**COSCO Inks High End Floating Accommodation Units**

Recently, COSCO (Nantong) Shipyard has secured contracts from the Singaporean company Logitel Offshore for the conversion of two semi-completed Sevan-designed cylindrical hulls to high end floating accommodation units ("FAUs"). The contract for the first unit is effective now.

This is another major breakthrough COSCO (Nantong) Shipyard has made in the engineering and utilization of the cylindrical floater designs. Prior to this, the shipyard had already successfully undertaken and constructed four cylindrical drilling rigs and one cylindrical FPSO. The cylindrical design of the accommodation units offers improved stability, comfort and a huge deck space. The new concept provides a third choice for accommodation unit design in addition to the traditional pontoon + columns unit and ship-shaped unit, and has huge potential for further development.

**Block Erection of COSCO’s First EPCI FPSO Project**

On May 28, the block erection ceremony for a cylindrical FPSO, secured from the British owner Dana Petroleum, was held in COSCO (Qidong) Offshore. This is the first FPSO EPCI project (engineering, procurement, construction and installation) in China. Dana Petroleum’s Group Chief Executive, Mr. Marcus Richards, the president of the COSCO Shipyard Group, Mr. Wang Yuhang, the general manager of the offshore division, Mr. Ni Tao, the party secretary, Mr. Zhu Zhihong, executives from Dana Cieco, Kuwait National Oil Company (KNOC) and Det Norske Veritas (DNV), as well as the project teams from both sides, co-witnessed the grand moment.

Before the ceremony, Mr. Wang Yuhang and Mr. Marcus Richards exchanged their views on the project design and construction and discussed subsequent working plans. At the reception dinner, Mr. Wang Yuhang pointed out that, as the first EPCI FPSO project undertaken by a Chinese shipyard, the Dana FPSO project also marks a major milestone for COSCO Shipyard in its advance into the mainstream offshore product manufacturing market; COSCO Shipyard will continue to provide all possible support and services to the project.

The cylindrical-designed FPSO will measure 78 meters in diameter, 32 meters in height and will have a storage capacity of up to 400,000 barrels of oil. The FPSO is scheduled for delivery in June 2015. The main functions of the unit include subsea crude oil filtering, oily water separating, oil storage and unloading. The design, construction, production system installation and commissioning of the whole project are carried out by COSCO Shipyard, which turned over a new leaf for the EPCI FPSO manufacturing section in China, marking another major breakthrough COSCO Shipyard has made in the domestic offshore equipment manufacturing industry.

**Petrobras Approves of FPSO Construction Progress in COSCO (Zhoushan)**
Workhorse Class Jack-up Successfully Launched

On June 11, a LeTourneau Workhorse Class jack-up (hull No. M498), being built by COSCO (Qidong) Offshore for Foresight Limited, was successfully launched using the floating dry dock method.

In order to ensure the hull was launched successfully, the project team worked out an elaborate launching plan and overcame such difficulties as the weather and the tides with the help of the Offshore Research and Development Centre and the service workshop. Following the launch, the installation of the cantilever beam, drilling platform and derrick will be carried out.

COSCO (Zhoushan) Shipyard Offshore Projects Proceed Smoothly

Following comprehensive production preparations, which were started in April, the offshore projects in COSCO (Zhoushan) Shipyard have proceeded smoothly and to plan. So far there have been three offshore projects (including four offshore vessels) which have progressed to the production phase, whilst two others are at the design and modeling stage.

On June 5, the keel-laying ceremony for the first and second of the four platform supply vessels (hull Nos. NS28 and NS29), being built for Hong Kong owner Ocean Discovery Development Co Ltd, were held simultaneously. The owner’s representatives and the Class society’s representatives attended the ceremony. The vessels are classed by ABS and will measure 83.75 metres in LOA.

On June 8, the keel-laying for the FPSO Mega Block project, being built for Petrobras, was held successfully. Earlier, on May 30, the construction of the 160m floatover launch barge was started. This is a new vessel type for COSCO (Zhoushan). The barge is classed by ABS and will measure 160 metres in LOA. The barge will be unpowered and will be used for transfer of subsea offshore modules.

