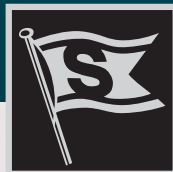


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Welcome ON board





On being an **industrial** CARRIER

The year 2015 has been fairly satisfactory for the Seatrans Group. It has been a very hectic year with a big conversion project in Sea-Cargo, new additions to the chemical fleet and in general more activity in all areas. We experience a stronger chemical market for our vessels with improved earnings in all our trades.

Shipping has and will always be a cyclical business with its up and down turns. This is the major challenge in the business. In the good times you have to prepare for the down turns that you know will come. A good and solid contract base is very important to minimize down turns, and we have that both in our chemical tanker business and in Sea-Cargo. This has always been a major focus of the Seatrans Group being an industrial carrier with a long term perspective.

We see substantially depressed markets in both the bulker and offshore segments. In the European market we especially feel the downturn in the oil and offshore markets. There are more than 100 offshore

vessels in lay-up in Norway, and there is no sign of any rapid recovery on the horizon. We are presently uncertain on what effect the reduced activity in the oil and offshore industry will have on our liner activities. Sea-Cargo has however a strong industrial base and well established logistic systems and is ready to take on the challenges that will come.

I wish to thank each and every one in Seatrans for their good work and efforts in 2015 and wish you all a Merry Christmas and a Prosperous New Year!

Kind Regards
Lars Helge Kyrkjebø

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SEATRANS SUPPORTS SAFETY AT SEA

Seatrans has prolonged its sponsorship of Redningsselskapet for a period of five years. "Safety at sea is mandatory for all our work. By supporting Redningsselskapet and their rescue boat RS Bjarne Kyrkjebø, we are displaying our strong commitment to safety at sea to our local communities. In addition, our office staff can take advantage of the courses provided by Redningsselskapet for owners of sail boats and cabin cruisers, who aim to get a licence to use these kinds of vessels – and who want to learn how to handle their boats safely and help ensure safety at sea for themselves and other boaters."



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Toluene diisocyanate (TDI)

Description

Toluene diisocyanate (TDI) is a chemical used in the production of polyurethanes, primarily for flexible foam applications including furniture, bedding and carpet underlay, as well as packaging applications. TDI is also used in the manufacture of coatings, sealants, adhesives and elastomers. In transportation applications, TDI helps produce lighter automobile parts, saving weight, which leads to improvements in fuel efficiency and thus energy conservation. From a technical perspective, TDI is obtained by nitration of toluene. The hydrogenation of dinitrotoluene is then obtained to produce toluene-diamine (TDA), which is in turn reacted with phosgene to form TDI.

Health hazards

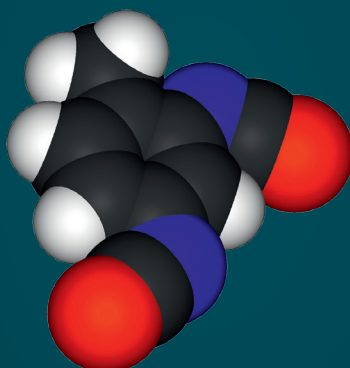
Intake of TDI can cause death. Contact with skin may cause allergic eczema. The substance is very corrosive to the eyes. Chronic exposure may cause chronic lung disease. As a vapour, TDI is a powerful irritant to the respiratory tract. Chronic loss of respiratory function may occur. Acute asthmatic bronchitis or frank asthma may occur. A splash in the eyes has caused keratitis and conjunctivitis. This compound causes inflammation of the skin, also chemical pneumonitis and pulmonary oedema.

Reactivity hazards

TDI is a stable compound with a relatively high flash point. However, it will react with water, acids, bases and other organic and inorganic compounds. TDI is also affected by heat and, like any organic compound, will burn.

Conclusion

CAS No. 26471-62-5 Photo: 2,4-Toluene diisocyanate



Since TDI is harmful, it must be handled with utmost care. The OSHA PEL of TDI is 0.005 ppm and the short-term exposure limit is 0.02 ppm, whereas the odour threshold i.e., the minimum amount required to sense the odour of TDI is 2 ppm. Hence, to prevent adverse effects of TDI, extreme care must be exercised while handling and processing. Spills and leaks must not be left unattended because they are potentially hazardous. They should be treated properly and disposed of without causing any hazards for personnel and the environment. The reactive isocyanate groups are to be converted into harmless compounds such as urea, urethane etc., by employing the neutralisation solution.

