

Windmills and offshore

Crist Shipyard

In accordance with EU's recommendations for restructuring of the shipping industry in Poland, two major shipbuilding yards in Gdynia and Szczecin were closed up. Gdansk Shipyard survived, however, previously had got a new owner and the current one is Ukrainian businessman **Siergiej Taruta**. The EU made it mandatory for the yard to downsize production and partly change its scope of activities. Shipbuilding in Poland is far from a standstill yet.

For offshore sector

Gdansk-based Crist shipyard has revived operating in former Gdynia Shipyard. The company purchased production facility for prefabricating hulls as well as the shipyard's heart: a large dry dock intended for making special purpose vessels for erecting wind farms on sea. Lately, the company has just produced the second one ship of his type, *Innovation*, for HGO InfraSea Solutions, a joint venture company of Hochtief and GeoSea held by headquartered in Belgium DEME group. The heavy lift jack-up vessel is 147 m long, 42 m wide and capable of operating on waters up to 50 m deep. It is equipped with a crane of 1,500 t lifting capacity and can transport windmills' sections up to 8,000 t of weight. It is worth ca. EUR 200M. The owner expects the ship to install some 80 turbines year to year.

The consortium has already ordered at Crist yard next one of this type. The ship to be named *Vidar* is scheduled for delivery in 2013 and the contract amounts to about EUR 150M. *Vidar* will be able to ship up to 6,500 t heavy items and will be equipped with a crane of 1,200 t lifting capacity. Its design will allow working on waters up to 50 m deep.

Yet these are not the first vessels of this type that were manufactured by Crist shipyard. In 2010, the yard delivered a building and repair platform for Hochtief Construction named *Thor* that is customized for offshore windmills installing. This priced at EUR 70M vessel is 70 m long, 40 m wide and of 2,500 t deadweight capacity. Each of *Thor's* legs is 82 m long and has 3.70 m in diameter. A Liebherr crane of 500 t lifting capacity was

placed on the platform. The crane's boom is 87 m long.

In addition, Crist has converted four ocean goers dedicated to transportation of wind farm sections on Danish-German Aarsleff conglomerate's order. There is an over 1.3-t structure placed on each vessel that allows to carry six full-size turbines.

LNG passenger carriers

Also, Gdansk-based "Remontowa" group did not get rid of newbuildings: neither the ferries, nor the offshore vessels. The company's returning customers from Norway tend to order mainly eco-friendly LNG ro-paxes. For Norwegian shipowner Thorgatten Nord another series of four vessels like this has already been produced by the yard. Early May this year, the newest vessel, *Lodingen ferry*, was launched. Those ro-paxes plying in Norway on inshore lines are 96 m long. They can ferry up to 120 cars with 390 passengers and travel at 17-19 knots. During three years of cooperation, the customer ordered eight ships total.

Early on, "Remontowa" produced four widely-acclaimed LNG ferries for other Norwegian shipowner **Fjord1 MRF AS**. The award for the double-ended *Moldefjord* ferry, that "Remontowa" group was presented in 2010, proves this special recognition. At Green Ship Technology Conference in Copenhagen, this vessel was named "Green Ship of the Year". The 122.7-m ferry can transport 390 passengers and 128 passenger cars or 12 road tractors with trailers and 55 passenger cars. It is equipped with one typical low-speed diesel engine and two LNG ones that create energy for the propeller and all the other ship's systems and receivers.

Hence, Fjord1 MRF AS has ordered in Gdansk two other LNG vessels more. The 124 m long ferries would carry 550 passengers and 165 cars.

Delivery of both ships will take place before the end of 2013.

