing in my pocket,’ recalls with a smile Eugene Mayne, who eventually set up the Tristar group in 1998, with its headquarters in the UAE. ‘Losing my entire first salary in a RAK casino was my first experience in risk management!’

Today, Mayne sits atop a shipping and logistics empire with annual revenues in excess of $350m and impressive profits of close to $100m. Tristar group is a fully integrated liquid logistics solutions provider, offering a comprehensive list of services to cater to the needs of the petroleum and chemical industries, both regionally and globally.

‘Our core expertise is in handling hydrocarbons, lubricants, chemicals and liquid gases,’ says Mayne. ‘Our merger in 2003 with Kuwait’s Agility Logistics, which has an annual turnover of over $5bn, has given us a global network and a strong foundation for our expansion.’

The early years were tough, and capital was not easy to come by. Few banks were interested in lending to a rank newcomer, but Mayne was persistent in risking capital that would help Tristar build its own brand in global shipping.

‘Our vision was always to be on par with the big oil companies who were and still are our customers,’ says Mayne. ‘In the first decade after we started, banks were not ready to extend financing to start ups. Today, they are lending full support. I think one of our best strategic moves was to merge with Agility in 2003. This move provided us with the financial muscle to grow.’

The Tristar group may be relatively new in shipping, but its subsidiary, E-Ships, has already built up a portfolio of 26 vessels that operate in two segments – an ocean-going fleet of tankers, gas carriers and bulk carriers, and smaller ships like tugs and barges for coastal operations.

‘Shipowning was a logical corollary to our existing operations, and part of our strategy to be a global player,’ says Mayne. ‘Since we have common customers in both our fields of operation, shipping gave us an integrated solution, as also global exposure to our brand, and provided us with growth opportunities.’

E-Ships took delivery of six newbuild MR tankers from Hyundai Mipo Shipyards of South Korea between May and November 2016, and placed a further two more tankers on time charter for a period of five years. The firm won Shipping Company of the Year at the Seatrade Middle East and Indian Subcontinent Awards that year.

Today, Tristar is ‘looking to make investments in buying liquefied natural gas ships,’ says Mayne. ‘In my opinion, LNG as a bunker fuel is bound to gain lots of momentum; and we are keen to be a player in this field.’

For the future, Mayne is also looking at acquiring both companies and ships that can bring further synergies to his group’s operations. It recently acquired two liquefied petroleum gas (LPG) carriers, and also purchased a seven-year-old dry bulk

Caption

8$VXSSLQGG

Tristar ceo and founder

Eugene Mayne

Eugene Mayne

Tristar ceo and founder

Caption
carrier, with the timing of the acquisition being just right.

‘Out of the 26 vessels in our fleet, six are coastal bunkering vessels operating in Fujairah,’ says Mayne. ‘We are also into the business of providing aviation fuel at various airports in Liberia, Uganda and southern Sudan.’

The Tristar founder and CEO asserts that his group is also in the business of handling and distribution of a wide range of industrial and consumer chemicals. He is particularly happy with its safety record, and points to the display wall outside his office, where a certificate for a safety award for having crossed 10m km without an accident, has been framed.

‘We started as a small family business, and would like to retain that flavor,’ he says. ‘To boost the spirit of community within the Tristar group, we have a ‘Recreation and Happiness Committee’ monitoring the general atmosphere within the working environment at the office.

‘It has taken us a long time working towards that goal, but it has built us a lot of employee loyalty. You must also know that our customers are appreciative of our standards and working style, and have stayed with us; we have not lost a single customer in the past 20 years.’

Tristar has opened two facilities in the UAE that are certified to LEED (Leadership in Energy and Environmental Design) Gold standard, as per the specifications of the US Green Building Council. One of them is its warehouse in the Jebel Ali Free Zone (Jafza) – a multi-functional petrochemical platform that became fully operational in September 2016.

Outside the UAE, the group has community engagement projects in Guam, such as the annual Coastal Clean-up and Adopt-a-School projects. In Haiti, it went beyond its contractual responsibilities to its customer by helping out in the relief efforts in the aftermath of Hurricane Matthew in October 2016.

‘Our mission is to respect and serve communities where we conduct our business,’ says Mayne. ‘Our aim is to be a good corporate citizen and a responsible business. Our sustainability initiatives and accomplishments are in line with our vision, mission and values, and we believe in giving back to the community in areas where we operate.’

The group had an outstanding year in 2017, securing two major turnkey fuel contracts in Somalia and Mali, which brought to seven the total turnkey missions under contract to Tristar.

Mayne is also immensely proud of the partnership that his company has built with major oil companies, including Shell, that allows him to knock on any door in search of growth in new markets.

‘We have now decided to go into India,’ he says. ‘We were not sure earlier whether we could handle India by remote but we now believe that there are several excellent opportunities in India, and India as a growth opportunity cannot be ignored.’

What has boosted the group’s confidence about growing is the funding it received last year as a result of a strategic investment of $100m made in the group by Gulf Investment Corporation (GIC). With GIC coming in as a shareholder, the company now has sufficient capital, and can look at new areas of expansion and for making strategic acquisitions.

‘The unveiling of a ground-breaking proof of concept (POC) using blockchain technology has been a big step in our company’s digital transformation strategy,’ says Mayne.

‘Transparency in the supply chain has always been difficult to achieve, but we have broken down those barriers, and with the roll-out of blockchain our clients can now have full real time visibility over the entire supply chain without the need for any human interface. It has always been our ambition to be a market leader in whatever we do.’

The Tristar founder and CEO Eugene Mayne at a ship-naming ceremony.
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LEADING THE FUTURE
Waterfront round-up

News from other UAE-based ship owners/operators.

State-owned Abu Dhabi National Oil Company (ADNOC) launched a new brand identity in late 2017 under which Abu Dhabi National Tanker Co (Adnatco), Petroleum Services Company (Esnaad) and Abu Dhabi Petroleum Ports Operating Company (Irshad) will become ADNOC Logistics and Services, alongside various other new ADNOC operating divisions, including ADNOC Offshore.

“We are confident that bringing the Group together, under one brand, will significantly enhance the visibility and positioning of ADNOC at a local, regional and international level,” said Dr Sultan Ahmad Al Jaber, UAE Minister of State and ADNOC Group CEO.

ADNOC currently operates a diverse fleet of 27 ocean vessels, the majority of which are oil or gas carriers, as well as 51 offshore support vessels.

Dubai-based Gulf Navigation Holding reported a 5% increase in gross profits to AED10.15m ($2.78m) for Q1, reflecting the fact that it added two 26,000dwt chemical tankers, Gulf Mishref and Gulf Mirdif, at the beginning of the year after having successfully increased in share capital to $1bn through an IPO on the Dubai Financial Market. The vessels formerly belonged to Stolt and were operated by a joint venture of the two companies.

Gulf Navigation now owns a total of 10 vessels, six chemical/product tankers and four offshore support vessels (crewboats), and has spoken of targeting a fleet of at least double that size by 2020, to handle the anticipated burgeoning of petrochemical exports from the GCC.

In addition, the company is looking into acquiring a majority stake in Atlantic Navigation Holdings of Singapore, which operates a mixed fleet of offshore supply vessels, tugs, anchor handlers and lift boats.