The market

TDI supply has been increasing quite substantially since 2012. On a global basis, new capacities of close to 1 million

tonnes TDI are expected to come online by 2019. However, in the meantime, some existing TDI plants will be closed down or repurposed in the coming years. Therefore, this represents a net increase of 450 000 tonnes from 2012. Only 80 000 tonnes TDI will be produced in Europe, the Middle East and Africa.

The new TDI capacity in Europe includes two new 300 000-tonne units in Germany, one belonging to Covestro (formerly Bayer MaterialScience) in Dormagen and the other BASF in Ludwigshafen. These units will replace existing TDI capacity.

The producers of TDI in Europe are Covestro Deutschland AG and BASF SE (both in Germany), BorsodChem (Hungary), Vencorex Chemicals (France) and Zakłady Chemiczne Zachem Spółka Akcyjna (Poland).

The substantial increase in capacity means that a market oversupply is expected for a number of years.

“TDI is also affected by heat and, like any organic compound, will burn”

Welcome On board

BUT ONLY WHEN WEARING YOUR PPE

What do you do when someone is entering the ship for a short inspection, just to check some cargo or maintain an outside device – but that person is missing something: their Personal Protective Equipment?

"It is a dilemma," says QHSE Manager at Sea-Cargo, Alf Rune Jensen. "People who work onshore are the least aware of the dangers involved in moving around in areas where cargo handling is taking place. Touch wood – we have not had any accidents, but we have come close a couple of times. We do not want any accidents to happen. In order to prevent even near-accidents, we have created a matrix for all our employees and partners onshore, describing exactly what Personal Protective Equipment (PPE) is mandatory and what is recommended when entering a vessel. If you work in the office, you can easily find the document 'Personal Protective Equipment Guidelines 2015'. The basic rule is easy to remember: If you enter a terminal or a vessel, a hard hat and high visibility vest or high visibility all weather jacket and safety shoes are required. If you are planning to visit a terminal or vessel and be close to any operating area such as cargo handling, you must wear steel toe-capped safety

footwear as well. These rules are for all of us – from our top management to the youngest service provider. We are not insinuating that our managers or anyone else insist on ignoring PPE, but we also have to keep in mind those who work on board our ships. According to their job description, they are obliged to insist that all persons visiting the vessel comply with the safety instructions and wear proper PPE."

Responsibility

PPE is also an issue for the chemical tanker fleet, according to QHSE & Marine Manager, Captain Knut Havn. "We get reports from our seamen about inspectors who enter the vessel with improper PPE. Even a few cargo inspectors, who know how dangerous the chemicals are, have been stopped on-board because they have ignored the safety precautions. We had an accident some years ago involving a cargo inspector in a Spanish terminal.

He was there to get some samples from a tank containing an aggressive acid. The sample glass container broke and the inspector got acid in his face. Our trained and experienced officer, who was standing nearby, immediately guided him to the shower and washed his face. This rapid action saved the inspector's eyes and sight. Our staff on deck is at risk, but when using proper PPE, the risks involved are minimal. The situation becomes all the more difficult when people come on-board on errands. Once a person enters a vessel, we are responsible for their safety. Therefore we have to insist that all visitors wear relevant PPE once they have entered from the gangway. This is all about encouraging intervention, and our crew on deck are obliged to deny access to persons who are not wearing proper PPE. These rules are the same on all kinds of vessels, regardless of whom the visitor is."





Welcome with PPE: Tomasz Bizewski ▶ on S-C Express meets you with a smile and required PPE if you do not have your own gear.

Warehouse, port and vessel

When it comes to PPE, Captain Havn and Mr. Jensen have both experienced how rules and “traditions” differ from port to port. In an effort to harmonise the PPE regimes, they have started to have meetings with local port authorities and management. “This has been a very welcome initiative,” says Knut Havn. “We have discussed these dilemmas with the port management and informed them about our safety needs and what we do to implement these rules on-board. My experience is that this is appreciated by the local port management and has brought their PPE requirements in compliance with ours. It is much easier when we all follow the same rules,” confirms Alf Rune Jensen.

