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# GACWORLD



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returns to form

# New Shoots in O&G



Over the past several years, it has been a bit of an academic pastime to predict the end of oil and other fossil fuels. This wistful vision has often been coupled with optimistic notions of solar and wind power taking over the heavy lifting where energy is concerned. But as the events of 2017 have shown, the Oil & Gas sector is alive and kicking and reports of its death have been greatly exaggerated. Our O&G-related business has grown steadily in defiance of these pessimists and naysayers and it is clear that our O&G customers are seeing brighter lights on the horizon. Our review of this vital sector starts on page 10.

## Welcome Bob

A warm welcome to Bob Bandos who takes over from the retiring Lars Heisselberg as our Group Vice President, Americas region. Bob is a shipping industry stalwart with a wealth of expert knowledge and he will retain his position as Company Manager, GAC North America Shipping. Along with North America, GAC has operations in Brazil and Trinidad & Tobago and is in the process of expanding to Panama and Uruguay.

## Fendercare in Saudi

Saudi Arabia is taking determined steps to get more value-add into its economy. With that in mind, Fendercare has teamed up with GAC Saudi Arabia to offer its products directly to customers 'in-country'. This puts Fendercare in compliance with the Saudi government's "In-Kingdom Total Value Add" programme. See page 7 for more details.

## Yamal Ship Agency

Right now, Russia's Yamal LNG project is the biggest energy project on the planet and it's rolling out in some of the world's toughest conditions. Icebreaking tankers are standard items in the waters around the Yamal Peninsula. GAC Russia has been involved with the project since its early days and continues to expand its role. Read the full story on page 3.

## Dubai Customs

Things just got a lot faster for our customers in Dubai. GAC Dubai has been certified as an Authorised Economic Operator. I agree, the title is rather clunky, but the effect is a higher priority status for GAC and our customers leading to faster clearances. See page 4.

## Good Oil

The challenging thing about oil is that it is really far too valuable to be burnt as fuel. Long-chain hydrocarbons are among the most versatile molecules on the planet and they can be transformed into hundreds of useful products across a vast range of uses. Among them are ink, golf balls, moisturiser, artificial grass, toothbrushes, parachutes, electric blankets and ice cube trays. All this goes to show that oil isn't only about what you put in your tank at the service station. It's about the very stuff of our daily lives. You might care to remember that next time you lose your golf ball or reach for the toothpaste.

## Stuart Bowie

Editor

# Yamal LNG ship agency deal

## GAC capabilities in extreme conditions clinch contract

**Y**amal LNG, one of the world's largest and most complex LNG projects, has appointed GAC Russia to manage its fleet of ice-breaker tankers at Sabetta port for the next three years.

Under the agreement, GAC Russia will handle an estimated 400 port calls every year; 200 in Sabetta and an additional 200 globally.

The appointment follows GAC's successful in-port support for the project since 2015 and the management of last spring's ice trials for the "Christophe De Margerie", a new breed of tanker able to transport LNG unaided year-round.

Sabetta presents a challenge to conventional LNG transportation as the sea is frozen for up to nine months of the year and temperatures can drop as low as -50°C. The 300m "Christophe De Margerie" has a capacity of 172,600m<sup>3</sup> and is equipped to operate without the assistance of ice breakers – even when the ice is more than 2 metres thick.

This will ensure year-round exports to European and Asian destinations. Over the next two years, a fleet of 15 LNG ice-breakers will gradually be commissioned.

GAC Russia manages every aspect of in-port support at Sabetta, from permits to operate in Russian waters and sourcing boarding engineers and scientists for the trials, to route coordination with the Russian Coast Guard Service and advice on Arctic navigation.

### Historic

GAC Russia's General Manager, Tatyana Shorokhova, says: "We are privileged to be working so extensively with Yamal LNG on this historic project. Coupled with our ongoing expansion into the Russian Far East, this makes GAC Russia the only ship agent with a presence throughout the interconnected Arctic region and the Far East. With offices in Nakhodka and Yuzhno-Sakhalinsk, we cover 22 maritime ports in the region."

### 16.5 million MT per year

Yamal LNG is owned and operated by a partnership comprising Novatek (50.1%), Total (20%), CNPC (20%) and the Silk Road Fund (9.9%). It aims to tap natural gas reserves totalling more than 4 billion barrels of oil equivalent (BOE). To date, more than 200 wells have been drilled and three liquefaction trains built, each with a capacity of 5.5 million metric tons. Each year, nearly 16.5 million metric tons of LNG will transit through the port, destined for customers in Europe and Asia under contracts ranging from 15 to 20 years. **GW**



# Voyage management contract from Tellurian

**T**ellurian Inc. has awarded GAC LNG Services a contract to provide voyage management services for its first liquefied natural gas (LNG) carrier, the 'Maran Gas Mystras'.

