



PandaNews

COSCO SHIPYARD NEWSPAPER

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COSCO SHIPYARD
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Top Management of COSCO Group inspects

On September 26, Mr. Ma Zehua, President and Executive Director of the COSCO Group, Mr. Zhang Liang, Member of Party Leadership of the COSCO Group, and Mr. Sun Jiakang, Vice President of the COSCO Group, paid a visit to the COSCO Shipyard Group.

Mr. Wang Yuhang, President of the COSCO Shipyard Group, gave a detailed report on the production and operation of the company, major challenges the company is facing and its future development strategy. As Board Chairman of COSCO Shipyard, Mr. Sun Jiakang pointed out that COSCO Shipyard will further enhance the management level of the enterprise, and increase reserves of technology and talent. Regarding the market, he added COSCO Shipyard should increase cooperation with the oil companies



at home, so as to strive for the best possible development of the offshore engineering business.

Mr. Ma Zehua made an important speech, aimed at the development strategy for the next step. He summarised these as: Firstly, to ensure development direction, COSCO Shipyard's development strategies should align national industrial development strategies and the COSCO Group's development strategies; Secondly, to reinforce business management, further improving corporate management, innovation capabilities, R & D capabilities, and cost control. Thirdly, to strengthen risk prevention, focusing on financial security and employees' safety to ensure the stable development of the enterprise.

Redelivery of FPSO Cidade de Sao Paulo MV23



After seventeen months of intense construction, COSCO Dalian Shipyard converted the VLCC Radiant Jewel into the FPSO Cidade de Sao Paulo MV23. The new FPSO will be deployed to the BM-S-9 (Guara) Block off the Brazilian coast, where vast oil reserves lie beneath a layer of rock and salt at a depth of 5,000 meters. It's the sixth FPSO Modec

has engaged COSCO Dalian Shipyard to convert. The delivery documents were signed by and between COSCO Dalian and the ship-owner on 19 October 2011.

The VLCC Radiant Jewel is a 300,000DWT VLCC (built in 1992). After conversion, the FPSO, classified by ABS, is 28.1 meters in depth, 58 meters in breadth, and 332 meters in LOA (length over all). The FPSO is designed to operate for 20 years without dry-docking, and process 120,000 bpd of oil and fifty million cubic meters of gas per day. It has a storage capacity of 1,600,000 barrels of oil, and operating water

depth of 2140 m. Upon delivery, this vessel is to be chartered to Petrobras to work offshore Brazil.

The main work scope involved steel fabrication, module installation and integration and the installation of cables, piping and equipment.

At the appreciation dinner, Mr. Shimamura, Executive President of MODEC, highly valued COSCO Dalian Shipyard for its efficient construction control and effective quality & safety management. He expressed his heartfelt gratitude to all personnel involved in the project, and expected further cooperation on follow-up projects.



COSCO Shipyard wins Best Practice Award of the Harvard Business Review

Recently, COSCO Shipyard received "The Best Practice Award of the Harvard Business Review" from Harvard Business Review China. Harvard Business Review is a prestigious management magazine published since 1922 by Harvard Business School Publishing, owned by the Harvard Business School. Mr. Lv Shimin,

Deputy G. M. of COSCO Shipyard Group, attended the award ceremony in Beijing.

The annual award, now in its fifth year, focuses on the most successful and compelling companies in China. COSCO Shipyard was recognized for the success of its product transformation strategy from a ship repairing enterprise to a diversified marine service group.

INTSOK Visits

From October 19th to 21st, the Norwegian Oil & Gas Partners organization, INTSOK arranged for a delegation of members to visit COSCO Dalian Shipyard, COSCO Nantong Shipyard, and COSCO Qidong Offshore Base, to view jack-up rigs, FPSO, semi rigs, and drilling vessels. INTSOK is dedicated to promote the Norwegian technology, products and services of offshore engineering to the global market and provides a link between Chinese shipyards and Norwegian

offshore industry.