Petrobras Approves of FPSO Construction Progress in COSCO (Zhoushan)

On May 22, a Petrobras delegation, led by vice president Mr. Figueiredo, visited COSCO (Zhoushan) Shipyard. After completing their inspection, the delegation expressed their satisfaction with the production progress of the P67 FPSO Mega Block project, as well as their confidence in the yard’s competence in ship and offshore construction.

The general manager of COSCO (Zhoushan), Mr. Dong Yezong, and the party secretary, Mr. Cao Huadong, had in-depth exchanges with Mr. Figueiredo and reported on the project design, procurement and construction progress in detail. After inspecting the block fabrication production line and completed blocks, Mr. Figueiredo highly valued the construction expertise and quality of COSCO (Zhoushan) and expressed his great confidence that the P67 FPSO Mega Block project would be completed to a high quality and delivered on time.

In January this year, Mr. Figueiredo visited COSCO (Zhoushan) for his first inspection. The yard’s advanced construction techniques and solid strength made a deep impression on him.

Petrobras Delegation Visits COSCO (Dalian) Shipyard

On June 21, a delegation of five from Petrobras, led by the project general manager, Mr. Marco Maddalena, visited COSCO (Dalian) Shipyard and inspected the production progress of the MODEC-owned vessel “Algarve”, which was being converted into an FPSO by the yard and whose final user will be Petrobras.

Accompanied by the yard’s Deputy General Managers, Mr. Jiang Rengang and Mr. Hao Zenghui, the delegation visited the three-dimensional modeling workshop, gaining a deep insight into the pre-fabricating progress. The next stop was the Technical Centre, where the delegation inspected the three-dimensional modeling of the “Algarve” project. Also, the delegation went onboard “Algarve”, which was being dry-docked, to inspect the docking jobs as well as key parts such as the living quarters and the engine room. Mr. Marco Maddalena expressed his satisfaction with the production progress of the project, the three-dimensional modeling and the ship fabrication production concept of COSCO (Dalian). He encouraged the shipyard to keep up the good work and ensure that the project progressed at a continuously steady pace.

COSCO Shipyard’s Offshore Business Wins the Attention of the State Oceanic Administration

On the morning of June 9, the State Oceanic Administration party secretary and chief, Mr. Liu Xiqui, paid a special visit to COSCO (Qidong) Offshore to inspect the development of the offshore equipment manufacturing business of the COSCO Shipyard.

At the construction site, the general manager of COSCO (Qidong) Offshore, Mr. Ni Tao, reported to Mr. Liu Xiqui on the yard’s operation and production status as well as progress made with the development of the offshore business. Mr. Liu Xiqui nodded approval at the view of a number of offshore rigs of different types under construction simultaneously at different production sites and piers; he especially asked about the technical parameters of high profile ultra-deepwater units such as Sevan 650 3#.

Mr. Liu Xiqui fully acknowledged the great reputation COSCO Shipyard has built up in the international offshore equipment manufacturing market.


**COSCO (Zhoushan) Delivers an 82,000-dwt Bulk Carrier to Fairbridge**

On May 28, COSCO (Zhoushan) Shipyard delivered an 82,000-dwt bulk carrier (hull No. N414) to the Korean owner Fairbridge. This is the second 82,000-dwt bulk carrier COSCO (Zhoushan) has delivered to the owner and is also the sixth newbuild vessel the yard has delivered in 2013. The owner’s representative, Mr. B. R. Choi, and the general manager of COSCO (Zhoushan), Mr. Dong Yeazong, attended the delivery ceremony.

**Keel-Laying for 35,000-dwt Bulk Carrier N470**

On May 24, a keel-laying ceremony was held for a 35,000-dwt bulk carrier (hull No. N470), being built by COSCO (Guangdong) Shipyard for Turkish owner Er Group. The owner’s chairman of the board, Mr. Cihan Ergenc, inspectors, yard leaders and the project team co-witnessed the moment.

