

Oct-Dec 2016

ISSUE
04

GACWORLD



Delivering your strategy.

04

Dubai investment
continues

14

Global Marine
Trends 2030

19

High-tech port
welcomes Hullwiper

Weighty Matters



A Massive Challenge...



New rules create opportunities to make new mistakes. We could be talking about the ISPS regulations that changed our attitudes and practices regarding port security more than a decade ago. Or it could be the recent Verified Gross Mass regulations introduced by the International Maritime Organisation. It's the same thing: new challenges, new forms, authorisations, certifications. It's daunting stuff and much stress is felt by all involved in dealing with 'the new'. And then we get used to it. We accommodate it in our processes. We factor it into our thinking and planning. And we move on.



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Verified Gross Mass is not a cure-all. There will continue to be mistakes in loading and weighing and some people may even find ways to dodge the rules. But we can say with certainty more vessels and more sailors will be safer at sea because of VGM. Our cover story on it and other regulations starts on page 10.

Rotterdam welcomes HullWiper

Our little yellow hull cleaning wizard is now part of the Port of Rotterdam's continuing push towards a greener, cleaner, safer maritime world. HullWiper ticks all the boxes when it comes to being good for oceans and good for people and it is in good company with a world leader in port operations. See page 19.

Insight 2030

It is fair to say that the levels of volatility, uncertainty and complexity in markets, politics, the environment and society are reaching new levels. It is no longer possible to speak of 'business as usual'. The authors of Global Marine Trends 2030 have done a sterling job in presenting the possible paths we will be taking as the maritime sector evolves and adjusts over the next 15 years or so. Some paths are better than others it seems. Read more on page 14.

The deep end

Whether we're talking about Verified Gross Mass or Man-overboard training, it's all about attitude. You can talk the talk easily enough but walking the talk takes you to a new level. Hats off then to Henrik Althen, our MD in GAC Singapore. He decided that if his team was going into the water as part of their training then he was going in too. It's a small thing but it sends a big message to all our companies and all our customers' companies. Safety cannot be left to others. It's about you and me and our teams. And when we work together it carries a lot of weight. You can verify it!

Gurumurthi Shankar

Editor

All smiles at customer award



GAC Dubai's General Manager Contract Logistics Neil McMaster and Contract Manager Sasidharan Achuthan can't contain their delight after being on the receiving end of effusive praise and a special award from long-time customer African + Eastern (ANE).

The presentation was made at the inauguration of the new ANE Dubai Distribution Centre as the two companies entered their 16th year of working together. During that time GAC has become "African + Eastern's secret weapon against the competition", according to Mark Prechelt, ANE's CEO.

ANE is the largest importer and distributor of alcohol brands in the Middle East and Arabian Gulf. Since 2000, GAC Dubai has provided it with an extensive range of services including warehousing, distribution, Value Added Services and inbound & outbound freight.

Stuart Bowie, GAC Dubai's Managing Director, says: "Hearing such fulsome praise from one of our most valued customers makes for a very proud moment, and warrants a huge thank you to all the team for their hard work and dedication." **GW**

Industry Awards recognise GAC Training & Service Solutions

GAC Training & Service Solutions (GTSS) has won Ireland's Marine Industry Awards' accolade for excellence in the provision of professional services to the maritime industry.

The award was presented on 30 June during the SeaFest national maritime festival. GTSS provides a wide range of cutting-edge and cost-saving training solutions in a partnership between GAC and the National Maritime College of Ireland (NMCI).

The GTSS entry focused on its services ranging from port research & development studies, consultancy, bespoke training tailored to clients' specifications and the newly-launched GAC Global Training Providers' Network. **GW**



GAC Brazil has a new office



GAC Brazil's national expansion continues. It has opened a seventh office to offer its shipping, logistics, bunker fuels and marine logistics services at one of the country's newest and rapidly growing port complexes, in the north of Rio de Janeiro State.

The new office at São João da Barra, covers operations at the Açú port complex. Located 315 km north of Rio de Janeiro city, Açú has ten berths, with plans to add another 20, and at 21 metres, is deep enough to accommodate some of the world's largest freighters.

Synergy

"Açú Port is expected to become one of the largest port complexes in Latin America," says Rodrigo Kill, Shipping Manager at GAC Brazil. "The combination of commodities and activities related to shipping and logistics is definitely a great opportunity for GAC Brazil to showcase its main assets to the local market.

Jorge Nikulin, Project Manager for GAC Brazil Logistics, adds: "For project logistics, Port Açú is a bright place for development, combining strategic location with opportunities for growth. GAC Brazil aims to offer a complete solution to our customers backed by ship agency, project logistics and our full package of logistic solutions." **GW**

Dubai investment and growth continues

GAC Dubai Contract Logistics has opened a new co-packing facility in Jebel Ali Free Zone and aims to ramp up its throughput from 7.5 million unit customisations per month to 11 million per month by mid-2017.

The facility has a ground floor and a two-floor mezzanine adding 800m² for product re-work. Total co-packing space now sits at 1,800m² with a staff count of 200.

The new facility has two temperature-controlled clean rooms plus ambient space for labelling, printing, kitting and product assembly.

