



For professionals in shipping and logistics

# world

No.4 Sep 2009



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# The long burn...

Since early humans learned how to use fire, we have burned fuels for energy. Wood, coal, various vegetable and animal oils, and fossil fuels have powered whole civilisations and historical ages. More recently, hydrogen has emerged as a potential universal energy source. But before hydrogen or some other alternative takes over, we have the Oil & Gas Age to finish.

## Geo-politics

The global energy business is a geographical and political puzzle with key reserves distributed without regard to who needs them most. Big economies like China, Japan, the US and much of Europe rely heavily on other people's oil and gas and the geographical and political challenges are significant. Witness China's intense development activity in oil rich countries like Angola and Sudan; or Europe's delicate dance with gas-rich Russia; or the irony of the US importing large quantities of oil from vitriolic Venezuela.

## The Energy chain

Extracting fossil fuels and getting them to end users is complex and expensive work. At all stages, from exploration to refining and distribution, energy companies rely heavily on logistics and shipping service providers to smooth out the wrinkles in the energy chain. GAC has been working in the energy sector since the early 1960s. Our lead article examines the energy business and the services that support it. As well, in our Insight section, Chevron's John E. Harrison examines the measures taken by his company to ensure absolute

safety in all operations. It all starts with a belief that zero incidents are achievable.

## Protective

On the subject of safety, GAC has launched GAC Protective Solutions. This service provides shipping operators with a suite of necessary tools to protect their people, their ships and their cargoes from the predations of pirates. It also provides the sort of experience and practical know-how that you need if your ship is hijacked. In all, it's a service package much in demand right now.

## Deals and Openings

During the past few months, we were meant to be reeling from the effects of a global recession. If so, it hasn't stopped GAC and its customers from entering into new deals and contracts, notably Johnson & Johnson in the Philippines and Bernhard Schulte Ship Management's deal with GAC Marine Logistics. We also welcome Agora Worldwide Shipping Agencies as the latest Global Network Agent for GAC Shipping. And in the Netherlands, we have consolidated our operations in a new office and warehouse in Rotterdam. Times may be tough but they are far from stagnant.

## Welcoming Neil Godfrey

This is my final outing as Editor of GAC World. It has been nine years of constant change and we have managed to capture much of it within the pages of GAC World. It's been a trip! From the first edition of 2010, our Group Sales Director, Shipping Services, Neil Godfrey will be in charge. I wish him every continuing success with the magazine. My thanks go to the editorial team scattered across the globe for bringing each edition together. And finally, I thank you, our readers, for your support and patronage. Without customers, there is no GAC. Without readers there is no GAC World. Thank you, goodbye, and good luck!

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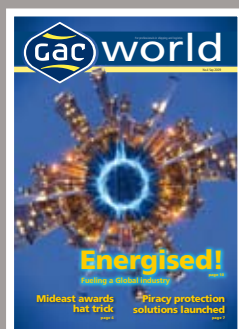
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# GAC extends Crystal Palace F.C. sponsorship

GAC has extended its main club sponsorship of Crystal Palace F.C. (CPFC) until June 2012. The two-year renewal follows a successful collaboration since 2004, making the shirt sponsorship one of the longest running in English Football.

The sponsorship agreement was signed on 27 August 2009 between Bill Hill, GAC Group Vice President for Logistics, and Phil Alexander, CPFC's Chief Executive, at the club's Selhurst Park Stadium in London before the much anticipated match between Crystal Palace and Manchester City in the second round of the Carling Cup.

Under the renewal agreement, GAC continues to be featured prominently in CPFC's promotional material, stationery, displays on media backdrops, team and replica outfits, pitch perimeter advertising

boards, and signage above the players' tunnel to the dugout.

## Integral element

The decision to extend the partnership came naturally, says GAC's Bill Hill: "Our affiliation with Crystal Palace represents an integral element of our marketing mix and it has benefited GAC's brand visibility significantly over the past few years. It is also in line with GAC's philosophy on continuity and building long-lasting relationships with our stakeholders - brand ambassadors and suppliers included."

Crystal Palace's Phil Alexander adds: "This is a testimony to the quality of the relationship we have and an understanding from both sides of our mutual objectives. Crystal Palace is proud to have GAC on our shirts for another two seasons and I



am sure that during that period we can repay their loyalty by once again gaining Premiership status.

"The coverage we received across all sectors of the media both nationally and internationally is a key element of the relationship as are the business values we share. GAC is a great partner to have strategically and we look forward to not only working with them over the term of this contract but for many more years to come."

# Mideast awards hat trick and then one more



GAC was a three-time winner at the 3rd Annual Supply Chain & Transport Awards in June. GAC Logistics - Middle East received the coveted 'Outstanding Achievement of the Year' and the '3PL Provider of the Year' while the GAC Group won the 'Corporate Social Responsibility' title at the premier awards event for the Middle East logistics industry.