**Strive for Each Client’s Trust**

Ye Min (COSCO Zhoushan Shipyard)

On June 2, our good old friend, Brave Royal Ship Management (BD) Limited, sent their tenth vessel “Khadiza Jahan” to our COSCO (Zhoushan) shipyard. Brave Royal Ship Management owns a total of fourteen vessels, ten of which have been repaired in our shipyard since 2011. “Khadiza Jahan” is an old bulk carrier aged 28 years. Hence, when she moored alongside the Tianjin port for discharge, we were required to go to Tianjin to assess the repair cost so that the owner could decide if she was worth repairing or not. The working scope mainly involved painting and machinery work: cargo holds and hull to be sandblasted and painted; more than 1,380 metres of piping to be renewed, including sounding pipes, TST filling piping, main sea water line, fire main line and hydraulic piping line; more than 80 tons of water ballast tanks steel structure to be renewed and 19 pieces accounting the cost and to find the best way to save cost and guarantee quality at the same time. We always put ourselves in our clients’ shoes and try our best to attend onboard to assist with everything. Now, the project is in full swing and everything is going smoothly. “Khadiza Jahan” is scheduled to sail at the end of June. During the current shipping downturn, our good old friend is still willing to send their vessels to our shipyard, thanks to our good quality, reasonable price and considerate service. We are determined to repair each vessel well and satisfy our clients. We appreciate each and every opportunity for cooperation. Take “Khadiza Jahan” for example: when her fate was undetermined (whether to repair or sell), we arranged for our project manager to attend onboard to assist with accounting the cost and to find the best way to save cost and guarantee quality at the same time. We always put ourselves in our clients’ shoes and try our best to reach their goal. Our sincerity and hard work are rewarded with the trust of our clients. It’s easy to get one client, but it’s not easy to win his trust. COSCO (Zhoushan) shipyard will strive to win the trust of each client and their long-term cooperation.

**COSCO Group Chairman Attends GE Reception Dinner**

On June 4, the chief executive officer of General Electric (GE), Mr. Jeff Immelt, held a reception dinner in Beijing. The COSCO Group chairman of the board, Mr. Wei Jiakui, accompanied by the president of the COSCO Shipyard Group, Mr. Wang Yuhang, attended the dinner. At the dinner, Mr. Wang Yuhang discussed the current world economy and shipping situation with the attendants; he also delivered his focused insight on the development of COSCO Shipyard’s offshore manufacturing business as well as their research into and development of new energy efficient vessels.

**COSCO (Zhoushan) Launches 64,000-dwt Bulk Carrier**

On June 3, COSCO (Zhoushan) launched a 64,000-dwt bulk carrier (hull No. N505), being built for Lomar Shipping. This is the first of the two 64,000-dwt bulk carrier series ordered from COSCO (Zhoushan) by the British owner. The owner’s site manager, Mr. Vladislav Bachinskiy, representatives from Lloyd’s Register and leaders of COSCO (Zhoushan) Shipyard attended the launching ceremony.

**57,000-dwt Bulk Carrier N342 Completes Sea Trials**

On June 2, the 57,000-dwt bulk carrier (hull No. N342), being built by COSCO (Guangdong) Shipyard for Turkish owner Er Group, returned from a successful 5-day sea trial.

During the sea trials, the project team, owners and inspectors cooperated closely and carried out a series of tests, including the main engine remote control test and unmanned engine room test as well as other ship performance tests.
“Ship Repair & Conversion”

**Wu Zhirong [COSCO Zoushan Shipyard]**

Steamship “Horizon Reliance” is one of many container vessels owned by a very famous shipping company from the USA - Horizon Lines LLC. She arrived in COSCO (Zoushan) Shipyard on 1st May, where the yard immediately commenced repairs. The vessel departed the yard on 8th June, the day after the repairs were completed.