"This facility allows the customisation requirements of our clients to be handled even more efficiently and the extra capacity enables us to offer more services and expand the important value addition sector of our contract logistics business," says Neil McMaster, GAC Dubai Contract Logistics General Manager.

Continuing investment

GAC Dubai Managing Director Stuart Bowie adds: "This latest move represents just one small step in our wider growth plans in Dubai. In the past 18 months we have invested in a dedicated warehouse for our long term customer, The One, refurbished 24,000 pallets to a European food grade standard and implemented energy efficient district cooling plant and water recycling systems. We are currently in the final stages of contractor selection to build a new 72,900 pallet facility in Dubai World Central."

GAC Logistics Park in Jebel Ali Free Zone now has 54,000m² of warehousing space dedicated to food and FMCG shipments. GAC also operates a customer-dedicated warehouse in Jebel Ali north, a multi-user retail logistics facility in Jebel Ali south, and an onshore retail logistics facility in Dubai Investment Park. **GW**



New co-packing facility in Jebel Ali Free Zone:

1,800m²

Total co-packing space

200

Staff count

Namibia opens up



GAC has launched its own operation in Namibia, responding to demand from our oil & gas customers and increasing cargo trade with neighbouring South Africa and other African nations.

This latest stage in GAC's African journey follows 15 years of working with a sub-agent in Namibia. Now, with its growing oil & gas expertise, lay-up services newly introduced in Namibia and South Africa and the growing cargo trade, the time is right to expand.

GAC Namibia coordinates services for vessels calling at the country's ports from its central office close to Walvis Bay port. The package includes ship agency, bunker fuel supplies, offshore support, dry-docking, project logistics and husbandry, as well as lay-up and warm stacking for all vessels. Martiens Potgieter has been appointed Operations Manager at the new outfit. **GW**

GAC Russia expands eastwards

GAC Russia has opened two new branches to make it the only ship agent with a presence throughout the interconnected Arctic region and Far East. The company operates out of Murmansk, Kandalaksha, Sabetta, and now Nakhodka and the capital of the Sakhalin region, Yuzhno-Sakhalinsk.

Arkady Podkopaev, GAC Russia's General Manager, says: "GAC has been active in Russia since 2001 and has built a strong network of offices in the European part of the country. The time is now right for us to provide the GAC brand of ship agency and husbandry services to our customers operating in the Far East, which has a coastline of over 5,000 miles and 22 ports."

Top of the agenda

As the Russian Federation focuses on developing political and economic relations with the Asia-Pacific region, the country's Far East has moved to the top of the agenda.

The region includes a Free Port Zone established in 2015 covering Vladivostok, Nakhodka, Korsakov and several others. Close to the borders with China, Japan, and Korea, the area is a hub for trade with imports coming in from Asia and transferred to other vessels or to the Trans-Siberian Railway, one of the region's key transportation lanes. The Free Port Zone aims to boost trade and shipping activities with tax benefits, single windows for border control, duty free, tax free import/export, and simplified visa procedures.

Expertise

GAC Russia draws on the international oil & gas experience and expertise of the global GAC Group to offer integrated shipping and logistics services to the region's offshore projects.

Operations at the two new GAC bases are overseen by Michael Khmelkov in his new role as Shipping Director charged with the company's expansion to ports in new areas. GAC Russia's 24-hour ship agency dispatcher service based in Novorossiysk has been extended to the Far East area to maintain communication channels and facilitate a prompt response to customers' needs. **GW**



GAC Bunker Fuels and ENOC Global Marine sign exclusive sales & distribution agreement



GAC has signed an exclusive partnership between its bunker fuels trading arm GAC Bunker Fuels (GBFL) and ENOC Global Marine. Under the agreement, GBFL has been appointed as ENOC's exclusive sales agent and distributor, for marine lubricants in South Africa.

The deal marks the first time GBFL has been appointed to provide sales and distribution for a lubricants manufacturer, on the strength of the GAC Group's extensive logistics expertise, strong agency network and experienced bunker fuels team. GAC also has longstanding relationships with marine spare parts buyers who work with clients who also have bunker fuels needs.

Combining strength

All logistics work and inventory management services will be handled by GAC Marine Logistics (GML), with GAC Dubai arranging lubricant freight from the UAE to the South African port of Durban.

By combining the strength of the GAC supply chain and ENOC's marine products, which are approved by the biggest marine engine manufacturers, the partnership offers vessel owners and operators a quality service at a competitive price.

"ENOC is an exceptionally strong brand in the Middle East, and their business ethics and values are very similar to GAC's," says Nicholas Browne, GAC Bunker Fuels Director. "Sales and distribution are logical extensions to GAC's existing service offering, and it meets a very real need. We're excited to see this partnership develop and open new avenues of growth for both parties."

Opportunity for expansion

"At ENOC, we aspire to build upon our successes by expanding our regional and international presence and are well aware of the potential that international markets present; particularly the African region and its contribution to the success of our operations. This newly forged collaboration with GAC presents ample opportunity for us to expand our network and cater to the ever evolving needs of our customers," stated Zaid Alqufaidi, Managing Director, ENOC Marketing.