Next type of newbuildings, which "Remontowa" specializes in, are offshore supply vessels. Currently, the company enjoys signed contracts for nine PSVs (Platform Supply Vessel). Recently, *PSV Lewek Andes* came into operation, that is the first one of two ordered by Lewek Shipping, a subsidiary of Ezra Holdings from Singapore. The Ships are 87.9 m long, 18.8 m wide and of 5,200 t capacity and will be equipped with upper deck storage covering 900 m². They will be capable of taking aboard 60 passengers as well as dry cargo, drilling mud, liquids (like methanol), and general cargo, too. They will be equipped with dynamic positioning and fire extinguishing devices, just to name a few. The facilities will let them clean up oil spills, haul and handle anchors. In 2012, next platform supply vessels will be delivered to clients. Previously, "Remontowa" manufactured PSVs for American owners, among others.

Small shipyards to grow

Naval Shipyard Gdynia went into liquidation. The court in Gdansk issued an order of liquidation bankruptcy due to company's cash flow insolvency. Since 2009 the company has operated under corporate voluntary agreement. If it is cash-flow solvent again, the option for bringing back the previous state

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Gryfia Shipyard



Photo: P. Frankowski

Windmills from shipyards

The new type of business that showed up in shipyards is manufacturing of oversized constructions for industries, such as sections of wind turbines. As for now Gdansk Shipyard is the sector leader. The yard luckily avoided the misfortune that newbuilding shipyards in Gdynia and Szczecin had.

This kind of production is also planned in Szczecin. The Industrial Development Agency (IDA) supports building a plant for offshore windmills foundations. The plant is to be found on lands owned by Szczecin Ship Repair Yard Gryfia. An estimated cost of this enterprise would total EUR 50M and a joint venture company KSO is the investor. KSO was established especially for this goal and is held by Bilfinger Berger (a 62.5-percent share), Crist shipyard (a 25-percent share) and MARS investment fund, the last one owned by IDA (a 12.5-percent share). Ultimately, the plant is to produce roughly 80,000 steel structures yearly that make some 80 1000-t so-called jacket foundations (steel lattice structures). It should start operating in 2014 and its main customers would be British and German companies. Estimates show that in coming ten years demand for

foundations of this type will reach even 5,500 units.

Additionally, Gryfia shipyard has been contracted for the very first time to partly create submarine structures for offshore oil extraction facilities. After one-year preparations, the company obtained necessary certificates and became approved as a supplier for FMC Technologies Inc.

Post-shipyard grounds in Szczecin raised some interest, too. A company focused on cranes manufacturing, Belgian-German Teleskop, plans to produce oversized elements for shipbuilding and steel constructions industries there. Teleskop currently owns warehouses in Kostrzyn nad Odrą. Some post-shipyard warehouses have been leased by Makrum company as well. Makrum is going to locate heavy mechanical working here in Szczecin, which is presently processed in Bydgoszcz. Also, some plans exist to build an industrial park dedicated to small vessels and offshore constructing and service. According to estimates, the venture is valued at ca. PLN 40M. The company currently operates on grounds of already bankrupted Pomerania shipyard in Szczecin.

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- will be open as well. It remains unclear if this possibly happens, though, as The Ministry of National Defense gave up plans to build the *Gawron* corvette in Naval Shipyard Gdynia.

In Szczecin, well above 20 yards keep building and repairing inland vessels, sea goers, barges, transport pontoons, yachts, tankers and fishing vessels. They also manufacture hulls for any watercraft, ship sections for other shipyards and structures for offshore sector like tanks, anchors, skids (structures to install oil platforms on), sections of oil platforms and oversize steel constructions, too. This industry primarily consists of small and medium-sized businesses involved in producing and exporting oversized constructions and highly processed items. Among them, these are Stalkon, Finomar, Partner, Muhlan, Zink Power, Navikon-Stal or Betamar.

It must be borne in mind that small yards (like Gdansk-based Maritim Shipyard, Odys Shipyard, Sunreef Yachts specializing in luxury catamarans and Gdynia-based Damen Shipyards constructing tugs for Russians, the British and the Dutch) keep operating as well.