The awards are organised by the prominent supply chain and transportation publications of ITP, the largest business

and consumer magazine publisher in the Middle East.

In the hotly contested Outstanding Achievement Award, the judges felt the company had undoubtedly become a name to reckon with in the supply chain industry throughout the Middle East and worldwide. The company is often cited as a case study for its successful operations.

## Historic

Dan Hjalmarsson, GAC's Regional Director

for the Middle East, says it was a historic achievement to be recognised in three competitive categories. He attributed the success to GAC's continuing investment in and commitment to its Corporate Social Responsibility programme and new business initiatives, despite the challenges of the economic downturn.

## Cool award

More recently, Dan was again receiving an award on behalf of GAC. This time it was at the Third Annual Middle East Logistics Awards, where GAC bagged the 'Best Logistics Service Provider (BLSP) Award - Perishable Logistics'.

Perishable logistics is a specialised field where absolute temperature integrity throughout the cold chain is critical to keeping products safe, viable and fresh.

Says Dan: "The importance of a tight supply chain is heightened in the Gulf where temperatures can top 50 degrees Celsius in summer. Whether it is moving, handling, transporting or storing the perishables, GAC has a zero-tolerance philosophy as the margin for error is zero."

# Under one roof in Rotterdam



**GAC is bringing its ship agency, spares logistics and freight forwarding operations under one roof in the Netherlands. They're now to be found in a new 6,500 square metre office and warehouse in Rotterdam, Europe's busiest port and the world's 4th largest.**

GAC Netherlands' new premises sit at the heart of the port in the Distriport Benelux area, close to motorway connections, harbours and with direct waterway and rail connections.



The new company is headed by Managing Director Ries Hoogeboezem,

previously MD of GAC-OBC Netherlands which had offices in Rotterdam and Vlissingen (Flushing). GAC Netherlands also incorporates the business of GAC Marine Logistics (GML) that were formerly based in Spijkenisse, also in Rotterdam.

## Synergies

"There were clear synergies within the

previous GAC-OBC shipping services and GML operations," says Ries. "GAC Netherlands Ltd brings both operations together to take advantage of our experience, strong partnerships and the global GAC brand and enable us to raise the bar in terms of customer service."

GAC's Regional Logistics Manager, Gunnar Lundgren, adds: "Even in the current economic climate, GAC continues to expand its presence in Europe. GAC Netherlands is the latest in a string of new office openings including Lille, Warsaw, Moscow, Oslo and Kazakhstan."

## Global agency network expands to Italy

GAC Shipping has signed an alliance agreement with Agora Worldwide Shipping Agencies S.c.a.r.L. to provide ship agency services in all major ports in Italy, under the common brand 'GAC-Agora'.

Established in May 2006, Agora has 16 offices directly covering 25 key Italian ports. Sub-agent agreements increase its coverage to 51 ports.

### Benefits

Capt. Tom Björklund, General Manager of GAC Global Hub Services, believes that Italy's thriving maritime sector is the ideal platform for the alliance to market Hub Agency Services to ship owners, charterers, operators and managers. He says GAC-Agora's offerings bring time and cost benefits to principals. These include disbursement tracking/control, negotiating local discounts, managing port calls on a

regional basis, and supervising principals' own nominated agency network.

Dr Roberto Corrias, President of Agora Shipping, welcomed the alliance: "Through this partnership, we will now be able to strengthen our market coverage and international presence and also use the GAC Group's commercial and IT platforms to raise our level of service to Principals."

### Network

GAC's global network agents today include Wilford & McKay (Panama), Vensport (Venezuela), Ultramar Network (Argentina, Chile, Ecuador, Peru and Uruguay), Wilson & Sons (Brazil), Tomas Ruiz (Mexico), Alstons (Trinidad & Tobago), Aarus (Spain), Getma (Francophone West Africa), Maxmarin (Ukraine), Seaforth (East Africa), Unipros (Republic of Korea), and Kudrat Maritime (Malaysia).

## New materials contract with J&J in Philippines

GAC Logistics Inc. Philippines has signed a new contract to handle raw materials for pharmaceutical and consumer goods giant, Johnson & Johnson (J&J).

Under the three-year deal, GAC will manage 3rd Party Logistics, Warehousing and Distribution of J&J raw materials to pharmaceutical manufacturers countrywide.

GAC Logistics Inc. Philippines now manages nine operations in five locations, providing greater scope to meet customer needs compared to its competitors who mostly operate single facilities.



# Taking the **weight**



GML has successfully completed a heavy spares movement for Greece-based ship operator Atlantic Bulk Carriers Management (ABC).