Since its inception in 2015, ENOC Global Marine has built a strong presence across Africa, covering some of the continent's key ports in Egypt, Nigeria, Angola, Ghana, Kenya, Morocco and Mauritania and now South Africa. The newly announced partnership with GAC Bunker Fuels will contribute to increasing the division's vessel delivery by 300,000 litres annually.

The marine lubricant market is expected to expand over the next few years. Simultaneously, cost pressures and a drive towards cost saving is encouraging manufacturers to seek sales partners that can offer greater logistical efficiency and lower overheads.

ENOC Global Marine supplies lubricants and provides technical support services to the international marine industry. Headquartered in Dubai, the company has an extensive portfolio of application-based lubricants, each designed to address the specific challenge of achieving optimum performance. ENOC's marine lubricants division offers a comprehensive product portfolio to over 80 ports across 16 countries. The division's product - STRATA marine lubricants - covers all types of marine main engines along with a complete range of products for marine applications. **GW**



Team Britannia signs partnership

Shipping and logistics support for round- the-world powerboat record attempt

As Team Britannia prepares for its bid to break the round-the-world powerboat record later this year, GAC has been named its official shipping and logistics partner.

GAC will draw on the local contacts and expertise within its network of global offices and partners to provide the 80ft powerboat and its 12-strong crew with all the ship agency support, food, fuel and stores needed to complete the 23,000 mile voyage. The first-hand experience of the Group's yachting and marine leisure experts at GAC Pindar Superyacht Services will also come into play for meeting the specific needs of the boat during its voyage.

The agreement was signed in July at GAC's UK marine leisure logistics and superyacht services hub in Southampton by team principal and ocean racing legend Alan Priddy and GAC's Superyacht Services Manager, Murray Bishop.

Crack team

Alan Priddy says: "This partnership with GAC will help us smash the world powerboat record. With over 9,000 people at more than 300 offices in 50 different countries they have the capacity and experience to make sure that when we enter a port, transit the Panama or Suez Canals, or load fuel and other stores, there is no delay. Every minute waiting with the engines idle is wasted time.

"The key to success is about having the right people involved. This particular challenge is as tough as they come - it has only been tried three times before and is at the pinnacle of endurance motorsport. That is why I am so pleased to have assembled a crack team, from the designers, boatbuilders, crew and GAC. They will all play a vital part in our success in breaking the current record held by Kiwi Pete Bethune, just shy of 61 days."

To complete the record attempt the boat must pass through the Suez and Panama Canals, cross the Tropic of Cancer and the Equator and start and finish in the same place. Team Britannia will start in Gibraltar and call at Puerto Rico, Manzanillo, Honolulu, Guam, Singapore, Oman and Malta. **gw**

Deep water driller selects GAC for warehouse partnership in U.S.

Ultra-deepwater oil and gas drilling service provider Pacific Drilling has appointed GAC North America – Logistics to provide centralised warehousing and distribution services to its two offshore rigs in the U.S. Gulf of Mexico.

A portion of GAC's 181,000 square foot Foreign Trade Zone (FTZ) status warehouse in Houston is dedicated to Pacific Drilling to help offset and reduce its procurement costs and better utilise tooling and inventory. The company will also use GAC's facility in Belle Chasse, Louisiana, from where ship spares services and weekly consolidations for containers to be shipped out to the rigs through Port Fourchon will be handled. **GW**



GAC IN ACTION

Tenacious ends voyage in Sydney

A warm welcome awaited the tall ship Tenacious when she docked at Sydney after completing her 17,000nm voyage from Southampton. Among those waiting portside to greet her and her crew were representatives of GAC, who have supported the vessel since she set off from the UK in November last year.

Throughout her travels, the GAC global network provided Tenacious with a range of support services including ship agency, fuel supplies, Panama Canal transit coordination and spare parts, coordinated through GAC Pindar Superyacht Services.

Empowering

The three-masted, square rigged, 586-ton tall ship is one of two sailing vessels owned and operated by the Jubilee Sailing Trust, which was set up in 1978 to give people of all physical abilities the chance to experience sailing first hand. The Trust's mission is to empower both able-bodied and disabled individuals to focus on what they can do, rather than what they can't and to correct misconceptions about disability. It works to build bridges of awareness and break down barriers for a better, more inclusive world. **GW**



New facility 90% full ahead of opening

GAC Abu Dhabi has opened a new storage complex in response to growing demand. 90% of the space offered by the three 920m² warehouses and a 2822m² yard is already contracted to customers in the oil & gas and general cargo sectors.

Managing Director Ronnie Knowles says: "In an uncertain economic climate, where many companies are downsizing, we are investing in our business and our people. This is a testament to GAC Abu Dhabi's strengthening market presence in the United Arab Emirates." **GW**



Celebrating a million in Dubai

GAC Dubai's Contract Logistics team has set a new throughput record – more than one million cubic metres of goods from January to the end of August, compared to 2015's total of one million for the entire year. And now they're setting their sights on handling a year-end total of 1.5 million.