GAC LNG Services was formed in 2016 in response to the surge in global LNG production. It provides technical services required for safe, compliant and efficient port calls by gas carriers. It is a full-service solution for the sector, covering charterers' vessel operations, as well as technical and commercial information and documentation. **GW**



Tellurian's LNG carrier the 'Maran Gas Mystras'.

## Faster Customs Clearance in UAE



**G**AC Dubai now provides even faster customs clearance after being certified by Dubai Customs as an Authorised Economic Operator (AEO).

The AEO programme was launched in 2016 to establish strategic partnerships with businesses to ensure security of the international supply chain and facilitate global trade.

GAC Dubai's certification comes after a stringent examination and validation covering record-keeping, financial viability, compliance and security. In addition to faster clearance, AEO accreditation ensures GAC Dubai a lower risk score and higher priority status by Customs and other government agencies.

Managing Director Ronald Lichtenecker says: "Our excellent track record, high levels of compliance and commitment to the highest operational standards all played a role in us achieving AEO status. This certification is testament to our efforts to always seek ways to provide better, more efficient services to our customers." **GW**

## ISO Update

**G**AC Bahrain has joined the list of GAC companies to have completed the transition to updated ISO standards ahead of the September 2018 deadline.

Managing Director Pontus Fredriksson received the company's certificates for ISO 9001:2015 quality management systems and ISO 14001:2015 covering environmental management. GAC Bahrain is also OHSAS 18001 accredited. **GW**



## P&I excellence recognised

**D**ubai Maritime City Authority (DMCA) has recognised GAC Dubai's Protection & Indemnity (P&I) team for its effective and efficient response to maritime emergencies and its contribution to maritime safety within the Emirate's territorial waters.

A token of appreciation was presented to the GAC P&I team headed by Regional Manager P&I – Middle East Region, Meena Mathews, following a major incident in which 56 containers were lost overboard in rough weather.

Meena says close cooperation between GAC and all involved parties, including government entities and the salvage company, was key to the successful and efficient recovery of all containers. **GW**



## Mammoth Move



This 151 MT reel was part of a time-critical shipment at Mumbai port.

It took two cranes working in tandem to load it onto the barge 'Chandra Pluto', along with other project materials needed for a vital offshore project.

GAC's Mumbai office took care of the entire scope of work, including transportation of the reel and another materials from the port storage yard to the loading point, loading onto the barge and securing it onboard to meet the safety and stowage demands of the surveyor.

The team also handled the transportation and loading of 14 pipes of different types weighing in at 7, 54 and 108 tonnes respectively – all within two days. Additional manpower and equipment was brought in to meet the tight deadline. **GW**

### Rapid response

GAC India's swift response capabilities were again put to the test when their customer was let down by their original contractor assigned to lift and load six anchor chains weighing 142 tonnes. Although the chains had been held in storage for over a month, the GAC team obtained the necessary permits and completed the task in two days.

## JV container yard opens

GAC Logistics Sri Lanka and Hemas Transportation have opened a new 30,000m<sup>2</sup> container yard with a capacity of 6,000 TEUs at their joint logistics facility in the Muthurajawela Industrial Zone, Wattala.

It is the latest development in the partnership between the two companies, under the name *Spectra Logistics*. The partnership was announced a year ago at the facility's groundbreaking ceremony. Work has already begun on the next phase.

### Growing demand

Lars Bergström, GAC Group Vice President, Asia Pacific & Indian Subcontinent, says the country's demand for third party logistics services has been bolstered by global trade growth and Sri Lanka's rising importance as a sourcing base for international buyers in South Asia.

"With the Spectra Logistics facility and the range of freight and logistics services that we provide, we are well-placed to meet this growing demand," he adds.

"Spectra Logistics will bring supply chain solutions of global standard to our customers in Sri Lanka."

### Confident

Niranjan Nallaratnam, CEO of Spectra Logistics, is confident the yard will become one of the most active facilities of its kind in the country: "Once the distribution centre is completed, Spectra Logistics will become one of Sri Lanka's biggest integrated logistics providers offering end-to-end logistics services to support a scalable and cost-effective supply chain for our customers."

Built on 15 acres within the logistics city designated in the government's Western Region Megapolis Masterplan Project, the Spectra Logistics facility is located between the Port of Colombo and Bandaranaike International Airport, away from residential spaces. It is equipped for container handling, multiple container repairing, washing, rigging, and more. **GW**



Spectra Logistics' container yard in operation.

# UK wins Cruise Line agency business



Fred Olsen Cruise Lines' vessel 'Balmoral'.  
© John Fatkin

**F**red Olsen Cruise Lines has appointed GAC UK as its agent in Newcastle and Liverpool.

Under the deal, GAC will manage 18 calls during 2018 for the 804-guest cruise ship 'Black Watch' at its home port of Liverpool, and a further 16 for the 1,350-guest 'Balmoral', at its home port of Newcastle.

