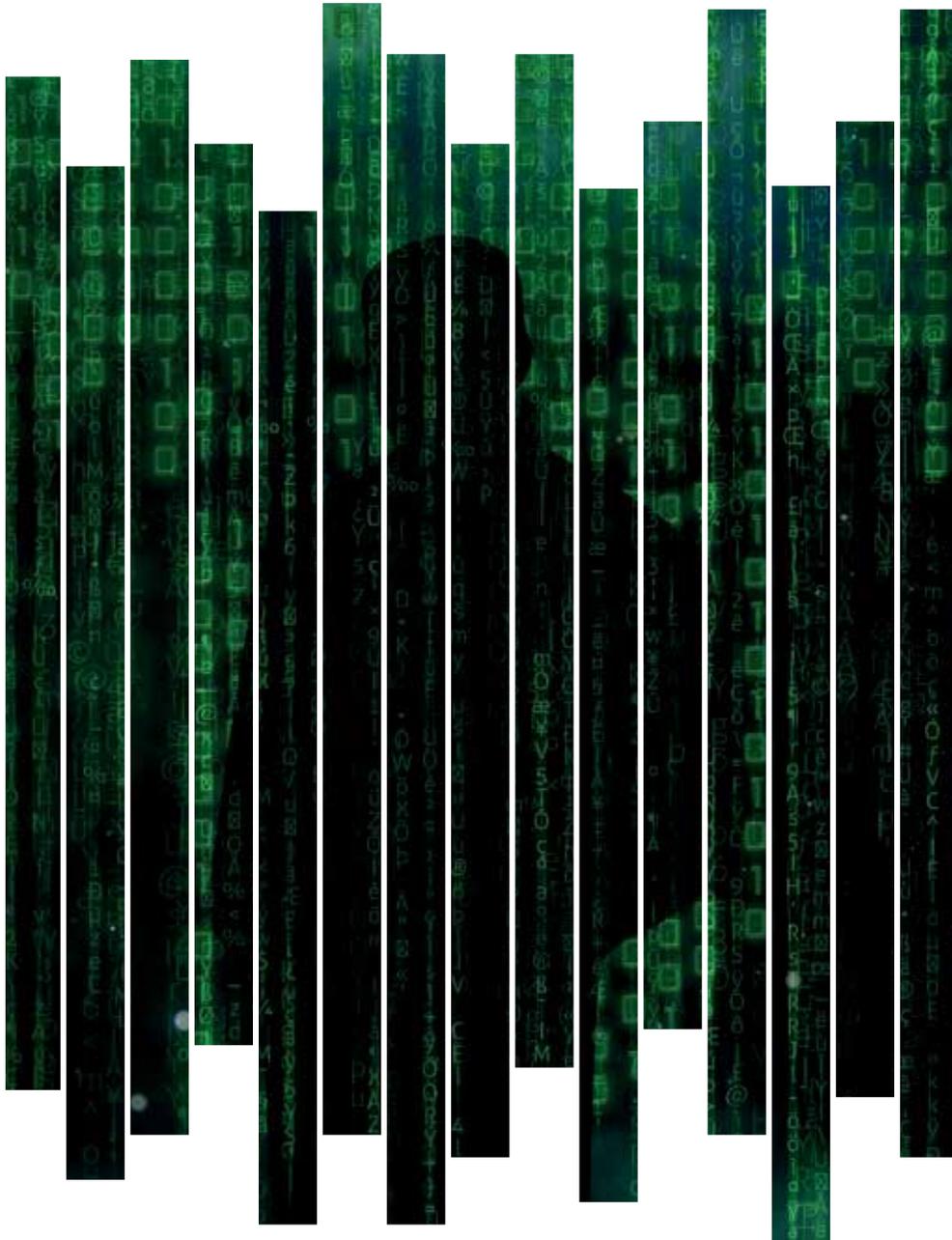


# SEACURUS BULLETIN

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## CYBER ISSUES COMING INTO SAFETY

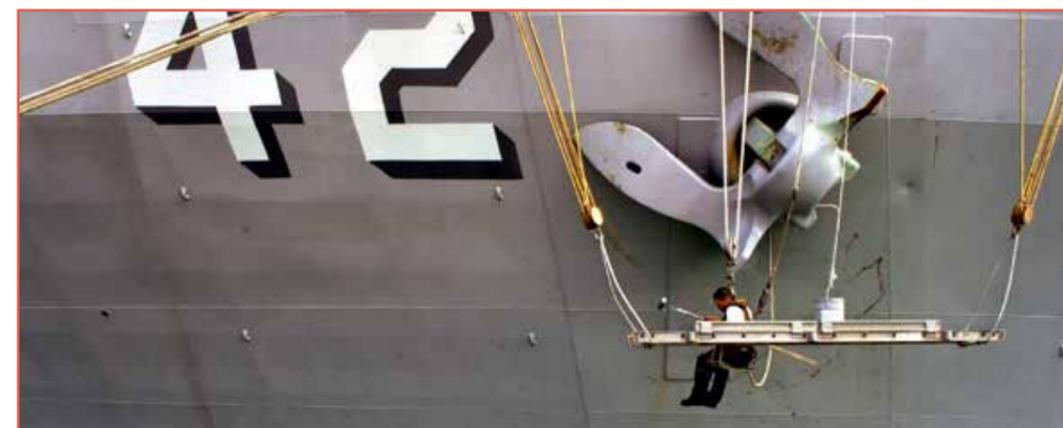
PIRATES ON THE RISE AND RETURN | RISING TIDE OF CASUALTIES | CHALLENGES ABOUND FOR SHIPPING



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In this issue we try to assess what is actually going on with the apparent “resurgence” of piracy attacks in the Indian Ocean. We look in depth about what a move to include cyber security into existing safety legislation could mean and also delve into the worrying issue of ship losses.