No doubt

“If you are in doubt about what kind of PPE you should wear, ask your supervisor or manager before leaving the office. If you are planning to enter a vessel, ask the AB

or guard at the entrance. They will help you,” Mr. Jensen concludes. “We welcome everyone on board, but we have to be clear: Visitors have to wear the required PPE. If they do not bring their own PPE, we can provide them with the necessary PPE from the stock on board,” Knut Havn sums up.

“We welcome everyone on board, but we have to be clear: Visitors have to wear the required PPE”



Case study:

How **Trans Adriatic** became an example for

GOOD SPEED

and consumption performance.

Environmental issues challenge both creativity and development in all parts of the support and value chain in the shipping industry. Creativity is required to do things smarter, and development is necessary in terms of product innovations and optimisation of the processes required for the various operations and tasks. This story is about Trans Adriatic and her performance improvement.

The 12,500 dwt vessel with 22 tanks in stainless steel had a typical track record. After docking and through the winter, the vessel performed at her best in terms of fuel consumption and speed (see curve). The reasons are obvious: With a sandblasted hull and new anti-fouling, she could move more smoothly through the water.

“We have managed to keep higher speeds throughout this three-year period and at same time consumed less fuel oil”

In 2012, the Technical Department of Seatrans Ship Management and SCT recommended regular polishing of the propellers, at intervals of six months. This measure had been proven by the industry to have a good effect, and the decision was made to follow this recommendation initially.

According to DNV, a smooth surface on the propeller blade can save as much as six per cent on fuel consumption.

“We also searched for an improved type of anti-fouling treatment. Since this was a far more expensive paint than a regular anti-fouling paint, we made a cost / benefit calculation based on the experience of our paint supplier,” says Helge Steinsund, Head of Technical Department, Seatrans Ship Management. “In November 2012, we sandblasted the underwater hull on Trans Adriatic and applied the new type of anti-fouling paint.”