Clare Ward, Director of Product and Customer Service at Fred Olsen Cruise Lines, says: "Turnaround calls are always busy days for everybody involved, with crew changes, immigration and Customs formalities, stevedoring activity, receipt of supplies and much more all going on at once.

"Having the support from our ship agent and knowing they have local contacts to assist when needed gives us great confidence. It's about knowing that the day will run as smoothly as possible from start to finish. That's why Fred Olsen has chosen to partner with GAC." **GW**

# Getting the show on the road

**E**ven before the last fans had left London's O2 Arena where the Fast & Furious Live tour kicked off, GAC UK's sports and events logistics team was working at full throttle to get the show on the road.

By 0345 the next morning, the cars, sets, props and special effects equipment were loaded into 40 special trucks under the flinty eyes of the supercar stunt drivers. Then they were on their way to the tour's next stop in Antwerp, Belgium, before continuing to 21 more European cities. **GW**



Watch the video here:

[https://www.youtube.com/watch?v=wsJyi05O\\_44](https://www.youtube.com/watch?v=wsJyi05O_44)



# Partnership with Fendercare Marine Middle East



*Anchors and chains are some of the products offered through GAC Saudi Arabia.*

**G**AC Saudi Arabia has partnered with Fendercare Marine Middle East, part of James Fisher and Sons plc, to provide Fendercare products including a full range of ropes, chains and shackles, to local clients. More products will soon be added.

The partnership supports customers' requirements to comply with the in-Kingdom Total Value Add (IKTVA) programme, contributing to Saudi Arabia's economic growth and its Vision 2030 plan. IKTVA aims to drive domestic value creation and maximise long-term economic growth, diversification, job creation, and workforce development to support businesses operating in a rapidly changing environment.

#### **Quality products, locally**

Stewart Hendry, Head of Shipping and Oil & Gas at GAC Saudi Arabia, says: "This partnership will enable companies to purchase quality marine products locally, contributing to their in-Kingdom spending, which is a key objective of the IKTVA programme. We will continue to seek ways to provide more efficient and value-added services to our customers."

Bode Gbadamosi, General Manager at Fendercare Marine Middle East, adds: "Our new partnership with GAC Saudi Arabia will enable us to supply Saudi customers in-country. It will mean that Fendercare will house stock at a new location in Dammam, with GAC using their local knowledge to provide a first-class logistical service through established distribution chains to all of the Kingdom's major ports." **GW**

## High School students get a taste of GAC

**T**welve students from Houston's Klein Collins High School got a taste of life in GAC when they shadowed our people as part of a Junior Achievement job shadow day. Ten GAC staff shared their insights and experience in global shipping and logistics, covering everything from freight forwarding and agency operations to HSSE and communications. The students also saw behind the scenes with a tour of our Houston warehouse. **GW**





© James Tomlinson / GAC Pindar

# Back in the race after Hong Kong set-back

## Yacht and replacement bow sent to Auckland for repairs

When the yachts set off on Leg 7 of the Volvo Ocean Race from New Zealand to Brazil, the Vestas 11th Hour Racing team was among them. But it would not have happened without the race's official logistics provider GAC Pindar.

The Vestas 11th Hour Racing yacht had been involved in a collision with a fishing vessel about 30 miles from the finish line in Hong Kong. The port bow was damaged and it was out of the running for Legs 4, 5 and 6 of the round-the-world race.

To rejoin Leg 7, the boat had to be sent to New Zealand to allow repairs to be completed in time for the New Zealand Herald In-Port Race.

### Enter GAC Pindar

UK-based Operations Manager Beth King took a call from her colleague in Hong Kong, Project Manager for the Volvo Ocean Race Jeremy Troughton. He needed a fast, efficient and cost-effective solution to get the Vestas 11th Hour Racing yacht to Auckland.

Break bulk shipping operations are usually planned weeks in advance, not the mere days available to get the yacht to New Zealand in time. Through the GAC Group's

relationship with carrier Maersk Line, together with support from Vestas corporate logistics, GAC Pindar beat all other logistics providers and found a slot on a service that met the tight timeline.

Within seven days of the collision, the damaged boat was aboard the Maersk Line vessel 'Safmarine Nokwanda' and on its 5,131 NM voyage to Tauranga, New Zealand. Upon arrival, it was transported overnight by road to the Yachting Developments boatyard in Auckland.

Meanwhile, a parallel operation was underway on the other side of the world to get a new 6 metre-long bow section delivered from Persico Marine in Bergamo, Italy. It was sent by road to London's Heathrow Airport from where it flew to Singapore and then on to Auckland.

### Back in the water

The Vestas 11th Hour Racing boat was relaunched and ready to compete in the in-port race, much to the delight of Skipper and Co-Founder Charlie Enright, who commented: "We said we'd be back on the water, and we stuck to the schedule, thanks to an amazing effort by all involved." **GW**



# All aboard!

## Hong Kong schoolkids learn about life at sea



Thirty youngsters from a local primary school were welcomed aboard yachts competing in the Volvo Ocean Race during the Hong Kong stop-over.