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## Welcome

> Welcome once again to the latest Seacurus Monthly bulletin. Inside we take an indepth look at some of the issues which have been affecting us, or which have caught our collective corporate eye in the past month.

Early 2017 has seen a shift of focus back the Somali pirate issue. There have been many words used to describe the latest piracy attacks in the Indian Ocean. There have been claims of a “resurgence”, “a pirate return” or “a rising tide of piracy” – whatever the truth, it certainly looks worrying.

In this issue we try to assess just what is actually going on, and try and understand the politics and the players who are driving this outbreak of Somali piracy 2.0. With cash from the last rash of attacks seemingly having run out, there are many who think the clans are set to get back to sea. With potentially disastrous implications for seafarers and shipping.

The renewed interest in maritime security has prompted some news outlets to rehash some old videos of security guards – and this has led to yet more kerfuffle when it comes to the issue of armed protection and deterrents being used. We thought all those problems had been laid to bed years ago, but it will be interesting to see how the new political landscape translates into private security.

It could be that vessels are left once more to their own devices – companies transferring risks on one hand, through insurance, and then relying on best management practices and the likes of citadels and intelligence to either evade or delay pirates. It seems there are some interesting times ahead.

While we look at security in this issue, we don’t ignore maritime safety. In fact it seems that cyber security is in line to morph into existing safety legislation. There are moves within the IMO and flag States to ensure that the ISM Code and safety management systems adequately address cyber threats and risks. We look in more depth about what that could mean... not least the fact that it could rapidly accelerate the entry into force of mandatory provisions. The rules are coming, and they could be coming very quickly indeed.

This month we also look at worrying issue of ship losses. IUMI has been raising concerns that while casualty rates are generally improving, it seems major losses are on the rise. The rising costs of salvage and repair, are leading to constructive total losses, and with groundings a major problem there are real concerns amongst underwriters.

We also look in this issue at the challenges which seemingly abound for shipping. It seems the embattled industry is fighting on all fronts.

From failing companies who have burdened themselves with debt, through to the likes of online digital and online giants trying to rip up the old rule books.

Yes, it is something of a tough time for the shipping industry – but while it is indeed beset on all sides by challenges and threats, there are so many opportunities and chances to evolve. The ugly duckling can grow into technologically advanced swan – but it will involve taking chances and facing challenges.

We hope you find the topics and issue discussed of interest, and look forward to hearing from you if you’d like to talk more. Please do feel free to pass the Seacurus Monthly on to your colleagues who may be interested.

All the best

Capt. Thomas Brown  
Managing Director



# PIRATES ON THE RISE AND RETURN

There have been many words used to describe the latest piracy attacks off Somalia. Claims of a “resurgence”, “a pirate return” or “a rising tide of piracy” have been bandied about. While it certainly looks worrying, what is actually going on?

## RAISED PIRATE CONCERNS

The recent hijacking of five vessels within a month by Somali pirates has raised lots of concerns in the maritime industry. After almost five years without a major pirate attack in the region, is there a real threat of piracy returning to the horn of Africa?

Professionals in the anti-piracy sector all agree the risk is certainly there, but are still cautious about calling a return to the dark days of the start of decade where hundreds of seafarers were taken captive in east Africa. The signs are not encouraging though, and BIMCO says the tools, personnel and knowledge remain in place, suggesting it only a matter of time before piracy arose once more.

With decades of political and economic decline and instability, internal conflict, high unemployment and continued sectarian violence, piracy in the Horn of Africa is always the seeming default setting.

According to reports, it seems that long and heated discussions, between members of Somalia’s Puntland Piracy Network (PPN), the Harardheere-Hoby Network (HHN) and factions of the notorious Hoby Pirate Network (HPN) have agreed to “test the waters” as they return to sea.

## THE BIGGER PICTURE

Like any security problem, when the attacks or crimes actually occur – that is simply the thin end of the wedge. The actual underlying causes are even more important to appreciate and understand.

For Somalia, one cannot fully appreciate or understand the piracy problem without digging deeper. The problems at sea, as has been so often said, stem from what happens ashore. Like shipping itself, it seems piracy is very much a cyclical business.

Somalia is a nation divided by clan affiliations, and these are the most pivotal and key component of Somali identity. Indeed, they play a key role in society and of whatever problems blight it. The clan politics dictate everything, both good and bad.

For the past 5 years, the dearth of attacks was because the financiers had departed from the Somali pirate theatre. They had taken their money, and either headed off to Dubai, or withdrawn into more mundane activities. Now it seems they have re-emerged, and are looking to profit once more.

