



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 Shipyard secured US600 Million contracts

COSCO Shipyard has recently won a number of high-profile building contracts.

COSCO Nantong shipyard has secured a contract valued at USD370 million from a European company to build one (1) Floating Production Storage and Offloading unit ("FPSO"), while COSCO Qidong secured a contract to building a Semi-submersible Accomodation Rig, valued a tover US\$200 million.

This FPSO contract is an EPC contract and COSCO Nantong Shipyard will take responsibility for the design, engineering, procurement, construction and outfitting, on board installation of equipment, testing, pre-

commissioning and commissioning of equipment and systems, sea-fastening, verification and certification in accordance with the class and regulatory authorities and wet tow of the FPSO alongside the HLV.

The FPSO will measure 78 meters in diameter and 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 FPSO also has the necessary facilities for gas dehydration, compression and export, water injection, produced water treatment and disposal, oil and gas metering, crude export,

utility systems, process / well control and shutdown systems, accommodation, heli-deck and flare systems.

Aother contract for one unit of Harsh Environmen Semi-submersible Accomodation Rig, signed by COSCO Qidong Offshore has been made effective at a value of over US\$200 million. The rig is scheduled for delivery in Q1 2015.

The EPC contract makes a great breakthrough for Chinese offshore manufacture industry and the Semi-submersible Accomodation Rig building contract also contributes to COSCO Shipyard's shipping business in offshore services market.



Senior technical management training

From November 16 to November 19, the 2012 senior technical management training courses were offered in the China Executive Leadership Academy in Pudong. The training program was organized by the COSCO Shipyard Group in accordance with the "enterprise thrives on talent" strategy with the aim of strengthening the development and management of its technical personnel.

The GM of COSCO Shipyard Group, Mr. Wang Yuhang, attended the opening ceremony of the training course and delivered a speech, in which he fully recognized the great contribution of the technical personnel to the development of the COSCO Shipyard Group, encouraged the technical staff to further exert their talent and intelligence, and required that the relative functional

departments of the Group should further improve the promotional and career planning system for the technical personnel, be more concerned about their welfare and create an effective incentive mechanism, which would ensure a strong talent base for further development of the COSCO Shipyard Group.

The COSCO Shipyard Group invited 6 external lecturers and 2 internal lecturers for the training courses. A total of 7 topics were covered in the courses, including strategic technical management, transfer from technician to manager and establishment of an efficient R & D system. A total of 59 senior technical managers (chief designer and above) enrolled in the courses. The feedback from the trainees during and after the courses indicated that the training had achieved the expected results.

Tender drilling rig delivered to Seadrill

On December 18, COSCO Nantong Shipyard successfully delivered "T-15", a self-erecting tender drilling rig, to Norway's Seadrill.

The rig is caple of drilling in

waters of up to 6500 feet with a drilling depth capacity of 20000feet.

COSCO Shipyard is requested to delivery T-15 in the first quarter of 2013. As a matter of fact, COSCO Shipyard's delivery of T-15 is ahead

of schedule.

COSOCO Shipyard is contracted to deliver three other similarly-built rigs. T-16, T-17 and T-18. T-16 and T-17 are now under commission stage.



Santos Basin field, discovered by COSCO Shipyard built drill rig, in press again

Recently Tradewinds reported that Brazil's Petrobras was going to decide the next steps regarding high-profile Block BM-S-8 in the Santos basin. BM-S-8, known as one of the largest and deepest wells, was discovered by Brazil's Petrobras using SEVAN DRILLER, the first ultra-deep water drilling unit and built by COSCO Shipyard. The drilling unit was delivered to SEVAN MARINE Company in November 2009 and was leased by Brazil's Petrobras.





CMA SHIPS and COSCO Shipyard signed Fleet Agreement

On November 8, CMA SHIPS and COSCO Shipyard Group signed a ship repair fleet agreement (FA) at the COSCO Shipyard Commercial Headquarters, Shanghai. Mr. Ludovic Gerard, Vice president of CMA SHIPS, and Mr. Li Rong, Managing Director of COSCO Commercial Headquarters, signed the relevant

documents. Mr. Cao Huadong, party secretary of COSCO Zhoushan Shipyard, attended the ceremony.

The CMA CGM container vessel fleet is presently ranked No.3 in the world, and CMA SHIPS, a wholly owned subsidiary of CMA CGM, manages a fleet of 112 vessels with total capacity of 594,599 TEU.

COSCO Zhoushan Shipyard has just finished the repair of CMA CGM LIBRA, a 11388TEU container ship, and the owner expressed satisfaction with the service and quality. The signing of the FA will definitely further enhance and deepen the cooperation between the two companies.

Merry Christmas

On December 24, Christmas parties were held in COSCO Shipyards to celebrate the western Christmas holidays. Their customers, friends from ship owners and whose representatives, ship surveyors from all over the world, as well as employees and leaders from the yards gathers amidst joyful Christmas songs to celebrate Christmas Eve 2012.