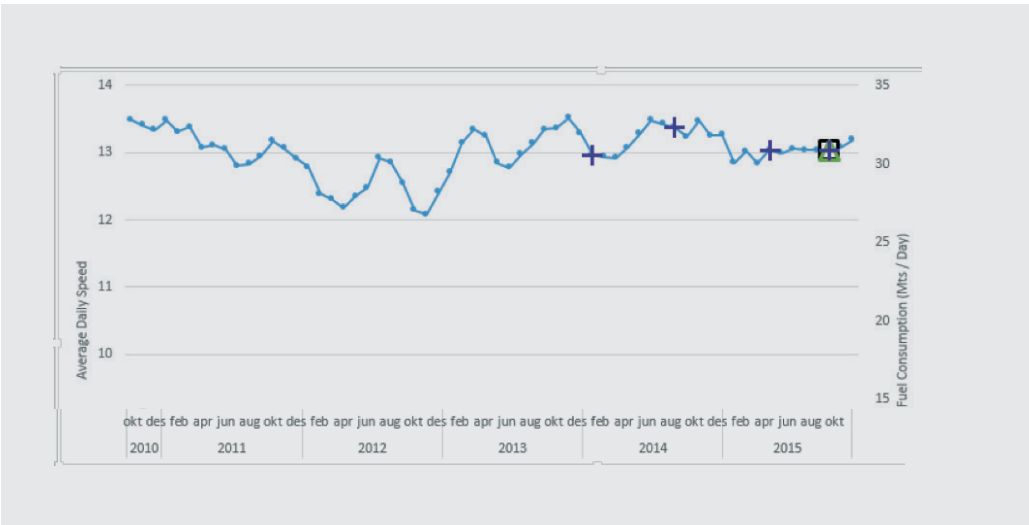
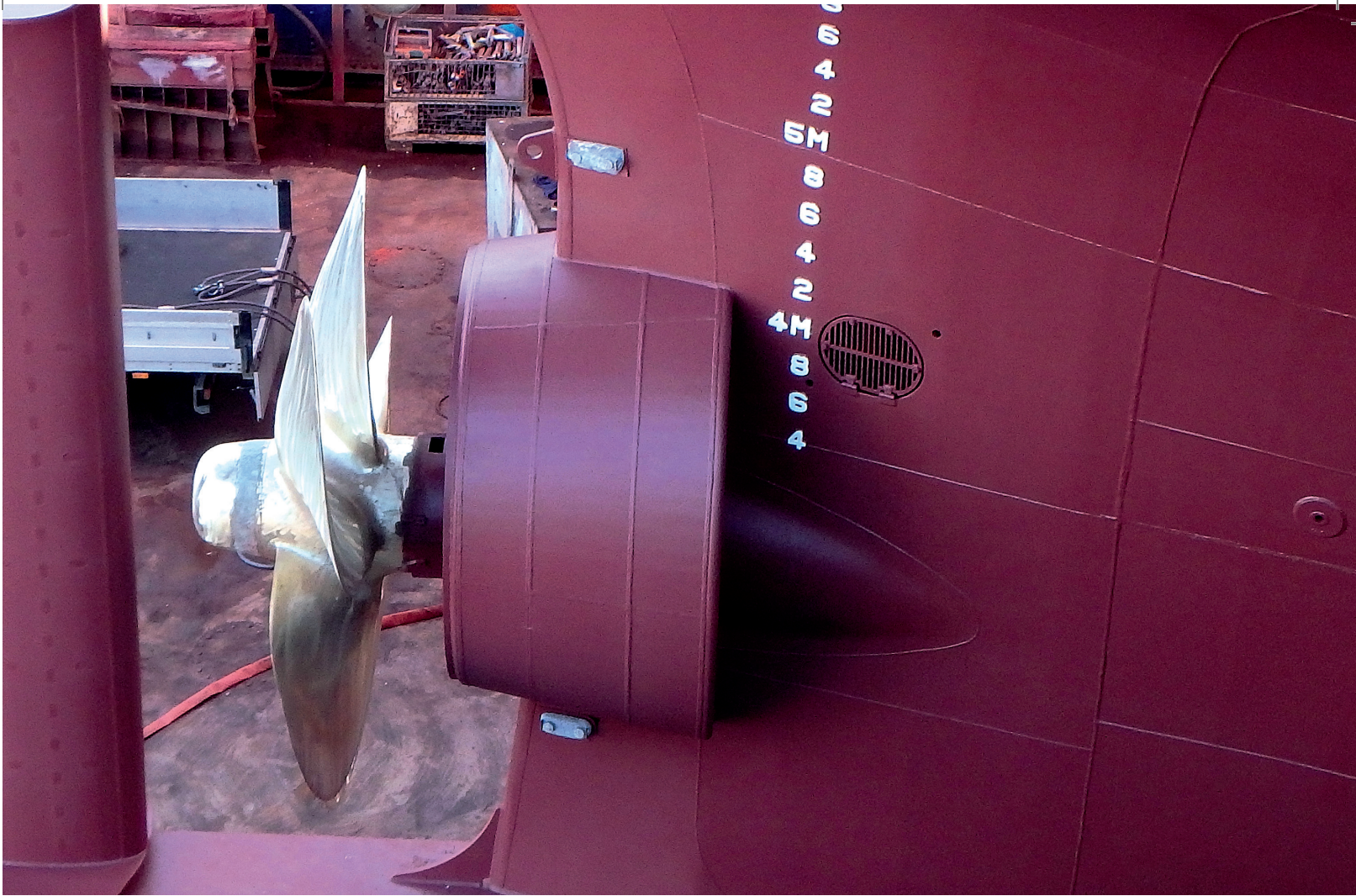
Speed and fuel consumption data were registered in a database by Seatrans Chemical Tankers in order to continuously monitor these parameters. The values

were recorded and compared with other vessels in the fleet.

After the introduction of polishing of the propeller blades both when in dock and in port between dockings, Trans Adriatic was able to reduce her fuel consumption significantly (look for + in the curve).

Trans Adriatic was again dry docked in September 2015. Her condition under water was excellent, with almost no marine growth. The hull had not been cleaned between the two dockings but the propeller had been polished according to the new recommendation.

