

About YPSN

The YPSN monthly newsletter aims to provide you with the latest developments affecting our members in shipping in Hong Kong and broader China.

If you are interested in registering as a member, sponsoring an event or suggesting activities for YPSN to organize, please feel free to get in touch with us on youngprofessionals.shipping@gmail.com

Robots Afloat

The robots are enjoying a bit of airtime at present, with various hints that unmanned ships might be just a short distance over the horizon. The European Union, perhaps because it is despairing of any enthusiasm among Europeans for a life at sea, is undertaking a study on advancing maritime automation to its ultimate conclusion, with the engineering firm Rolls-Royce revealing some exciting artists' impressions of what such ships might look like. In fact, they just look like convention ships, upon which somebody has omitted to position any superstructure. So maybe, they are not that exciting, after all.

It is not the first time that the unmanned ship has attracted the attention of the shipping industry. In the 1980s, the Japanese shipbuilding industry put a great deal of time and effort into its unmanned ship project, looking for that elusive technical lead that would keep the fleet competitive and the shipbuilders building ships. They too had imaginative pictures of fleets of unmanned ships crossing the ocean, all controlled by a single crew aboard a sort of "shepherd" vessel, which would provide oversight.

It never happened, although there was one single voyage of a 40,000dwt bulker, which sailed from Japan to the west coast of North America, in an unmanned state, with her controllers aboard an accompanying ship. At least the project proved it was possible, although there was a lack of any commercial take-up, with owners discovering the cost saving alternatives of the open registers and cheaper crews from the developing world. They may not have been as revolutionary, but they did the business.



Artist's take of Unmanned Vessels

Of course we have come a long way since then, with technical abilities advanced to such an extent that little tracked vehicles can be driven around on the surface of Mars, and unmanned aircraft undertaking a variety of tasks over land and sea. There are unmanned and fully autonomous submersibles doing useful jobs for the sub-sea sector, others gathering important data for oceanographers. It would be a bold person who would suggest that if the will was there and the money unlimited, unmanned ships could not be put into operation.

But on closer examination, there are some very high hurdles that have to be overcome before the first robot ship casts off her mooring ropes and heads out to sea. Maritime law, and the lessons of history, inform us that a ship with nobody aboard her is a derelict, which can be boarded at will by anyone brave enough, and taken to port as salvage.

Unless the law is changed (and that will take a decade or two) one can imagine an unmanned ship being followed around by fleets of opportunistic salvors, waiting their chance to get aboard and take control.

And of course there are far less respectable folk than salvors at sea today, looking for ships to rob and ransom, with piracy a notable feature in several parts of the world. Of course one might dream up counter-measures, such as electrifying the ship's rail, or fitting enormous burglar alarms, but it is difficult not to conceive of a more techno-savvy generation of pirates simply jamming the ship's systems from a safe distance and directing her to a pirate port.

And that's not me being fanciful – a US university team has already managed to remotely take over the controls of a craft in an experiment, so one could imagine every pirate band in the future having a competent hacker in their number.

But even if the world's' waters were free from such a plague, there are reasons to be somewhat sceptical of the notion of unmanned ships. You don't have to be at sea for very long to realise that it is an intensely hostile environment, violent, corrosive and subject to temperature fluctuations and vibration, just for a start. Any equipment that is going to work aboard a ship has to be twice as robust as anything on land and still the unexpected happens. You counter this by building in resilience, by duplicating systems, and having in place a crew of people capable of intervening and saving the day when things go badly wrong.



Centre for Maritime Simulations, AMC

Time and time again, on virtually every ship, the ministrations of the crew, in their endless maintenance tasks, are heading off the breakdowns and picking up the pieces when something has escaped their notice. And sceptical mariners, like this writer, like to point out that ships' crews are now so ridiculously small they are almost indistinguishable from robot ships with nobody aboard at all! Certainly, machinery and systems have become very much reliable than in the past, but they still break down and require the rapid intervention of a person with a spanner, or a keyboard, more importantly, some relevant experience, to keep disaster at bay.