COSCO (Zoushan) Shipyard and Horizon Lines LLC have established and maintained a successful and cordial long term relationship: the repair/ modification of four vessels was successfully completed last year, and “Horizon Reliance” is the 2nd project on which the two companies have co-operated this year, following on from the 1st project this year; “Horizon Spirit”, the super star in the Honor fleet. On board, the crews are hardworking; the Captain and Chief Engineer are very experienced with excellent management skills, and the standard of the repair is much higher and stricter than that normally expected by the current market. The amount of work involved in the repair of this vessel was not small: 115 tons of steel renewal, involving almost all tanks of the vessel from bow to stern and from hatch covers to keel; tank coating to Sa2.5 for nearly 9,000 square metres in 10 tanks with confined spaces; hull coating to Sa2.5 for nearly 10,000 square metres, as well as various other locations including other treatments for some 7,000 square metres; various machinery work, such as steam engine overhaul and maintenance, as well as boilers and ballast systems. Each individual task was affected by all other tasks resulting in many conflicts during the repair. Thus, proper sequencing and arrangement had to be made. The performance of steel work progressed in good order from the very beginning: the forward tank is a confined space, where the dry bulk lines (DBL) of the original paint was hard and thick, making blasting difficult. Our paint department gave this project their undivided attention; not only did the supervisors and foremen work all through the day and night, but also the director came on board frequently for site management and directing inspection tasks. The single common target of all these endeavours and special arrangements was to complete all the repair work on time, as per the owner’s request. With excellent service, experience and technology, our yard has successfully strengthened its partnership with Horizon Lines once again.

Mr. Edward F. Washburn, the Horizon Lines LLC General Manager of Engineering and Technical Service, willingly accepted our request for an interview. He said: “I come to visit COSCO (Zoushan) Shipyard every time our Horizon Lines vessels come for repairs (modification), and this is my 7th visit here to see my good and old friends. I came for the first time in 2011, as a port engineer on the “Horizon Consumer” project. COSCO (Zoushan) Shipyard excelled in completing the huge project with a shorter period than scheduled. This represents perfect cooperation; therefore both parties have started our firm partnership.”

Mr. Washburn said that the cooperation on repair jobs on the two vessels, “Horizon Consumer” and “Horizon Reliance”, made a deep impression on him.

Wish Our Partnership Continue Forever
--- Interview with Mr. Edward F. Washburn from Horizon Lines

Mr. Washburn was impressed by a great many people from COSCO (Zoushan) shipyard; he mentioned many names including Mr. Cao with his good memory. He said, “The guys here are professional and kind, thank you! I love to work together with your team members because of your trustworthiness and dedication to work.”

At the end of interview, Mr. Washburn said firmly and hopefully: “We brought the vessel to COSCO (Zhoushan) Shipyard because we like to get the best value for our dollars. We have established our partnership since 2001, and we wish that our partnership will continue forever.”

**Zhang Long [COSCO Guangdong Shipyard]**

On June 21, COSCO (Guangdong) Shipyard delivered a self-unloading cement carrier, MV “Swadaya Lestari 1”, to PT. Swadaya Lestari Lines. This was the first self-unloading cement carrier conversion to be carried out by COSCO (Guangdong) Shipyard.

PT. Swadaya Lestari Lines is a private shipping line which was established in 1989 and is based in Surabaya, Indonesia. The company owns and operates 3 cement carriers and the owner intends to increase the fleet size by 5 to 6 cement carriers within the next 2 years.

MV “Swadaya Lestari 1” was converted from a general cargo vessel. The major jobs included: new bulkheads, tank top plates, deck house, watertight doors fabrication and installation in accordance with the relevant requirements of BSI Classification (total steel work, including deckhouse, amounted to 620 tons) and included work on the cargo loading and unloading piping system, hold fluidization system fabrication and installation; owners machinery equipment (for loading and unloading system) installation; MCC system installation and testing; surface treatment – all new coating to Sa2.5 for nearly 9,000 square metres in 10 tanks with confined spaces; hull coating to Sa2.5 for nearly 10,000 square metres, as well as various other locations including other treatments for some 7,000 square metres; various machinery work, such as steam engine overhaul and maintenance, as well as boilers and ballast systems. Each individual task was affected by all other tasks resulting in many conflicts during the repair. Thus, proper sequencing and arrangement had to be made. The performance of steel work progressed in good order from the very beginning: the forward tank is a confined space, where the dry bulk lines (DBL) of the original paint was hard and thick, making blasting difficult. Our paint department gave this project their undivided attention; not only did the supervisors and foremen work all through the day and night, but also the director came on board frequently for site management and directing inspection tasks. The single common target of all these endeavours and special arrangements was to complete all the repair work on time, as per the owner’s request. With excellent service, experience and technology, our yard has successfully strengthened its partnership with Horizon Lines once again.

