

SHIP MANAGEMENT INTERNATIONAL

Stirring Russia's insurance might



Maritime Comms:
Under the debating spotlight



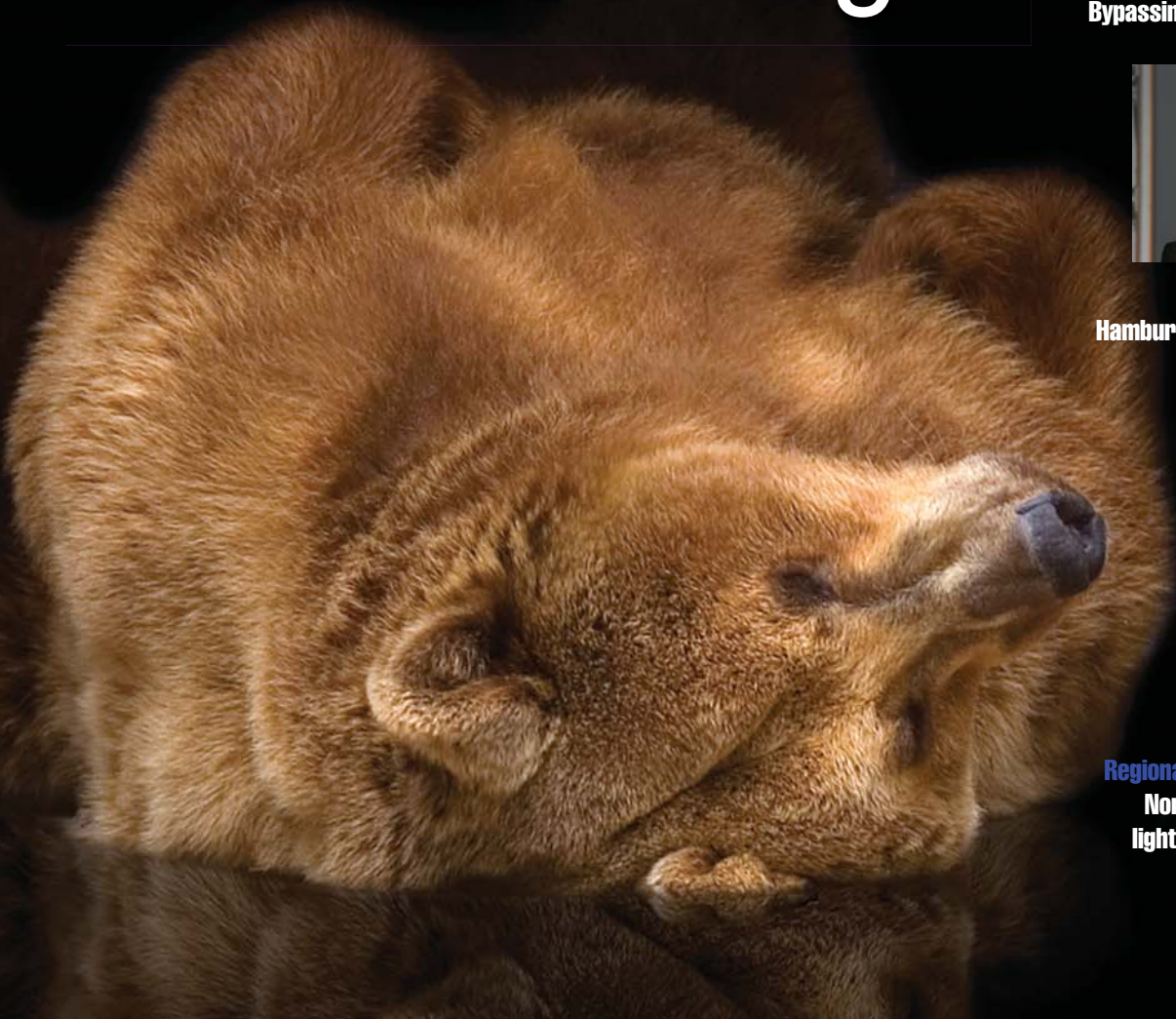
Indian Shipbuilding
Bypassing the global downturn