Our supporting enterprise promotes new NDT technology

On December 7, a promotional conference for new non-destructive testing (NDT) technology PAUT/TOFD was held in the Shanghai Yalong International Hotel. Hosted by the G.M. of Zhongxing Sea-Land Engineering CO., LTD (the supporting enterprise of COSCO

Shipyard), Mr. Xie Kuangzhen, the promotional conference saw the presence of more than 40 guests from DNV, ABS and 17 major domestic ship and offshore building companies.

Zhongxing Sea-Land Engineering has always been

devoted to the application and promotion of new NDT technologies. With the rapid development of TOFD (Time Of Flight Diffraction), PAUT (Phased Array Ultrasonic Testing) and guided wave, the imaging and recording is realized through computer and digital technologies, which significantly improves accuracy and reliability. Zhongxing Sea-Land Engineering has successfully applied PAUT/TOFD technology to the weld inspection of ship and marine engineering, which partially or completely replaces UT, X-ray and γ -ray detection and significantly improves work efficiency and detection accuracy.

The new PAUT/TOFD NDT technology has won recognition from DNV and ABS.



Vice President of ABS Global visits COSCO Nantong

On December 13, the vice president of ABS Global, John McDonald, paid a visit to COSCO Nantong Shipyard to learn about the status of the company's construction of the HSSE system. Mr. McDonald and his team were warmly received by the party secretary of COSCO Nantong Shipyard, Mr. Zhu Zhihong.

Mr. McDonald spoke highly of the progress and achievement of COSCO (Nantong) Shipyard in the field of offshore engineering, as well as the sincere cooperation between the two sides on offshore projects over the past 5 years. The two sides exchanged ideas on the future development

of offshore engineering and entered into in-depth discussions on the development of the safety philosophy and the management of safety systems, as well as other topics. Mr. McDonald, who was visiting China for the first time, said that he was deeply impressed by the safety culture (under the slogan "Safety for everyone") of COSCO Nantong Shipyard, especially the information system for the detection and removal of hidden dangers, which appeared to him to be most enlightening. Mr. McDonald added that he was looking forward to further cooperation with COSCO Nantong Shipyard.



NOCC delegation visiting COSCO Nantong Shipyard

On November 15, 2012, at one thirty in the afternoon, in the No. 511 conference room of COSCO Nantong Shipyard, every partner in charge of the project, in conjunction with commercial headquarters leadership, met a visiting NOCC delegation. Both sides held preliminary discussions for the NOCC company PCTC conversion project.

After the meeting, under the guidance of the shipyard's

representatives, the owner's representatives visited the shipyard with interest, and personally climbed blocks under construction for direct observation of construction quality. They were satisfied with the technology standard, the production management and safety management of COSCO Nantong shipyard, and expressed their wish to continue cooperation with the shipyard.





WTIV keel laying

On November 28, COSCO NANTONG Shipyard successfully finished the keel laying of N488, the WTIV (wind turbine installation vessel)

being built for A2SEA A/S. The ship owners, representatives from DNV, and leaders from the yard side co-witnessed the moment.



T-18 keel laying

On December 15, COSCO Nantong Shipyard held a keel laying ceremony for the Seadrill T-18 drilling tender, N512, the fourth tender barge built by the

yard for Seadrill. Representatives from the Seadrill company, ABS class society and leaders from the yard co-witnessed the moment.



COSCO Shanghai cut steel for two utility modules

On December 11, COSCO Shanghai Shipyard held a steel cutting ceremony for its two function modules N513/N514. Ship owners, representatives from ABS and leaders from the yard co-witnessed the big moment.

Each module is 23 meters in length, 14 meters in width

and 18 meters in height, weigh 600 tons and is equipped with a cargo pump control system, IGG (Inert Gas Generator), Fresh Water Generator and other systems. The two function modules were designed by COSCO Shanghai Shipyard and will be transported to Brazil for assembling.

Cheviot topside project: successful lifting and installation of the living quarters

On November 27, the Cheviot topside project (N389) saw the successful completion of the lifting and installation of the living quarters in COSCO Nantong Shipyard.

The living quarters are 31 meters in length, 12 meters in width and about 700 tons in weight. With improved processing technique, the risk in the process of transporting and lifting was minimized. Using a 3200t crane, the project team made an accurate calculation of the center of gravity, which ensured that the living quarters remained steady during the lifting and, with the help of the positioning guide plate, the living quarters were put into place on the first try. This significantly reduced the difficulty of subsequent size control and adjustments.

Following the living quarters, the installation of the equipment skids and piping instruments will be carried out.



Jack-up drilling rig enters leg erecting procedure

The first section of the leg for N407- the jack-up drilling rig - has been installed successfully inside the leg well. It marks the start of the leg erection procedure on the slipway, which is an important

milestone in the jack-up drilling rig's construction.

The Self Elevating Drilling Units will be among the world's deepest drilling rigs after delivery, with a drilling depth up to 35000 ft, capable

of operating in 400 feet water depth and with accommodation for 150 persons onboard. At present, N407 has reached 65% completion while 40.8% of N408 has been completed.