Richard Potts, Manager of GAC's Distribution Centre in Jebel Ali, says the rise in volume is due to a number of contracts, primarily fast-moving operations for market leaders.

"We have seen phenomenal volume growth in the last few years," says Potts. "This is driven by how much product our customers are able to sell, but it is the hard work of our Distribution Centre staff which makes it possible."

"In the last 18 months, we have taken a much more focused approach to business development, targeting fast moving food and retail (low storage volume, but high piece quantity throughput) contracts." **GW**

Creative thinking overcomes obstacles

The GAC Marine Logistics (GML) team in Singapore had a challenge. They had to get an 11-tonne ship part from Shanghai to Thessaloniki in northern Greece in just two weeks. Due to its size, 7.5m x 1.2m x 2.5m, there was no airline able to deliver it to the final destination.

The solution was found after GML Singapore and their colleagues at GAC Shanghai put their creative heads together. Space was found on a flight to Amsterdam and from there, the cargo was taken by road to its Greek destination, with two drivers alternating shifts as they crossed Europe, to ensure it arrived on time. **GW**



Weighty Matters

The IMO's Verified Gross Mass rules are now in force

Imagine a pile of toy building blocks, the ones that pre-schoolers love. And as any toddler will tell you, if the heavier ones are piled on top of lighter ones, the stack generally falls over, much to their delight.

That's the description – in simple terms – the International Maritime Organisation's Natasha Brown uses to demonstrate the need for the new rules covering Verified Gross Mass which came into effect on July 1.

Incidents

This latest amendment to the Safety of Life at Sea (SOLAS) Convention requires the gross mass of a container to be verified before it is loaded onto a ship.

It was developed and introduced following incidents that showed what can happen when you have inaccurate mass figures. Incidents like:

- **January 2007 – South coast of England:**

The *MSC Napoli* was caught in heavy swells in the English Channel. She was carrying more than 2,300 containers and 114 were lost overboard with about 50 washing up on Branscombe beach. Happy beachcombers 'salvaged' contents including car parts, motorbikes, hair products and disposable nappies, despite police warnings that it was a criminal offence. A subsequent investigation found that 20% of the containers had an actual weight different to what had been declared. The discrepancy totaled 312 tonnes.

- **February 2007 – Damietta, Egypt:**

A container stack on board a vessel collapsed. The Master's incident report noted that "excessively heavy units loaded in the upper tiers and that the maximum stack weight had been exceeded considerably in some rows. The effect of the overweight units was to impose excessive forces on the lashings".

- **February 2011 – Darwin, Australia:**

A container at East Arm Wharf that fell 12 metres from its gantry crane and narrowly missed two workers below was found to be severely overloaded. The container was listed as four tonnes but the Maritime Union says it weighed 28 tonnes and exceeded the crane's load limit.

- **June 2011 – Algeciras, Spain:**

After the containership *Deneb* suffered a significant stability incident, a review found that one in ten of 168 containers on the load



list had weights far in excess of the declaration. The weight discrepancy amounted to more than 278 tonnes – far above the declared weight of about 93 tonnes.

More needed

“Though there were already regulations in place governing the declaration of the mass of cargo as well as other aspects such as lashing and stacking, more needed to be done to avoid inaccurate declarations,” says Natasha Brown.

The SOLAS amendment requires one of two methods to be used to verify the gross mass. The shipper must ensure that the verified gross mass of each packed container is stated in the signed shipping documentation shared with the master and the terminal in good time for the ship stowage plan to be drawn up. If not, the container will not be loaded onto the ship.

Concerns

Although the implementation of the new rules appeared to go relatively smoothly, concerns have been expressed about the industry’s preparedness. In the first week after the rules were implemented, some reports seemed to support those concerns.

According to Lloyds List, almost half of all the containers that arrived at Tilbury’s London Container Terminal in the UK on the day the new rules came into force did not provide mandatory weight information. The Journal of Commerce (JOC) also reported that half of all the VGM declarations of containerised exports received in China by one major forwarder were missing the required data.

Shippers may also face additional costs to comply with the new rules. For instance, DP World has issued a trade advisory stating that it plans to charge shippers using its Jebel Ali facility in the

UAE 65 Dirhams (about \$18) per container for providing the VGM. Further, some carriers and other service providers have imposed charges for administration fees and other services associated with the new rules. In response, the Global Shippers’ Forum (GSF) welcomed the regulations, but called for the immediate withdrawal of those charges.

Ready or not

Jorgen Nielsen, GAC’s General Manager – Logistics in Singapore, home to the world’s second busiest container port, says the industry was not quite ready when the new rules came into force.

“For the first few months, we shall see some delays at origin, additional costs and some port bottlenecks, though I believe this is always the case with new regulations,” he adds. “But if the reports of accidents and near misses due to misdeclaration of mass are correct, the new regulations are needed.

“Although GAC Singapore is not currently considering introducing a handling fee, we have to consider the inevitable additional work scope before cut off time at the port of origin. Then, there is the possibility of a container not being loaded at origin if there is a difference between booked and actual weight during port entry. That will create additional work load in re-booking and making sure that additional costs are covered by the customer.”