The visit underscores the growing interest for Norwegian oil and gas industry leaders to build relationships with shipyard procurement managers, technical designers, and project managers for construction activities. The shipyards engaged in a broad and deep discussion with and the guests, focusing on subjects from the future trends of the offshore engineering industry, the new technology spread, to the application of new standards and rules.

57,000DWT BULK CARRIER

COSCO Shipyard delivered the first ship coated according to PSPC

On September 17, the third 57,000DWT bulk carrier "COMMON CALYPSO", being built for the Greek owner Common Progress, departed from COSCO Dalian shipyard. It is the first vessel built and coated to comply with PSPC by COSCO shipyard, and LR Class awarded the PSPC certificates to the Dalian yard in June, marking the rise of the yard's shipbuilding ability, particularly the coating standard, to an even higher level.

Since the International Maritime Organization adopted "The performance standard for protective coatings for dedicated seawater ballast tanks in all types of ships and double-side skin spaces of bulk carriers", it has brought tremendous pressure to the shipbuilding industry. As PSPC will apply to all vessels delivered on or after 1 July 2012, the shipbuilding enterprises have

been strengthening their research and testing of new standards. The delivery of COMMON CALYPSO is a milestone event for COSCO Shipyard.

A special PSPC team was established in COSCO Dalian Shipyard in 2009 to promote the new coating standard. Various training courses were organized to help the workers study and understand the standard contents, operation procedures, and quality requirements. When COSCO Dalian Shipyard built the second 57,000DWT bulk carrier "MAGDA P" for COMMON PROGRESS, the coating work was carried out according to PSPC standards, and the yard achieved good results.

A total of six construction contracts for 57,000DWT bulk carriers have been signed between

COSCO Dalian Shipyard and the CP Company. By contract, the Dalian yard must obtain PSPC certification before building the fifth vessel but, at the owner's request, the Dalian yard officially implemented the new standards to the construction of the third ship, in advance of contractual requirements.

The PSPC requirements bring with them a number of challenges for the coatings. Through the untiring efforts of the yard, all indicators and the entire construction process meet the new coating standard, which has been unanimously approved by the owner and the surveyor. COSCO Dalian shipyard successfully met the required standard and was awarded the PSPC certificate.



N296 completed sea trials

On September 28, the 57,000DWT bulk carrier COMMON SPIRIT, being built for the Greek owner Common Progress, completed sea trials and returned smoothly to COSCO Dalian Shipyard. Mr. Gao Yongqiang,

Deputy G. M. of COSCO Dalian Shipyard, welcomed the trial crew at the berth. N296 is the fourth bulker being built for the CP Company, and will be delivered in the near future, upon completion of the remaining jobs.



N217/ N218 Milestones

On September 24, the first 57,000DWT bulk carrier (N217), being built for the German owner CONTI Shipping, was smoothly launched in COSCO Guangdong Shipyard.

On September 26, COSCO Guangdong Shipyard held a keel

laying ceremony for the second 57,000DWT bulk carrier (N218), being built for CONTI Shipping. Representatives from the ship owner, ship surveyor, and the shipyard, co-witnessed this big moment.

92,500DWT BULK CARRIER

N304 christened and delivered

On the morning of September 28, COSCO Zhoushan Shipyard held a naming and delivery ceremony for the 92,500DWT bulk carrier N304, built for the German owner CONTI Shipping. The godmother, Mrs. Yuan Wenjie, named the vessel 'POS TANSANIT'. Mr. Shaun Harbinson, CONTI's Managing Director, Dr. Nikolaus Ukert, CONTI's Managing Director of Legal Affairs Department, Mr. Joachim Zeppenfeld, General Manager of BBG, Mr. Ma Zhihong, Party Secretary of the COSCO Shipyard Group, Mr. Dong Yezong, General Manager of COSCO Zhoushan Shipyard, Mr. Cao Huadong, Party Secretary of COSCO Zhoushan Shipyard, and Mr. Wolfgang, the Vice President of ABS Class in Greater China Area, witnessed this important moment.

On the same day, the delivery

documents were officially signed by and between Mr. Dong Yezong and Dr. Nikolaus Ukert.