A 28-ton, 7.5-metre diameter propeller from Kobe, Japan, and a 9-metre, 13-ton shaft from Busan, South Korea, were moved from suppliers' respective doors, check-fitted in Singapore to make sure shaft and propeller joined properly and finally stored at GML's Singapore warehouse.

## **Perfect Fit**

Both shaft and propeller are now ready for dispatch by GML for immediate use on any ABC vessel.

At the check-fitting, GML used a 150 MT crane to position the shaft and propeller and arranged all other equipment and personnel for the job.

Anthony Kouniaris, ABC's Purchasing Manager, was delighted with the result and says GML went beyond the normal scope of services to ensure that the specific requirements of the job were met.

## **Time and Cost Efficiency**

Chris Steibelt, GML's Managing Director, says: "By consolidating spares from different suppliers and holding them at strategic locations such as Singapore, we lower client's logistics costs and improve the efficiency of the supply chain."

# Piracy protection solutions launched

From crisis preparedness training to sea marshal services, the GAC-Cerberus alliance helps lower the risk of pirate attack.

## Bernhard Schulte signs with GML

Leading ship management company Bernhard Schulte Shipmanagement (BSM) has appointed GAC Marine Logistics (GML) as a key marine spares logistics partner.

Under the contract, GML will provide logistics services to and from Korea and the Middle East for delivery to BSM's vessels trading around the world.

### Streamlining

The appointment follows BSM's decision to streamline its logistics activities after its formation in 2008 when four ship management organisations owned by the Schulte Group were integrated into one company.

"We wanted a competitive, quality, service-minded partner capable of providing high and efficient service levels to our customers in a time-crucial environment," says Dr. Ruanthi De Silva, BSM Group Director - Supply Chain Management.

"What we found in GML, with its integrated expertise in ship agency, marine and offshore support as well as logistics, fits the bill perfectly. That GML shares similar professional values with BSM is an added plus which we believe is an important basis for a long-term partnership."



GAC Protective Solutions, Powered by Cerberus combines GAC's resources, expertise and global reach with Cerberus Maritime Services Limited's 20+ years of providing support to people and organisations working in hostile and difficult environments.

### Minimising risks

It is an integrated and intelligence-led service, minimising clients' operational risks from the continuing threat from regional piracy and kidnapping.

Core services include:

- crisis management
- officer/crew training
- protective equipment supply
- sea marshal services
- intelligence reports and alerts
- coordination with international and Coalition Maritime Task Forces
- and assistance to owners with risk assessment and drafting of Ship Security Plans as required by the ISPS code.

### Risk zone

The Gulf of Aden is the current piracy 'hot spot'. The International Maritime Bureau has reported more than 100 attacks against shipping in the Gulf of Aden this year.

"With at least £100 million paid in ransoms, the GAC-Cerberus alliance meets a very real need for shipping," says Christer Sjödoft, Group Vice President for GAC Solutions.

### Peace of mind

"GAC Protective Solutions gives peace of mind to vessel owners and operators.

"Every week brings news of threats to maritime interests and we want to provide vessels with the necessary equipment, training and knowledge to be better prepared to handle a hostile environment as they travel the world's shipping lanes."

### Incident support

In the event of an incident, GAC Protective Solutions will also step in. Floyd Woodrow, Operations Director, says: "We provide comprehensive medical assistance and support; incident response teams, crisis managers and ransom negotiators; 'International Red Flare' global medical & security evacuation service; provision of medical equipment & services; and advice on hull, machinery and cargo insurance interests."



# STS milestone in Sri Lanka

A milestone in GAC Sri Lanka's operations was reached in April when the company carried out the first chemical Ship-to-Ship transfer in Sri Lankan waters.

No first time nerves were evident. The job was incident-free, on time and in complete compliance with the owners' requirements.

## **Break down**

The job arose when the tanker MT 'Maritime Rosemary' broke down on her way from Saudi Arabia to Indonesia. GAC was called in when it became clear she would have to offload her load of styrene monomer, methanol and ethylene dichloride.

The ship's operators, Aurora Tankers



# Bahrain aid for Delhi Metro

The Delhi Metro system is being extended and GAC Bahrain is transporting more than 100 tons of fibre glass and composite goods to make it happen.

It is the most recent project that GAC Bahrain has worked on for Bahrain Fiber Glass, which has factories in Bahrain, the Philippines, China and India. For more

than a decade, the companies have worked together with GAC handling deliveries to locations worldwide.

In India, GAC Chennai is also working closely with Bahrain Fiber Glass in their efforts to build Metro systems across the country.

# Royal Visit to Aqaba



& Managers Ship Management, asked GAC to make all the arrangements to tow her to Colombo Anchorage for her load to be transferred to another vessel. This included getting all necessary permits from the Sri Lankan authorities at short notice.