Country responsibility

John Paul, GAC’s Group Freight Purchasing Manager, adds: “It is not enough that the shipping industry and its leaders take action. The governments of origin countries must have a clearer view of VGM to involve and guide their export fraternities through clear ordinance, implemented by each country’s maritime body.

“Right now, the need of the hour is to comply and check shortcomings as we progress. Implementing VGM will mean additional strain on infrastructure, administration and time, with misdeclared containers being shipped later than planned. The maritime bodies of origin countries must therefore ensure that shippers can obtain correct VGM before the container enters the port, to avoid congestion and additional turnaround time.

“It makes sound commercial sense. Safer container vessels originating from a specific country means more port calls for that country, and more port calls mean more revenue.”

Support

GAC is helping shippers meet the new VGM requirements with particular focus on avoiding repacking costs, administration fees for amending documents, demurrage charges, delayed or cancelled shipments and other costs associated with non-compliance. **GW**



Experts welcome new amendment



Daniel Millett

International marine consultancy and marine surveying firm Brookes Bell has attended and investigated many incidents involving container vessels and cargo carried in containers.

Their Master Mariner Daniel Millett welcomes the latest amendment to the SOLAS Convention, saying: "We have been involved in a number of high-profile incidents involving container vessels, including the *MSC Napoli*. The potential implications of the misdeclaration of the weight of containers can have serious consequences with respect to the stability and/or structure of the vessel. As the size and capacity of container vessels continue to increase, with vessels such as *MSC Oscar* and *CSCL Pacific Ocean* having a capacity of over 19,000 TEUs, there is an even greater risk."

Verifying the weight of containers, however, is only part of ensuring a vessel reaches its destination with all container stacks still in place, and that the containers and the cargo within them arrive safe and sound.

"We see a large number of container vessel incidents where damage would still have occurred even if the weight of all the containers had been verified in accordance with the new SOLAS amendment," adds Millett. "The verified weight may be of little significance if some other basic principles are not followed at the same time, such as the cargo being properly secured inside the container, the containers having in place adequate and sufficient lashings when in stowage, and the lashing equipment being properly maintained." **GW**



New European container info reporting requirement

Container documentation is also being tightened up with the European Anti-Fraud Office (OLAF) plan which requires sea carriers calling at EU ports to file Container Status Messages (CSMs).

The ruling came into effect in September 2016 to ensure that paid subsidies are received by the intended industry sector and used correctly. Sea carriers are obliged to report the status, content and other information about their sea containers at any time.

GW



CSM compliance guidance for sea carriers can be found at http://ec.europa.eu/anti-fraud/sites/antifraud/files/csm_reporting_compliance_guidance_sea_carriers_en.pdf

Rules rule:

The need and the burden of shipping regulations

The Verified Gross Mass regulations (see main story) are the latest in a steady line of regulations governing maritime operations. Some in the industry see them as a burden on a sector already struggling with squeezed profit margins and volatile markets. With that in mind, the IMO requires the proponents of any new proposals or amendments to demonstrate a “compelling need” and give an analysis of the change, including cost implications, the legal/administrative burden and benefits to be gained.

Over the past five years, the IMO has conducted a study into reducing administrative burdens. Its findings and recommendations are online at <http://www.imo.org/en/OurWork/rab/Pages/default.aspx>

21st century rules

Below is a selection of major regulations governing global shipping introduced since the turn of the century.

- Protocol on **Preparedness, Response and Co-operation to pollution Incidents by Hazardous and Noxious Substances, 2000** (OPRC-HNS Protocol)
- **International Convention on the Control of Harmful Anti-fouling Systems on Ships, 2001**
- **International Convention on Civil Liability for Bunker Oil Pollution Damage, 2001**
- The **International Ship and Port Facility Security (ISPS) Code (2004)**

The introduction of this set of measures to enhance the security of ships and port facilities was sped up drastically in reaction to the September 11 attacks in 2001 and the bombing of the French oil tanker *Limburg*. It provides a uniform framework for evaluating risk and prescribes responsibilities of governments, shipping companies, crew, and port/facility personnel to “detect security threats and take preventative measures against security incidents affecting ships or port facilities used in international trade”.

Kumar Ganesan, GAC Angola’s General Manager and formerly of GAC USA and GAC’s Hub Agency Centre in Dubai, says that when there are over 4,500 ports in nearly 200 countries worldwide – all with variations in infrastructure, facilities and security – the ISPS Code provides an important standard in the rules and guidelines to be followed.

“It has brought better control of the port facilities, a safer environment, restricted unauthorised access, and reduced security breaches. It provides clear guidelines, and has encouraged ports to regularly assess safety and security,” he says.

“Having such a structure, standard rules and guidelines help make global businesses and facilities safe, and ultimately reduces possible disruptions. The ISPS Code has definitely changed the way we work, changed our mindset, raised awareness, and made us evaluate risks and take steps required to mitigate them.”

Ganesan adds that the inevitable red tape that comes with

such regulations is a necessary evil: “Security is no longer an internal or corporate compliance issue. The threats are real and we need to be prepared.”