"Alexandros Theo" smooth sailing following successful repair

"Alexandros Theo" is the second Evripos Shipmanagement Inc. vessel to be repaired by COSCO Nantong following the repair of "Efi Theo". The main repair task was cargo hold sand blasting and painting, conventional docking

repair, electrical and mechanical engineering and a small amount of steel plate renewal. The yard made a reasonable repair plan, based on the agreed workscope, and the repair process proceeded smoothly. The cooperation between the

two sides was also very good and resulted in smooth sailing following a successful and on-time repair.

Although the repair was relatively small, both friendly and cooperative relations were strengthened during the process.



"D.O to H.F.O" conversion for dredger "TianShan"

Recently, the dredger "Tian Shan" has been under repair in COSCO Lianyungang shipyard. The ship is managed by CCC Tianjin Dredging Co., Ltd, which is a wholly-owned subsidiary of China Communications Construction (CCC) and was established in 1897. The ship is a 3500 m³ / h suction dredger and the major renovation project work is a "D.O

to H.F.O" conversion, in order to reduce operating costs. Repairs also included the reamer frame trunnion, generator system, dredging system, the whole ship suction pipe and dredge pipe renewals and repair of three mud pumps.

Such a major fuel system conversion involves extensive fuel supply system transformation,

fuel oil purification system transformation, the hot oil heating system transformation, hot water boiler loading test, engine room layout adjustment, hull transformation and electrical system changes amongst many others.

Through this work COSCO Lianyungang shipyard successfully opened the dredger repair market for itself.

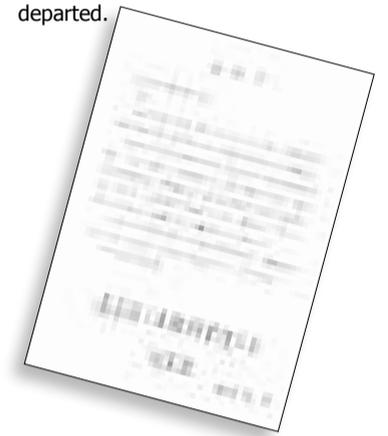
Sea damage repair for "Seacon 8"

"Seacon 8" sailed successfully on Dec. 13 after a seven day repair in COSCO Zhoushan Shipyard.

The newly built vessel, experienced sea damage during her maiden voyage and arrived at the yard on 5th Dec for repair. The yard's repair team promptly arranged to examine the project and discuss the working plan in the dry dock bottom together with the client. The sea damaged area, comprising a total of 50 tonnes of structure, was renewed in only 5 days as a result of the worker's hard work day and night. The owner and surveyor were satisfied with the tightness test and UT test following completion of the whole steel job. Once the repair, including wet painting of new steel in the

ballast tank, had been completed the vessel was undocked and departed on the morning of 13th.

It was the first ship repair cooperation between SEA STAR SHIPS MANAGEMENT CO., LTD. and COSCO Zhoushan Shipyard. The owners' representatives wrote a thank you letter to our repair team to express his satisfaction when the vessel departed.



Accommodation fire damage repair from Diana Shipping Services S.A.

The vessel NIREFS (76,000DWT), managed by Diana Shipping Services S.A., called in for accommodation fire damage repairs at our COSCO Guangdong Shipyard on Nov. 2012.

During this repair call, the major workscope involved; Complete redecoration of Accommodation C-Deck; renewal of around 13,000m of electrical cables; re-commissioning of all bridge deck equipment and other work. The

work was carried out under supervision of the technical superintendent engineer Mr. Evangelos G. Peppas & technical superintendent electrician Mr. Evangelos Koutantes. The LRS requirements as classification society were also met during this call.

Diana Shipping Services S.A. have already confirmed two more vessels are destined for our COSCO Guangdong Shipyard because of this successful repair.

"Prince of Waves" sea damage repair in COSCO Shanghai

This August "Prince of Waves", from Dutch owner Seatrade, successfully accomplished her 3rd special survey in COSCO Shanghai. Seatrade is one of COSCO Shanghai's long-term clients and this time they were again impressed by the great performance of COSCO Shanghai.

The vessel had sustained a large scale of sea damage which involved the whole fore peak tank and bulbous bow being totally destroyed. The full estimated scope of steel renewal was around 120 tons, but the real challenge of this project has been the process of rebuilding the fine shape of the bulbous bow during 20days repair period.

After the ship's arrival, COSCO Shanghai immediately arranged the repair team and hosted the A-meeting with the owner's representative to define the workscope and organize and

coordinate the repair plan and schedule. All repair jobs were thus started properly but soon after docking the vessel we found its condition was worse than anticipated and the damaged area was found to be bigger than reported and all involved plating found to be double curved. Based on this situation the yard immediately adjusted the plan and arrangements and increased the labor force and technicians. The owner was very impressed by the adaption and organized crew to assist with some jobs. With mutual efforts, the yard finally completed the work in a total period of 18 days: 2 days in advance of the owner's request.

The night before the vessel sailed the owner hosted a big party onboard to show how much they appreciate all the effort made by the yard's staff and ship's crew.