

ICS South Africa Newsletter

September 2016

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Happy Spring,

Welcome to our second newsletter of the year.

The cold seems to have reduced a little and the flowers are in bloom – this can only mean one thing: Spring is finally here. This new season also brings new changes for the SA Branch. We have held a luncheon, held our AGM and elected new members which you can read about below. Exciting news for our students is that the April 2016 exam results were also recently published and we congratulate those that have passed. Enjoy the read and Happy Spring everyone!

Alica Kleingeld, Editor

Floating dock to bolster Durban ship repair

- Maritime Newsletter (Issue 21)

The arrival of a new floating dock was a red-letter day in Durban's maritime history, and together with the reopening of the repaired dry dock, signified that the port had again the capability of becoming a major ship repair 'pit stop' on the South African coast. The new dock, named Dormac Dock 1 will go into service after final commissioning probably in September. The dock arrived in port after a journey of over 8,000 nautical miles behind the tug Fairplay 33.

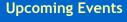


The two vessels were forced to take shelter in Saldanha Bay awaiting better weather condi-tions for the final leg of the voyage, along Southern Africa's at times notorious southern and eastern coasts. But with a favourable weather pattern ahead they were then able to make the final leg in safety.

The new floating dock is going into position alongside a new ship repair quay on Dormac's site near the basin area that has been pre-pared. Having the additional floating dock in the port of Durban is going to add considerably to the port's ability to secure ship maintenance and repair jobs.

The firm of EBH already has a floating dock in service at Durban, while Southern African Shipyards have a smaller floating dock used for the launching of newbuild tugs but also for the occasional small ship repair. Transnet recently recommissioned the graving dock's second caisson or gate, which has enabled the dry dock to be divided in two sections as necessary.

Welcome, New Office Bearers and Committee Members of the SA Branch



08 September

Open Evening, at ENS Africa La Lucia Ridge

15 September

Committee Meeting

22 September

Annual Prize Giving Banquet & World Maritime Day

13 October

Committee Meeting

10 November

Committee Meeting

14-24 November

November Exams

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New Chairman of The South Africa Branch Eddy Neilson

The Institute of Chartered Shipbrokers South Africa Branch is delighted to announce the appointment of our new Chairman, Mr Eddy Neilson FICS Master Mariner.

He has spent 11 years at sea, attaining his master foreign going certificate, thereafter 11 years at Grindrod/Unicorn and has run his own shipping business for the last 20 years. Eddy became a member of the ICS in 1994 and has since been a promoted to a Fellow.



New Vice-Chairman and Education Officer Alison Millar

Alison Millar (FICS) M.Com who will be taking on the role of both Vice Chairman and Education Officer, is director of Southern Ocean Line (Pty) Ltd as well as of Millar Maritime (Pty) Ltd.

She has an M.Com in Economics and is a former Chairman of the SA Branch (from 2000 -2004), serving on the branch committee from 1998-2006, as well as representing the branch at Controlling Council and being a founding member of the ICS Exec Council from 2001-2006.

Starting off working life lecturing and tutoring Economics at the University of Natal in Durban she later joined Unicorn Lines and this was followed by periods as Line Manager and Liner Executive at Mitchell Cotts Maritime and Rennies Ships Agency before she ventured into self-employment.

Alison has also tutored the Economics of Sea Transport Course for the ICS SA Branch students and at Prep in both South Africa and Mombasa.



New Committee Member Candice Woods

Candice is a Member of the Institute of Chartered Shipbrokers. She has been with the Grindrod Group for over 9 years, and is currently an Analyst in the Group's Capital Projects Team.

She joined Grindrod as Executive PA to the Group Financial Director spending five years in that role prior to joining the Capital Projects Team.



New Committee Member Catherine Moodie

"I started my shipping career in Richards Bay in 1998 as an Operations secretary as well as a few months as trainee cargo surveyor.

In 2001 I travelled to the United Kingdom to gain additional working and travel experience and undertook a role as PA and Cargo Forwarding Coordinator with Osprey Shipping UK Ltd.