Meanwhile, shipping companies that are jointly owned by different states across the region seems to be going out of fashion. The tanker fleet of Dubai-based United Arab Chemical Carriers (UACC) was reported to be up for sale last year before tensions with Qatar complicated any disposal process. Several senior executives have left the company over the past two years, the latest being CFO and acting CEO Ketil Ostern who is joining new Iraqi company Al-Iraqia Shipping.

Over in the container sector, United Arab Shipping Company (UASC) was totally integrated by new owner Hapag-Lloyd at the end of last year, some six months after the takeover took place. The UASC brand continues, for the moment at least, however, and its offices in Abu Dhabi and Dubai are retained under Hapag-Lloyd’s new senior managing director - Region Middle East, Dheeraj Bhatia.

Prior the merger UASC was the world’s 18th-largest container shipping company, with a fleet of 53 vessels with combined capacity of around 400,000teu. These included 20 vessels of 14,000teu and over, which have become largest ships in Hapag-Lloyd’s fleet that now numbers some 220 units of 1.6m teu capacity.

Addition of the UASC fleet helped Hapag-Lloyd raise its total revenue by 42% to €3.2bn in Q1 despite lower freight rates. The German line’s market position on not only Middle East trade but also intra-Asia and Far East has also been enhanced, and UASC’s large container vessels being LNG-ready provides it with added flexibility when facing the 0.5% global sulphur cap on marine fuel emissions from January 2020 onwards.

UAE-headquartered Simatech Shipping, the leading feeder operator in the Gulf, seems to be going from strength to strength, however. Earlier this year it announced plans to build two new 2,800teu boxships at Guangzhou Wenchong Shipyard in China, with options for two more.

In total Simatech now operates a fleet of some 18 vessels up to 8,800teu in size, deployed on routes to and within India and Asia as well as on feeder operations in the Gulf.
Transworld’s feeder ops break all records

Currently into its 41st year of operations after it was launched as a shipping agency in Bombay in 1977, Transworld is headquartered in the Jebel Ali Free Zone, and has offices in the US, Saudi Arabia, Oman, Qatar, Kuwait, Sri Lanka, Pakistan and 28 Indian cities, combined with strong network partners the world over.

The jewel in the crown is undoubtedly the company’s feeder ing subsidiary, Shreyas Shipping, which has grown to become the undisputed market leader on the Indian coast.

‘We acquired six vessels during the calendar year 2017, resulting in a capacity increase of about 70%, to become the largest Indian container shipping company,’ says Transworld Group chairman Ramesh Ramakrishnan.

‘Following the acquisition of two multi-purpose vessels, we commenced coastal breakbulk business after securing a contract from RINL (Rashtriya Ispat Nigam Ltd). We also developed Krishnapatnam on the east coast as a hub port for transshipment of domestic and exim cargo, and increased our throughput.’

The volumes handled during 2017 broke all previous records, 35% higher than in 2016, resulting in 46% more revenue. This performance has extended into 2018 expecting 15-20% revenue growth.

‘Actually, in the past couple of years, we have acquired nine vessels, including two multi-purpose vessels, in an effort to grow our business, and for replacement of our old fleet,’ says Ramakrishnan.

‘We have replaced our old fleet with vessels of larger tonnage and offering greater fuel efficiency. The vessel sizes ranged from 671teu to 4,273teu; and the ages of the vessels purchased varied from 10 to 19 years, thus reducing the age of the fleet.’

Ramakrishnan continues to be on the lookout for quality secondhand tonnage, to fuel his plans of 25% capacity growth, year-on-year.

‘Each of our four areas reinforces and builds on the company’s core values, which are customer centrality, transparency, integrity, respect and excellence,’ says Ramakrishnan.

‘These core values embolden the company’s CSR commitment to funding long-term programs and strategic initiatives which will hone and leverage internal expertise, help non-government organisations (NGOs) to secure external funding and establish partnerships for effective programme implementation and impact evaluation.’

Ramesh Ramakrishnan

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Move Forward with Confidence
Drydocks World relishes road ahead

Capitalising on over three decades of experience, Drydocks World is ready to move up a gear as part of DP World’s Maritime Services Division.

Drydocks World has become a veritable institution in the Arabian Gulf, operating in Dubai for thirty-five years, with a service portfolio that has expanded into many sectors of the maritime industry. One of the world’s largest and best equipped yards, the comprehensive range of services and facilities will now develop further under DP World.

In the third quarter of 2017, DP World entered into an agreement to acquire 100% of Drydocks World with a capital injection of $225m, as well as $180m for Maritime World LLC, the 100% owner of Dubai Maritime City (DMC).

Led by Capt. Rado Antolovic, CEO and MD of the newly formed Maritime Services Division of DP World, Drydocks World and Dubai Maritime City will now be part of the Maritime Services Division that also includes P&O Maritime operations.

‘Together the Maritime Services Division has strong synergies that will further develop Drydocks World,’ says Antolovic. ‘Through P&O Maritime, Drydocks World will carry out vessel repair and maintenance on their fleet, in addition to future conversions, offshore, and LNG Battery projects. We are diversifying and upgrading Drydocks World, looking to more innovative and specialised business opportunities, using the most advanced technology and IT systems.’

Antolovic notes that over the past three decades Drydocks World has delivered significant projects to the offshore oil and gas industry. ‘Previously the yard has constructed specialised projects including seismic vessels, modular capture vessels, subsea oil storage tanks, semi-submersible hulls, as well as the world’s largest turret and HVDC platform. We want to build on this excellent track record and take these proven capabilities further, providing solutions that leverage the combined expertise of the Maritime Services Division.’

At P&O Maritime, Antolovic was involved at every stage of the planning and construction of a $40m vessel that was built in October 2017 in Tallinn, Estonia. ‘We built the patent-protected LNG-powered Hannah Kristina, an extremely complex vessel, and the only one of its kind in the world, that can do nine different jobs and replace three to four anchor handlers. We plan to construct a number of them in Drydocks World, with a view of tapping into the North European and Gulf markets,’ says Antolovic.

Drydocks World also has facilities in Dubai Maritime City, providing specialised maintenance, repair and conversion services to smaller vessels up to 130mtr length. Featuring two shiplifts of 6,000 tonnes and 3,000 tonnes capacity, with 42 dry berths and over 1,500mtr of wet berths, the Drydocks World marine services in Dubai Maritime City have completed more than 460 projects. With the industrial and commercial areas of Dubai Maritime City set to develop further, Drydocks World will align these services with the Maritime Services Division to continue providing dedicated attention to smaller vessels.

‘We anticipate strong growth prospects for Drydocks World,’ concludes Antolovic, ‘drawing on combined synergies in the Maritime Services Division, as we consolidate and strengthen our services. We offer cost-competitive and reliable solutions for our clients, and our focus on innovation, while introducing the newest technologies to improve efficiencies in operations, will yield positive results in the future.’
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Delivering your strategy.
ADS B thrives on Baynunah shipbuilding programme

What was the miracle that transformed the fortunes of a former loss-making facility into a highly efficient stock-listed company?

Abu Dhabi Shipbuilding (ADSB) is the region’s largest naval shipbuilding company, publicly traded on the Abu Dhabi Securities Exchange. Its fortunes have been transformed in recent years by the highly successful Baynunah programme, under which it designed, constructed and commissioned for the UAE Navy state-of-the-art 72mtr corvettes, the last of which was delivered in early 2017.