This vessel, registered with ABS Class, is the first bulk carrier to be built for CONTI Shipping, and also the first 92,500DWT bulker built by COSCO Zhoushan Shipyard. It measures 230 meters in length, 38 meters in width, and 20.7 meters in depth.

Mr. Shaun Harbinson fully affirmed that COSCO Zhoushan

Shipyard has built "POS TANSANIT" with high quality and on time. He was satisfied with the successful naming, and confirmed that CONTI will further develop their cooperation with the Zhoushan yard.

The ship is a very significant vessel for CONTI as it will be the 100th and largest bulk carrier in the company's fleet. Meanwhile, it is the eleventh newbuild ship delivered by the Zhoushan yard in 2011.



News links >>>



On September 28, Mr. Ma Zhihong, Party Secretary of COSCO Shipyard Group, met Mr. Shaun Harbinson, Managing Director of CONTI Shipping, who came to COSCO Zhoushan Shipyard to attend the naming and delivery ceremony of the 92,500DWT bulk carrier (N304).

Mr. Ma Zhihong expressed

his appreciation of the trust and support Mr. Shaun Harbinson has given to COSCO Shipyard. The guest showed his gratitude to COSCO Shipyard for making great efforts to meet the construction requirements and deliver a high-quality ship, and highly praised the growing shipbuilding capacity of COSCO Shipyard.

THE SECOND WIND TURBINE INSTALLATION VESSEL



N271 Completes Sea Trials

The second wind turbine installation vessel (N271), being built for the Dutch owner VROON B. V., successfully completed sea trials and returned to COSCO Nantong Shipyard on

October 11.

During this sea trial, the vessel conducted and finished the penetrating tests for its 6 pile legs in 50 meters water depth, DP2 dynamic positioning, FMEA positioning

system tests, and an 'engine room unmanned' control test. All test data and performance conformed to the design requirements, thus earning the ship owner's approval.

LETOURNEAU WORKHORSE JACK-UP RIGS

N407/408 steel cutting

On September 29, COSCO Nantong Shipyard held a steel cutting ceremony for the two LETOURNEAU WORKHORSE jack-up rigs (N407/408), being built for KS Drilling Pte Ltd. The representatives from KS DRILLING, ABS Class, and the project team, attended this

event.

The Self Elevating Drilling Units are based on the LeTourneau Workhorse (240C Class) design, and built to ABS Class. When completed, these rigs will be among the world's deepest drilling rigs with a drilling depth of up to 35,000

ft, capable of operating in 400 feet water depth and with accommodation for 150 persons onboard. It features an offline stand building capability to handle drill pipes efficiently and has a hook-load capacity of 2 million pounds, boosting overall rig performance and productivity.

SEVAN 650-3 CYLINDRICAL ULTRA-DEEPWATER SEMI-SUBMERSIBLE RIGS

N418 keel laying

On October 8, "SEVAN 650-3" (N418) was keel laid in COSCO Nantong Shipyard. Representatives from the owner, DNV Class, the offshore R & D center and the project team, witnessed this moment.

Among the series of cylindrical

ultra-deepwater semi-submersible rigs, the first one "SEVAN Driller" has been successfully delivered to the owner, the second one "SEVAN Brasil" is near to completion. According to the owner's requirements, "SEVAN 650-3" and

"SEVAN 650-4" has optimized the 3D model of the design, increased pre-outfitting at the block stage, and met the strict standards of PSPC. Therefore, the rigs will be more suitable for the harsh environment at deep sea locations.



CIPTC 2011

On October 11, the "2011 China International Petroleum Technology Exhibition (CIPTC)" was held at the China International Exhibition Center in Beijing. It was organized by the Chinese Council for the Promotion of National Trade (CCPNT) and Business Media China AG (BMC AG), and co-hosted by the China Petroleum & Petrochemical Equipment Industry Association (CPEIA) and the China Association of the National Shipbuilding Industry (CANSI).