## WHO IS WHO?

Steven Platt, CEO and director of special projects at Specialist Security Services has written at length on the various actors and players in the latest spike of Somali piracy. These include:

**Ali Zawahila Group:** Ali Zawahila was one of Puntland’s most successful action groups and is commanded by supposedly reformed clan and militia leader Isse Yulux. However, quite what “reformed” actually means is up for debate, as members of the Ali Zawahila Group have now reportedly returned to piracy.

Indeed, the Ali Zawahila Group has been involved in heavy clashes with the Puntland Maritime Police/Forces. In one incident, clan elders were called upon to broker peace during the negotiation of a recently hijacked vessel.

**Laasqoray Action Group:** After months of training and preparation, the “Laasqoray Action Group” is heading out to sea for piracy operations. Consisting of key figures from the Hoby and Puntland Pirate Networks, this experienced group is well-funded, and even has reported strong ties to “Afwenye’s” militias.

Afwenye (“Big Mouth”) is the Somali pirate kingpin Mohamed Abdi Hassan, who was sentenced in 2014 by a Belgian court to twenty years’ imprisonment for his leadership role in the 2009 hijacking of the Belgian-flagged rock-dumping vessel “Pompei”. It is understood his son is active once more.

**Salebaan Clan (Harardheere-Hoby Network):** This clan is set to resume piracy off the coast of central Somalia. They are financed by “Gushaaye” and other clan investors.

The Salebaan action group has attacked a vessel within the Indian Ocean. In addition, the group utilises motherships and Socotra Island, which enables them to operate within the Gulf of Aden and the Arabian Sea.



**Islamic State:** While not on the model of the other pirate/clan actors, recent intelligence indicates that the group responsible for the Galicia Spirit attack is the Islamic State faction within Somalia, also known as ISIS or IS-HOA/EA.

The group is led by Abdiqadir Mumin, a senior al-Shabaab commander who defected to IS to establish an Islamic State presence in East Africa. The group are currently 300 strong and operate from the hills of Galgala, Puntland.

## TIME TO WORRY

So the clans are back, the financiers are seemingly chomping at the bitt once more – and low and behold, nothing else has changed. As the experts predicted, the pirates would return and ships would be hijacked.

The complacency within shipping, which was warned about has kicked in. The lack of any change ashore in Somalia has taken its toll, and the upshot is that we are facing a re-run of 2008 all over again.

Vessels are being actively hunted once more. Smaller fishing vessels and dhows will be captured, and used as a springboard to allow pirates to spread far and wide into the Indian Ocean.

Thankfully there is still a naval presence, even though this was set to be wound down. Most recently a Panamanian-flagged oil tanker “Alheera” was rescued by Chinese Navy. While the Spanish navy has also intercepted and saved ships. One crew even had to rely on their citadel to save them.

## PIRACY RASH BECOMES EPIDEMIC

We seem to be in an odd position, there is still a hangover from the last outbreak of Somali piracy being cleaned up – but already it seems that 2017 is the year of the return. Which all makes sense.

The money has been spent, the children who grew up on tales of pirate derring-do have now come of age, and the targets are still blithely sailing past. It does not take an expert in human behaviour to suppose the pirates would return. It is of course not just Somalia. As we have seen, the pirates in South East Asia and the Gulf of Guinea are still very active.

Reports estimated in the last twelve months, 58 seafarers were kidnapped in SE Asia in 13 incidents by pirates linked with the Abu Sayyaf Group (ASG) (there was a total of 22 incidents with 9 foiled). In fact things have become so bad in the Sulu Sea area that the military have begun hitting ASG hard, and that may have resulted in the deaths of key figures, it remains to be seen what effect this will have.

While off Nigeria, it seems the rash of recent attacks is becoming a very full blown epidemic. There have been reports of multiple attacks over the recent weeks. Which is all most concerning. Vessels need to be on their guard, piracy is back...with a big bang.



The debate on maritime cyber security is seemingly changing tack. Suddenly it looks like the issue is set to be merged in with other shipping rules and regulation, which could mean a shock for some companies.

### BOLTING THE DOOR

Shipping is heavily regulated, with rules for just about everything. This is probably not surprising, seeing as for centuries the industry has been locking the metaphorical stable door once the horses have bolted.

The maritime response mechanisms are reactive, and it usually takes a disaster to kick the regulatory wheels into motion. Then once moving there is a relentless churn of rules, regulations, guidelines and best practices which begin to emerge.

Rather strangely though, this seems to be different when it comes to cyber risks. Without any real headline grabbing disasters, there is a relentless momentum towards tightening of maritime cyber security.

Cyber security in shipping is currently the buzz topic. Though that has yet to truly translate into regulation. Despite reams of guidance, companies often seem to simply be making the best of a bad situation. Some are developing their own cyber protocols, others are burying their heads and hoping that they either stay lucky or that they will somehow manage the risks as and when they appear.

### BRINGING IT INTO LINE

Finally it seems that the issue of cyber threats is being brought into line with other facets of maritime safety and management. There is a push by some flag States to ensure that cyber-related risks are covered by a vessel's existing Safety Management System.

There will be no hiding place, no passing the buck and no ignoring the issue. Indeed it seems there will be a rush to make sure that the risks, vulnerabilities and threats to ships are fully identified, understood, assessed and mitigated.

Usually even such an awakening could mean years of debate, adoption and the slow process of rules entering into force, but if this latest cyber debate gains traction, it could see vessel owners and operators forced to address cyber security within a very short time frame.