‘The Baynunah Corvette is a unique class of warship with multi-mission capabilities, including coastal patrol and surveillance, helicopter operations, as well as anti-air and anti-surface capabilities,’ then ADSB CEO Dr Khaled Al Mazrouei told Seatrade in March. ‘In performing these missions, Baynunah utilises the very latest in technology.’

The group recorded consolidated revenue, gross profit and net profit of AED712.1m, AED277.1m and AED88.9m respectively for the year 2017.

‘Ours is a world-class shipyard, spread over 330,000sq mtr of land in Mussafah shipyard and 12,000sq mtr in the Mina Zayed Shipyard,’ said Dr Khaled. ‘We have a 1,000-strong workforce and a global network of strategic partners across 17 countries, and we are recognised as a reliable regional shipbuilder and maintenance, repair and overhaul service provider.’

Besides having maintained its leading naval shipbuilding position over the two decades of its existence, ADSB continues to provide innovative products and services for regional militaries, coastal service authorities, commercial fleets and the oil and gas industry.

‘ADSB offers its broader client portfolio the very highest standards of construction, maintenance and repair, refit and upgrade of a wide range of ships and offshore units including commercial vessels, rigs and offshore support vessels, dredgers and other workboats, as well as its traditional military product range,’ said Dr Khaled, including expertise in steel, aluminium, fibreglass and composite materials.

‘ADSB collaborates with strategic design partners to ensure the provision of future service support,’ concluded Dr Khaled. ‘On the shiprepair front, we offer the latest in advanced solutions, and service a range of ships and offshore units which include commercial vessels, rigs, dredgers, workboats and a wide range of military vessels.’

Albwardy Damen improves efficiency and widens offer

Albwardy Damen, a JV between Albwardy Investment of Dubai and the Damen Shipyards Group of Holland, today employs around 1,100 people of 26 different nationalities at its three locations within the UAE – Dubai, Sharjah and Fujairah.

‘The opening of our new yard in Sharjah was a major blessing for us, as it allowed us to build a yard from scratch and employ the latest technology,’ says Lars Seistrup, MD of Albwardy Damen. ‘It is the base of our newbuilding department, and includes an in-house engineering team.

‘Sharjah is now our biggest operation, and is very efficient and in a very customer friendly port,’ he continues. ‘We have docked and repaired over 1,000 vessels since its opening in 2014. We have the vision to become the best and most efficient shipyard in the Middle East for vessels of up to 120mtr.’

The company launched newbuilding in the mid-1990s and to date has delivered 91 vessels. It has increasingly been focusing on non-standard designs and one-off vessels, and delivered two innovative Robert Allen/Rotortugs last year, as well as a 46mtr Rotortug with 100 tonne bollard pull.

‘This is the largest Rotortug built to date and also one of the most powerful tugs ever built in the UAE,’ says Seistrup. ‘We build for an increasingly global customer base – apart from our Gulf Cooperation Council (GCC) customer base, we have delivered vessels in Europe, East/West Africa and Australasia.’

The company offers diverse services, include newbuilding of steel and aluminium vessels, and repair and servicing of marine as well as oil and gas (O&G) assets. It also offers offshore and afloat repair services to clients worldwide; and its diving division provides services out of Fujairah, including underwater hull cleaning.

‘The oil price rising to $70+ per barrel has given us some positive signals, especially in niche markets like liftboats. We have refurbished, mobilised or converted seven liftboats in the last 12 months,’ says Seistrup.

‘On the other hand, we still see a very oversupplied market in O&G related units, with many vessels and rigs idle. Although some owners of newer tonnage see improved utilisation of their fleets, it will take time for day rates to improve to more normal levels. ‘Recovery, in the newbuilding department, may come only after 2020,’ he opines.
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It has been a busy period for the Dubai-based centre as it looks to educate the local maritime industry on the benefits of arbitration and encourage regional and international companies to adopt EMAC as their contractual choice for dispute resolution.

‘The maritime industry and its day-to-day business is known to adapt to change cautiously,’ says Majid Obaid Bin Bashir, acting chairman and secretary general, EMAC. ‘It’s an old industry that is somewhat set in its ways. Trying something new is often recognised as a significant leap of faith, which is why EMAC is focusing all its resources on speaking to the industry.’

The centre expects to handle its first cases after about another year or so of operation. ‘From the time the EMAC model clause is adopted through to the potential of a claim, a significant amount of time does pass,’ says Bin Bashir. ‘Realistically, we are optimistic that as confidence in the centre grows, cases will follow within the first three years of operations.’

EMAC believes there is a strong future for arbitration in the Middle East’s rapidly expanding maritime industry. According to a whitepaper published earlier this year by the centre, the number of maritime cases handled by law firms in the UAE is steadily rising, with 338 recorded in 2016, compared with 309 in 2014. The disputes most commonly relate to bunkering, ship repair and ship building, and charter parties. This represents a clear opportunity for maritime arbitration in the region.

‘Maritime cases usually are quite technical in nature,’ explains Bin Bashir. ‘Arbitration provides many advantages in the resolution of maritime disputes, allowing parties to choose arbitrators with sector knowledge or who are equipped with a specific understanding of the issue at hand.’

He says arbitration also gives parties the option to circumvent lengthy court proceedings and allows the process, including any hearings, to be carried out in private and therefore remain confidential. This can be of great advantage as maritime cases are often high in value and when processed through the courts can attract unwanted media attention. Furthermore, judgements of arbitral awards are enforceable in the courts of more than 150 countries.

Over the past 18 months, EMAC has also been working to build up its pool of arbitrators and mediators. It has reached out to the region’s legal community to join its panel and, with an eye to cultivating the next generation of experts, has been mentoring students from Middlesex University Dubai. The centre has also launched a series of breakfast seminars designed to raise awareness of the legal issues encountered by the region’s maritime sector.

EMAC itself has a board of trustees comprising 14 members, four of whom sit on the executive committee, while operationally it is managed by a secretariat of five, with a case management team for now of two.

EMAC’s efforts to establish itself as the UAE’s favoured arbiter for maritime dispute resolution has been boosted by recent legislative reforms in the country, namely the new arbitration and draft maritime laws.
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Fresh thinking pays off for Inchcape

Inchcape Shipping Services is a leading global maritime and logistics service provider, employing over 4,000 at 300 offices in 70 countries worldwide.

‘Oil and gas, and offshore are the main drivers in this region,’ says Daniel Vikstrom, Inchcape’s vp – marine services, Middle East. ‘The steep drop in the oil price, from $104 per barrel in August 2014, to under $50 a barrel in January 2015 caused a lot of projects to be either temporarily stopped or abandoned altogether.’

There has been modest recovery since August with some new projects announced, he continues. Inchcape has seen former clients returning with tenders and/or requests for more information. ‘However, customers are now extremely cost-conscious,’ he adds, ‘and there is much more focus on securing long-term credit from service providers like us. We see this trend across the board, and this puts huge pressure on the service providers. At the same time, the principal is expecting improved service levels.’

Vikstrom believes that the key to growing market share is to offer services that create extra value for the customer, both in terms of cost and time efficiency; and that are difficult for the local or country-based competitors to imitate.

With Fujairah a key port for Inchcape, the company earlier this year launched a new ‘bunker offer’, combining the in-house survey expertise with the local agency delivery, which has already attracted more than 15 clients, mostly new ones.