GAC is the official logistics provider for the race, so Hong Kong's Managing Director Maria Lam decided it would be an opportunity to give local kids a VIP tour of the MAPFRE and leg-winner Sun Hung Kai Scallywag boats. Scallywag is the only Hong Kong entry in the race.

Girls and boys aged between eight and twelve were not shy about quizzing crew members about the details of life onboard during the round-the-world race. They gained an insight into the tough conditions faced during one of the world's longest and wildest professional sporting events.

"This was a unique experience we were able to offer the next generation," says Maria. "The schoolchildren were all so excited to meet the crews and chat with them to learn about ocean racing."

The young visitors also took part in the #cleanseas Education Programme to raise awareness of plastic pollution of the oceans. It's a cause close to the hearts of the sailors and everyone involved in the Volvo Ocean Race, and they are taking the message around the world with them.

"It was a great chance for the kids to broaden their horizons about this spectacular sport event and its relationship with nature," adds Maria. **GW**



Check out the video of the children day with the Volvo Ocean Race crews at <https://www.youtube.com/watch?v=nAcr7U51xc8&feature=youtu.be>

# A brighter outlook for oil & gas?



**William Hill,**  
Executive Group Vice President,  
Oil and Gas

**T**here's an air of hesitant optimism in oil & gas circles. A sense that the slow recovery from the price slump in 2015 will continue and a degree of stability will return after the volatility of 2016-17.

Moody's 2018 outlook for the sector noted that upstream companies are starting to increase production, in turn helping midstream businesses and service providers. Overall, it foresees relative stability for the integrated oil and gas business over the next 12-18 months.

**This year, earnings are expected to rise by more than 10% for exploration and production, 10-12% for drilling and oilfield service companies, 8-10% for the midstream segment and 5-7% for refining and marketing.**

But that is tempered by the fact that it is an improvement on a bad situation, rather than a return to full health for the sector. Even the most optimistic outlooks acknowledge that price gains will be limited.

## Still challenged

In his 2018 outlook on oil & gas, John England - Deloitte LLP's Vice Chairman, US Energy & Resources Leader and US and Americas Oil & Gas Leader – said the industry was still challenged by high stocks and sluggish prices.

From an energy perspective, pundits were kept busy over the past year watching the impact of OPEC's decision to extend production cuts, whilst US producers increased output and demand continued to rise. Those factors, according to England, were "enough to give us hope but not yet enough to really move the needle".

Some industry majors took steps to reduce their reliance on high-cost projects, reflecting the belief by some in the industry that oil prices could remain weak for decades to come. Some even believe that factors like environmental concerns, technological change and alternative energy sources could slow down demand.

Others are more optimistic. In a company report, Chevron noted that the effect of climate change on its oil and gas business will be minimal for decades to come and that global demand for oil & gas looks set to remain strong.

## Caution

The assumption that energy demand will rise forever seems to be wavering. Oil & gas players responded to the downturn by becoming more fiscally conservative and cost-conscious and that mood prevails.







GAC's global Oil & Gas team gathered in Houston in April for a week of industry discussions and strategy planning as the sector shows signs of rebounding. They were: Seated (left to right): Lailah Soon (Singapore), Executive Group Vice President – Oil & Gas William Hill, Group Vice President - Americas Bob Bandos, Martin Ferreira (South Africa) and Shanaka Fernando (Dubai). Second row (left to right): Jana Rodrigues (USA), Eric Barnard (South Africa), Wilfred Nazareth (Dubai), Martyn McMahon (Dubai), Adron Allen (USA), Gopalakrishnan Srinivasan (Dubai), Madhu Vallur (Dubai) and Juliet Barco (Singapore). Back row (left to right): Patrik Ziegler (USA), Gary Stewart (UK), Jorge Nikulin (Brazil), Group Chief Information Officer Martin Wallgren, Anders Pedersen (USA), Morten Hamre (Norway), Gavin Johnston (UK), Leo Branders (South Africa), Gary Godfrey (USA), Raymon Groen (Netherlands) and Simon Morris (UK).

In such a cautious environment, one path to success is to be a low-cost provider, whether of energy commodities or equipment and services needed to produce those commodities and get them to market. But never at the risk of compromising safety or quality.

### Total support

GAC provides 360-degree support for the oil & gas sector, drawing on its core competencies in supply chain, offshore and agency services, and an integrated range of shipping, logistics and marine solutions. It has a truly global footprint in oil & gas, meeting the needs of both the upstream and downstream segments.

"From rig movements through the management of onshore yards, supply of bunker fuels, global logistics or ship agency, GAC has the experience, resources and expertise," says Executive Group Vice President, Oil and Gas, William Hill. "We work the matrix of our global organisation to provide a wide range of solutions, using people with in-depth understanding of the oil & gas business."