- **International Convention for the Control and Management of Ships’ Ballast Water and Sediments, 2004**
- **Nairobi International Convention on the Removal of Wrecks, 2007**
- The **Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships, 2009**
- **2010 Manila Amendments** to the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers (STCW).

Sulphur Emission Control Areas, 2015

These tighter restrictions on the fuel used by ships traversing the Baltic Sea, North Sea, North American and Caribbean waters came into force in January last year, limiting Sulphur content in ships’ fuel to below 0.1%.

Their introduction raised concern in the Baltic about the cost impact of using more expensive low-Sulphur fuel on the shipping industry. While offset somewhat by the low oil prices of recent years, those concerns remain.

“Generally, greater environment protection is a positive thing, as long as the regulations are predictable and realisable for shipping companies,” says Arttu Kahonen, GAC Finland’s Cruise Agency Manager. “Making regulations stricter costs money but at least in the cruise sector, lines have been able to deal with it as there is hardly any impact on volumes. Public environmental awareness is ever increasing and shipping must evolve with it and I believe shipping companies have focused more on fuel efficiency as they have to pay more on cleaner bunkers.”

More broadly, Kahonen accepts that regulations are a necessity in a truly global shipping industry but it is important for those rules to be globally aligned, rather than national: “For instance, the new NSW (National Single Window) regulation in the EU is a good idea but there could have been better execution to make NSW standards more similar across each EU country. Now for example, cruise ships have to amend their manifests for each EU country even though they are reporting basically the same things.”

Compliance and reputation

As GAC Singapore’s Jorgen Nielsen says: “If international organisations and authorities decide to implement new regulations, we have to action them all. I feel we can question proposed changes, but the truth is that most regulations have been thoroughly investigated before implementation. And any service provider that does not comply with the rules puts at risk their reputation in the market as a trusted advisor.” **GW**



Global Marine Trends 2030

The maritime consultancy Qinetiq, Lloyd's Register, and the University of Strathclyde have performed a valuable service in producing a comprehensive report on the forces that will shape the shipping industry to 2030. Greg Newbold takes a closer look.

The report, which can be freely downloaded from the Lloyd's Register website (<http://www.lr.org/en/projects/global-marine-trends-2030.aspx>), combines courage and caution in its approach. Courage for simply having a go and caution in the way the report is constructed.

For a start, its authors make no predictions. As Lloyd's Register Technical Director Tim Kent notes in the postscript: "The global drivers of politics, demography, technology, environment, macroeconomics, and other long-term forces are beyond the control of even the most powerful industry players. The most eye-opening implications typically lurk at the intersections where multiple trends interact with one another, often in complex and subtle ways."

Instead, the report sets out three plausible scenarios that may play out in coming years.

The first is the '**Status Quo**' scenario in which Governments strive to minimise disruption to social and commercial life using short-term fixes and riding the cycle of booms and busts. Global trade grows in line with current trends.

The second scenario foresees a strengthening of the global approach to solving the major challenges. Here, international covenants and the rule of law become strong drivers for fixing the world's problems and global trade grows substantially. The authors describe this scenario as '**Global Commons**'.

The third scenario – which has been dubbed '**Competing Nations**' – is the darkest of the three. It's a scenario in which nations erect protectionist barriers, make localised trade deals and have little motivation for forging agreements to achieve sustainable development or uphold international norms. The UK's referendum result marginally in favour of a British exit from the European Union in June this year may be a marker for this possible future. The isolationist rhetoric of Presidential candidate Donald Trump in the US also suggests a warming towards this outcome.

Deep data

The report examines each of the above scenarios with a wealth of charts, graphs and explanatory text that show how they might be affected by key global drivers such as population growth, economic forces, resources and environment. The datasets are extensive and the summaries concise.

The authors then dig deeper to provide a separate commentary on the commercial maritime, naval and offshore sectors. Whether discussing oil and gas, commodities or containers, a similar pattern emerges. Each scenario foresees growth, but to varying degrees. It will be slowest in the Competing Nations scenario, stronger under Status Quo and much stronger under Global Commons.

Disruption

The **Disruptive Forces** section is the least convincing part. It is worthy and notable, however, in that it attempts to do what the authors have steadfastly avoided in most of the report.

It makes predictions through another set of scenarios. It offers comments on the possibility of Russia joining NATO, of the US dollar losing its reserve currency status, of a major pollution accident in the Arctic, of the rise of a unified and militant Islamic Caliphate spanning the Middle East and North Africa, of the impact of new technologies.

The authors even offer a dire review of the consequences of a **Global Collapse**. To quote: "The deteriorating world financial situation, climate change, rising energy prices, scarcity of water, food and other resources, internal unrest and mass starvation destabilise the world. Civil unrest has toppled governments in more than a dozen countries in the past year and a dozen more are fighting major insurgencies. As a consequence, the tide of refugees is expanding, causing distress in surrounding countries and fueling nationalistic sentiment. Even large developing and developed countries are at risk." Scary stuff.

Nonetheless, the Disruptive Forces section does have the virtue of providing reasonable assessments of 'what might happen if such and such occurs.' It's more fiction than fact but remains useful as a platform for thinking about the future.