The bunker offer alone caused an increase of 4% in vessel attendance by Inchcape in 2017; and the company is expecting that figure to rise to 10% this year, judging by Q1 figures.

The company has also this year introduced the ‘Inchcape Lounge’ which features a recreational area, with table tennis and pool tables; a separate two-bed room for superintendents to shower and catch a quick rest; and free wi-fi connection. ‘The concept has already created quite a buzz in the market,’ says Vikstrom.

‘We see a lot more activity in oil and gas than there was last year,’ he concludes. ‘The outlook is very positive, and clients are re-hiring and getting back to work after a lengthy, four-year hiatus. There is growth in different segments; and we ourselves have won some projects in the oil and gas arena and port extensions that we did not have in the past few years. It sure does look promising for Inchcape.’

Mubarak Marine weathers oil price storm

Just as they say that ‘A smooth sea never made a skilled mariner,’ so UAE-based Mubarak Marine LLC prides itself on having ridden the storm that has hit the international offshore shipping community, the Middle East in particular, since the slump in oil prices in 2014.

The group is headquartered in Dubai, home of its longtime affiliate Dubai Shipbuilding and Engineering LLC, but also has branches in Abu Dhabi, Saudi Arabia and Singapore. Its expertise covers oilfield support for exploration, construction and production; port and terminal operations; rig relocation; plus other offshore support services including towage salvage, emergency response, wreck removal, cable-laying assistance and heavy lift operations.

‘We have a well-equipped fleet of 41 vessels, manned by professional and highly experienced masters and crew,’ says Mubarak Marine’s md, Juma O. Mubarak, ‘and also back-up offices manned by qualified managers.’

‘When we were hit by the [oil price] storm, we took several immediate measures’ Mubarak recalls, ‘like diversifying our fleet and services, optimising fleet and personnel, investing in software for better monitoring of costs and better planning of fleet maintenance.

‘We bought new vessels, took delivery of ships that had been ordered earlier, sold some vessels, converted others, and also scrapped several vessels that were proving uneconomical to run.’

Several long-term contracts kept the company busy, like its accommodation support to Hyundai, its support for the development of the Sarb artificial island in Abu Dhabi, and the offshore laying of cables, umbilical’s, flexible flow lines and demolition works for Saudi Aramco in Saudi Arabia.

There were also medium and short-term contracts that kept the cashflow healthy. These included the installation of the Jumeirah North Terrace at the Burj Al Arab, an SBM replacement for Petroleum Development Oman, subsea excavation using the Mubarak Multicat, heavy lift cargo loading for Bahri, and gas loading arms removal at the Ras Gas Jetty in Qatar.

For the future, the group has plans to amalgamate all of its companies into a single ‘Mubarak’ brand to maximise synergies. It is also considering shifting its operations and offices to Dubai Maritime City, and procuring more vessels including newbuildings.
One Century Promoting Worldwide Trade and Ready for the Future
ABS leads on cyber security and environment

The American Bureau of Shipping (ABS) has taken a leading role in addressing shipowners’ concerns on cyber security, and instituted the ABS CyberSafety program which deals with clients’ fears about safety challenges, and guides them on the way these should be faced.

‘The ABS CyberSafety program provides the first risk-based management tool developed by the industry to quantify and mitigate risks connected with cyber security, the safety of automated systems, data integrity and software verification,’ says Darren Leskoski, ABS regional vp - Middle East and Africa.

In the 45 years since ABS first came to the Middle East, and had the distinction of having the first built jack-up rigs under its classification, it has been able to demonstrate technical leadership, and has built an enviable service reputation, primarily focused on class.

‘We have a staff strength of 90 servicing the Middle East and Africa, of which 41 are based in Dubai and Abu Dhabi, and 20 in Saudi Arabia, supporting clients all over the region,’ says Leskoski.

‘With several recent recruitments, we now have 65 surveyors and nine engineers on our payroll – which means we are available to our clients 24x7. The LMIU (Lloyd’s Maritime Intelligence Unit) figures show the ABS fleet safety performance to be 42% better than the industry average, which is a credit to our deep safety culture, our people, processes, and the owners and operators that make up the ABS fleet.’

In the commercial shipping sector, ABS has vessels totalling 255m gt under its classification worldwide, of which 52m gt are owned by clients based in the Middle East. In the offshore segment, it enjoys a leading market share for existing and newbuild exploration and production units.

Beyond its support for new drilling fleets, ABS is helping the region develop new offshore support projects, including self-elevating units (SEUs) and offshore support vessels. It has also worked with owners to adapt their SEUs to support drilling operations.

Environmental services are a particular strength of ABS, which is currently working with owners and operators to help them verify that their monitoring plans are in compliance with EU MRV (monitoring, reporting and verification) requirements.

‘There is now much greater focus on environmental compliance and operational performance, with many shipowners and operators in the marine and offshore industries shifting their attention to electric propulsion and non-conventional sources of power,’ says Leskoski.

The company recently published the ABS Advisory on Hybrid Electric Power Systems to provide critical information that marine and offshore owners and operators require, to make smarter decisions about energy generation and storage.

‘We continue to work with owners to find new ways to adapt technologies and innovations to their fleets and develop solutions that support operational efficiencies and regulatory compliance,’ Leskoski concludes.

ABS surveyors at work

Ulmatec Services

Ulmatec Services LLC in Dubai is part of Ulstein Marine Technology, headquartered in Norway, and was set up with the objective of providing high-quality engineering services in the diesel engine, governor and automation industry.

The company operates a 10,000sq ft workshop in Dubai Maritime City, with test equipment and special tools for engine and governor overhauls. It also offers its clients specialised offshore and subsea equipment made by Ulmatec AS in Norway, Canada and Singapore.

‘Among the services we provide are the service, maintenance and repair of diesel engines, provided by highly skilled and OEM (original equipment manufacturers)-trained technicians and specialists, each with over 15 years of experience in the diesel engine, governor and automation industry,’ says Ulmatec’s md, Kjetil Leine.

‘We supply original spare parts and original engine spares from the principals we represent, and also service and repair the equipment of such principals. We are the authorised distributor and service centre for Regulateurs Europa and Heinzmann in the Middle East.’

The company is also local sales agent for European manufactured marine equipment such as Sperre and Tamrotor compressors, Maritime Partner Fast Rescue crafts, IMS watertight doors, PG Flow Solutions, Finnoy Propulsion, and Air Products Nitrogen systems.

Besides the full range of diesel engine services and other activities carried out in its workshop, Ulmatec also provide onboard repairs and maintenance, including engine overhaul and repair during voyage, automation repair and trouble-shooting, including of the governor where Leine says the company is particularly proud of its proven ability to extend the governor’s working lifespan.

Kjetil Leine
Lloyd’s Register strengthens cyber security portfolio

For Lloyd’s Register (LR), an undoubted highlight of Q1 this year was the acquisition of Nettitude, an award-winning cybersecurity specialist employing some 140 people globally.

‘Cyber security has been on the boardroom agenda as organisations worldwide seek to improve their resilience against a backdrop of high-profile, and increasingly sophisticated cyber attacks,’ commented Alastair Marsh, chief executive of LR. ‘The number of breaches is up an average 27.4% year-on-year, with 86% of firms around the world reported experiencing at least one cyber incident in 2017.’