Key Account Managers work with customers to ensure their needs are understood and met. They also play a key

role in setting up new supply bases and entering challenging markets.

The human element is boosted by GAC's in-house software, tailor-made to manage rig and ship agency issues and the total logistics chain, with full transparency for the client.

### Belief

Hill takes a measured yet optimistic view of the future of oil & gas, pointing to GAC's recent investments as evidence of the Group's belief in the sector's continued sustainability.

He says: "Growth has been significant since mid-2017, with supply bases and dedicated warehouses set up the USA, United Kingdom, The Netherlands, Bahrain, Dubai, Singapore, Malaysia and elsewhere. Expansion into Latin America is in the pipeline, as is further development of existing facilities in the Middle East and the addition of places like Vietnam and Myanmar to our global oil & gas network."

### Innovate

As Deloitte's John England said in his 2018 outlook: "Companies that are willing to innovate and invest can unlock tremendous value and may remain financially strong regardless of what happens to global supply and demand trends." **GW**

The oil & gas industry comprises three major sectors:



### Upstream

Also known as Exploration & Production (E&P). This includes searching for new oil and gas fields, drilling exploratory wells, and subsequently drilling and operating the wells that recover and bring the crude oil or natural gas to the surface.



### Midstream

The transportation, storage and wholesale marketing of crude or refined petroleum products. Pipelines and other transport systems move crude oil from production sites to refineries and deliver the various refined products to distributors.



### Downstream

Refining crude oil and processing/purifying raw natural gas, as well as the marketing and distribution of products derived from them.



# Home Base for O&G Support

**G**AC has strategic support bases for oil & gas customers around the world. Key areas of operation span the Middle East, Africa, Central Asia, Europe, the Americas, East Mediterranean, Asia Pacific, Indian Subcontinent and Australasia. We take a look at three of them.

## Oil & gas locations:



## Houston, Texas, USA

Houston remains the hub for global oil & gas upstream activity and much of the region's population of about 5 million depends economically on upstream, midstream and downstream O&G business. The entire Gulf Coast has significant petrochemical infrastructure, representing one of the largest clusters of industrial plants producing refined petroleum products from resin to gasoline and LNG.

US domestic drilling activity is at an all-time high with numbers exceeding 10 million barrels per day (MBPD) and potentially reaching 11 MBPD by the end of 2018. This would push the country into the top spot among the world's oil producers. Global business activity for US-based oil companies, however, is somewhat different. Despite recent market improvements, international drilling activity still faces challenges.

Patrik Ziegler, GAC North America Logistics' Managing Director, says: "The upstream market is cautiously optimistic

but activity in general remains well below peak times. GAC has made a significant commitment to the sector and has taken the opportunity to upgrade its operational infrastructure and technology over the past 12 months to the benefit of our clients."

GAC North America is fully committed to HSSE and Compliance, both essential components in the oil & gas logistics market. GAC USA's export compliance programme related to US export-specific rules and regulations is managed out of Houston.

## Facilities & equipment:

- 181,000ft<sup>2</sup> cross-dock warehouse
- 4 acres of open air laydown yard within the GAC Houston exclusive Foreign Trade Zone
- Fully fenced facility with 24/7 security
- C-TPAT certified and meets ISO9001 quality standards
- Hazmat certified



### Aberdeen, Scotland, UK

Known as the Oil Capital of Europe, Aberdeen is home to the world's largest heliport and an important ship harbour serving offshore rigs in the North Sea. Despite the recent downturn and declining North Sea reserves, the city remains a world centre for undersea petroleum technology. Historically, it had been largely untouched by past industry downturns, but Gary Stewart, GAC UK's Logistics Manager based in the city, says the past three years were different.

"We have seen thousands of oil & gas professionals lose their jobs," he says. "But this also created opportunities. Fewer staff creates more opportunities for outsourcing. GAC can help with customs documents retention, supplier management, cost control and more.

"Despite the doom and gloom, I do believe the industry is on the mend again. Though I don't anticipate the price per barrel reaching the dizzying heights we once saw, I do expect it to reach a sustainable, realistic level."

Located in the centre of Aberdeen harbour, GAC's offices and customs bonded warehouse are mere seconds from the nearest berth. That proximity enables the company to deliver prompt service and helps save money for clients. A 'one stop shop' approach with collaboration between departments provides special support that makes GAC stand out from the competition.

GAC's Ship Agency department handled around 680 port calls in 2017, including crew transfers and asset deployment for vessels calling at Aberdeen, Peterhead and Montrose.

Aberdeen is also home to GAC's Global Offshore Agency Services (GOAS) department, which assists clients worldwide with port calls and other third party services. This business has grown by nearly 40% in the last year.

#### Facilities:

- Dedicated Customs Bonded Warehouse
- Heavy plant machinery ranging from 3 tonne forklifts to 45 tonne container stackers.