I completed the ICS Qualifying Exams with the Award for Highest Achievement for Economics of Sea Transport in 2004.

When Osprey Shipping acquired tugs and barges my role expanded into Marketing, ISO, Turnkey solutions proposals with the collaboration of coaster and heavy lift chartering, marine insurance, port agency, crew contracts and HR support.

I also assisted part time with consular tasks for Norway, Sweden and Denmark during my employment with Osprey Shipping Limited as an Admin Manager. Other experiences included time spent with AutoLogic Vehicle Logistics and Hydro International whom develop innovative solutions for cost-effective storm and wastewater management.

In 2012 I returned to Richards Bay with my husband Alasdair and two sons and joined Sturrock Grindrod Maritime. I am currently working towards completing my Bcom Degree in Transport and Logistics."

Contact Us

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Thank You,

We would like to give thanks to our outgoing Chairman, Ms Natasha Vaughan FICS, Education Officer, Mr Robert Gardner FICS and past committee members for their dedication, commitment and involvement over the past three years.

As a membership-driven organisation, The Institute of Chartered Shipbrokers depends heavily on its members' contribution and unfailing commitment to assist in running the South Africa Branch, and maintaining the ongoing success of the Branch's future.

For this reason we are sincerely grateful and appreciative to all our committee members.

The following is a list of ICS SA Branch's 2016 outgoing committee members:

Natasha Vaughan FICS Robert Gardner FICS Richard Brook-Hart FICS Dean Fraser FICS Gerard Loubser FICS

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http://www.icssa.co.za

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April '16 Exam Results

April exam results were announced on 4th of August 2016 and we would like to congratulate the following students who have successfully completed their courses:

Foundation Diploma

Nelize van Rooyen Jameela Azeez Panache Ramsuran

Professional Qualifying Exams

Robyn Siebritz Bernard Wands



Durban Branch Luncheon - June 30th

-Carol Apollos, ICS SA Branch



The second luncheon of the year of the SA Branch was held at the Royal Natal Yacht Club in Durban. The Branch had the pleasure of **Mr Andrew Pike**, Director of Bowman Gilfillan Inc., Director of Ports of Africa (Pty) Ltd and Director of A-Cubed Consulting (Pty) Ltd, address us on the Ports Regulator of South Africa (PRSA).

The title of Mr Pike's talk, "An Achilles Heel Perspective on Ports Regulation" covered various aspects and duties of the Ports Regulator, viz. its mission, legislation that the PRSA and TNPA adhere to, the PRSA's mandate, the powers and functions of the PRSA, members and challenges in relation thereto, funding and dealing with appeals and complaints.

Even though the PRSA is faced with numerous challenges it was such a pleasure to hear Mr Pike mention that, since inception, the PRSA has saved the industry over R5 billion.

In conclusion, in order for the Ports Regulator of South Africa to function to its best potential and to fulfil its mandate, Mr Pike believes that there are changes that need to be made to the National Ports Act, such as (amongst others),

Quote:

- Give PRSA more powers of enforcement
- Clarify ambiguities
- Make the National Ports Act more user-friendly

Unquote

We would like to extend our heartfelt thanks to Mr Pike for taking the time out of his hectic schedule to address our members, students, stakeholders and guests.

3rd Vessel to Fly under SA Flag Arrives

- By Staff reporter 14 Jul 2016



PE harbour master, Captain Brynn Adamson, raises the SA flag on the new vessel.

The Port of Port Elizabeth became the home to a third ship to be registered on the South African Ships Register yesterday (Wednesday) when the oil tanker MT LEFKAS docked at the port's berth 100 where a ceremonial plaque exchange ceremony was officiated.

The merchant vessel was previously registered under the flag of Liberia but will be using the Port of Port Elizabeth to provide a new offshore bunkering operation in Algoa Bay. Four years ago the South African Maritime Safety Authority (Samsa) and Aegean Bunkering Marine Services partnered to investigate and create maritime opportunities in the Algoa Bay region.

Aegean subsequently embarked on a rigorous process of securing approvals from the necessary authorities.