Worth a read

Global Marine Trends 2030 is a useful tool for thinking, planning and preparation for the future. It doesn't provide answers but it does provide a wealth of information for business leaders trying to navigate through the current turbulence. Thoughtful leaders will find much to ponder. **GW**

Mobilisation call

A grand old lady recently called in to Cape Town for a mobilisation call and bunkering revamp after five years of continuous service, before heading off for a new life in the east. Whilst in port, GAC South Africa took care of her.

Rene Kruger, GAC South Africa's Operations Manager at Cape Town, says that although the 40-year-old offshore rig 'Aban Abraham' was showing her age on the outside, inside she was in prime condition with all the latest technology on board. All she needed in Cape Town was to land some equipment which GAC airfreighted to Singapore for repair and re-certification and collect critical ships spares before going to Singapore to prepare for her next tour of duty off India.

During the 12,386 GRT rig's three days in port, Rene and his team handled her bunker fuels, stores/provisions, local procurement and technical items, ship spares flown in from overseas, fresh water, crew changes, offloading of garbage, scrap and waste oil and other port services. They also unloaded about 70 tons of BOP (Blowout Preventer) equipment that was placed in storage before being flown to Singapore for re-certification. **GW**



▲ The 'Aban Abraham' docked in Cape Town after sundown. Because of her large air draft, it took careful coordination with the port authority, the night-shift pilot and tug team to bring her safely alongside.



▲ One of the key tasks was to offload the BOP equipment and prepare it to be airfreighted to Singapore for refurbishment and re-certification. It was a delicate operation, requiring great care to discharge, transport and crate the equipment for storage at the GAC Laser warehouse.



▲ It took three flatbed trucks to transport all the BOP items from the port to the warehouse.



▲ The second day was devoted to the delivery of ships spares flown in from overseas - 69 individual crates weighing in at 13 metric tons. The GAC team also coordinated the delivery of locally procured items needed for her voyage to Singapore for a 24-day dry docking prior to starting her new contract off India. Then there was discharging of waste and crew changes. It needed a skillfully choreographed dance to conduct the simultaneous operations.



▲ By the third day, with most of the activities complete, GAC's Rene Kruger took an onboard tour of the rig.



▲ With everything done, the rig prepared to undock and leave Cape Town, but Mother Nature had other plans. Due to strong winds across the breakwater, it was decided to delay her departure. After conditions improved, the pilot boarded before sunrise the next morning and guided the 'Aban Abraham' safely out of the port and on her way.

In at the deep end

"Never mind the cold and dirty water. You jump, I jump." GAC Singapore's Managing Director, Henrik Athen (bottom right), led by example and jumped into the port waters as part of a recent Pilot Ladder and Life Raft Safety Course.

"This course is beneficial to everyone, not just those who work on vessels," says Henrik. "These critical skills could possibly help to save lives one day. Besides, the course is great for team bonding." **GW**



Check out the action at <https://www.facebook.com/GACgroup/videos/vb.319165344864678/981096895338183/?type=3&theater>



Ten years not out

It's an impressive record. GAC Qatar is celebrating more than a decade with zero lost time at its Al Khor Supply Base.

Since 2006, the base has provided integrated services for offshore drilling programs covering heavy lift, road transport, forklift ops, oversized cargo handling, vessel loading and helicopter coordination. In that time, the team has serviced more than 60 offshore wells and multiple clients including Qatar Gas, Qatar Shell, Wintershall, GDF Suez and JX Nippon. Oil & Gas is a hazardous business which makes the GAC Qatar's 'zero LTI' decade all the more impressive.

Deri Morgan, GAC Qatar's Business Manager - Oil & Gas, says: "This achievement is a testament to our teams' commitment to working safely and it would not have been possible without their dedication on the ground and their vigilance every day. Here's to the next ten years, one day at a time!" **GW**



Fingers and toes intact: the Qatar Shell and GAC Al Khor Logistics Base team celebrate 10 LTI-free years.

Chris claims another title

GAC-sponsored golfer Chris Wood scored the biggest win of his career to date at the BMW PGA Championship at the UK's Wentworth Club on 9 May. It is the 28-year-old Englishman's third European Tour title.

Wood is one of five professional golfers who act as GAC ambassadors at international tournaments and GAC corporate events.

Christer Sjödooff, GAC Group Vice President – Commercial, says: "Once again, Chris has done us proud and validated our belief in him as an up-and-coming name in international golf." **GW**



Pedal power raises thousands for seafarers' charity



Two of GAC's four-man team of charity cyclists wait in Queen Elizabeth Olympic Park at the starting line of the Prudential Ride London-Surrey 100 event at the end of July this year.

Neil Godfrey, Simon Morris, Andro Dutoit and Simon Doran joined 26,000 riders who completed the 100-mile ride through closed roads from central London, through the leafy lanes of Surrey, and back again. And by racking up their miles in the saddle, they raised over GBP 3200 for the Sailors' Society, one of the world's largest seafarers' welfare charities, of which the GAC Group is a long-time supporter.

