

# OCEANFAVOR SHIPPING (SHANGHAI) LTD.

# **NEWSLETTER**



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## 19th Edition, 15th August 2024

#### Editor's Note

The newsletter will mainly provide some insights and news about shipping, ports, trading, crew management, spares services, logistics, marine incidents, Port State Controls, as well as new policies and regulations in China. It is published and circulated monthly.

### Zhoushan emerges as China's top ship refueling port

In a remarkable achievement, Zhoushan, a city in East China's Zhejiang province, has solidified its position as the largest ship refueling port in China, surpassing an annual refueling volume of seven million metric tons.

The strategic location and innovative services at the maritime refueling station have propelled Zhoushan to the forefront of the nation's maritime industry. The introduction of cutting-edge technologies, such as the Marine Digital Refueling Station, has revolutionized the refueling process, significantly reducing wait times and operational costs for international vessels.

The rapid development of Zhoushan's maritime refueling capabilities can be attributed to the comprehensive reform and opening-up policies of the Zhejiang Pilot Free Trade Zone. By streamlining customs procedures and embracing digitalization, Zhoushan has attracted international vessels seeking high-quality and efficient refueling services.

Zhoushan's commitment to innovation is evident in its adoption of practices like "One Ship, Multiple Supplies" and "One Ship, Multiple Services," offering a diverse range of maritime services beyond refueling. These initiatives have not only enhanced the port's competitiveness but also elevated its status as a global leader in ship refueling.

As Zhoushan continues to pave the way for the maritime industry's future, the introduction of the "Zhoushan Price" trading system, denominated in Chinese yuan, marks a milestone in the global refueling market. This groundbreaking initiative signals Zhoushan's unwavering dedication to driving progress and reshaping the dynamics of the maritime refueling sector.

### World's first river-sea LNG bunkering vessel delivered ahead of schedule

The world's first river-sea liquefied natural gas (LNG) bunkering vessel was delivered in Shanghai on Friday, two months ahead of its schedule, according to China State Shipbuilding Corp (CSSC), the world's largest shipbuilding company.

With a length of 130 meters and a width of 23.6 meters, the ship has a capacity of 14,000 cubic meters. Named as Huaihe Nengyuan Qihang, it is independently researched, developed, designed, and constructed by Shanghai-based Hudong-Zhonghua Shipbuilding (Group) Co Ltd, a subsidiary of CSSC.

The vessel, which can navigate both in oceans and the Yangtze River, is tailor-made for serving one-stop LNG bunkering and transportation.

The ship has a localization rate of above 85 percent, the highest among domestic LNG storage and transportation facilities. By collaborating with dozens of domestic enterprises, Hudong-Zhonghua successfully researched and manufactured a series of innovative equipment for the ship, including a reliquefaction unit, a natural gas compressor, dual-fuel generator sets, and an electric propulsion system.

#### New container terminal opened up in Shanghai

Shanghai, the world's largest container port, has opened a brand new container terminal area to the north of the city centre on the south bank of the Yangtze River to go alongside existing container terminals in Waigaoqiao and Yangshan.



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The first phase of Shanghai Luojing Port opened this week, adding an extra 2.6m TEU in annual capacity to the city. The area is a redeveloped bulk terminal that local steel mills used to use. Phase one of the automated terminal features five berths, with further phases expected to give Luojing a total capacity of 6m TEU.

Shanghai has built up an unprecedented commanding 10m TEU lead over its nearest boxport rival in rankings of the top 30 container ports worldwide compiled by Alphaliner.

Shanghai has been the world's largest container port for the last 14 years, beating Singapore into second place. It now stands on the cusp of being the first place in the world to handle 50m teu in a calendar year.

### China to implement steps for foreign trade growth

Amid rising protectionism and geopolitical risks, China will implement a series of measures in the second half of the year to sustain and enhance its positive foreign trade trajectory, customs officials said on Tuesday.

The measures include creating a conducive institutional framework to expand intermediate goods trade, facilitating imports of advanced technological equipment and key components, and supporting the growth of new business formats such as cross-border e-commerce and overseas warehouse operations.

