



# PandaNews

## COSCO SHIPYARD NEWSPAPER

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**MISSION STATEMENT** To be a world leader in ship repair, conversion, new building and offshore marine engineering, we maintain trusting relationships with our customers, employers, and partners, yielding best returns for shareholders, society and environment. Depending on our talented engineers working alongside with an efficient project management team and a highly skilled workforce, we could guarantee to deliver the projects we undertake timely and professionally.

## 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.



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## 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 Cielo, 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.



**"Wish Our Partnership Continue Forever"**

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**COSCO (Guangdong) Delivers MV "Swadaya Lestari 1"**

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## Workhorse Class Jack-up Successfully Launched

On June 11, a LeTourneau Workhorse Class jack-up (hull No. N408), 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. N528 and N529), 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.

### Offshore Project Focus

#### Wind Turbine Installation Vessel "Sea Installer 2#"

Wind turbine installation vessel "Sea Installer 2#" (hull No. N488), being built by COSCO (Qidong) Offshore for the Danish owner A2SEA, is now undergoing main hull block erection in the offshore dock. The installation of major machinery and electrical facilities, including the main engine and the distribution panel, has now been completed.

#### Sapura 3300 Pipelay Vessel

Recently, following intense work, the four spud legs of the Sapura 3300 pipelay vessel (hull No. N449), being built by COSCO (Nantong) Shipyard for Malaysian TL Offshore, were successfully hammered into the pile shoes. As a core component of the vessel, the installation of the spud legs required high accuracy and construction quality. The hull workshop organized an elite team and precisely planned the operation, thus ensuring the quality and progress of the project.

#### Sea-1250 Jack-up Barge

Recently, the Sea-1250 jack-up barge (hull No. N499), being built by COSCO (Nantong) Shipyard for Australian owner BAM Clough, successfully completed spud leg installation and generators start-up. The project will soon progress to the system commissioning stage.

## 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 first visited the steel processing workshop and pipe processing 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 MV "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.

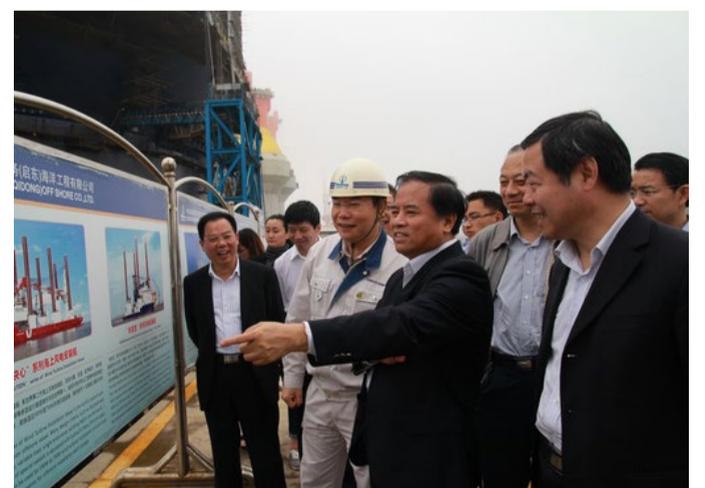
Mr. Marco Maddalena expressed his satisfaction with

the production progress of the project, the three-dimensional modeling techniques and the safe 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 Xigui, 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 Xigui on the yard's operation and production status as well as progress made with the development of the offshore business. Mr. Liu Xigui 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 Xigui 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 Yezong, 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 (BR) 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 of hatch covers to be removed ashore, cleaned and sandblasted. 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 Jiafu, 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.

On June 4, the keel-laying ceremony for the second vessel of the series (hull No.: N506) was successfully held.

The vessels measure 199.9 metres in LOA, 32.26 metres in breadth and 18.5 metres in height. This is the first 64,000-dwt bulk carriers COSCO (Zhoushan) has undertaken to build.



## 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.



## “Wish Our Partnership Continue Forever”

—Interview with Mr. Edward F. Washburn from Horizon Lines

**Wu Zhirong** (COSCO Zhoushan 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 (Zhoushan) 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 (Zhoushan) 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 Horizon 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 arrangements had to be made. The performance of steel work progressed in good order from the very beginning: the forepeak tank is a confined space, where the dry film thickness (DFT) 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 (Zhoushan) 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 here for the first time in 2011, as a port engineer on the “Horizon Consumer” project. COSCO (Zhoushan) 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 completion of the repair jobs on the two vessels, “Horizon Consumer” and “Horizon Reliance”, made a deep impression on him.



He said that, on “Horizon Reliance”, labour force was arranged properly, which gave them much confidence for the successful completion of the project. Orderly site arrangement, professional management and good coordination were presented; moreover, weekly meetings held in the Commercial Department conference room were very successful in improving our communication and helped a lot when considering the major jobs and master schedule more effectively; it was also helpful for work performance and repair progress to achieve the quality standard demanded by the “Horizon Lines Policy”.

Mr. Washburn was impressed by a great many people from COSCO (Zhoushan) 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.”

Mr. Washburn believes that COSCO (Zhoushan) Shipyard works to a high standard and high quality that attracts him and Horizon Lines. He said, “All of our company’s vessels are more than 30 years old, but we want to keep them at least until 2030. I trust the vessels like “Horizon Spirit”, “Horizon Reliance” and “Horizon Consumer” can go for even more than 20 years after the repair in your shipyard, which is the big reason we come to you time and time again.”

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.”



**COSCO (Guangdong) Delivers MV “Swadaya Lestari 1”**  
—Self-Unloading Cement Carrier Conversion

**Zheng Long** (COSCO Guangdong Shipyard)

On June 21, COSCO (Guangdong) Shipyard delivered a self-unloading cement carrier, MV “Swadaya Lestari 1”, to PT. Swadays 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 BKI 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 surfaces involved in the conversion, including disturbed areas had to be treated and painted as per the owner’s instructions.

The owner is very satisfied with the project, and he expressed his intention that COSCO (Guangdong) will be their first choice for the next conversion project. He said: “I look forward to cooperating with COSCO (Guangdong) again.”

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

**Yang Guochen** (COSCO Zhoushan 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 (Zhoushan) 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 cracks on the underwater part of the hull were temporarily closed and then careful measurements were taken of ship in order to analyze its condition, determine how to best proceed with the repair and develop and design a plan. All this was successfully carried out during the initial docking period.

### CMA CGM Executives visit COSCO (Zhoushan) Shipyard

On May 30, the CMA CGM executive vice president, Mr. Franck Magarian, vice president Mr. Mathias Besnard and CMA CGM (China) vice president, Mr. Gorden Guo, visited COSCO (Zhoushan) Shipyard. The

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 stern/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 scope 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.



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.