Photo: P. Frankowski

LNG ferry
in 'Remontowa'

Good results as to containers

MACIEJ BORKOWSKI

These were quite unsuccessful past six months for major Polish seaports when it comes to handling totals. In contrary to last-year results, in all of them, with no exception, turnover dwindled, excluding container handling. In Gdynia, the effect was the weakest and the strongest it was in Gdansk (see: Table 1) In general, the worst concerns liquid fuels. Over a half less was handled than a year back and this is primarily because of a severe shortage of Russian crude oil in transit through Gdansk. For a long time it had been expected, but this forecasted limitations turned out to be reality right in the first half of 2012.

As far as coal is concerned, handling dropped 20 percent, too. And this was due to results of ports in Gdansk and Szczecin-Swinoujscie. As to Gdynia, there were 40 percent more of coal than a year ago - and mainly it was imported - but not sufficiently enough to make up for losses in remaining ports.

„Other bulk cargo” performed quite on the contrary. In Gdynia, it decreased by 30

percent while Gdansk and especially Szczecin-Swinoujscie handled significantly more. Also Police reported some drop in this type of cargo and as it have dominant effect on this port's sales, the drop immediately influenced port's general results for the first half of 2012.

Also, the situation in grain and fodder handling remained unclear, because while Gdynia and Szczecin handled less, Gdansk did close to a half more than in 2011.

Substantial rise in ore handling was reported in Szczecin-Swinoujscie, yet still it was just over more 300,000 t. It is worth pointing out that small port of Police outperformed competitors quite unexpectedly and became the second largest ore port. Port of Gdansk handled hardly anything of ore and port of Gdynia even not at all. Next year, some remodeling might take place. Co-owner of the terminal that is under construction in Gdansk currently, Arcelor-Mittal steel conglomerate, expects to complete works on it then and the facility will be dedicated to dry bulk cargo precisely.

chart 1

Shares of particular cargo groups in Polish ports' sales in the first half of 2011

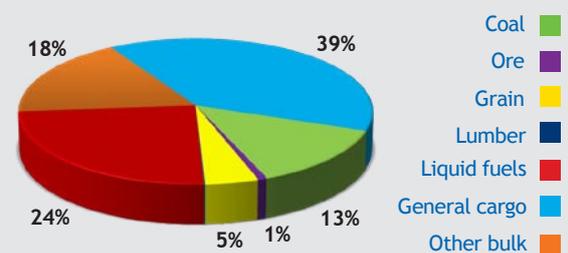


chart 2

Shares of particular cargo groups in Polish ports' sales in the first half of 2012

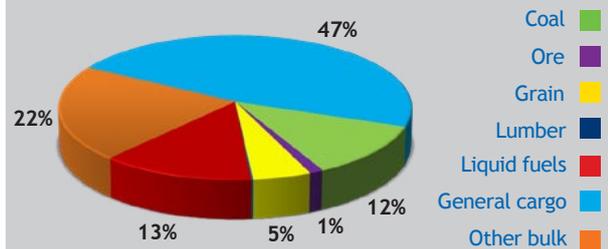


table 1

Handling in major Polish ports in the first six months of 2011 and 2012 according to particular cargo groups (t)