Chinese exporters, driven by a marginal improvement in external demand and their own technological innovations, stimulated a new momentum in foreign trade in the first half of the year, providing the world with innovative and high-quality products.

China set a new record in the first half, with foreign trade reaching 21.17 trillion yuan (\$2.92 trillion), a year-on-year increase of 6.1 percent, while exports surged 6.9 percent on a yearly basis to 12.13 trillion yuan, customs statistics showed.

#### Qingdao Port introduced a high-voltage shore power robot

On July 15th, the high-voltage shore power robot, independently developed by Qingdao Port Automation Terminal of Shandong Port Group, was officially put into use.

The testing phase was successfully completed, with a connected volume of 271,000 kWh, reducing approximately 240 tons of carbon emissions. When the robot is officially put into use, it will be able to meet the high-voltage shore power needs of various types of vessels. The rate of shore power connection is expected to increase by over 25%, with an annual connected volume of 2.6 million kWh, reducing carbon emissions by 2,299.18 tons.

# Notice of Tianjin MSA on Issuing the "Ships' Routeing System for Central Waters of Bohai Bay"

Tianjin Maritime Safety Administration (Tianjin MSA) recently issued the navigation notice of "Jinhangtong [2024] 0049". This notice announced the "Ships' Routeing System for Central Waters of Bohai Bay (for Trial Implementation)", which has been implemented on a trial basis from June 1, 2024.

The Routeing System consists of No.1 Traffic Separation Scheme (TSS), No.1 Precautionary Area, No.2 TSS and No.2 Precautionary Area.



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Ships following the Routeing System are not required to report to Tianjin VTS when entering or leaving the applicable waters, however they are expected to maintain continuous listening watch on VHF channel 09.

The principles to be observed by ships when navigating within the waters of the Routeing System are basically the same as those in Rule 10 of the "Convention on the International Regulations for Preventing Collisions at Sea, 1972", such as the actions to be taken for ships when crossing or entering/leaving traffic lanes, as well as other prohibited actions, etc. It should be noted that ships crossing the traffic lanes must meet certain preconditions and should report to Tianjin VTS before crossing. In addition, when overtaking other ships in the waters of the Routeing System, the overtaking ship must obtain the consent of the overtaken ship and report to Tianjin VTS in advance.

### A new shipping company in China is coming

On July 22nd, the founding conference and the first shareholders' meeting of Shandong Ocean Shipping Group Co., Ltd. took place in Qingdao, marking a significant milestone as Shandong Port Shipping Group restructured into Shandong Ocean Shipping Group.

Founded on March 27, 2020, Shandong Port Shipping Group Co., Ltd. is an international shipping company under Shandong Port Group Co., Ltd., headquartered in Qingdao with a registered capital of RMB 300 million.

Leveraging a brand-new platform for integrated reform and development of Shandong ports, the company aims to integrate port and shipping resources within the province, achieving synergistic growth and becoming a comprehensive shipping enterprise focused on container, bulk cargo, and passenger transport.

Over the past four years, Shandong Ocean Shipping Group has seen continuous growth in its operational performance, expanded its business scope, and accelerated its development pace. The company has established stable partnerships with numerous international shipping lines and clients, earning a stellar reputation in the industry and becoming a critical growth driver for the high-quality development of Shandong ports.

#### The 100th LNG related vessel was ordered

Hudong-Zhonghua Shipbuilding recently secured its 100th LNG equipment vessel order. The company signed a contract with French energy giant TotalEnergies for the construction of 1+1 V3.0 18,600-cubic-meter LNG bunkering vessels. This milestone underscores Hudong-Zhonghua's leadership in the LNG transport sector.

Previously, the company delivered the V1.0 version "Gas Agility" and the V2.0 version "Gas Vitality," two 18,600-cubic-meter LNG bunkering vessels, which received high praise and became the main ship types for TotalEnergies in the LNG bunkering sector. According to statistics, the two vessels have completed over 200 LNG bunkering operations, providing solutions for global ship decarbonization journeys and bringing significant economic benefits to TotalEnergies.

#### Disclaimer:

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