## Strict safety measures

At the Anchorage, the 'Maritime Rosemary' was met by the 'Maritime North', which took on her cargo.

GAC Sri Lanka also provided associated husbandry services including arranging GAC boats to transport surveyors, representatives of the owners, operators and managers, and repair teams to the tanker.

A royal welcome was laid on by GAC Jordan when the cruise liner "Queen Victoria" made her maiden call at Aqaba.

To mark the occasion, Managing Director Ghassoub Kawar presented the liner's Master, Capt. Ian McNaught, with a GAC shield commemorating the call.



## Vital Statistics – "Queen Victoria"

Named & launched:	December 2007
Length:	294 metres
Height:	54.5 metres
Draft:	7.9 metres
Guest capacity:	2,000
Guest decks:	12
On-board facilities:	1,000 staterooms, pool, health club & spa, theatres, restaurants, casinos and a Cunard museum.

# ***Energised!***

## ***Fueling a Global industry***

Communities are divided by it, wars are fought over it, economies rise and fall with it – and we can't get enough of it.

Energy drives the world and even with the present push toward alternative fuels, most of it still comes from oil and gas. It takes a lot to keep the global energy machine running. GAC is playing its part.



Wherever there is exploration, drilling, refining, storage or transportation of oil and gas, GAC is there providing a broad range of services. From Hammerfest above the Arctic Circle to Cape Town and Maputo down south and all stops in between, the work goes on.

### **Hot spots**

Areas once considered too expensive to explore and drill are now viable. The Caspian Sea, the east coast of India, deep waters off West Africa, the Eastern Mediterranean,

Brazil and Malaysia are just some of the new hot spots for the energy business.

Drilling is going deeper as demand increases. When the first oil well was dug in Texas to 106 feet, drilling was done manually. Now the industry needs special equipment as it pushes down beyond five kilometres. One well in China is aiming for more than eight kilometres.

### **Every stage**

GAC provides the oil and gas sector – both upstream (exploration & production)

and downstream (refining, sales and distribution) – with marine and offshore support, specialised logistics, tanker services and a wide array of ancillary services.

Since its earliest days in the 1950s and 60s, GAC has taken care of tankers loading at terminals. As its reach has become global, it now provides tanker agency, husbandry services, crew changes, bunker fuels, ship supplies, manning, support bases, superintendency, and many more shipping services whenever and wherever they are needed.

## Total service

GAC Energy was created in 2008 to provide a single point of contact and bring the range of GAC services under a single umbrella (see services box on page 13). GAC Energy's Logistics Manager, Ismayil Manzil, says there is a great need to understand customer demands and 'speak their language'.

"Perhaps the greatest challenge is to ensure sub-contractors and authorities appreciate the critical time costs involved for our clients," he says. "It is not uncommon for delays to cost USD 50,000 or more per day, so time is of the essence. Another challenge is to do our work in full compliance with GAC's Code of Ethics, the Foreign Corrupt Practices Act and all Health, Safety, Security & Environmental regulations. Our teams in key oil & gas locations handle the challenges through excellent in-depth local knowledge and clear understanding of customer needs."

## Integration

GAC is unique in the Energy sector in being able to provide service packages that integrate a range of services across shipping, logistics and marine services that can be tailored to specific client demands. This is appreciated by many oil majors, like Chevron Exploration and Petronas Carigali, who used GAC for a variety of support services when in Bahrain for oil exploration during 1998-2004.

The company has provided Maersk Oil in Qatar with logistics services since 1996, adding shipping services from 2006. Companies like PTTEP, Occidental, Reliance Petroleum, RAK Petroleum, and Hunt Oil use the Group's Upstream Logistics services in Oman. And in the Caspian Sea, Petronas, Dragon, SBM, Leighton and others use GAC Turkmenistan's marine support fleet to support their operations.

### The GAC Marine Fleet

Locations: Arabian Gulf, Caspian Sea, West Africa

Anchor Handling Tugs:	5
Anchor Handling Tug Supply:	12
Tow tugs:	6
Cargo barges:	9
Crew/supply boats:	8
Supply vessels:	2
Landing craft:	2
Utility/service service craft:	2

## Support fleet

In all, GAC Marine runs a fleet of nearly 50 anchor handling tugs, utility boats, landing craft, tugs and barges supporting operations in the Middle East Gulf, the Caspian, West Africa and off the west coast of India.

GAC is an award winner in the provision of safe and incident-free operations.

## Long-term

GAC Marine also plays an important role in offshore construction, including further

development of existing fields. A recent project provided barges and crew/supply services for gas-injection operations to boost oil production.