The exhibition gathers together the newest technological breakthroughs, industry information and industry decision-makers from all over the world and provides good marketing conditions and value-added services for oil and gas businesses. It is a one-stop resource center for business owners, designers, engineers, contractors, and operators and

an ideal platform for technology exchanges, equipment procurement and establishment of effective trade relations.

Around 450 exhibitors, including both local Chinese and foreign companies, attended this event. As one of the major offshore engineering exhibitors from China, COSCO Shipyard displayed its latest technologies, services and products so as to probe and meet the ever-growing demands in the Chinese, Asian and other important markets. At the exhibition, Mr. Hu Jianqing, Deputy G. M. of the Commercial Headquarters of the COSCO Shipyard Group, gave a detailed introduction of the company's development, delivered projects, and orders in hand, to the major oil companies, including CNPC, Sinopec, CNOOC and other potential customers, and he was interviewed by a CCTV correspondent.



Dalian Developer Drillship Chosen as "2011 National Key New Product Plan" Project

Recently, the Dalian Developer Drillship was approved and selected to be a project of the "2011 National Key New Product Plan" by the China Science and Technology Ministry.

It is reported that "2011 National Key New Product Plan" is aimed to promote enterprises' independent innovation, accelerate the industrialization of technological achievements,

and play an important role for the Chinese science and technology planning system. The new product plan was jointly organized and implemented by the Ministry of Science and Technology, Ministry of Commerce, Ministry of Environmental Protection and the China General Administration of Quality Supervision, Inspection and Quarantine.

COSCO Zhoushan obtains good comments again from Teekay

COSCO Zhoushan Shipyard received good feedback from Teekay again for the repair of MT ORKNEY SPIRIT, which just sailed a few days ago. Teekay were pleased with the good service, good safety control, high quality, special attention and fine management system, all of which satisfied Teekay's requirements.

MT ORKNEY SPIRIT, owned by Teekay Shipping, is the fourth repair job awarded to COSCO Zhoushan Shipyard; the companies have successfully cooperated on three previous projects. The major job this time was to renew more than 5000 meters of deck longitudinal in the cargo oil tanks but there was also a lot of additional miscellaneous work to be completed. The beginning of the repair period coincided with the hottest days of the summer season, resulting in conditions inside the tanks which prevented the workers being able

to work from late morning until 4:00pm everyday. This effectively shortened the actual time available for repairs. The question of how to maintain good safety and quality control whilst also maintaining a high working efficiency, was a big challenge for the yard.

As Teekay is one of COSCO Zhoushan Shipyard's most important and loyal clients, the highest attention was paid to every detail by everyone involved, from the top management level to the shop-floor workers. Before the ship's arrival, the yard's principal Mr. Cao Huadong called a special meeting to make all the necessary preparations such as preparations for hot work, to resource the right working team, arrange materials, and to discuss how to plan the major works. During the repairs, all workshop directors visited the ship every day to ensure that the plan was well executed and to ensure problems were promptly

solved. More than this, periodical discussions with the superintendent and several additional meetings were organized to resolve outstanding items.

In this way, the site team worked closely with owner's representatives and valuable support was also provided by the vessel manager and their team with their professional hard work, night shift inspection and timely work confirmation.

Finally, after the mutual effort, the project was completed successfully and, significantly, the relationship between COSCO Zhoushan Shipyard and Teekay was further developed and consolidated.

The vessel manager Mr. Asokan Nareseiah sent the yard a thank you letter on behalf of the ship owner and clearly mentioned there will be more and more cases coming to COSCO Zhoushan Shipyard in the near future.



The 26th Asian Ship Repairers Conference

On the 20th of October, the 26th Asian Ship Repairers Conference, organized by the Yiu Lian Dockyards (Shekou) Ltd., was held in Shenzhen, China. Mr. Hu Jianqing, Deputy G. M. of COSCO Shipyard Group Commercial Headquarters, participated in this conference, together with nearly 30 delegates and guests from 14 ship repair enterprises including Singapore Jurong Shipyard, Thailand Unithai, Malaysia MMHE, Taiwan CSBC, Hongkong United Dockyards, and China Shipping Industry Co., Ltd.