The company has also obtained bunkering licences from Transnet National Ports Authority to conduct bunkering operations in the Ports of Port Elizabeth and Ngqura. Aegean is the first company able to offer fuels outside port limits (OPL) in South Africa and expects to attract passing ships with bunkers at anchorage in South Africa's Algoa Bay.

"The registration of the MT LEFKAS and other vessels that will follow is significant in terms of the employment of South African seafarers. Every vessel has extra accommodation that allows for the training and development of cadets. The registration of the vessel is not restricted to our bunkering operations but also introduces many economic benefits for the people of Port Elizabeth such as surveying, offshore services and crew changes (more traffic through the airport), hotel accommodation and light and heavy manufacturing," said Greek businessman, Kosta Argyros.

In September 2015, the bulk carrier CAPE ORCHID became the first ship to be registered on South Africa's merchant ship registry since 1985, followed by sister ship Cape Enterprise.

BIMCO: Demolition of Panamax Containerships Spikes

Image Courtesy: NGO Shipbreaking Platform



Demolition of containerships almost tripled in the first five months of 2016 in comparison to the same period of 2015 as the shipowners attempt to counter the fundamental imbalance between supply and demand under poor container shipping market conditions, according to BIMCO.

A total of 150,863 TEUs of panamax ships (ranging from 3,000 to 5,999 TEUs) have been demolished so far in 2016, this equals the number of the same type of ship scrapped from June 2014 up to and including December 2015.

One possible explanation behind the higher demolition in the panamax segment since January 2016 is their potential redundancy – due to the opening of the new locks of the Panama Canal on June 26.

This will soon allow neopanamax containerships with a maximum beam of 49 meters to pass through.

"Throughout 2016 very poor market conditions stemming from excess supply has triggered higher demolition activity," Chief Analyst, Peter Sand, said.

"Given the stubborn growth of global demand, increased scrapping is the way to diminish the gap between supply and demand in the containership market. BIMCO is therefore raising its forecast for containership demolition from 250,000 TEUs to 400,000 TEUs for the whole of 2016," Sand said.

Furthermore, due to an oversupply of container shipping capacity and ongoing lack of global demand, time charter rates for the panamax segment went down by 63.5% from the monthly average of USD 15,800 per day in March 2015 to a monthly average of USD 5,755 per day in July 2016.

"As the global demand for containerships in 2016 is not expected to grow at the pace needed to match excess containership capacity, it is challenging for time charter rates to improve. Going forward, multiple years of low fleet growth – in the form of demolition and low contracting activity – will then improve the market," according to Sand.

Lighthouse

- Tim Hastie, FICS



Perhaps the most famous lighthouse in Canada, the current Peggys Point Lighthouse was first lit in 1915. It marks the eastern entrance of St. Margarets Bay and is one of the most popular tourist attractions in Nova Scotia.

The classic red-and-white lighthouse is still operated by the Canadian Coast Guard, and is situated on an extensive granite outcrop at Peggys Point, immediately south of the village and its cove. This lighthouse is one of the most-photographed structures in Atlantic Canada and one of the most recognizable lighthouses in the world.

Visitors may explore the granite outcrop on Peggys Point around the lighthouse; despite numerous signs warning of unpredictable surf (including one on a bronze plaque on the lighthouse itself), several visitors each year are swept off the rocks by waves, sometimes drowning.

The first lighthouse at Peggys Cove was built in 1868 and was a wooden house with a beacon on the roof. At sundown the keeper lit a kerosene oil lamp magnified by a catoptric reflector (a silver-plated mirror) creating the red beacon light marking the eastern entrance to St. Margarets Bay.

That lighthouse was replaced by the current structure, an octagonal lighthouse which was built in 1914.

It is made of reinforced concrete but retains the eight-sided shape of earlier generations of wooden light towers. It stands almost 15 metres (49 ft) high.

The old wooden lighthouse became the keeper's dwelling and remained near to the current lighthouse until it was damaged by Hurricane Edna in 1954 and was removed.

The lighthouse was automated in 1958. Since then, the red light was changed to white light, then to a green light in the late 1970s. Finally to conform to world standards the light was changed to red in 2007.