“What we can tell from this experience is that the new and more expensive type of anti-fouling paint has been more efficient than the conventional one. We have managed to keep higher speeds throughout this three-year period and at same time consumed less fuel oil. The figures have been compared with previous figures from the same vessel and with other vessels in our fleet,” Mr. Steinsund continues.



▲ **Monitoring:** The aim is to improve the performance in the long run and on a high level. Helge Steinsund and Gunnar Solberg are monitoring how Trans Adriatic runs steady with polished propeller and new and improved anti-fouling.

"We monitor all our vessels for fuel consumption and speed achieved through the year. We have a seamless cooperation between our Technical Department, Marine Department, the crew on-board and our team on the operations side. Our common task is to keep high speeds with lower fuel consumption. What we have seen now is that the performance/consumption curve has improved for Trans Adriatic all year round. This means more cargo for less fuel, a

lower environmental impact per tonne transported, and improved profitability. Our monitoring continues and more sophisticated monitoring equipment may be put into use," says Operations Manager Gunnar Solberg in Seatrans Chemical Tankers.

"Monitoring of the emissions of carbon dioxide (CO2) for all ships will be a requirement from 2018, and we plan to be ahead of the implementation of this new

regime," Gunnar Solberg explains. "Until now we have been working with whole digits in terms of emissions, consumption and speed. Further steps will allow us to make improvements to the figures after the decimal point."

"This will require increased efforts both onshore and among our colleagues on-board the vessels," says Helge Steinsund, Head of Technical Department, Seatrans Ship Management.



EPCA - Chemistry

for you & me

**Seatrans is a member of EPCA, The European Petrochemical Association.
Here are some facts about EPCA:**

- The quality network in Europe for the global chemical business community
- Provides members with reliable and up-to-date information, forward thinking, and a professional platform on which to stimulate new approaches and ideas
- Creates platforms for meeting, exchange of ideas and transfer of learning
- A think tank for the chemical business community and its stakeholders
- Initiates, runs and promotes projects of interest to the EPCA business community
- Has more than 750 members
- Has 48 years' experience in this field

www.epca.eu

MARKET meteorology

in Berlin

In October every year, chemical professionals from all parts of the world gather to meet, transfer knowledge and support learning. This year, more than 700 member companies from 54 different countries attended the event in Berlin on 3-7 October 2015. Managing Director Tom Skare, Seatrans Chemical Tanker reports.

"Various workshops are held during the event. However, the meetings are the main goal for Seatrans during these gatherings. In the course of a few days, we have the chance to meet with several chemical producers, chemical traders, shipbrokers as well as terminal owners."

Many to meet

"This event provides us with a unique possibility to meet with representatives from companies that may not be so familiar with the services that Seatrans Chemical Tankers can provide. In the course of four to five days, our colleagues

in the chartering department will cover as many as 50-60 meetings as well as receptions hosted mostly by shipbrokers and charterers."

Balanced optimism

"At this year's conference, we experienced a cautious optimism on the part of the shipowners. Many owners have reported negative operating results since 2008. This year, a healthy, clean petroleum product (CPP) market has kept a lot of the "swing tonnage" away from the chemicals trade. The lower bunker prices are helping our net results, as spot freight rates remain

more or less the same as when bunker prices were considerably higher than today. However, many stainless steel chemical newbuildings will be delivered in 2016 and 2017. These typically have 20,000 dwt and higher. Only a very few ships have been ordered for regional trades," Tom Skare explains. "Nevertheless, high contracting in the 20,000+ dwt segments will have a negative impact on our markets as they will add to the overall capacity. We shall therefore continue to develop our activities in a cautious and sustainable direction," Tom Skare concludes.





▲ **Gdynia ragtime:** Jacek Witt, MARS Shipyards&Offshore Group, Piotr Masny, Seatrans Ship Management Poland Ltd., Andrass Joensen, DNV GL Maritime, Iwona Paterka, Seatrans Ship Management Poland Ltd.

SEATRANS IN **Duck** Meeting

The "Duck Meeting" – a maritime business meeting on the Gdańsk Coast has been held for the 16th time.

Staff from Seatrans Group took part, represented by Gisle Rong, Managing Director of Seatrans Ship Management, Helge Steinsund, Head of Technical at Seatrans Ship Management, Karl Johan Kleppe, Operations Manager (offshore) at Seatrans Offshore, and Piotr Masny, General Manager of Seatrans Ship Management Poland.