Mr. Edward F. Washburn, the Horizon Lines LLC General Manager of Engineering and Technical Service, willingly accepted our request for an interview. He said: “I come to visit COSCO (Zoushan) Shipyard every time our Horizon Lines vessels come for repairs (modification), and this is my 7th visit here to see my good and old friends. I came for the first time in 2011, as a port engineer on the “Horizon Consumer” project. COSCO (Zoushan) Shipyard excelled in completing the huge project with a shorter period than scheduled. This represents perfect cooperation; therefore both parties have started our firm partnership.”

Mr. Washburn said that the cooperation on repair jobs on the two vessels, “Horizon Consumer” and “Horizon Reliance”, made a deep impression on him.

**Yang Guochun [COSCO Zoushan Shipyard]**

On June 14, 2013, following 48 hours of continuous, intense and challenging labour, the rectification of the hull structure of the sea damaged vessel “CMA CGM Florida” was successfully completed by COSCO (Zoushan) Shipyard.

At noon on June 12, 2013, during continuous rain showers, “CMA CGM Florida” was moored in No.2 dry dock where the structural repair would be carried out; flooded containers were shifted ashore and cleaned, damaged fuel oil tanks cleaned, and oily water and sludge collected and disposed of. For environmental reasons, the correction scope reached 700mm during the initial docking period.

CMA CGM Executive visit COSCO (Zhoushan) Shipyard

On May 30, the CMA CGM executive vice president, Mr. Franck Magarin, vice president Mr. Mathias Besnard and CMA CGM (China) vice president, Mr. Gorden Guo, visited COSCO (Zhoushan) Shipyard. The delegation was warmly received by the yard’s party secretary, Mr. Cao Huadong. The two sides had cordial and friendly exchanges. The delegation also inspected the two CMA CGM vessels, “CMA CGM Nabucco” and “CMA CGM Florida”, which were under repair in the yard, and fully acknowledged the technical and production strength of COSCO (Zhoushan) Shipyard.

CMA CGM Florida” Deformation Successfully Rectified in COSCO (Zhoushan) Shipyard

While she set down on the dock block, all the attention focused on how to straighten the twisted hull whilst simultaneously ensuring any steel removal or renewal would have a minimal effect on the original structure, equipment etc. Our main target was to ensure a quality repair with a minimum refit and testing workload. Faced with this formidable challenge and unpredictable weather, we did not back away from the predicament we were faced with but tackled it with true COSCO Zhoushan Spirit. From the installation of strong stem/midship supports to transverse section cutting, and from the lashing wire device installation to water filling adjustment, all of the preparations were completed within 12 hours, one day ahead of the target date, which set a good basis for further floating and correcting. In order to monitor the vessel's condition change accurately and in a timely manner, 12 monitors, which worked 24 hours a day during the whole rectification process, were distributed along the whole ship and dock way. The maximum correction slope reached 700mm. The yard’s executive deputy general manager, Mr. Cao Huadong, paid great attention to the project, from the preproduction phase organization to the production plan verification, as well as on scene coordination and command. Thanks to the endeavors of the whole staff, “CMA CGM Florida” had resumed her original shape in COSCO (Zhoushan) Shipyard within 48 hours. This battle abundantly exhibited the collaborative strength of COSCO (Zhoushan) Shipyard. Now, the subsequent repair work is progressing smoothly and following the production schedule.