Upcoming Examinations

Both the November and May exam sessions will offer the full 16 subjects. April exams have now been moved to May due to Easter and other national holiday dates.

Tips on answering the question:

Often you hear the time old mantra 'answer the question', yet just as often candidates genuinely believe they have answered the question and don't fully understand where they have gone wrong. There are a few things that you can think about to help you avoid the most common examination trap. The most frequent mistake candidates make is that despite having read the question, the response is not well tailored and precise.

Instead answers often address the topic generally, rather than the question specifically. This is sometimes because the candidate is nervous, but often it is because they want to show off their knowledge. The marker however, doesn't want you to talk generally about an issue demonstrating that you understand every piece of information. They have asked you a question, and they want you to answer it. You need to therefore work towards understanding what a question is asking.



How do I apply for membership?

Once you have completed your Professional Qualifying Examinations you will need to fill out the membership application form. You will need to find two Fellows to approve your application (please contact the Head Office if you are unable to do this). Once you have submitted your form, it will be presented to our Controlling Council for their consideration. This can take some time because we need to wait until the council convenes before your application can be accepted.

Meetings for membership elections are in January, March, May, September and November. All applications will need to be sent in by the 5th of each month to ensure it will be considered.

What are the benefits of membership in a nutshell?

Membership to the ICS offers some great benefits. These include; Having the initials MICS after your name Belonging to a network of professionally educated and trusted individuals Attending events and seminars aimed at continuous professional development Receiving the ICS journal Shipping Network

Belonging to a professional body thus helping to gain a competitive advantage in your commercial and professional life.

Open Evening - 08th September



The Institute of Chartered Shipbrokers South Africa Branch, will be hosting an open evening.

Date: 8th of September

Address: La Lucia Ridge offices of ENSafrica

1 Richefond Circle, Ridgeside office park

Umhlanga

Time: From 17H00

The ICS is opening its doors to students and potential students to find out more about courses on offer, entry requirements, meet local tutors and other students and learn more about what the Institute offers.

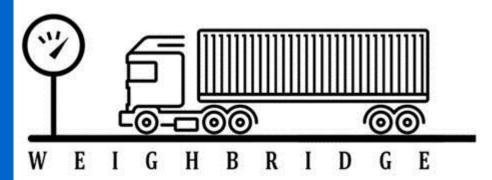
VGM and its process in South Africa

In November 2014, the International Maritime Organisation (IMO) amended SOLAS (Safety of Life at Sea Convention) to tighten up the process of weighing containerised cargoes and declaring the correct weights after verification.

As per this regulation, a containers Verified Gross Mass (VGM) needs to be determined before it is loaded on any ship. This VGM may be determined using 1 of 2 methods.

Method 1

The packed container should be weighed using calibrated and certified weighing equipment such as a weighbridge

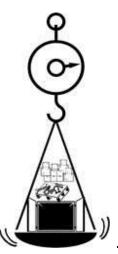


The weight of the truck, chassis and fuel should be deducted from the total of the truck and container recorded by the weigh bridge and this deducted weight will be the VGM. The shipper should arrange to have the packed container weighted using calibrated and certified equipment. Once packed and weighed, the weighbridge ticket should be sent to the Shipping Line, followed by NAVIS pre-advise.

While the weigh bridge used does not need to be accredited by SAMSA, it must however conform to all current regulatory standards (SANAS and NCRS are the parties responsible for accrediting weigh bridges).

Method 2

Take the weight of the cargo, dunnage, securing material and pallets etc and add them together. Add the tare weight of the EMPTY container.



Cargo + Lashing + Pallet + Empty container = VGM

The shipper must weigh all packages and add this to the tare weight of the container to get the VGM. This process is subject to assessment and approval by a service provider appointed by SAMSA, SAMSA is the authority in SA responsible to administer and enforce the mandate of SOLAS. You can find further information at www.samsa.org.za

For more information on how VGM works in South Africa, you can visit the following links:

http://shippingandfreightresource.com/solas-vgm-south-africa-version/

http://shippingandfreightresource.com/solas-vgm-method-2-how-it-works-in-south-africa/