Sven Muchardt, GAC Marine's Marketing Manager, says: "These projects are all long-term so it is important for clients to know that the support they receive is from an established operator with firm foundations. GAC Marine's clients know that we are a long-term proposition and our investment in fleet and equipment is state-of-the-art."

# Helping to power up Kuwait terminal



enough to generate the power needed in summer when air conditioning units are at full blast.

To cover the shortfall, Kuwait signed a USD150 million contract with Exceleerate Energy to build import facilities for liquefied natural gas (LNG) at Mina Al-Ahmadi about 40 kilometres from Kuwait City.

## Essential

Parts and equipment for the project have arrived from the USA, UK, Italy, Holland, Belgium, Canada and Korea. In all, GAC has flown in 900,000kg of cargo and shipped in 125 TEUs for the project.

# Fleet support for Turkmenistan energy growth

GAC Marine vessels are extensively involved in the development of Turkmenistan's burgeoning offshore energy sector. The most recent operation: supporting the construction of a big gas platform in the Caspian Sea.

The Anchor Handling Tug 'Narwhal' and the barge 'GAC 185' transported the superstructure and parts for the platform about 60 nautical miles from the port of Kianly to the Livanova field. This was part of a raft of services performed for Malaysian Marine Heavy Engineering.

GAC also carried passengers and other cargo to the gas field and provided safety supervision at the anchorage off Kianly.

GAC Marine Turkmenistan's Port Captain, Hojagurban Nurchiyev, acted as the main pilot for the project. He says that despite the challenges of transporting the bulky load, everything was well managed and went smoothly.

The client agreed and has appointed GAC Marine for a second project for the new platform.

# Oil & gas HOT SPOTS around the world



Wherever you go in the world of energy sourcing and supply, GAC is there.

## Gulf of Mexico

### Brazil

One of the fastest-growing oil producers in the world. The discovery of pre-salt deposits has accelerated activities in deep waters off Brazil.

### Trinidad & Tobago

### Venezuela

Consistently among the world's Top 10 oil producers and home to the second largest natural gas reserves in the western hemisphere.

### Algeria

97% of the country's export revenues come from its hydrocarbon sector.

### Angola

Angola goes deeper and deeper.

### Egypt

The Suez Canal & Sumed Pipelines are strategic routes for Middle East oil exports.

### Libya

### Ghana

### Mozambique

With large potential hydro-carbon deposits stretching as far as the border with Madagascar, Mozambique could become 'the Angola of East Africa'.

### Nigeria

An OPEC member since 1971 and Africa's largest oil producer. However, production and growth of the oil & gas sector are often hampered by instability in the Niger Delta.

### South Africa

Home to the second largest oil refinery system in Africa.

### Tunisia

### Norway

The world's third largest net oil exporter and second largest supplier of natural gas to continental Europe.

### Russia

Home to the largest natural gas reserves and the world's No.1 exporter.

### Turkey

Seeking to become a regional transit hub for oil and gas from Russia, the Caspian Sea and Middle East.

### United Kingdom

Holds significant North Sea oil & gas reserves. Europe's largest oil producer, although production has dropped since its peak in 1999.

### Kazakhstan

Existing production from the Tengiz field is expected to double, while the Kashagan field – the largest oil find for 30 years – is expected to add another 1 million bbl/d (barrels per day) by 2011.

### Turkmenistan

### Iran

An OPEC founding member, Iran holds the world's third largest proven oil reserves and second largest natural gas reserves.

### Iraq

One of the few places left believed to hold vast mostly-unexploited oil reserves.



# GAC Energy Services

## Supply

- Supply of water & bunkers
- Provision of supply vessels
- Supply of cranes/forklift trucks, communication equipment, etc.
- Local transportation of personnel and materials

## Base management

- Comprehensive management of supply bases and yards
- Heavy haulage, multi-axle trailers, low loaders forklift and crane services
- Charter of aircraft, barges, support vessels or tug boats
- Management of jetty/storage space
- Husbandry services for supply boats, rigs, seismic vessels, etc.

## Logistics

- International Freight Forwarding services
- Logistics support
- Material management
- Supply of labour

## Support

- Obtaining 'No Objection' for imports & exports
- Administrative assistance
- Arranging visas & work permits for personnel
- Liaison with local authorities
- Provision of office space
- Hotel/accommodation arrangements
- Crew medical services
- Arranging medical evacuations when required

### Kuwait

Deals were signed in the late 1950s to allow exploration in the Divided Neutral Zone between Kuwait and Saudi Arabia. Since then, the Khafji Joint Operating Zone has been an important site of oil exploration and production.

### Oman

The country has undertaken enhanced oil recovery projects at its mature fields to help offset recent declines in production.

### Qatar

The world's single largest producer of liquefied natural gas (LNG).