Shipping needs to jump now in order to take the steps needed to ensure cyber security. It seems there could be a new security gold rush, as providers look to take advantage of the short time frame and big implications for the maritime industry. The clock is ticking, and the time for action is seemingly here.

### ISM CODE AND CYBER

The United States is pressing for the IMO to accept that existing rules, primarily the International Safety Management (ISM) Code could (and indeed should) see cyber risks bolted into them. This means that things are

moving fast and the barriers to a regime of compliance are being dismantled. In a paper submitted to the IMO's Maritime Safety Committee (MSC 98/5/2), the US has analysed the direct link that cyber risk management and the ISM Code have.

As a result, the US has proposed the management of cyber risks aboard vessels to be accounted for through a vessel's existing Safety Management System.

#### The paper rests on these key issues:

- Section 1.2.2.1 of the ISM Code requires companies to "assess all identified risks to its ships, personnel and the environment and establish appropriate safeguards. Cyber-related risks in shipping have been broadly identified and are commonly understood. As such, they need to be assessed and appropriately mitigated in accordance with the objectives and functional requirements of the ISM Code
- Given the widespread use of cyber systems across the industry, it is reasonable to expect that any present-day ship is vulnerable to cyber risks; therefore, it is reasonable to expect their Safety Management Systems will incorporate appropriate instructions, procedures, training requirements and lines of authority. Evidence of this will be clear upon the review of the Safety Management System. This also satisfies the functional requirements in section 1.4 of the ISM Code.
- The ISM Code encourages companies to take into account any guidelines or standards recommended by the IMO, flag Administrations, classification societies or maritime industry organizations. So companies may find the interim, non-mandatory guidelines contained in MSC.1/Circ.1526 provide useful guidance when assessing risk and implementing risk mitigation measures.

If the MSC agrees, a draft resolution would require that cyber risks are appropriately incorporated in vessels SMS no later than the first annual verification of the company's Document of Compliance after 1 January 2018. Meaning some companies could have just a year after to get their systems in place and all others would follow over the next five years.

### CYBER ELEPHANT

The slightly awkward fact remains that there is a cyber "elephant in the room". That is the fact that many shipping companies have probably been compromised

already, and haven't been good at recognising it or responding.

George Ward, Project Support, ECDIS Ltd, has warned there are companies/ships in the maritime industry which either have been already hacked or they just have realised it, considering that most cyber incidents occur due to an infection on a random PC.

Ward predicts the first catastrophic maritime cyber incident will not be the result of a direct attack on a safety critical specific piece of equipment. It will be the result of an infection on some random PC, perhaps an unassuming email to a crew member, whose PC is either connected to the vessels internal 'super highway' or he transmits the infection internally whilst it lies dormant.

According to a survey by Sea Asia, just 43.75% of maritime businesses have a plan in place to tackle cyber threats. While 90.63% of "maritime leaders" say more should be done to prevent attacks, with 10% believing that cyber issues are the most critical challenge today.

### OTHER FORMS OF PROBLEM

It isn't just that cyber risks exist in their binary, viral or hacking form. There are other kinds of risk too. One story which emerged last month was of an alleged "fake international registry" which has been seemingly duping companies into registering vessels and presumably providing their details and payments.

Ships and seafarers are being illegally registered under the fake flag, purporting to be The Federated States of Micronesia (FSM). FSM has informed the UN about the illegal registration of vessels, as well as the illegal issuance of seafarers' certification in the nation's name.

FSM is not currently a member of the International Maritime Organization (IMO), but that hasn't stopped certain individuals presenting false documentation to the IMO stating that they are duly authorised to act as the archipelago's ship registrar using the name Micronesia International Ship Registry.

According to the official source these individuals have gained access to the IMO-assigned codes for vessels to be registered in the name of FSM. There are understood to be approximately 300 vessels illegally registered in the name of FSM and more than 1,000 illegal seafarers' certifications have been issued.



# RISING TIDE OF CASUALTIES

**There has been conflicting news of late for shipping. There are clear indications that casualty rates are improving, but it seems major losses are on the rise.**

## BIGGER LOSSES

The International Union of Marine Insurance (IUMI) last month issued a new report on the rising frequency of major vessel casualties. A fact that should be troubling for the entire maritime community, not least a challenging problem for insurers.

IUMI says that major vessel casualties occurred more frequently in 2016, the second year in a row after more than a decade of decline. Total losses due to fire and explosion have remained largely static, but claims related to groundings and machinery damage are increasing significantly.

It seems that falling asset prices could be a contributing factor in the rising number of machinery-related constructive total losses. In an increasing number of cases the cost of repairs may now be more likely to exceed the value of the ship, and so the emphasis for owners is to cut their losses.

The fact that vessels are worth less than the costs of repairs is just one of the many tough balancing acts facing insurers. Diminished vessel values combined with high costs of repairs and salvage make the sum stack against insurers. A fact that will likely ultimately bite owners in the long run.

## TAKING RISKS WITH SAFETY

With concerns of such mounting large scale losses, it is perhaps doubly concerning to read that it is not just IUMI that is having concerns about the ways in which ships are being operated or managed.