### Singapore

The Asia-Pacific region accounts for about 20% of the oil & gas sector's worldwide assets and revenue. Singapore is the region's undisputed oil hub. Home to South East Asia's biggest collection of refineries and the world's biggest marine refuelling stop, it also offers an efficient logistics infrastructure and favourable business climate and is considered to be in the top three best places for business worldwide.

Lailah Soon, GAC's Regional Business Development Manager, Oil & Gas/Projects for the region, witnessed the ups and downs of the sector in recent years, above and beyond the normal cyclical nature of supply, demand and price fluctuations.

"It has been a tough market for everyone," she says, "but the quote 'Never let a good crisis go to waste' commonly attributed to Winston Churchill comes up a lot these days in the context of oil & gas."

GAC Singapore's Oil & Gas team supports the Upstream sector while the Shipping department handles an average of 300 port calls monthly.

#### Facilities

- GAC-operated dedicated air-conditioned airport warehouse offering 15,000ft<sup>2</sup> within the Free Trade Zone
- An additional external warehouse, operated by an approved third party supplier, available with 13,000ft<sup>2</sup> of covered space and 10,000ft<sup>2</sup> open yard 10,000ft<sup>2</sup> for bonded/non-bonded cargo
- PO & Inventory management, including EDI feed & RF scanner enabled and line-item checks
- Pick-Pack and Crating (In-house and off-site)
- Trace and ISO9001:2015 certified

GW

# All-round support for drilling ops

An international oilfield services company needed help setting up and running an offshore supply base for its drilling and testing programme off the coast of Bahrain.

Not only did the GAC Bahrain team identify and secure the ideal location for the base, they took just 30 days to get it up and running.

## The base features:

- an exclusive waterfront berth/jetty for 24/7 operations
- 500m<sup>2</sup> of covered area for bulk cutting pods
- another 1000m<sup>2</sup> for cement and chemical storage
- 500m<sup>2</sup> for the storage of drill bits and other spares
- 4900m<sup>2</sup> open area for storage and maintenance of casings, well parts and rig materials
- heavy lift equipment including two mobile cranes, forklift trucks and flat bed trailers
- 40 fully trained staff to provide a wide range of integrated logistics and marine agency support services.

Every day, GAC manages responsibilities including: handling berthing/sailing; coordination of vessel movements; planning and loading of vessels; preparation of cargo manifests; coordination with authorities; crew movements; transfers of materials and equipment in and out of the base; pumping dry bulk; fresh and drill water supplies; and general base management.

Bony Somanathan, GAC Bahrain's Shipping Manager, says: "This project presented us with the challenge of meeting a wide range of service needs in support of our customer's offshore activities. Setting up and managing the base has been a great learning experience and has proved we are more than equal to the task."

## Survey

GAC Bahrain's integrated shipping and logistics services and the Group's global network came into play for another oil & gas client which needed a marine warranty survey conducted and transportation for two cantilevers to Dundee, Scotland.

The 76MT shipment was brought on hydraulic trailers from the client's yard to the port, where GAC Bahrain's survey team, independent marine surveyors, and project logistics team completed the survey, loading and lashing of the cargo for its voyage to Scotland. The planning of equipment and lashing materials needed was also handled by GAC Bahrain. Once the cantilevers arrived in Aberdeen, GAC UK took over and safely delivered them to their final destination in preparation for installation on a rig. **GW**



## IADC Appointment

**S**hanaka Fernando, GAC's Regional Business Development Manager, Oil & Gas, has been appointed Vice-Chairman of the International Association of Drilling Contractors (IADC) Southern Arabian Peninsula Chapter (SAPC) Supply Chain sub-committee - Logistics/Trade & Compliance/Import-Export.

The IADC is a respected organisation within the oil & gas community. Its Supply Chain sub-committee aims to raise and resolve common logistics issues faced by the industry, streamline processes, and more. Shanaka will draw on his 14 years' oil & gas experience to serve that task. **GW**





# It's a gas!



**L**iquefied Natural Gas (LNG) is widely viewed as a strong player in filling global energy needs for power generation and transportation.

It's seen as flexible, reliable and cleaner: an energy source that could be the answer to new measures demanding cleaner fuel for shipping. The International Maritime Organisation (IMO) has set a global limit for sulphur in fuel oil used on board ships of 0.50% m/m (mass by mass) from 1 January 2020. LNG is sulphur-free.

## Growing trade

Demand is expected to rise, particularly from developing countries, with China accounting for much of the increase. Supply is also set to pick up, driven by greater US shale production and higher output from the Middle East and China. Some forecasters see LNG production hitting 10% of global crude production by 2020.

Since 2000, the number of countries importing LNG has quadrupled and those supplying it has almost doubled. There are now receiving terminals in India, Japan, Korea, Taiwan, China, Greece, Belgium, Spain, Italy, France, the UK, the USA, Chile, and the Dominican Republic. There are plans for more in Argentina, Brazil, Uruguay, Canada and Ukraine.