### Saudi Arabia

OPEC's largest oil exporter, with approximately one-fifth of the world's proven oil reserves and some of the lowest production costs. The huge Manifa field is an addition to existing fields.

### U.A.E.

Recently, there has been increased exploration in the Zakum field off Abu Dhabi, as well as interest offshore Ras Al Khaimah.

### India

Government initiatives have been launched to promote exploration and to boost domestic oil production to meet the country's growing demand for energy.

### Sri Lanka

The end of civil unrest in the country is paving the way for exploration in the Mannar Basin.

### Australia

With sizable natural gas reserves in offshore basins, Australia is the fifth largest exporter of LNG.

### Malaysia

### Singapore

A major refining centre for south-east Asia, thanks to its proximity to the Straits of Malacca, a major shipping route for oil tankers.

### Thailand

### Vietnam



# Safety first for world-class operations



Chevron Shipping's Technical & Procurement Manager John E. Harrison tells GAC World how his company uses its Operational Excellence Management System to meet the challenges of ensuring safety in its day-to-day operations.

“ Shipping is a complex business and in this industry we operate some of the largest moving objects on the planet. We must constantly improve our safety performance, vessels' mechanical reliability and structural integrity and we must ensure that our mariners have the tools and support to execute our strategies.

A critical driver for Chevron to achieve that kind of success is our Operational Excellence Management System (OEMS), which allows us to systematically identify and close performance gaps. The OEMS is not something separate from our business; it is how we run our business to continually improve and to achieve our vision of success. It is the tool we use to continue to improve every day and to move toward an incident free operation, delivering world class performance.

## Protecting people & the environment

Using the OEMS, we effectively integrate our objectives, plans, processes and behaviours into daily operations. This is our insurance for protecting people and the environment today, and in the future. We systematically manage our business to best meet the following goals:

- Achieving an injury-free workplace
- Eliminating spills and environmental incidents

- Promoting a healthy workplace and mitigate significant health risks
- Operating incident free with industry-leading asset reliability
- Maximising the efficient use of resources and assets

The OEMS consists of three parts:

1. **Leaders** - Leadership is the most influential factor for success in the OEMS. Leaders establish the vision and set objectives that challenge the organisation to achieve world-class results. They set priorities and monitor progress on plans that focus on the highest-impact items. Most importantly, leaders visibly demonstrate their commitment through personal engagement with the workforce and showing genuine concern and caring for the health and safety of every individual.
2. **Process** - A systematic approach is used to link the business planning process with specific objectives and a vision of success. Gaps between current performance and these objectives are uncovered during the assessment phase, and then plans are developed to close the gaps. Next, the plan is implemented and, finally, a review of plan implementation and performance is completed.

3. **Expectations** - Specific processes and procedures are put in place to effectively manage our day-to-day business consistent with the overall objectives and vision. Through these expectations we develop a culture where everyone believes that all incidents are preventable and that “zero incidents” is possible.

## Relationships

Although Chevron is committed to the OEMS to help us execute our strategies, we recognise that we cannot do it completely alone. That is why we work with many companies worldwide to assist us in meeting our OEMS goals. GAC is one of those companies, and we value their support in this endeavour.

## Safe Boarding

Improving boarding safety is one area where Chevron and GAC have worked together to move towards operating incident free.

Every day thousands of seafarers, pilots and agency boarding officers are getting on and off ships. Boarding ships is one of the highest risk operations encountered, particularly when the weather is bad or the ship is very large.

A number of years ago Chevron Shipping was concerned at the number of injuries occurring while boarding ships and so we developed a ‘Safe Boarding’ training DVD. This DVD is shown each and every time a GAC launch services our ships. This is an example of how expectations about work procedures help support our vision of incident-free operations.

## Goal? Zero incidents

The OEMS is not just a part of our business, it is how we operate – from annual business planning to day-to-day procedures. And at the heart of the system is Chevron's value to protect people and the environment.

This value is shared throughout our organisation – as individuals and collectively as a company. And we know that value is shared in our partner, GAC. Together, our goal is zero incidents, always and everywhere.

**SAFE Always!**



Q &amp; A:

# Ana Silveira



**Born:** August 12th 1979, in Montes Claros (MG), Brazil.

**Before GAC:** Studied International Commerce at PUC-Minas University in Brazil from 1999 to 2002 before moving to New York to complete her International Business studies. In May 2005, graduated from Suny Maritime College-Fort Schuyler

**Joined GAC:** In June 2005, as a Hub Coordinator in Houston. Appointed Marketing Manager, covering Central & South America, in April 2009.

## What drives you?

I thrive when challenged. Such situations push me to find deeper power within myself and show me that I am able to achieve things I didn't even know I could.