There was more to the event than mere entertainment and socialising – it was also an excellent opportunity to maintain good relations with our

business partners, and to make new contacts. A lot of time was devoted to talks with Heads of the Polish division of DNV GL in Gdynia and Shiprepair Yard Nauta from Gdynia (member of MARS Shipyards & Offshore Group), with which Seatrans is gradually tightening cooperation. This year's meeting, held on 9 October in Gdynia Arena, was attended by 2,100 people representing the largest enterprises within the Polish maritime industry as well as companies collaborating with them, including numerous guests from Norway.

"There **was more** to the event **than** mere **entertainment and socialising**"

Tri-city To compete with Baltic exchange

“Maritime Economy Development Perceived against the Backdrop of Global Economic Situation” was the subject of the Maritime Economy Forum Gdynia 2015 held on 9 October 2015.

Over 400 participants attended the Forum, representing all the maritime business sectors from Poland and Europe and including representatives of the Seatrans Group: Gisle Rong, Helge Steinsund, Karl Johan Kleppe, and Piotr Masny – who also led one of the discussion panels devoted to ship management.

The discussions centred on the development of ship management in Poland, and one of the examples used

was Seatrans Ship Management Poland, a company founded in 2014 in Gdynia. Piotr Masny described the company's operations and provided a presentation of the Seatrans Group.

In summary, the participants decided it was necessary to create Pomerania Shipping Centre in the Tri-city area (a metropolitan area in Poland consisting of Gdańsk, Gdynia and Sopot, editor's note). It is commonly believed that if the largest management companies (able

to serve 400 to 600 vessels) opened at least one division in Poland, there would soon follow a number of such institutions in Tri-city with control over a considerable fleet. The new Pomerania Shipping Centre would thus be able to compete with the Baltic Exchange. At present, the Polish Ship Managers' Association – founded in January 2015 – brings together 14 members and three affiliated management companies with a total fleet of 190 vessels and total deadweight of 2.3 m tonnes.



▲ General Manager Seatrans Ship Management Poland: Transport, Piotr Masny.

► **From left:** Jłreneusz Kuligowski, Managing Director Green Management, Inacio Golebski, Vice-President DNV GL Poland and Leszek Wąsiewicz, Managing Director SMT Shipmanagement.



10 years- and celebrations in CONSTANTA

Seatrans has now been operating in Romania for 10 years. This was more than good enough cause for a celebration for both professionals and their families. The celebration took place on the 4th of September 2015 with a reception at the Seatrans offices followed by the annual BBQ party for the Seatrans family the day after.

"We had many prominent guests, a number of whom held speeches and congratulated us on our presence in Constanta. Among these were shipowner Lars Helge Kyrkjebø, the Norwegian Ambassador to Romania, Ms. Tove Bruvik Westberg, Vice Admiral Vergil Chitac, Commander of the Naval Academy here in Constanta, Mr. Panait Cornel from the Maritime University in Constanta, and Mr. Norman Schmiedl who is the Human Resources Director at Columbia Shipmanagement," Cristian Dumitrescu recalls. "For the office staff and myself as Head of Seatrans Ship Management

Romania, it certainly was nice to hear such high praise for the quality of our operations and management locally." The BBQ took place beside the pool at the IAKI hotel, Mamaia Resort in Constanta. Some 100 adults and close to 40 children attended the party, enjoying the pool, delicious food and drink.

"Looking back, what is your perception of the event?" "Both events were very successful, well received by our guests and by our seafarers and their families," Cristian Dumitrescu concludes.

"It certainly was nice to hear such high praise for the quality of our operations and management locally."

▼ **Guests:** (from left) Lars Helge Kyrkjebø, Vergil Chitac, Cristian Dumitrescu and Johan Hvide.