When it comes to groundings or damage, it can often relate to the way the ships are being navigated or operated. Perhaps hinting at the rise being experienced by IUMI, the UK Marine Accident Investigation Branch (MAIB) recently expressed concerns that seafarers were taking "unnecessary risk" to save time or get a job done more quickly.

The MAIB has found that this is a common theme that runs through many accidents. The publication of the first issue for 2017 of its Safety Digest which includes lessons learned from maritime accidents, and contains 25 articles illustrating why it is so important to ensure that the appropriate barriers and controls are in place before commencing any task.

It is through rushed and muddled thinking, through a desire to just get things done – regardless of the consequences, that is when accidents are most likely to happen and when the losses begin to mount.

## COMING TOGETHER IN CRISIS

The issue of how shipping handles casualties was the subject of debate during Singapore Maritime Week recently. With more than 250 shipping and insurance professionals gathering for the Asian Maritime Casualty Forum.

The two-day conference addressed the fact that shipping is at a crucial moment in addressing the landscape for maritime casualty management, salvage and wreck removal, especially as we are seeing the introduction of megaships, cutting edge technology and onset of new global maritime compliance and regulations.

The forum heard how the industry must come together to develop initiatives that improve casualty management and understanding between the parties. According to Andrew Squire, LOC chief executive officer, the industry must continue to "tackle the issues of rising cost as well as new technological and operational challenges."

With the issue of standard salvage and wreck removal contracts and places of refuge uppermost in their thoughts, it is clear that from insurers to investigators and salvors, the concerns are seemingly growing.

## VERY LARGE LOSS

The issue of losses has been playing out to the backdrop of a tragedy at sea, with the presumed sinking of the 1993 built, 266,000 dwt Very Large Ore Carrier (VLOC), "Stellar Daisy", which disappeared in the South Atlantic.

The vessel seems to have broken up and been lost, with the loss of 22 crew. Two crew were found but search efforts have not found any other survivors. Family members of the 22 missing seafarers have been clinging to some hope, as one missing liferaft has not been accounted for.

Indeed, a US Navy aircraft deployed in the search made an initial report that it had seen an orange coloured object that it thought might be a liferaft. However, the navy subsequently deemed it to be an oil slick.

This has not deterred the families and they have sent letters to US president Donald Trump asking for help in releasing images to the South Korean authorities for further analysis.

## RABBIT IN HEADLIGHTS

While the search is wound down and efforts to establish what happened step up, it seems that the owner, Polaris Shipping have seemingly been caught like rabbits in headlights by the loss.

There has been much criticism in the maritime media, and indeed, just as happened with the loss of the ferry "Sewol", there are suggestions that Korean companies seemingly struggle to deal with the fallout and attention that losses inevitably bring.

The marine website Splash24/7 has been particularly critical of the company response. They have even termed the stonewalling of the press by Polaris as a "textbook case of how not to handle crisis communications".

That may well be the case – but things could be set to get even worse for the company. It seems there are concerns about the very concept of VLOCs, as they have taken old tankers and converted them to carry iron ore. A great idea, until the cracks begin to literally and metaphorically show.

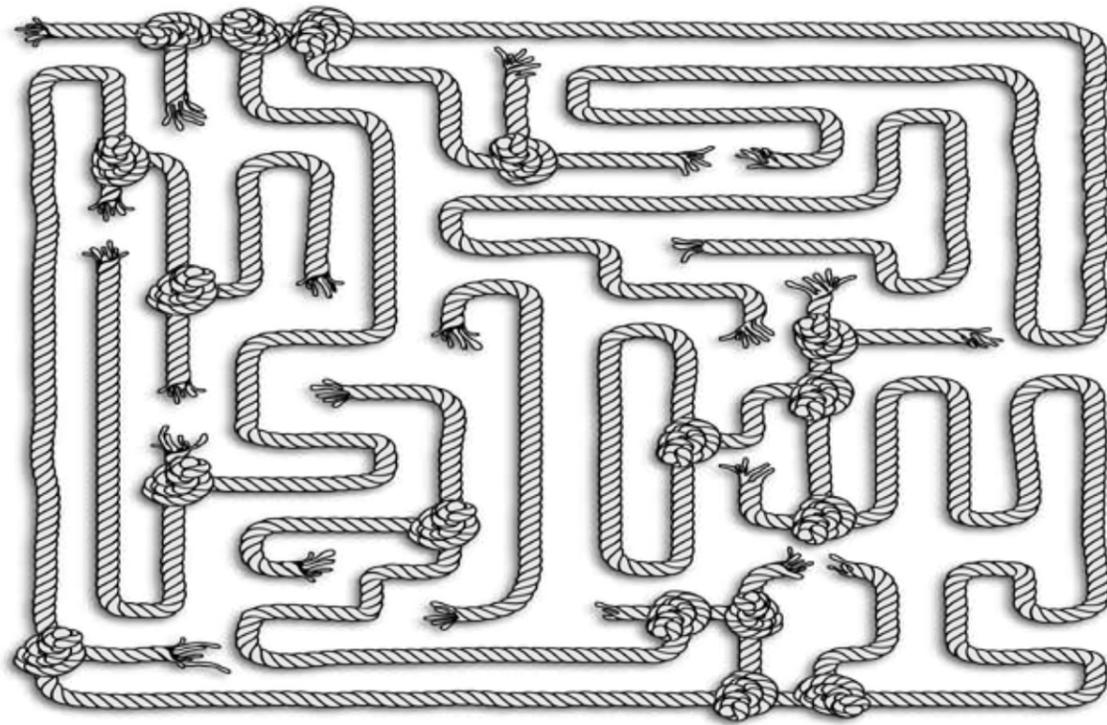
## MAJOR CONCERNS

Faced with the seeming reality of a vessel simply plummeting to the depths, there have been more questions about the wider Polaris fleet. The Federation of Korean Seafarer's Unions (FKSU) has questioned whether more vessels are fit for purpose, joining calls as to whether tankers which have been converted into bulkers are dangerous.