## How is GAC perceived in your market? Is it any different from the rest of the world?

Although our presence in Latin America cannot be compared with our presence in the Middle East, for example, GAC has a strong reputation in the market, especially among shipping companies that are active internationally.

## What are the key growth markets for shipping in Latin America?

Brazil, one of the world's fastest growing oil producers, is definitely a key growth market for shipping. Another one is Chile, a country that exports many diverse products, is geographically well positioned to trade with Asia and is one of the fastest growing markets in the world.

## What is the toughest part of your job? And the most enjoyable?

For someone that likes a challenge, the toughest part can also be the most enjoyable. Some areas of the shipping business are

more complex than others and identifying local low profile players in the market is not easy sometimes.

I really enjoy networking with people in the industry, listening to their past experiences and current situations. It helps me evaluate potential opportunities and solutions.

## How different are the various Latin America cultures? Do you have to radically alter your approach from one country to another?

Being Brazilian and having the opportunity to deal with different Latin American

nationalities, I have to say there are a lot of cultural similarities. Latinos are generally very friendly and warm people; they enjoy social conversation before getting down to business.

I don't feel the need to adapt my approach radically. There are, however, some characteristics that vary from country to country. Business lunches with customers, for example, are more popular in some countries than others, but that also depends on the culture of the company you are dealing with.

#### How important is it to speak the local languages?

Even though English is the international language of business, most people are more comfortable when they speak their native language. It is easier and more comfortable for them to express their opinions or explain a situation without having to worry about misunderstandings associated with speaking a foreign language.

#### An upgrade of the Panama Canal has been announced. How big is it, how is it progressing, and what will the Canal be able to handle once it is finished?

According to the Canal Authorities, the new locks will be 427 metres long, 55 metres wide and 18.3 metres deep. They will be able to accommodate vessels up to 366 metres long, with a beam of 49 metres and 15.2 metres tropical freshwater (TFW) draft.

By the time the expansion is completed – expected in 2014 – the Canal will be able to handle post-Panamax container ships, Suezmax liquid-bulk tankers, Capesize dry-bulk carriers and larger Liquefied Natural Gas carriers, passenger ships and so on.

#### How much of an impact is the economic downturn having on your region?

Latin America is not immune to the current economic downturn. The decrease in the demand for the region's exports and the drop of the commodity prices has caused the Latin American economy to contract and unemployment to rise.

The region was no stranger to severe crises in the past but Latin American countries are now better prepared to deal with a downturn due to the improvement in the microeconomic situation, which somewhat 'softens' the impact.

#### What can GAC offer clients to help them in the current financial climate?

Companies tend to look for alternative markets during financial crises. GAC, with its global coverage, can provide port information/statistics and local expertise that assist clients to explore new regions.

# Ministry honours GAC's Omanisation

GAC Oman has received a special award from the local Ministry of Manpower recognising its recruitment of local workers and commitment to government employment policies.

#### What is Omanisation?

The Ruler of Oman, His Majesty Sultan Qaboos bin Said, has stressed the need to develop the scientific, technical and vocational capabilities of Omani citizens so they can shape the development of their country. Strong attention is given to employment, with active involvement of private sector companies like GAC.

GAC's award was presented to Managing Director, Patrik Hallden,

by Maqbool bin Ali Sultan, Minister of Commerce and Industry, in a ceremony at Muscat's Al Bustan Palace Hotel.

#### Valued colleagues

"An experienced Omani workforce is one of our main assets, as it provides strong support to all our activities," says Patrik. "Some of our local staff have been with us for decades and are highly valued members of our team."

"We are most grateful for this recognition of our commitment to the Oman Government's initiatives, and we hope that it will help to further promote better opportunities for the local workforce."

# Logistics VP salutes Selhurst Park champ – then gets dolled up in Prague



When Julian Speroni was named Crystal Palace Football Club's Player of the Year for the second time running, Bill Hill, GAC's Vice President – Logistics Services was there to congratulate him.

Since GAC's sponsorship started in 2004, it has forged a close relationship with the South London Club. Bill is seen here with Julian and Crystal Palace Manager Neil Warnock.



#### Crystal P Doll?

Bill Hill would never agree that he's a doll, no matter how you interpret the word. But in Prague, a nest of Crystal Palace dolls was found to feature one "Hill". The set of dolls shows how far a branding idea can stretch.

# GAC Mozambique



The GAC Mozambique team are (left to right) Amelia Bambo (Reception), Ezequiel Vicente (Accounting), Crestencio Mucavele (Operations Assistant), Vania Bule (Logistics - ships' spares, customs clearance, freight forwarding), Emmanuel Manjate (Shipping - ship agency and husbandry), and Ricardo Nhanzilo (Operations Manager). Mussagi Cassamo (Accounting & Administration) is not pictured.