## Changing terms

Once, LNG was traded on long-term contracts of at least 20 years to offset the billions of dollars that had to be invested to develop gas liquefaction facilities. Now a growing percentage of LNG cargoes are being traded on the spot market.

Tim Karl, GAC's Business Manager – LNG, says: "This is due to the increased availability of cargoes and the fact that the use of LNG is being expanded. It is also being introduced to areas which did not previously have the infrastructure to support its use. The advent of floating re-gas vessels has made it fairly simple and inexpensive to supply LNG."

## Expertise

That shift in the market is what prompted the establishment of GAC LNG Services in 2016. Its purpose: to deliver technical services required for safe, compliant and efficient port calls by gas carriers.

"More companies are seeing an opportunity to trade in the LNG market, but some are small and may not have the necessary know-how in the shipping aspect of the business," says Karl. "GAC provides that expertise, enabling customers to get involved in the sector without having to invest in developing a marine department."

Increasing exports from the USA suggest the LNG market is poised to open up dramatically, according to Bob Bandos, GAC's Group Vice President – Americas.

"For the first time, LNG is being sold to new players. Complying with the complex regulatory, technical and operational requirements of LNG shipping requires specialist technical knowledge. GAC LNG Services delivers the services required to support safe, compliant and efficient port calls for gas carriers. We are confident in our expertise and we look forward to the further development of GAC LNG Services on a global basis." **GW**

**C**hevron Shipping Company (CSC) further cemented its long-standing relationship with the GAC Group when it awarded it a global three-year ship agency contract for both crude and LNG vessels.

Meanwhile, natural gas company Tellurian Inc. has awarded GAC LNG Services a contract to provide voyage management services for its first LNG carrier (see story on page 3). And in Russia, GAC has been appointed by one of the world's largest LNG projects to manage a fleet of ice-breaker tankers at the port of Sabetta (see story also on page 3).

# Bridging the Generation Gap

Reaping the business benefits of mentoring



by **Navin Perera, General Manager – Marine & Operations, GAC Sri Lanka**



*YSP worked with the Women's International Shipping & Trading Association (WISTA) and Women in Logistics and Transport (WILAT) to organise a career day for students from ten schools in the Galle district. The event was attended by 550 students and industry stakeholders.*

**Y**ou've worked hard, carved out a successful career, done well for yourself and your company. Wouldn't it be nice to share some of your experience and wisdom with the next generation? Sure, helping and guiding promising young colleagues gives you a warm glow, but more importantly, you – and your company – have a lot to gain.

Mentoring is a cost-effective way to connect with and develop emerging talent. It's also a way companies can recognise and keep their best performers engaged and energised. It creates a pathway for future leaders who will be loyal to their mentors and the companies they work for.

Not least, business mentoring sends a powerful message about an organisation's expertise and corporate culture, demonstrating a positive approach to personal and professional growth and boosting managers' leadership and coaching skills.

## Reciprocal

It's more than the transfer of advice, knowledge and insights. It's a reciprocal relationship that offers benefits to both mentor and mentored.

It's a fantastic way of connecting experience and energy, as I have learned as the Chairman of Sri Lanka's Young Shipping Professionals (YSP), an organisation formed by the Ceylon Association of Ship Agents (CASA) to help different generations connect. Our goal is to create a forum in which experience, culture, values and fresh ideas are exchanged to help achieve our goal of making Sri Lanka an important maritime hub.

Early in my career, I was seeking ways to bridge the gap between newcomers to the industry and seniors' experience, know-how and wisdom. I found YSP to be the right conduit to do just that.

As Chairman, I have set out four key objectives:



Increase networking opportunities through collaboration with industry forums, associations and professionals, giving members greater exposure in the shipping industry



Develop young talent and raise standards of education & industry knowledge



Expand our membership and promote gender balance



Encourage young people to contribute a fresh approach and innovative ideas

Since YSP was established in 2014, 265 young shipping professionals have joined. In 2018, we hope to gain international recognition for the organisation.

GAC Sri Lanka is an active supporter of YSP and more of our younger professionals have joined up than any other company. We were also the main sponsor of the very successful Open Quiz recently organised by YSP in association with the international Quizzing Association.

I have benefitted from mentoring from both sides. As a younger man, I was fortunate to have the guidance and encouragement of more experienced colleagues. And now, spending time with younger colleagues has improved my leadership skills and given me a better understanding of how the next generation views the world we work in.

I also like to think that spending time with them helps keep me young! **GW**

## Mentorship programme wins praise from students

Students from one of Sri Lanka's leading universities reaped the benefits of the GAC mentoring programme which aimed to give promising young people advice and hands-on experience to help them achieve their goals after graduation.