The concern has permeated Class too – and the head of the International Association of Classification Societies (IACS) says he's ready to learn from any defects or mistakes made in the run up to the VLOC loss.

It has also been interesting to note that Lloyd's Register has been drafted in to assist in Polaris Shipping's urgent fleet check in the wake of the sinking. Indeed, Polaris's main class society, the Korean Register (KR) has been taking much flak at home for its links to the "Stellar Daisy", its cracked sister ship, "Stellar Unicorn", and the "Sewol" ferry which has just been salvaged.

While LR gets down the business of making sure the VLOCs are safe, there has been a raft of parallel announcements. Which may or may not relate to areas of concern from this case. The UK P&I Club has been advising on the importance of hatch cover maintenance, while the London P&I Club has released a new guide to managing the risk of cargo liquefaction.



# CHALLENGES ABOUND FOR SHIPPING

**The shipping industry is going through something of a tough time. It is beset on all sides by challenges and threats, but so too opportunities and chances to evolve, ugly duckling like into a technologically advanced swan.**

## LATE SLOW AND OLD FASHIONED

Sometimes it seems that trends and a desire to be fashionable can be detrimental. Like an elderly gentleman in skinny jeans and sneakers, shipping can occasionally look a bit awkward when it tries too hard.

That is what is seemingly happening with the rush to embrace digitalisation and falling into the arms of online shopping giants, Amazon and Alibaba. Shipping companies are increasingly keen to ensure they don't miss the future, but that is perhaps causing some problems in the present.

Speaking on the matter, the head of Transas, Frank Coles has been urging shipping to go back to basics, just the transportation of goods, cargo and parcels from producer to consumer.

He recently claimed that all too often shipping is late to the party, slow to adapt and remains resolutely behind

the times. It seems he is right – in trying too hard to become a digital butterfly it seems the pupae is set to eat itself. There are certain aspects of this changing business environment that shipping cannot shape, it will be the political and economic climate which brings the winds of progress or a chill.

## NEW ECOSYSTEM

That change is coming is without doubt. Digitalisation is indeed changing everything, but in leaping too far, too soon, there is a danger of heading in the wrong direction, of over-reaching or even falling short.

Shipping does indeed need to simply get its house in order. It needs to have the right people...and before you scream about autonomous vessels, we don't just mean crews, but people in all parts of the business. These are the people that can make decisions, they can understand the past, manage in the present and position companies for the future.

With so much resting on the moves of others – from Trump's moves to seemingly punch the US back into its own trade paper bag, while BREXIT fills hitherto frictionless borders with acrid heat and smoke, it is hard for shipping to truly know what will happen. With the future being obscured, it makes it difficult to predict feedback loops in the shipping and maritime ecosystem.

Which in turn makes it especially vulnerable to disruption from the likes of young digital start-ups. So, like rushing to the wrong party, in the wrong clothes and carrying the wrong albums, shipping can damage itself by trying too hard. It needs to cool its jets – that is its attraction. It holds the aces, as it has the means to actually move things across oceans. You can disrupt all you want, but water is a test of character, ability and of hardware.

## HOUSE IN ORDER

So, in order to really fix shipping and get the house back in order, it seems the industry needs to look more closely at the financial and vessel ordering woes that have beset businesses.

Focusing on these fundamentals will mean that shipping is in the right state to really drive a digital revolution, rather than simply clambering on the barricades constructed by others.

The maritime media has been full of horror stories in the past month, with talk of zombie companies and organised chaos. Neither sound good, and each clearly needs addressing. As any film buff knows, the only good zombie is a dead zombie. There are concerns that some shipping companies have become the undead.

These are the companies that have sucked upon cheap financing and soured loans, they are now wandering seeking deals and government support to keep them alive. However, some critics see that they are simply undermining the global economy, wasting resources, and stifling productivity gains. Which is quite a criticism to shoulder.

## CHAOS OF COOPERATION

For the not yet zombieified, it has been a time of pursuing consolidation or cooperation. It is the issue of the various new alliances which are causing concern and are being called into question.

One carrier describes the Asia-Europe schedules of the Ocean and THE alliances. Just as a reminder, the Ocean alliance consists of China Cosco Shipping, with Evergreen Line, CMA CGM, and OOCL. While THE alliance is NYK Line, MOL, "K" Line, Hapag-Lloyd, Yang Ming Line, and United Arab Shipping.

Critics claim the transition of ships and containers from previous schedules to their new alliance hubs had proved more complex than expected – the result being containers stranded at terminals between Asia, the Middle East and Europe.

It has been stated that the phasing-in and -out has been "a disaster", resulting in big gaps appearing in network coverage. The carrier who has spoken out states, "We are chartering-in or using commercial feeders where we are allowed to," but it is tough to get approval, and sometimes the containers will just have to stay on the quay until the next big ship call."