With a 2,500 kilometre coast and access to growing economies in neighbouring countries, Mozambique is an important trade gateway for south-eastern Africa. GAC established its own operation there in August 2008.

From its head office in the key port of Maputo, GAC (Mozambique) Servicos Maritimos LDA provides ship agency, logistics, customs clearance, warehousing and freight forwarding services throughout Mozambique and for landlocked countries like Swaziland, Zimbabwe, Botswana, Zambia, and Malawi and as far as the Democratic Republic of Congo.



### Business-friendly



It is run by Joao Oliveira, former General Manager of GAC Angola, who says that the country's advantages of political stability and sound macro-economic and business-friendly policies make it attractive for foreign investment. There is also development in the offshore energy sector.

"GAC Mozambique is well placed to support customers as they pursue business opportunities in this country," says Joao. "Our staff have the local knowledge and expertise to ensure smooth operations, and we are backed by the GAC Group's financial strength and global network."



## Fish for kids

GAC Dubai and the Rotary Club of Jumeirah have jointly presented an aquarium with ornamental fish and water plants to Al Noor Training Centre for Children with Special Needs. Ms Isphana Al Khatib, the Centre's Director, says her students are fascinated by their new watery companions and they will be encouraged to care and feed the fish and do basic maintenance of the tank.



## Moves & Appointments

### GAC Xiamen



**Patric Lundin**  
Branch Manager

Previously:  
Commercial Manager for GAC Shanghai.

### Group IT (Singapore)



**Gopalkrishnan Shrinivasan**  
Senior Project Manager

Previously:  
IT Manager for GSL Jakarta.

### GAC Shipping Marketing Office, Houston



**Wally Holm**  
Marketing Manager (USA, Canada and the Caribbean)

Previously:  
Marine Operations for GAC-RUR Houston.

### GAC HQ, Jebel Ali



**Rickard Almén**  
Accountant

Previously:  
Accountant with BDO Nordic Stockholm AB.

### GAC Angola



**Hendrik Fourie**  
Financial & Administration Manager

Previously:  
Worked for Tanker Services Fuel & Gas (Pty) Ltd.

### GAC Energy & Projects, Singapore



**Luke Tan**  
Senior Business Development Manager

Previously:  
Business Development Manager.

### LOOKING FOR CONTACT DETAILS?

Many GAC staff are listed in the directory section of the GAC website: [www.gacworld.com](http://www.gacworld.com). Just type in the surname of the person you are looking for in the Name Search field in the "Directory" section of the site.

# Kakinada Base gets Greener

When GAC launched **The Chairman's Award for Environmental Excellence** back in January, it was hoped it would inspire local GAC companies to introduce concrete changes in the way they operate. It has. GAC India's Kakinada base on the east coast is the latest example.



Locally-produced biofuels, eco-friendly materials and recycling initiatives are reducing environmental impacts at the base which provides storage, maintenance and transport of equipment for the local offshore industry.

## Cleaner, safer, healthier



The project's driver is GAC Kakinada's Carl Riley. Says Carl: "Our Principals are doing their utmost to protect the environment in their areas of activity and we must assist them. We aim to cut

carbon emissions and decrease the amount of toxins released into the air and water, without compromising the efficiency or quality of our service. This will help create a cleaner and safer place for people, plants and wildlife along the Kakinada coast.

"We decided to convert all our heavy equipment to a superior biofuel, produced at the local Naturol Refinery. Having a local producer also reduces our carbon footprint, especially as the supplier has agreed to store supplies at our yard."

## Making the switch

The Kakinada Offshore Base uses state-of-the-art equipment for its operations, including a 20kvh diesel generator, a 23

ton crane, a 10 ton forklift, and a fleet of vehicles. Before conversion, that equipment drank about 400 litres of diesel fuel every week. Switching to biofuel means fewer carbon and toxin emissions and a safer work environment as it is less volatile than conventional fuel.

In parallel, GAC has started using low VOC (Volatile Organic Compound) paints on the base's buildings. The Environmental Protection Agency says traditional paints and finishes are big hazards to human health as they release low level toxins into the air for years after application.

## Reduce, re-use, recycle – responsibly

GAC Kakinada is also launching an initiative to reduce consumption and to re-use and recycle resources, as well as responsibly disposing of hazardous wastes.

"We apply strict guidelines to lower the amount of electricity we use and keep climate-controlled rooms insulated," says Carl. "Hazardous waste removal and disposal is closely checked to ensure proper procedure is followed. We also plan to store rainwater and use native vegetation to decrease flooding around the yard's perimeter and cut runoff into the ocean."

Future plans include using local organic cotton and natural dyes for GAC shirts and coveralls and the application of environmentally safe antifouling products and techniques.