Port	Years	Coal	Ore	Other bulk	Grain	Lumber	General cargo	Liquid fuels	Total
Gdansk	2011	1,097,600	0	2,014,800	267,500	800	3,199,000	6,757,300	13,337,000
	2012	638,400	5,500	2,244,700	398,200	0	4,138,700	3,009,100	10,434,600
	2012/'11%	58.2		111.4	148.9	0	129.4	44.5	78.2
Gdynia	2011	677,800	0	1,280,500	690,700	19,600	4,659,400	398,300	7,726,300
	2012	933,700	0	896,300	618,900	28,900	4,850,700	65,700	7,394,200
	2012/'11%	137.8		70.0	89.6	147.4	104.1	16.5	95.7
Szczecin - Swinoujscie	2011	2,504,400	215,000	1,425,100	501,900	12,000	4,721,900	680,600	10,060,900
	2012	1,848,000	308,300	2,243,900	419,800	13,000	4,734,400	709,500	10,276,900
	2012/'11%	73.8	143.4	157.5	83.6	108.3	100.3	104.2	102.1
Police	2011	11,400	35,500	966,400	0	0	0	0	1,013,300
	2012	7,000	34,500	871,100	0	0	0	0	912,600
	2012/'11%	61.4	97.2	90.1					90.1
Total:	2011	4,291,200	250,500	5,686,800	1,460,100	32,400	12,580,300	7,836,200	32,137,500
	2012	3,427,100	348,300	6,256,000	1,436,900	41,900	13,723,800	3,784,300	29,018,300
	2012/'11%	79.9	139.0	110.0	98.4	129.3	109.1	48.3	90.3

Source: data presented by ports' authorities (collected and processed by MB)

✎ A plunge in handling did not concern general cargo. Falling liquid fuels and coal figures caused general cargo handling's share in sales to sharply rise (see: Chart 1 and 2). In the first half of 2011, general cargo was almost a half of the handling total (47 percent) here, while a year back it was only 39 percent. The uptrend of 2011 in this group tends to continue. In Gdansk, general cargo handling rose by over 29 percent. In Gdynia - by 4 percent and handling in Szczecin-Swinoujscie remained stable when compared to the last-year figures. Gdynia regained its general cargo primacy in previous year, which had been lost against Szczecin-Swinoujscie two years back. After the first half of the year, port of Gdynia exceeded, yet just a tad, both western Polish ports. If this dynamic stays stable, late 2012 the port would be the busiest Polish general cargo seaport again.

Seaport container terminals, but only the largest ones, coped very well in the first six months of 2012 and this proves a good shape of Polish foreign trade. Gdansk-based Deepwater Container Terminal (DCT) smashed records in monthly handling one by one. Mid-2012 results are better there by 36 percent when compared to mid-2011 ones and are currently coming up to 500,000 TEU (see: Table 2). Baltic Container Terminal Gdynia (BCT) and Gdynia Container Terminal (GCT) upsize their turnover on and on, as well, yet not as quickly as DCT does. Jointly, Polish terminals dealt

with 772,000 TEU in the first six months of 2012 and this translates into a 21-percent upswing year to year. According to expectations, throughput would exceed 1.5Mt this year and that stands for a twofold rise when compared to the numbers two years back.

However, a substantial portion of containers turnover are transshipments in DCT, which is handling ship to ship, i.e. transportation between Finland and Russia, for instance, and hence free from Polish customs duty. Even 7 percent of cargoes departing by road was in transit to Ukraine and another 5 percent headed to Russia, as Boris Wenzel, head of DCT previously informed in "Namiary" (see: "Namiary" No. 13/2012). Therefore, even while this largest terminal served 52 percent of all containers handled in Polish ports this past half a year and Gdansk Container Terminal (GTK) dealt with further 2 percent, still two large Gdynia-based terminals BCT and GCT, together with small-scale Baltic General Cargo Terminal Gdynia (BTDG), handle over a half of Polish containerized foreign trade. Among seaport terminals in Poland, only two the smallest (that is GTK and DB Port Szczecin) would not consider this past six months successful. The former dropped 26 percent in terms of handling total, and the latter by 1 percent, if compared to 2011. A 40-percent decrease in containers handled by BTDG remains nearly unnoticed since they play minor role in this terminal's turnover.

More often than not, Polish seaport container terminals tend to balance in terms of importing and exporting. However, over this past half a year, even three of them (BCT, DCT and DB PS) reported more inbound containers than outbound. In GCT and GTK export surpassed import, in fact as usual.