Due to the current depressed ship repair market, there was a heated discussion concerning hot issues such as ship repair demand and supply, and the ship repair base price. Meanwhile, representatives from all the shipyards exchanged their views of the ship repair business performance during the first half of this year, discussing mainly the ship types repaired, the ship repair price, production facilities and new investment plans, environment protection and how to reduce greenhouse gas emissions by conserving energy.



Interview with Vice President of FAIRMONT SHIPPING (CANADA) LTD

Fairmont Shipping (Canada) Ltd's Vice president Mr. Stephen K.W Cheng is passionate about his work. Though Mr. Cheng is always low-key and brief, he always fulfills his duties.

During the extensive repair of the wood chip carrier "MV SIERRA GUARDIAN", Mr. Stephen K.W. Cheng, who is 57 years old, spent most of his time on the vessel, working day and night: we seldom saw him in his office. The major work involved the repair of the main engine and three auxiliary engines, new reconstruction in the CO2 room, work on the shell, full blasting of No.4 cargo hold, and the overhaul of 15 components of the hydraulic jack for the hatch covers. Considering all the various tasks had to be done simultaneously, Mr. Cheng had much to do to check all the projects by himself.

At every morning meeting,



he listened carefully to every element of construction progress and the work plan, writing down the information, and after that he always made his own careful plan and arrangements for the day. During the process of the conveyor belt renewal, Mr. Cheng really acted as the technical expert. In our shipyard, we are working in strict accordance with our craft standard and Mr. Cheng also personally liked to take a hand in

the work. Finally, he never took a rest after dinner; instead he would prefer to check every element of the project. Finally he would normally leave the ship after 8 o'clock every night to return to his hotel for a well earned rest.

After the work was successfully completed and the vessel had sailed, Mr. Cheng told us he was very pleased with the repair. The ship yard had been under great pressure and tried their best to work day and night to guarantee completion on schedule. At last, he revealed a fact to us: The "MV SIERRA GUARDIAN" sister ships were also under repair, with a similar scope of work, in a rival Chinese shipyard, but the repair period was more than 4 days longer than ours. This spoke volumes of COSCO Lianyungang Shipyard's repair speed and quality. He hopes that we have more cooperation in the future.

First Chinese and English Bilingual Speech Contest

Recently, COSCO Nantong Shipyard launched its first Chinese and English Bilingual Speech contest, with the theme of "everyone is security administrator, everyone is quality administrator".

The English oratorical contest was carried out in two ways; the prepared speech and the impromptu speech. Mr. Xu Xiulong, Deputy G. M. of the Technical Center of the COSCO Shipyard Group, Mr. Steen, the owner's representative from LAURITZEN TANKERS, and Ms. Zhang Yan, an English teacher from Nantong University, were invited to serve as the judges for the English speech contest.

At the Chinese speech contest, the contestants explained and stressed the importance of quality and safety management in the production process, combined with the basic KPS management theory "eliminate waste". Mr. Zhuang Jianjun, Deputy G. M. of COSCO Nantong Shipyard, and Mr. Xu Rulin, Chairman of the Trade Union of COSCO Nantong Shipyard, attended the event as the judges.

After the intense competition, the participants from the Painting Workshop and the Quality Department won the first prizes in the Chinese and English contests respectively.

M/T Bunga Kelana 4 & 5 drydock simultaneously

Recently, M/T Bunga Kelana 4 & M/T Bunga Kelana 5, which belong to AET Shipmanagement (Singapore) Pte. Ltd., underwent floating repair in COSCO Guangdong Shipyard simultaneously. Despite the huge scope of work for both vessels, the repair schedules were acceptable and satisfied

the owner. In the case of Bunga Kelana 5, the main work scope involved 4500 meters of heating coil renewals in 4 COT and 2 Slop Tank and the treatment of 13 water tanks. The shipyard did its very utmost to finish the repair within 21 days. The owners were very satisfied with the working period.

