new ships' deliveries +++ terminal news +++ service updates +++ casualties

The
Containershipping -Newsletter
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Dubai Plans Mega Port at Jebel Ali

The port of Dubai in the United Arab Emirates has seen a rapid growth over the past few years and steadily worked its way towards a top position among the world's leading container hubs. Presently, the existing docks of Dubai's western port at Jebel Ali are already working near capacity. In 2004, it was therefore decided to build a large-scale extension with plenty of new berths for container vessels. Various approaches of building new facilities were considered. An extension of the Jebel Ali port into the open sea was eventually chosen as the way to go and the first new container terminal near the port entrance is already operational. Furthermore, no less than eight artificial islands will be constructed off Jebel Ali. These will accommodate several new terminals for various types of goods. The construction of the first new container terminal was awarded to Hyundai Engineering and Construction. This included the conversion of an existing quay wall as well as the reclamation of land from the sea to create a facility of ample size. The first construction phase of the new terminal became operational early this year: Equipped with a 1,500-metre quay wall. it added some three million TEU of annual cargo handling capacity to Dubai's total. The Construction of phase two will be completed in the first quarter of 2008. It will add another 1000 metres of quay wall and some 178 hectares of stacking yard space. It will boots the entire terminal's annual capacity to about five million TEU – about one fifth if Dubai's present handling capacity. The terminal has been fitted with about the largest super post panamax cranes available: At least four of these giants will be placed on each berth. Presently, work on terminal number two is progressing and the first artificial island in front of the present port entrance is already taking shape. The eight islands will each cover an area of 215 to 300 hectares. Each of them will provide several thousand metres of new quay wall. Terminal operator DP World and the Dubai Port Authority plan to complete the construction of the octet of islands until 2030. According to the present plans, Jebel Ali would than provide an annual container handling capacity of 56 million TEU – comparable to the planned capacity expansions at Shanghai.

Jebel Ali Port's giant eight-island expansion scheme.
map: Jan Svendsen

CMA CGM Buys US Line

CMA CGM, the world's number three container line, has again taken over a smaller carrier. The French line acquired the Santa Ana-based US Line. Today's US Line is not related to the famous United States Line. Known for its infamous container bulkers. US Line is a niche carrier, whose main field of activity is the Transpacific trade. The lien employs a fleet of chartered ship in the size range between 1,100 and 1,350 TEU. This year, US Line is expected to transport about 100,000 TEU and generate a turnover of USD 145 million. Rumours of financial difficulties have been around for some time, and the sale might indicate that there was some truth to them. US Line already cooperates with CMA CGM's Australian offshoot ANL. The companies jointly operate a weekly tri-continental service between the US west coast, Australia, New Zealand and southern China. The loop employs eight ships. CMA CGM plan to maintain US Line's brand identity and management. Over the past years, CMA CGM has taken over a number of small and mid-sized container lines. Among these were Delmas, specialized in the Europe to Africa trade, ANL the Oceania specialist and Cheng Lee Navigation, an intra-Asian feeder operator. The acquisition of US Line will now strengthen the French's position on the Pacific, where CMA CGM was not very active until recently.

Maersk Taikung Delivered

Denmark's Maersk Line has now taken delivery of their second T-class container ship, the 8,400 TEU Maersk Taikung. The Daewoo-built ship's design has been developed from earlier Deawoo ships of the same size class, mainly the Maersk Surabaya type. The new vessels basically share Surabaya's main particulars, but feature a modified hull and deck house. Maersk Taikung is managed by Maersk Singapore and subsequently flies the Singapore flag. The ship will be phased into Maersk Line's AE-11, where it trades between Chinese ports and the western Med. It will be the largest ship in this service, which mainly relies on carriers of 6,000 TEU. Maersk Ttaikung will perform an off-schedule voyage via Tanjung Pelepas to Algeciras, where she will enter the loop. Maersk

Line's order book still includes two more sister ships of the T-class type. These units are slated for delivery in March and in May of 2008.

Koyo Hands Over Mol Premium

Our Japanese helper has again travelled through Nippon to provide us with one of the first pictures of Koyo Dockyard's latest container vessel. The new 6,350 TEU ship is owned by the Mitsui Investment and Management Company, who chartered the ship to Mitsui OSK Line. The charterer named the new vessel MOL Premium. MOL has not yet released any where to employ the new ship. The carrier deployed the last similarly-sized units to the Pacific, but it seems doubtful if the slow Pacific trade is ready to absorb any new vessel at the moment. Quite likely, the ship will enter an Asia to Europe sling.

Name Revealed: NYK Orion

Usually, your editors only dedicate an article to a new ship, when the vessel is either christened or delivered. However, we know that many of our readers are particularly interested in vessel names. Thus, we would like to just blurt out the designated name for NYK's second 9,100 TEU ship from IHI's Kure yard: The ship will be named NYK Orion. Since the first unit’s name was Oceanus, it pretty much looks like Nippon Yusen Kaisha opted for an O-class of vessels, with ‘Omega’ or perhaps ‘Olympia’ being hot candidates for further units.