## SPECULATIVE DESTRUCTION

So if alliances are having some teething problems, we perhaps need to look back to the problems and find a more fundamental and underlying problem...and it seems that some observers have.

There is a strong belief that speculative ordering was a main cause of the recent shipping meltdown. There are fears that the spectre may have returned with desperate yards touting dirt-cheap newbuildings.

A closely linked problem was that of government finance for unviable shipyards, leaving the yards with no choice but to drop prices in order to attract buyers, generate revenue and eventually restructure their balance sheets.

The fact that yards are making tempting offers is often irresistible to shipowners. So there is a spiral into the speculative spend. According to Euronav chief executive Paddy Rodgers the problem shows no sign of going away, "because we are constantly tempted by those naughty shipyards".

## YANKING THE CHAIN

So what does it all mean? Well – we can see that shipping is painting itself into something of a tricky corner. Having borrowed money cheaply, and faced with the lure of low prices in yards, it is clear that the temptation to build becomes overwhelming.

That is where the zombie companies find themselves, they want to feast and gorge on the gratification of new deliveries. Then become surprised when there is simply not sufficient demand for them, and freight rates can't hold up.

In the box trade, this is seemingly overcome by better planning and covering routes with strategic partners. Which sounds all well and good, unless the planning and management is botched and flawed. So we spiral backwards – back into the shadow of the disrupters.

Back into the thrall of the digital behemoths who know how to manage demand, to match supply and to actually use technology to organise their businesses, while seemingly being able to disrupt others. Shipping needs to wake up, or it will sleepwalk into a subservient future – where the old beasts of London, Hamburg, Singapore and Hong Kong dance to tunes played in San Francisco and Silicon Valley.

# MONTHLY NEWS ROUND-UP

*Here are some of the maritime news stories which caught our eye in the past month.*

**Dubai in Top 5** - Dubai was new ranked fifth on the list of the world's most competitive and attractive maritime clusters, according to an international survey conducted by Menon Business Economics Group. The survey showed how Dubai has progressed confidently from 13th place in 2015 to 10th among the 'Overall Leading Maritime Capitals of the World for the Year 2017.' Dubai also ranked fifth in the 'Competitiveness and Attractiveness Index' in 2017 compared with eighth place in 2015. Dubai joins the ranks of Singapore, Hamburg, Oslo, Hong Kong, Tokyo, Copenhagen, Athens, and London. <https://goo.gl/DLnlzq>

**2020 Challenges Ahead** - In 2020 the shipping industry is facing its biggest change since the shift away from burning coal a century ago as the IMO is set to impose a new 0.5% sulfur cap on marine fuel emissions. S&P Global Platts associate director Paul Hickin and editorial lead for bunker news Jack Jordan assess the readiness of the industry for the changes ahead, as well as the likely options for shipowners in coping with the stricter emissions regulations. Alarm bells are ringing for the bunker market after the IMO cut the global marine fuel sulfur content limit from 3.5% to 0.5% from the start of 2020. But so far it seems the industry is sleep-walking into it. <https://goo.gl/XByjYH>

**Africa Woefully Underrepresented** - The African merchant fleet is woefully underrepresented on the global stage, the head of the IMO, Kitack Lim, said during a speech addressing the Association of African Maritime Administrations (AAMA) in Abuja. "Of the 35 shipowning countries in the world, holding approximately 95% of global shipping tonnage, none is from the African continent," Lim noted. He provided further statistics that in terms of share of ownership by country grouping, developing countries in Africa own only 1.23% while their counterparts in Asia own 36.24%. Africa also represents just 0.9% of shipping yard and marine-related industries. <https://goo.gl/7yUwZt>

**Seafarer Salary Benchmarking** - A New Global Benchmarking service giving employers of crew reliable and easily-comparable pay data for all officers and ratings has been launched. The product comes from the HR Consulting division of maritime HR and Recruitment specialists Spinnaker Global Ltd, which already carries out benchmarking of shore-based maritime jobs for the 100-member Maritime HR Association. This new benchmarking service focuses on seafarer pay by nationality, rank and vessel type and the cost of various endorsements and specialisms. <https://goo.gl/IHXDyl>

**ILO Piracy Wage Discussions** - A meeting of the ILO Working Group of the Special Tripartite Committee (STC) was held in Geneva, Switzerland, from April 3 to 5, to examine issues related to the protection of seafarers' wages when they are held captive on or off the ship as a result of piracy of armed robbery against ships. The meeting of the STC, established under the Maritime Labour Convention (MLC) which covers minimum working and living standards for seafarers, brought together over 150 representatives from governments, employers' organisations and seafarers' associations, officials from ILO, the IMO and civil society organisations. <https://goo.gl/9bJXwY>

**Lifeboats Killing Crews** - There are no comprehensive statistics on lifeboat accidents, however an ample amount of research showing a scary outcome. To name a few studies, from 1992-2004, marine insurer Gard "recorded 32 cases of accidental release of lifeboats. Five cases were without injury to people (there are certainly much more, but these five have been reported because they involved P&I claims), the others caused 12 deaths and injury to 74 people. Among the people injured there were several very serious cases of head and spine injury, some causing paralysis or possibly leading to death at a later stage. <https://goo.gl/nLeyvI>