The acquisition strengthened LR’s already broad portfolio of cyber security services, and together the two now provide holistic assurance services to help clients identify, protect, detect, respond to and recover from cyber threats. It also confirmed LR’s growing emphasis on digital advances.

‘New products and services are not replacing our traditional work but adding to it,’ says Capt. Tony Field, LR’s marine and offshore manager, Middle East and Africa. ‘We have to evolve because the pace of change is so fast.

‘This was an important acquisition for LR to enhance our capability in assuring the increasingly complex supply chains in which we operate. Information and operational technology security is a key concern for our clients across all sectors, as we see increasing dependencies on technology and challenges created by Industry 4.0.’

Field insists that shipping is inherently very safe – and that the class society intends to keep it that way, having already made a number of acquisitions over the past three years to enhance its ability to partner clients.

‘We are more than just a class society; we help clients manage their risk,’ says Field. ‘That is one of our primary responsibilities. If they are given the right information, clients will usually make the right decision.’

Embracing new technology is a major priority at LR, which has joined forces with the University of Southampton, renowned for its world-class marine engineering and naval architecture courses, to set up the Southampton Global Technology Centre.

It is also working with the Singapore Global Technology Centre and joint project partner A*Star to advance technical innovation and support economic growth in that region.

HFW shows impressive revenue growth

In the space of the dozen years that it has been in operation, the lawyer firm of HFW (formerly known as Holman Fenwick Willan) has seen business grow at an exponential rate. It now has representation all over the Middle East, and boasts specialised individuals who run different departments.

‘Disputes remain frequent in shipping, generally, and the UAE, but the size, duration and method of resolution of disputes are linked to market conditions,’ says Richard Strub, one of the partners that run the firm of legal eagles.

‘In an environment of quite low daily rates for vessels (in some sectors more than others), over-capacity and the importance of maintaining commercial relationships, litigation or arbitration are very much a last resort and we are assisting clients to resolve disputes via settlement and negotiation unless litigation or arbitration is inevitable.’

Well diversified in the shipping field, HFW lays claim to having the largest shipping team in the region, with a total of 50 lawyers, including 12 in Dubai alone, being available to clients. It witnessed double-digit revenue growth at a time when shipping was generally flat.

‘Competitors do a bit of this, and a bit of that, but we are into core shipping,’ says another partner, Yaman Al Hawamdeh. ‘Our work covers all aspects of maritime and across the whole supply chain, from disputes and crisis management in the maritime space to financing of ship and marine assets, ports and terminals, and logistics.’

Last year, HFW opened in Saudi Arabia, Beirut and Kuwait, and is busy recruiting specialised shipping people in all three countries. For the moment, eight lawyers are packed into the Saudi Arabia office, while two are in charge in Kuwait.

‘We are building on this expansion with an imminent announcement of another new office in the Middle East this summer,’ says a third partner, Tien Tai, who bagged the Seatrade Deal of the Year 2015 award for a $550m refinancing deal of the Topaz fleet of over 40 vessels and across 12 jurisdictions. This, incidentally happened to be the last refinancing which occurred prior to the oil price collapse.

In the meantime, HFW Dubai and HFW Hong Kong are working together on a large port financing transaction for the development and automation of the second phase of Port Khalifa in Abu Dhabi by a large Chinese shipping company.

‘This is part of the One Belt One Road infrastructure initiative from China which has seen development of maritime related infrastructure projects around the world, onshore and offshore,’ says Tai.
Tasneef just keeps on growing

The balance sheet of Abu Dhabi-headquartered Tasneef confounds the existence of a recession within the shipping industry. Over the past three years, the region’s youngest classification society has reported 30% compound annual growth in revenues.

‘All class societies are supposed to be non-profit, non-government and non-liable,’ says with a smile Eng. Saeed Salem Al Maskari, who took over as ceo in January this year, just weeks before Sheikh Saeed bin Hamdan Al Nahyan of the ruling family became chairman.

The society already has a raft of achievements to its credit since establishment in 2012. It was set up after a combined feasibility study by the Federal Transport Authority and Armed Forces of the UAE, ‘to create a safe sailing environment, provide protection to the UAE marine environment, and to dominate the classification market,’ says Al Maskari. ‘We do a lot of risk analysis towards this end. We have forged good relations with the top classification societies all over the world, and have several dual-class agreements.’

A unique situation in the Arabian Gulf is that there is a plethora of vessels smaller than the minimum size covered by the regulations of the IMO (International Maritime Organization). For this reason in 2015 Tasneef and FTA introduced a common code for all vessels as small as 12mtr in length including even fishing craft, known as the GCC Code.

‘The GCC Code used an extraction from MARPOL and SOLAS (international conventions for marine pollution and safety of life at sea), adjusted to meet the specifications of small vessels,’ explains Al Maskari. ‘It was a challenging assignment, for small craft owners were extremely reluctant to be regulated. We had to convince them individually. Now they are all happy, since safety standards have improved hugely.’

‘Within the UAE, there are around 1,200 boats under 500 gt, and they are all under the GCC Code,’ says Eng. Waleed Al Tamimi, gm of Tasneef Maritime. ‘Other than that, we have 99 commercial boats and 54 yachts and naval vessels with us.’

Tasneef Maritime was one of three subsidiaries – along with Tasneef-RINA Business Assurance and Tasneef Asset Integrity – created as part of a major expansion in 2016. Ambitious revenue targets have been set again for 2018.

Bureau Veritas focuses on digital

‘Whether you are a shipowner or a shipyard, and no matter what your ship type is, Bureau Veritas (BV) offers an extensive range of technical services and solutions in the fields of certification, conformity, assessment, consulting and training,’ says Sergej Krsstanovic, BV’s marine chief executive for UAE – Marine Division.

Established in the UAE back in 1985, BV has been serving major oil companies and prominent players in the region for nearly 35 years. Its key strength is providing diversified solutions and creation of added value through assistance at any stage of the life of an oil and gas project – from conceptual design to maintenance and operation.

One recent offering in BV’s portfolio of maritime digital applications is ‘PSC Ready’, a digital app to help crew prepare for port state control (PSC) inspections.

‘The app is freely available to all in the industry for use on mobile, laptop and desktop applications,’ says Krsstanovic. ‘It helps ensure that shipowners are able to focus on all the requirements needed to be ready for PSC inspections. The app trains crew to detect, correct and avoid deficiencies, providing access to statistics, data and news on PSC developments.’

BV has also developed a comprehensive approach to support shipowners in addressing maritime cyber risks. A new series of classification notations, guidelines and services enables owners to comply with regulatory requirements, safeguard their crews and protect their assets from both malfunction and malicious attack.

‘BV continues to invest in developing specialist skills to help our clients leverage the power of digital systems to improve fleet efficiency and performance, while keeping their ships, crew and data safe,’ says Krsstanovic.

For example, it provides independent inspection, sampling and testing services for petrochemicals on a 24/7 basis, using BV’s global network of laboratories. BV’s VeriFuel business line is now helping shipowners prepare for the 2020 fuel transition.

The class society has also been working with other partners on the application of 3D printing techniques in the maritime sector. ‘Our aim is to develop the world’s first class-approved 3D printed ship’s propeller, to be called the WAA4Mpe11er,’ says Krsstanovic. ‘It is also likely to be the first time that a metal 3D printed maritime component is approved by a classification society.’
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DNV GL employs drones for surveys profitably

Clients of DNV GL are serviced by around 300 employees of the class society in the Middle East, including 60 working in maritime, with an emphasis on oil and gas, and renewable energy.