How I Work:
Hamburg Sud's Julian Thomas



Regional Focus - Scandinavia:
Northern star shines the light of a sparkling cluster





Capt Hall

“The whole market has the ability to grow in its own right just by attracting more customers – there’s a lot more shipping trade to be absorbed by all major ports in the area, with potential for growth without reducing market share”

Captain Hall said: “There’s something like 110,000 ships going through the Straits of Gibraltar. Gibraltar has approximately 10% of that market share, Algeciras (with respect to bunkering and agency services) is in the order of a handful of per cent, and Tangiers doesn’t have anything like that; it’s just a fledgling. So the whole market has the ability to grow in its own right just by attracting more customers – there’s a lot more shipping trade to be absorbed by all major ports in the area, with potential for growth without reducing market share.”

There is definitely a collective view on the investments and developments taking place through the Straits, as the vast majority of Gibraltar’s shipping companies are well aware of the region’s international status as a major highway of the sea. Newly re-named ship repair yard Gibdock (previously Cammell Laird) has probably fared marginally worse than many other of the country’s maritime sectors, however increased promotion of the region is setting a new standard of business for all parties involved.

“Locally, there is certainly strong local investment into the maritime industry, and in the Straits and in the bay here we see less

downturn in the marketplace than other maritime clusters. In spite of that, we do find ourselves now competing differently from a year or two years ago as we find ourselves competing on a wider geographic scope,” said Joe Corvelli, CEO.

“All of the business coming into the bay and the Straits is opportunity, however, because it’s providing more volume. The developments in Morocco and Algeciras are bringing more container trade, container vessels and more high value clientele into the area which should give us a better opportunity to serve these kind of owners and their ship repair needs,” he added.

On competitive terms, Gibraltar’s flag register has also continued to grow over the course of the past 12 months, again, challenging the economic milieu inflicted on the greater part of international shipping. Recognised for its small yet tightly packed register, the Gibraltar register flies a highly-regarded flag with a strong reputation, and has availed from a record year of vessel numbers.

Apparently “very pleased that the register has continued to grow,” Maritime Administrator Alan Cubbin, said: “I was personally quite surprised, because I thought last year was going to be a very difficult year. We’ve got a lot of German owners and I thought we’d get a lot of cancellations, but to date we’ve had very few. We’ve done much better than we thought we would and it has continued to grow at a remarkable rate, and it looks like it’s certainly going to continue for at least six to nine months.”

The number of commercial ships registered in Gibraltar has surpassed 300, representing more than 10% growth over the last year, and the total gross tonnage of the Gibraltar commercial fleet now exceeds 2.2m gt, accounting for an increase of more than 25% compared with 2008 figures. In addition, there are 12 vessels under construction, demonstrating a continued interest in newbuild registrations as 2010 gets underway.

Attractive to owners because of its European Ensign status, Mr Cubbin told *SMI* that the register has had a total of 10 ships transfer to the Gibraltar flag in the past year that were previously registered outside Europe, for cabotage purposes under the EU regime. With a comparatively low tonnage tax regime to add to the mix, the country has a lot more going for it in economic terms than many other state flags.

Gibraltar is not only entrenched in geophysical prominence, but its appeal also lies in wait like a ready-sprung snare. As a notoriously popular arrest port, Gibraltar has seen some weaker shipping companies drop like flies into the jaws of its jurisdiction, as a constant flow of vessel arrests have kept the port indelibly busy over the past 12 months.

John Restano, Partner in the Litigation Department at Gibraltar law firm Hassans, said: “Given the downturn in the economy, what we expected has actually materialised in that there have been quite a number of ship arrests in Gibraltar. It had been quite a few years since this number of ship arrests and it’s all kicked off again – 2009 is when it all really started to happen.”

Priding itself on its advantageous reputation for a quick turnaround in arrest cases, backed by an inherently and historically sturdy court jurisdiction, Gibraltar has been the beneficiary of ship arrests flowing into the port for many years, but only in the past year has this come to light with vengeful enthusiasm. Although considered to be at the tail end of the