Secrets

from the Holme cabin

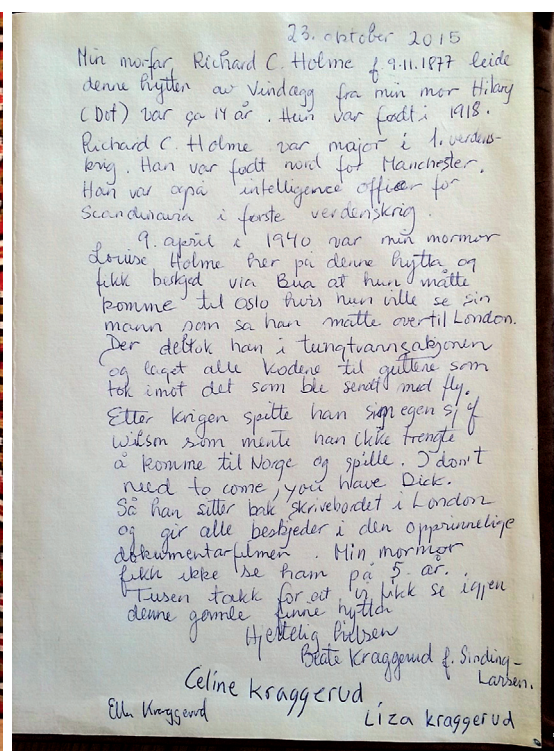
Many of our readers have great memories from staying at the company's cabin in the mountains in Ustaoset. However, not all our readers are aware of the history behind the cabin, and why it is called the Holmehytta – the Holme Cabin.

The cabin is and has been owned by Vindegg as far back as the first time Major Richard C. Holme from Oslo asked to rent it in the early 1920s. Major Holme was a former member of the Intelligence Staff in the British army, but left a military career in favour of a life as merchant in Oslo. He married a Norwegian woman in 1910. In Oslo, he established a wholesale company together with Mr. Midelfart; Holme & Midelfart. The company is now owned by Celina Midelfart and is a very profitable company within cosmetics. With the outbreak of World War II, Richard Holme realised he had to return to his former military career and left Norway in a hurry on 10 April 1940. He had to send a telegram to the store in Ustaoset to inform his wife that he had to go to Britain through Sweden, asking her to follow him. His journey was not easy however, as the Swedes did not find him quite trustworthy. It was only after numerous questionings that he got

permission to leave in 1941. In the UK, he quickly gained a high rank position under the command of General John Skinner Wilson. Major Holme combined good skills from intelligence services with knowledge about the factory at Rjukan and skiing on Hardangervidda. Based on his knowledge of Norwegian children's rhymes and verses and of Norwegian literature, Major Holme created the coded messages that were dropped from the English airplanes to the resistance forces waiting for information on the Hardangervidda mountain plain. In the first documentary about Operation Claywater – the sabotage of the transportation of heavy water from Rjukan – Richard Holme plays the role of Mr. Wilson. "You don't need me to be there, as long as you have Dick (i.e. Richard Holme)," Mr. Wilson said to the moviemakers.

The Holme family rented the cabin in Ustaoset for many years, but bought their own cabin in the same area in the 1950s.

"We are very connected to Ustaoset," says Beate Kraggerud who is one of the grandchildren of Richard Holme. "My Grandfather was strict but very fair, and he told me many stories and taught me a lot sitting around the table in the Holme cabin or on our tours in the mountains surrounding Ustaoset. It was so nice to come back to the old cabin and see how respectfully and carefully you have treated it. I recognised many of the items there, such as the large dining table and shelves. I hope that it can continue to be like that. Thank you for the kind invitation to both look inside the cabin when I was there and to tell you some of the amazing stories of the life of Richard C. Holme," Beate Kraggerud concludes.





At the end of the

RAINBOW and beyond

"Somewhere over the rainbow, way up high, there's a land that I heard of once in a lullaby. Somewhere over the rainbow skies are blue, and the dreams that you dare to dream really do come true."

The rainbow has always fascinated us. The extract above from the beautiful song reminds us of the possibilities that are there – if we look for them. Christmas and New Year's Eve remind us of the year ahead of us that we shall meet safely, calmly and at the same time eager to catch the opportunities we have as humans, a company and even humankind. Let the beauty of the rainbow inspire you to colour your life and surroundings. Let your dreams for a better and lighter future have a chance to come true.

This beautiful photo was taken by Michael Kwolczak on Trans Carrier.

Seatrans core values:
Care - Involvement - Innovation - Performance



TRANSNYTT

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