‘We are very proud of clinching in 2017 the exclusive rights for the classification of newbuilds for Tomini and Bahri, since the deals have come at a difficult time for the newbuilding market,’ says Geir Fuglerud, DNV GL's area manager, Middle East & Africa, for Maritime.

‘We have seen a lot of success in recent times, with several Middle East-based owners of tankers and offshore vessels transferring class over to us, no doubt thanks to the quality of service we offer, particularly due to DNV GL being a leader in the application of new technologies, such as drone surveys.’

First started by DNV GL in Poland, the drone surveys employ two-person in-house teams, the drone pilot and surveyor, who work together with a camera that delivers pictures of exceptionally high quality. Although drone surveys are more expensive than the conventional ones, they reduce survey time substantially, and end up saving costs for shipowners.

‘Erecting scaffolding inside tanks is an expensive proposition, and can be totally avoided for younger vessels of good standard,’ says Fuglerud. ‘The survey is also more thorough, with the drones easily able to take pictures of remote and hard-to-reach areas. Many of our clients are now opting for drones instead of manual surveys, and we now have drone pilot teams available at several locations globally.’

Among other new services being offered by DNV GL in 2018 is assistance provided to clients on EU MRV (Monitoring Reporting and Verification) compliance. The advisory team based in Dubai guides clients in the procedure for compliance with the new European Union rules on carbon emissions.

DNV GL is also pushing hard for the adoption of battery-operated, zero-emission passenger ferries. A recent study showed that these were viable, and Fuglerud feels that this is something Dubai should be looking at.

GAC provides full suite of integrated services

As ‘a pioneer since 1956, GAC has grown to become one of the largest integrated providers of shipping, logistics and marine-related services on the planet,’ says Ronald Lichtenecker, md of GAC Dubai. ‘Today, we have 300 offices in more than 50 countries, with a team of more than 9,000 professionals.

‘Our complete suite of integrated services allows customers to enhance operational efficiency, control costs and increase revenue – driving towards long-term growth,’ he continues. ‘It is an unmatched combination of operational expertise, global reach and strategic focus.’

Representing more than 3,500 principals and handling as many as 75,000 jobs annually, GAC’s global network of offices and agents aims to help vessel owners and operators with whatever they need and wherever they are. Its operational expertise covers traditional areas such as ship agency, bunker fuels and ship supply, to innovative services such as weather routing, vessel performance management and ROV hull cleaning.

‘GAC Shipping also represents the ethical choice – we are committed to quality, safety, compliance, honesty and transparency in everything we do,’ says Lichtenecker. ‘Our formalised approach and strict principles set the standard in many sectors. We are more than just a service provider – we help customers achieve their business goals.’

This formalised approach is underpinned by the GAC Code of Ethics and GAC Spirit, whose key policies include full compliance with anti-corruption regulations such as US Foreign Corrupt Practices Act (FCPA) and the UK Bribery Act 2010; commitment to ensuring compliance, honesty and transparency in everything it does; anti-money laundering, sanctions, health, safety, security and environment.

The other main division, GAC Logistics, provides a mix of services for every logistics need – air and sea freight, project logistics, contract logistics, clearing and forwarding, supply chain management, international moving, ship spares logistics, oil and gas logistics.

‘Whether you are in aerospace, FMCG, offshore, sports or events, you need a logistics partner you can rely on,’ says Lichtenecker. ‘Logistics is all about deadlines, customers literally want their goods yesterday! Delivering them in good shape, on time and within budget is what we do.

‘We have come a long way since opening the Middle East’s first Distribution Centre in Jebel Ali in 1993, continuing to innovate and expand while maintaining traditional values,’ concludes Lichtenecker. ‘We invest in long-term relationships; we know that deeds are more powerful than words; and we recognise that trust must be earned.’

Geir Fuglerud
Call for Entries

For 15 years, the Seatrade Maritime Awards have continued to recognise excellence and best practices in shipping and maritime across the Middle East, Indian Subcontinent & Africa. This is the only regional awards scheme that offers judging transparency; integrity and an evening of networking with more than 700 of the industry’s leading personalities.

There are more than 20 awards to choose from with each award falling under one of four key groups:

- Technical & Operational Awards
- Industry Awards
- Regional Focus Awards
- Personality & Community Awards

**Entry deadline:** Friday, 20 July 2018

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Middle East Fuji approaches Silver Jubilee

In December this year, the new head office of Middle East Fuji, aptly named the Silver Jubilee building, is due to be commissioned, marking the company’s 25 years of presence in the UAE.

‘Most of our logistics activities will be handled from the new building,’ says Middle East Fuji’s general manager, Biji Joseph. ‘It will also become the new centre for freight forwarding and engineering services.’

The company has good reason to celebrate, for its record-breaking profitability spree of 2016 continued into 2017, and remains on song for the ongoing year. The marine supplies division fared exceptionally well; and, although the over-all sales turnover was down due to the Qatar issue, profits were at a new high. Naval business also continues strong, the company in Dubai handling the supply needs of mainly the Royal Navy and small sections of the Korean Navy.

‘Our Marine business in 2017 was $42m in Dubai alone,’ says Joseph. ‘Our supply business for cruise vessels, which we launched in 2014, crossed the $1.5m mark during the year.’ Similarly, there was growth in the Industrial division, which deals with supply of industrial spares and equipment, woodwork, steel and fabrication to the oil and gas sector and local industries.

Another milestone occurred in November 2017 when Middle East Fuji president and chairman Saeed Al Malik, also president of the UAE National Ship Suppliers Association (UNSSA), became the first Arab to be named president of the International Ship Suppliers Association.

At a product level, the company started worldwide distribution of ‘Snap’, a locally manufactured perfume, handled by its new Lifestyle division. A year earlier it started importing the famous Kobe beef from Japan.

The company has also invested in the Fuji global software system, to integrate with the main system of its parent organisation (which marks its 65th anniversary this year) and standardise its services across the globe.

‘We have moved into Saudi Arabia, starting with offshore and industrial services, and going on to marine services,’ says Joseph. ‘Kuwait is next on our radar. With charter rates being on the rise, and oil prices also going up, the prospects look rosy, and have induced us to target growth of 25% for 2018!’

ClassNK offers BWTS advice to owners

With some 20% of the world’s merchant fleet on register, ClassNK is one of the world’s leading classification societies, committed to providing highest-quality services, supporting clients 24/7 through a global service network of over 130 offices.

The Japanese society has been devoting much attention of late to advising owners, in the Middle East and elsewhere, on how best to retrofit Ballast Water Treatment Systems (BWTS) by the required deadline, which for many operators will be as soon as the second half of 2019.

‘Retrofitting BWTS systems can be a long and expensive process if due care is not taken,’ cautions the society. In particular, it advises 3D modelling of the spaces affected before any works begin, for which it says ClassNK PEERLESS software can be used to speedily build up a 3D model based on laser scans of the areas in question.

Another current focus of its work is promoting safer and greener ship recycling practices in line with the Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships, requiring shipbuilders to develop a ship-specific Inventory of Hazardous Materials (IHM) identifying locations and quantities of hazardous substances on board.