The Prudential Ride London-Surrey 100 annual event celebrates the legacy of cycling created by the London 2012 Olympic and Paralympic Games. **GW**

M32 victory for GAC Pindar in Gothenburg

GAC Pindar skipper Ian Williams and his crew seized victory on the final day of the M32 Series Scandinavia in Gothenburg, Sweden, in June.

Despite being in a distant second place behind the US One team at the start of the final day, Williams and his crewmates Brad Farrand, Mark Bulkeley and Garth Ellingham rallied to win enough points to claim overall victory in the event. **GW**





Thomas Okbo



Martiens Potgieter



Lars Bergström



Maria Lam



Joel Domingo



Fredrik Nyström



Johan Fulke



Daniel Nordberg



Peter Orange



Erland Ebbersten



Mikko Wieru



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GAC Sweden

Lukas Jönsson

Managing Director
Previously: Business Development Manager

Careers page now LIVE on LinkedIn

We've teamed up with LinkedIn to promote professional opportunities with GAC by creating a Careers Page where you can find out more about our organisation and keep up to date with the latest vacancies. Check it out at https://www.linkedin.com/company/gac-group/careers?trk=top_nav_careers

GW



Hi-tech port welcomes HullWiper

It's Europe's biggest port and widely acknowledged as a leader in innovation and shipping technology. Now, Rotterdam is the latest port to allow Hullwiper, GAC EnvironHull's eco-friendly hull cleaning system to operate in its waters.

During a panel discussion, webinar and live demonstration to mark the launch of HullWiper, Port of Rotterdam Senior Manager Peter Mollema said the ground-breaking technology exactly aligned with Rotterdam's ambition to be the most sustainable port of its kind.

"In its 'Global Competitiveness Report 2015-2016', the World Economic Forum has for the fourth consecutive time declared that the Netherlands has the best port infrastructure," he told more than 100 industry figures from the city and beyond who gathered at Floating Pavilion or followed the event online. "How did we get there? And how will we stay there? One very important aspect is innovation.

"There is a real and pressing need to decarbonise the shipping industry, and [HullWiper] is just one way that vision can be achieved." **GW**



The full panel discussion and HullWiper demo may be viewed online at <https://www.youtube.com/watch?v=ZqGVBfNiaYg>

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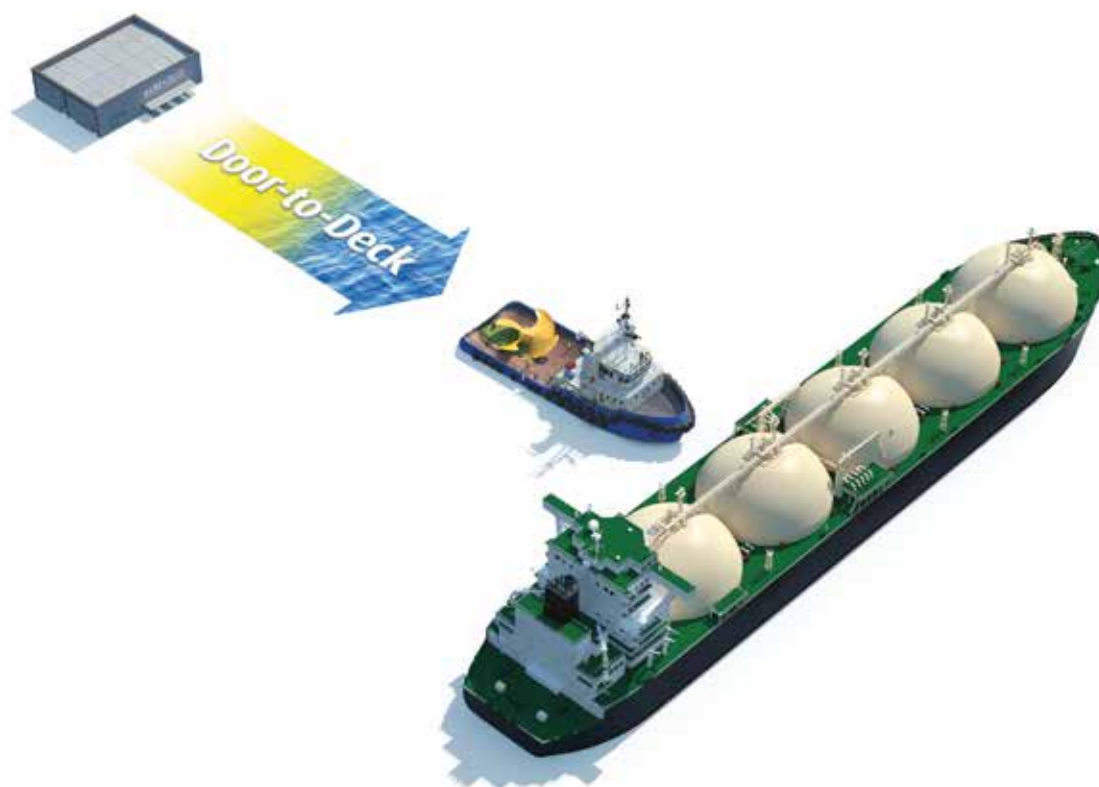
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