Maersk Announces Record Investment

In a recent interview, Smedegaard Andersen, chairman of the Copenhagen-based A.P.Møller group, announced that the company planned heavy investments in the next three years. No less that USD 23.76 billion will be spend for new ships and container terminals. Maersk Line, which presently operates a fleet of 524 ships, will add a total of 92 new vessels of various types and sizes until 2011. Furthermore, the company plans to pour money into the development of 15 new container terminals. The first nine months of this year were concluded with a positive result. After having a bit of a tough time recently, the liner business is back in black. Nevertheless, Smedegaard Andersen announced that a further streamlining of operations will be necessary: Like all the other carriers, Maersk Line was hit by skyrocketing bunker prices. Today, a ship’s daily bunker bill already weighs out its capital cost. Maersk thus decided to add extra ships to four of its Asia to Europe services in order to slow down vessel schedules and safe bunker. Maersk thus follows a practise that a number of lines already introduced.

Beyond Containers: Cruisers, Bulkers, Reefers and Tankers at Hamburg

please note: this banner is not a commercial advertisement

December Fender Benders

Two minor accidents came to our attention in the past week: Ship traffic through the Suez Canal had to be stopped for several hours, when the container ship CMA CGM Eiffel grounded in the Suez Canal. No major damage was caused to the vessel, but a northbound convoy of 33 ships had to be halted until CMA CGM Eiffel was towed back into the fairway by a fleet of local tugs. Meanwhile in the Pacific, the 219-metre Kauai, operated by Matson Lines, was sailing near Cape Flattery when its bridge windows were smashed by a freak wave. Saltwater knocked out the ship's electronic systems and Kauai temporarily lost its steering system. A tug was sent to the scene and escorted the container vessel into Port Angeles. After some makeshift repairs had been made, Kauai headed to a shipyard in Seattle.

Hanjin's Subic Bay Super Yard

This week, your editors have the rare occasion to announce the inauguration a entire new shipyard – furthermore we're not talking about yet another average shipyard. We are talking about a yard that will be among the largest of its kind ant that will soon enter the league of builders of ultra large container ships. In other words: Korean Hanjin Heavy Industries finally opened the first part of its giant new shipbuilding facility at Subic Bay, Philippines. The move will allow Hanjin Heavy to greatly expand its shipbuilding capacity and furthermore take advantage of the low wage structure in the Philippines. The cramped location at Hanjin's traditional home base in the inner port of Pusan had prevented the company from building any large-scale yard extension in South Korea. The company's existing facilities, with their comparatively small building docks limited the size of Hanjin-built ships to a maximum of about 8,500 TEU. Allegedly, Hanjin had been investigating the possibility of going abroad for several years, before the decision was finally taken in 2005. In that year, the shipbuilders signed an agreement with the Philippine government and the local authorities at Subic Bay and took over an area that used to be a US-American naval base. Subic Bay was subsequently developed into a free trade zone. Hanjin quickly started hiring and training thousands of workers for the new yard. Originally it was planned to invest about USD one billion into the new facility. These plans were later upgraded and it was decided to build a second large dock at Subic Bay. The total investment thus rose to USD 1.68 billion. Early this month, Hanjin Subic

Bay Ship Yard's first construction phase became operational: One of the yard's 600-tonne cranes lifted the first hull section into the new building dock number one. Each of the docks will eventually be fitted with two such cranes. This first part of the shipyard was completed in only 19 months. It covers an area of 230 hectares. Some additional 70 hectares of land will be added in construction phase two. This includes a second large graving dock. Phase two will be completed in 2010. Presently, Hanjin Subic Bay employs a total of 15,000 workers. This figure will rise to about 20,000 once the yard becomes fully operational. A look at Subic's order book shows that 45 ships have been contracted so far. Of these, 29 will be containerships in the size range between 3,600 and 12,500 TEU. The first containership is slated for delivery in June 2008. Obviously pleased with the developments at Subic Bay, Hanjin Heavy recently announced plans to develop another large shipyard in the Philippines: This yard will be even larger than the one at Subic Bay: Located in the northwest part of Mindanao Island, it will cost no less than USD two billion to build and it will employ a workforce of 30,000. The Mindanao yard will deliver its first ships in the year 2010.

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This Newsletter is edited and compiled by Jan Svendsen and Jan Tiedemann. This pdf-file is available for download at "www.jantiedemann.de" and "www.containership-info.net.tc". Feel free to contact the editors by e-mail at jantiedemann@hotmail.com and jan.svendsen@gmx.net. We greatly appreciate your feedback and your input. More contact details can be obtained from the above websites. Please note the disclaimers displayed on the download pages. All information given in this newsletter is believed correct, but not guaranteed.

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