ClassNK has developed the award-winning PrimeShip-GREEN/SRM software allowing shipbuilders and suppliers to digitally exchange hazardous substances data for over 1,000 products on board, and generate an IHM almost automatically, greatly reducing manpower involved.
Panama sees UAE as gateway to Middle East

When Panama’s President Juan Carlos Varela attended the recent Global Business Forum - Latin America held in Dubai, he took the opportunity to meet with the main sovereign wealth funds of the region in a bid to boost investments in his country.

Many of the main sovereign wealth funds already have investments in South and Central America but there is room for further investment, especially in Panama which, like Dubai, is a hub for a wider region, writes Michele Labrut.

Panama can also be used as a gateway for agricultural produce from South America to be exported to the Middle East, in particular when direct flights from Panama to Dubai begin, said Varela. ‘Panama is a natural hub for Latin America and Dubai is also hub for the Middle East, for South-East Asia and for Africa. The idea is to connect both regions through our hubs.’

‘That’s why Panama is participating in the 2020 Expo. That’s why we’re expanding our present embassy in Dubai,’ he continued. ‘Dubai will be a gateway for expanding our mutual interests.’

Panama, through the Panama Maritime Authority, the Ship Registry and the Embassy in the Emirates will also be taking part in this year’s Seatrade Maritime Middle East (SMME) exhibition and conference being held October 29-31 in the Dubai World Trade Centre. SMME is under the patronage of HH Sheikh Hamed bin Mohammed bin Rashid Al Maktoum, Crown Prince of Dubai, UAE and acts as anchor event of UAE Maritime Week.

‘We are very pleased to participate once more in this conference-exhibition in Dubai which is the region’s largest gathering of shipping and maritime industry decision makers,’ said Panama’s Minister of Maritime Affairs Jorge Barakat. ‘Come and join us at our booth where we will announce the latest developments of the Ship Registry.’

‘Our Registry provides a service of excellence, as noted by the 2017 ICS Flag State Performance Table, and is now certified by Lloyd’s Register with ISO 9001:2015,’ comments Barakat. ‘Last year we celebrated the 100th anniversary of the Registry by hosting the IMO World Maritime Day Parallel Event and we have incorporated a series of technological innovations, such as the Seafarers’ Automated Applications (SAA).

‘Giving seafarers a worldwide platform for their documentation services, SAA is in operations in 34 consulates which manage 80% of seafarers’ procedures,’ he continues. ‘The users of the Registry have benefited through the online issuance of technical certificates that can be printed electronically and directly by the interested parties, thus streamlining processes by not having to physically move anywhere. It is expected that existing certifications will be fully incorporated this year.’

Panama is also to promote the legislation for ship financing and other maritime related projects in Dubai, the first of its kind for the country. ‘The Law 50 of 28 June 2017 entered into force on 29 December 2017,’ explains the Minister. ‘It creates an attractive investment environment and contemplates ship financing from banks established in Panama while extending its reach to all foreign financial institutions provided they establish a branch office in Panama to enjoy the law’s benefits. This is a new milestone for the services we offer to ship owners.’

In addition, the Panama Maritime Authority’s General Directorate of Seafarers (DGGM) has recently been audited by the Belgian Maritime Inspectorate (BMI) with a view to signing a bilateral agreement between the two nations, allowing mutual recognition of each other’s certificates of competence (CoC). Belgium also gave its approval for Panama to apply to be recognised by the European Commission, through an audit by the European Maritime Safety Agency (EMSA), which would allow Panamanian seafarers to embark on European vessels.
Saifee excels in ship supplies and spares

Saifee Ship Spare Parts and Chandlers has moved on greatly from the days of ‘traditional’ chandlery that existed in 1971, when the family business was started in the UAE. It is today one of the leading maritime supply chain operators in the Middle East.

“We started small, as a local marine equipment and hardware supplier, but have established ourselves over the years as one of the most reliable partners to ships and the offshore industry,’ says Saifee’s sales and marketing director, Idris Shahpurwalla, grandson of the company’s founder, and son of the md, Hasan Shahpurwalla.

The firm caters to the spare parts requirements of machinery on board oceangoing vessels, and aims to provide shipowners with a cost-effective supply solution. It maintains an inventory of over 45,000 line items, consisting of both provisions and technical stores, that are available for immediate delivery.

“In fact, that is one of the secrets of our success,’ confides Shahpurwalla. ‘Stock is the name of the game, since there is zero lead time for delivery.

“We have managed to attract a number of supply contracts from all over the region, barring Qatar for obvious reasons,’ he continues. ‘Some are ‘sole supplier’ contracts, where we are the exclusive suppliers; while three or four others are ‘preferred supplier’ deals.’

Saifee remains one of the largest importers of maritime stores in the region, and covers all areas of ship supplies, including deck, engine, cabin, electrical, hydraulic, rigging, safety (LSA/FFA) and pyrotechnics, provisions and bonded stores. In addition, it has divisions that specialise in servicing the specific victualling needs of Korean and Japanese shipowners.

The company’s new head office and state-of-the-art logistics centre is located at Dubai Investment Park and includes a custom-built warehouse admeasuring 350,000sq ft, with a cold storage facility and temperature controlled dry food area. The complete facility has CCTV security, and is monitored 24 hours by a third-party contracted security company.

A subsidiary company, Jome Engineering, started out in 2006 with dealing in spares, but has since moved aggressively into repairs, services, fabrication and reconditioning.

“We can provide in-situ services, so that down time is reduced to a minimum,’ says Shahpurwalla. ‘We have 30 years of industrial experience, and most of our staff has been around for 30-40 years.

“Our market share has been growing steadily over the past few years, mainly through word-of-mouth. Several of our clients have audited our facility – which is why even more people are coming to us.’

Shahpurwalla maintains that the forecast for the foreseeable future is very positive, with a lot of old tonnage going to the scrapyard, and being replaced by new, larger vessels. Saifee will stick to what it does best – supplying to ships – and resist the temptation of diversifying into areas of which it knows little, he concludes.

Lamprell looks abroad

Lamprell Energy is a London-listed service provider to the international offshore and onshore oil and gas and renewable energy industries, with some 5,000 employees across four facilities in the Arabian Gulf – at Hamriyah, Sharjah, Jebel Ali and Dubai.

“We have over 40 years of international experience, delivering several hundred projects across our key markets of the Middle East, Africa, CIS, Asia-Pacific and UK Continental Shelf,’ says Lamprell cfo, Tony Wright.

“While the company was listed in 2006, it has witnessed rapid growth after 2008. At the moment, we are strategically located in the Middle East with easy access to our customers across the world, having over 800,000sq mtr of fabrication space and 1.6km of deepwater quayside access.’

The company’s capabilities cover engineering, fabrication and contracting services of large complex offshore and onshore process modules, as well as fixed platforms and topsides. It excels in the fabrication of shallow-water jack-up drilling rigs, multi-purpose liftboats, land rigs and rig refurbishment projects.

Last year marked a historic low because of the effect of low oil prices, but the yard nevertheless launched its Lamprell Jack-up LJ43 rig, with a new design developed by GustoMSC.

The company has also shifted its strategic focus to Saudi Arabia, and become a minority stakeholder in the new International Maritime Industries (IMI) mega-yard project led by Saudi Aramco. Lamprell is investing $140m ‘to get access to the world’s largest oil and gas market,’ says Wright. ‘We expect to build 20 LJ43 rigs there over the next decade.’
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Nico International aims to be ‘contractor of choice’

M arine and industrial engineering company Nico International, owned by Chalmers Group, enjoyed a strong 2017 with revenue up 10% and net profit increased fourfold over 2016.