**New Lead for Maritime London** - JAMES 'Jos' Standerwick has been named the new chief executive of Maritime London. The 31-year-old has been brought in to promote fresh thinking at the organisation, which has been criticised for not being as hard hitting as it should be. Mr Standerwick will be charged with modernising the structure and the make-up of the maritime services trade promotion body. It is likely that another two to three new faces could be also brought in over the next 18 months as the organisation looks to better position itself alongside government. Mr Standerwick joins from the Mission to Seafarers where he has been director of development. <https://goo.gl/q349ME>

**Norway HNS Treaty** - Norway has become the first signatory to the International Convention on Liability and Compensation for Damage in Connection with the Carriage of Hazardous and Noxious Substances by Sea, 2010 (2010 HNS Convention), when in force, will provide a regime of liability and compensation for damage caused by HNS cargoes transported by sea, complementing existing regimes already in force for the transport of oil as cargo, bunker oil used for the operation and propulsion of ships, the removal of hazardous wrecks and claims for death of or personal injury to passengers, or for damage to their luggage, on ships. <https://goo.gl/Nj4HgY>

**Failing on Seafarer Rights** - Writing on the issue of seafarer abandonment, David Hammond of Human Rights at Sea has said he has great respect for the mental and physical tenacity of the remaining 13 Indian crew of the "MV Liberty Prrudencia". At the time of writing, they remain effectively abandoned by the owners in Zhoushan, China, having been paid just one month's wages in six months, but to date have steadfastly refused to bow down to pressure exerted to get them to leave their vessel. In March, the outstanding wage bill was in excess of \$148,000 from the papers supplied. So we are failing on seafarer rights. <https://goo.gl/XJgiMS>

**3D Propeller Printed** - The Port of Rotterdam's Additive Manufacturing Fieldlab (RAMLAB) and Autodesk have created a 3D-printed propeller using a hybrid manufacturing process combining wire and arc additive manufacturing using six-axis industrial robotic arms. Currently, if a vessel comes into port needing a replacement part, it can take weeks or months to order and deliver, costing companies millions of dollars while they wait. It can also be quite costly for suppliers to keep large stockpiles of parts in warehouses around the globe. As a main software partner, Autodesk was instrumental in developing RAMLAB's hybrid manufacturing approach which enables 3D printing large ship components in metal and then finishing the pieces using traditional milling and grinding methods, within a matter of days. <https://goo.gl/Hkx5jn>

**Misdeclared Cargo Blaze** - Container giant MSC increasingly believes that a shipper misdeclaring hazardous cargo sparked the giant fire that ripped through the aft of the 13,800 teu "MSC Daniela" boxship on April 5. The ship was en route to the Suez Canal from Singapore when a fire broke out in one container on before spreading quickly to others, forcing the master to reroute to Colombo where a combined force of Sri Lankan and Indian vessels then spent more than 12 hours extinguishing the blaze. Some of the boxes on the deck continued to smoulder for more than two weeks. <https://goo.gl/pnSmnG>

**Jailed Maritime Guards Recognised** - The Propeller Club Liverpool has awarded its first ever "Maritime Personality of the Year" to a group of six British mariners who have been convicted of weapons offences and are serving five-year jail terms in Chennai, India. The #Chennai6, Nick Dunn, Billy Irving, Ray Tindall, Paul Towers, John Armstrong and Nicholas Simpson, were recognised by Propeller Club Liverpool for their endurance and bravery in the face of their controversial convictions. The men were arrested whilst working as anti-piracy guards on a merchant vessel in the Indian Ocean. <https://goo.gl/PNIAHz>

**Yang Ming Yanks Stock** - Under pressure Taiwanese containerline Yang Ming Marine Transport Corporation has suspended stock trading through to May 4, during which time it is set to reduce its equity capital to the tune of ~53%. Yang Ming, the world's ninth largest boxline and the subject of intense speculation on its future over the past year, will decrease its number of shares to 1.4bn from 3bn. The announcement is a follow-up of the company's extraordinary special shareholders' meeting on December 22 last year, which resolved to reduce its share capital. The capital reduction plan follows on from many quarters of consecutive losses. <https://goo.gl/6vlG8n>

**RINA Certificate Fraud** - Two inspectors at RINA, the Italian classification society, have been arrested today over irregular certifications to ferries and cargo ships following an investigation launched in 2013 after the Jolly Nero's accident occurred in Genoa resulting in the pilot tower collapsing. Another two employees from the local Coast Guard in Genoa have been suspended and some 35 people are being investigated by the local court for some safety certifications released to some ships which appeared not in compliance with the required safety rules, according to the prosecutor. <https://goo.gl/nc90Lz>

**UK Faces Catastrophe** - The UK is facing an "absolute catastrophe" if it does not sort out a "frictionless and seamless" border at Dover and other ports, the shipping industry has warned. The UK Chamber of Shipping, which represents more than 170 freight ship, tanker and cruise liner companies, has called on governments across Europe to urgently grasp the challenge, arguing that a problem for the UK will also be a problem for ports in Holland, Belgium, France and Ireland. "I think the UK government gets it, but I am not so sure other countries do," said Guy Platten, the chief executive officer. <https://goo.gl/jHW7Ef>

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