Mahesh Kurukulasuriya, Managing Director of GAC Group Sri Lanka, personally mentored three 23-year-old undergraduates over seven months. Together with Anoma Ranasinghe and Arandani Amarasinghe, he guided them on communication, presentation, organisational skills, career development, leadership and teamwork.

Sahan Lakshan says: "I think I am ready to face any interview and step into the corporate world with confidence, thanks to the guidance of GAC. Their professional, organised and interactive mentoring programme was one of the greatest milestones of my university undergraduate life."

Deshan Madhushanka adds: "The encouragement, motivation, and guidance – especially the mock interview – was really appreciated. Staff were friendly and taught us how to develop our future career."

Kavindu Delpachitra agrees: "It was really helpful for me to get an idea what kind of person I should be in my career and life. The knowledge that I gained will be valued for life."

## SPORTS ROUND-UP

# Golfers renew sponsorships

Rising young international golfers, Amy Boulden and Nicole Broch Larsen, have re-signed sponsorship deals with the GAC Group.

The 24-year-olds act as GAC brand ambassadors, wearing the corporate logo at tournaments and attending company events like golfing clinics for staff and customers.

Stuart Bowie, GAC's Group Vice President – Commercial, says: "Both players show great promise and have proved to be excellent ambassadors for our brand. We look forward to great things from them both."

GAC's stable of golfing ambassadors also includes South African players George Coetzee and Richard Sterne. **GW**



Amy Boulden (above) and Nicole Broch Larsen (left)



# Twin certification sends right message

**G**AC Dubai's commitment to Health, Safety and the Environment has been confirmed by its certification for ISO 14001 and OHSAS 18001 covering all its operations and activities.

ISO 14001 is an international standard that sets out the requirements for an environmental management system. It helps organisations improve their environmental performance through more efficient use of resources and reduction of waste. OHSAS 18001, Occupational Health and Safety Assessment Series, is the international standard for occupational health and safety management systems.

Certification for both standards shows that GAC Dubai meets all the requirements and sends a reassuring message that the company enforces the highest standards to its Health, Safety and Environmental (HSE) management.

It comes after the development and implementation of a documented HSE management system at all GAC Dubai locations and a thorough certification audit conducted by Bureau Veritas. **GW**

## Appointments

### GAC Group

#### Casper Bahnson

Group Liner Development Manager  
Previously: General Manager Liner Services with GAC Nigeria



Casper Bahnson



Rudi Van Niekerk



Florian Nittscher



Jacob Rubensson

### GAC Nigeria

#### Rudi Van Niekerk

Company Manager  
Previously: Regional Business Controller, Africa

#### Florian Nittscher

General Manager Liner Services  
Previously: Line Manager and Deputy Company Manager at COMET Shipping Agencies in Namibia

#### Peter Orange

Marketing Manager, Logistics, based in the United Kingdom  
Previously: Business Manager - Logistics at GAC Qatar



Mike Camara



Mikko Wieru

### GAC Dubai & Fujairah

#### Jacob Rubensson

Commercial Manager, Shipping  
Previously: Operation Manager with GAC Dubai

### GAC Samudera Logistics, Indonesia

#### Ronnie Knowles

Company Manager  
Previously: Group Sales Director - East



Peter Orange



Ronnie Knowles

### GAC Cargo Systems Malaysia

#### Mike Camara

Company Manager  
Previously: Business Manager - Shipping Services with GAC Bahrain

### GAC Marine Abu Dhabi

#### Erland Ebbersten

Company Manager & Group Vice President - Marine  
Previously: Group Vice President - Marine



Erland Ebbersten



Steve McWilliam

### Group Marketing

#### Mikko Wieru

Group Sales Director - East  
Previously: Company Manager for GAC Marine Abu Dhabi

### GAC UK

#### Steve McWilliam

Project Agency Manager  
Previously: Agency Supervisor (Aberdeen Branch)

# New Vice President for Americas Region



*Lars Heisselberg (left)  
and Bob Bandos (right)*

**B**ob Bandos has been appointed GAC's Group Vice President – Americas, following the retirement of Lars Heisselberg who held the position since 2009.

During his 25 years with the GAC Group, Lars held various positions including Group Vice President, Shipping Services and Group Marketing Director, Shipping Services. In his role as Group Vice President – Americas, he oversaw the establishment of GAC's logistics services, the continued expansion of shipping services in the US, the growth of

integrated operations in Brazil and the establishment of GAC offices in Trinidad & Tobago and Panama.

In addition to his new role, Bob maintains responsibilities as Managing Director of GAC North America – Shipping, a position he has held for 14 years.

Previously, Bob was the President of Rice, Unruh, Reynolds Co, which was acquired by GAC Shipping in 2004. Prior to that, Bob worked for BP Shipping as Global Chartering Manager.

He says: "GAC Americas made great progress under Lars' leadership and I intend to continue developing North and South America in the industries we serve, while maintaining the high level of expertise and ethics GAC is known for worldwide." **GW**

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