‘We completed more than 3,500 individual afloat repair jobs on board various vessels during the course of the year,’ says Nico’s gm Prakash Kumar. ‘As many as 120 riding squads were deputed at any given time for various ship owners.

Additionally, NICO successfully completed over 57 drydocking jobs from its operational location in Dubai and Fujairah, as well as a number of major industrial shutdown jobs with several more in the pipeline for 2018.

The company has provided support to various vessels of top lines like Maersk, CMA CGM, Svitzer and NGSCO. Various jobs have been carried out from both Dubai and Fujairah anchorage, as well as during voyages, with main engine repairs and steel renewal jobs both much in demand.

The Underwater Division has also seen a healthy jump in business with its diving team carrying out the recovery of eight lost anchors at Fujairah Anchorage last year, maintaining a 100% recovery rate.

‘We are looking forward to being the ‘contractor of choice’, and have improved our long-term prospects by signing a number of sales and service agreements with world-renowned companies,’ says Kumar. ‘Our new partners include Nishishiba Electric Co, a part of Japan’s Toshiba Corp, for all their electrical power generating products.’

Nico also signed a service agent agreement with Sunrui Marine Environment Co, a wholly owned subsidiary of China Shipbuilding Industry Co, for ballast water management systems in the Middle East; an exclusive agreement with Mixing Solution for in-tank mixing; and a territorial partnership agreement with Across Technologies LLC for the marine and industrial business in the Sultanate of Oman.

‘We have also inked an exclusive sales and service agreement with Jeumont Electric S.A.S of France for Jeumont power generation equipment and conversion markets; and an exclusive territorial partnership agreement with Dragon Marine of Turkey for the marine and industrial business in the Turkey region,’ says Kumar.

Several long-term agreements with major vessel companies are reported to be ‘in the pipeline’ for possible conclusion by mid-year. ‘We would like to continue the progress we have made in forming strategic alliances with equipment manufacturers, customers and suppliers,’ says Kumar.

Nordmarin takes over from GMMOSTECH

N ordmarin LLC may be less than a year old in the UAE market, but it brings three decades of experience providing a range of reliable repair and maintenance services for both local and international shipowners, and ship management companies at all ports within the Emirates.

‘We bought over in the latter half of 2017, GMMOSTECH Marine and Technical Services, which had been operating in the Dubai shiprepair market since 1988, and re-named it Nordmarin,’ says the company’s md, Paul F. Friedberg, a UAE veteran who headed marine engineering company Goltens Worldwide some years back.

‘We now have an experienced management team with qualified technicians and a very competent workforce with many years of experience within the shiprepair and conversion sector.’

Nordmarin consists of a specialised and skilled workforce within the disciplines of steel/aluminium fabrication, piping, surface protection, welding, mechanical, electrical and automation; and is capable of carrying out both alongside afloat repairs and scheduled emergency vessel drydockings, as well as more complex conversion projects.


‘A fundamental criterion for the successful execution of a shiprepair or conversion project is a detailed definition of scope of work and a well-defined project plan with adequate resourcing,’ says Friedberg, which leads to efficient project execution.

The company’s services include main/auxiliary engine overhaul and repairs, machining work, steering gear, rudder and propellers, class-approved tail shaft cladding and repair, tank repairs and coating, trouble-shooting and rectification within electrical and automation disciplines as well as carpentry and interior outfitting.
Goltens ‘motivated to repair, not condemn’

Operating from 23 locations in 14 countries, Goltens is a service organisation that enables shipowners and power plant operators all over the world to minimise asset downtime via specialist diesel, in-situ machining, and reconditioning services. Its market spread includes merchant marine, offshore marine, oil and gas, shipyards and stationary power, including industrial.

Goltens is also recognised as a leading provider of engineering components for the worldwide shipping, offshore, industrial plant and power station markets, having acquired its specialised capabilities through strategic partnership with select OEMs (original equipment manufacturers).

‘Call us an independent in-situ machining and engine repair specialist, because that is a position we have held for over seven decades since our inception in 1940,’ says Goltens Dubai’s md, Pravin Kirolikar.

‘Remember, we are not a maker or manufacturer, we have no stock to turn over. We are motivated to repair, rather than condemn, items that can be repaired or salvaged efficiently. That requires an innovative approach and solutions, which we are proud to do, because it keeps cost to our customers as low as possible.’

‘The merchant marine segment provides the base load to the business,’ says Kirolikar. ‘This sector is expected to remain stable in 2018; and, with the fleet ageing, we expect more reconditioning and engine overhaul works. The offshore market looks less promising for at least another year, however, with ship building and conversion prospects also slim at present. Although oil exploration activity is subdued, Goltens has managed to develop sales as a result of the cross-market diversification strategy implemented in 2016. This growth is expected to continue in 2018 with the execution of the FSRU and FPSO projects, and from the oil and gas market in Abu Dhabi.

There is also a continuous demand for power and water in the UAE, with most of the new installed base being driven by gas turbines. This has opened opportunities to develop Goltens’ specialised services, and also to introduce new services such as turbine and control services.

‘A significant number of captive and independent power plants have been set up, both new as well as relocated plants, in Africa, and we are already engaged in some of these power plant relocations,’ says Kirolikar.

An important new activity for Goltens is green technology solutions that include ballast water treatment and marine emissions conversion solutions.

‘Towards such conversion/retrofits, we offer 3D scanning and concept design, detailed engineering, installation supervision and actual installation,’ says Matthew Plumtree, manager for Green Technology Solutions & Woodward Channel.

The company also offers specialist EGS (exhaust gas scrubber) engineering and installations, LSGO (low sulphur gas oil) conversions of main engines, boilers and auxiliary engines, as well as BWT (ballast water treatment), retrofits, all with ‘top after-sales service.’

ARC Group on upward curve

Strong performances from the marine, oil and gas sectors of the ARC Group’s operations have helped the diversified engineering firm to sustain growth over the past couple of years.

ARC Engineering focuses on offshore, industrial and marine fabrication projects, while ARC Offshore and Supply Services (AOSS) carries out shipbuilding, industrial work and ship repair activities. Services offered include structural steel and pipe fabrication, steel repairs, PWHT (Poe Weld Heat Treatment), blasting and coating, conversions and shipyard consultancy.

‘We recently achieved a significant milestone by not only receiving our ASME ‘U’ and ‘R’ stamps, but going further and building our first set of three pressure vessels for an offshore client,’ relates ARC’s ceo Nawal Saigal. ‘This shows our technical capabilities and the commitment of our team in aligning themselves to the company’s strategic vision.’

These ASME and ABS certified pressure vessels were built at the company’s yard in Umm Al Quwain, and were delivered to Unique Global Systems in February this year. The same customer has placed a repeat order for a further series of three pressure vessels, which will be part of a PVHO approved diving compression system.

Also added to ARC’s portfolio last year was the fabrication and assembly of process skids. This included structural steel, carbon and stainless steel pipe works, and installation of OFE, including the electrical and instrumentation items.

‘We successfully built eight Fuel Gas Skids for a major oil and gas producer last year, and have now been awarded a contract for a further six, work on which is currently in progress in our facility,’ says Saigal.
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