The statement made above concerns only the handling in Polish container terminals in the first six months of 2012. Significant changes are taking place there, as well, as to scale and quality of handling capacity. All of them, probably excluding GTK, keep investing and these are projects worth millions. Quays, storage areas and railway facilities are under construction or being upgraded and many new handling devices are being installed.

For over a year now, Maersk Lines' largest ocean goers of E class and 15,500 TEU have plied to DCT in Gdansk. Earlier this past spring, six major shipowners, members of G6 Alliance, planned to launch a similar service of very large vessels plying between the Far East and Gdansk. Contrary to earlier declarations and advanced arrangements, it turned out that DCT would be unable to provide additional vessels fast and efficient service. Attempts are made, though, to launch it in Gdynia. Possibly, they will be positively effective, soon. Hence, the coming half of 2012 looks prosperous as to containers handling.

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table 2

Handling in Polish container terminals in the first six months of 2011 and 2012

Terminal	Year	20'	40'	Import (PCS)		Export (PCS)		Total (PCS)	Import TEU	Eksport TEU	Total TEU
				Empty	Full	Empty	Full				
BCT	2011	51,548	61,408	12,829	47,460	18,667	34,000	112,956	92,225	82,139	174,364
	2012	48,774	77,943	14,434	52,830	18,246	41,207	126,717	108,948	95,712	204,660
	2012/'11	94.6	126.9	112.5	111.3	97.7	121.2	112.2	118.1	116.5	117.4
DCT*	2011	56,822	116,411	11,166	73,656	27,053	61,358	173,233	141,238	148,406	289,644
	2012	68,526	162,954	27,793	89,202	36,965	77,520	231,480	198,867	195,567	394,434
	2012/'11	120.6	140.0	248.9	121.1	136.6	126.3	133.6	140.8	131.8	136.2
GCT	2011	25,532	46,874	6,826	27,962	10,746	26,872	72,406	56,941	62,339	119,280
	2012	26,297	49,847	7,842	26,683	8,450	33,169	76,144	56,377	69,614	125,991
	2012/'11	103.0	106.3	114.9	95.4	78.6	123.4	105.2	99.0	111.7	105.6
GTK	2011	4,793	9,818	119	4,345	2,248	7,899	14,611	7,478	16,951	24,429
	2012	3,920	7,033	674	3,903	1,141	5,235	10,220	7,506	10,480	17,986
	2012/'11	81.8	71.6	566.4	89.8	50.8	66.3	69.9	100.4	61.8	73.6
DB PS	2011	8,050	9,304	276	8,546	2,997	5,535	17,354	13,508	13,149	26,657
	2012	6,892	9,726	584	7,739	3,460	4,830	16,613	13,268	13,067	26,335
	2012/'11	85.6	104.5	211.6	90.6	115.4	87.3	95.7	98.2	99.4	98.8
BTDG	2011	893	1,743	995	351	167	1,123	2,636	2,215	2,164	4,379
	2012	581	1,026	504	271	171	661	1,607	1,267	1,366	2,633
	2012/'11	65.1	58.9	50.7	77.2	102.4	58.9	61.0	57.2	63.1	60.1
Total	2011	147,638	245,558	32,211	162,320	61,878	136,787	393,196	313,605	325,148	638,753
	2012	154,990	308,529	51,831	180,628	68,433	162,622	462,781	386,233	385,806	772,039
	2012/'11	105.0	125.6	160.9	111.3	110.6	118.9	117.7	123.2	118.7	120.9

BCT - Baltic Container Terminal Gdynia; BTDG - Baltic General Cargo Terminal Gdynia; DB PS - DB Port Szczecin; DCT - Deepwater Container Terminal, Gdansk; GCT - Gdynia Container Terminal; GTK - Gdansk Container Terminal. * Data from DCT include a number of transshipments. In 2010 they amounted to ca. 44 percent of throughput and in 2011 - ca. 35 percent. Source: data presented by ports' authorities (collected and processed by MB)