But that is just my opinion. Ask an underwriter if he would consider a large unmanned merchant ship an acceptable risk. Ask the inhabitants of a coastal state if they would be happy to see unmanned ships, packed with cargo they would not really like to end up on their beaches, sailing by. And if we cannot find people prepared to go to sea, maybe we should be looking to make the sea life better, rather than commissioning the robots.

Michael Grey

BVI's Shipping Registry – A High Water Mark for the Caribbean



Red Ensign of the British Virgin Islands

The British Virgin Islands (BVI) has long been known for having one of the best sailing waters in the world and the Virgin Islands Shipping Registry (VISR) continues to attract the registration of large commercial yachts. VISR is a member of the Red Ensign Group (REG) of British Shipping Registries and operates a shipping register from the BVI. The BVI has Category One Registry status within REG which permits registration of general cargo vessels of unlimited tonnage and mega yachts of up to 3,000 gross tons.

Ownership by a BVI Company

For a ship to be registered in the BVI, it must be majority owned by a “qualified person”. A “qualified person” includes citizens/corporations registered in the UK, its crown dependencies and overseas territories (which includes the BVI), as well as nationals of, overseas territories of, and companies incorporated in, member states of the EC or EEA. Companies, however must have a place of business in such member state or overseas territory. Companies incorporated in a Member State of the Caribbean Community or the Organization of Eastern Caribbean States and registered in the BVI are also considered a “qualified person”. Other nationals (individuals/company) are permitted to own a minority interest in a Virgin Islands ship.

Given BVI’s international reputation for the domiciling of companies, clients invariably form a BVIBC to own registered yachts. Almost all BVIBCs are incorporated as a company limited by shares and incorporations can usually be completed within 24 hours. Subject to a BVIBC’s Memorandum and Articles, the objects of such company are usually unrestricted. No governmental or regulatory approvals are required for incorporating a BVIBC, unless its business is regulated in the BVI. There are also no foreign exchange controls or investment restrictions in the BVI. Further, a BVIBC not conducting business in the BVI will not generally be subject to BVI stamp duties, income taxes, corporate or capital gains taxes, withholdings, levies or registration taxes. Neither are there any estate duties, inheritance taxes or gift taxes due, or other duties or similar taxes or charges.

Some Advantages of Registration under VISR

1

Ships flying the Red Ensign are entitled to British Diplomatic/Consular support and Royal Navy protection.

4

Availability of provisional registration to meet varying circumstances, as well as “under construction” registration.

2

Low initial registration and annual renewal fees.

5

Simple and secure registration of ship mortgages, discharge of mortgages, change/transfer of ownership and other proprietary interests and services.

3

Internationally accepted yacht registration and certificates.

6

Reasonable ownership qualifications, including ownership by a BVI business company (BVIBC).

Mortgages

A registered ship or a share therein may be used as security for a loan or other valuable consideration. The instrument creating the security must be registered at the ship's port of registry. All mortgages are recorded by the Registrar of VISR in the order in which they are presented to him, not according to their dates of execution, and rank in accordance with registration date.

Another advantage of having a yacht held by a BVIBC is that the particulars of security granted by a BVIBC may be registered in the BVIBC's register of registered charges which is maintained by the Registry of Corporate Affairs in the BVI. Such security would have priority as a matter of BVI law over security interests which are subsequently registered in respect of the same secured property, or which are unregistered.

The BVI is recognised worldwide as a reputable international financial centre and one of the world leaders in company formation and related corporate services. It is therefore a natural and extremely popular choice for yacht registrations.

Omonike Robison Pickering and Lisa Penn Lettsome, Walkers

YPSN EVENTS MAY, JUNE 2014



YPSN PRC's Spring Social
 Wednesday, May 7, 2014 (18:30 onwards)
 MUSE On The Bund, Shanghai
 RSVP to ypsn.prc@gmail.com



Pacific Basin Soccer Sixes (sold out)
 Wednesday, June 11, 2014
 Hong Kong Football Club, Hong Kong
youngprofessionals.shipping@gmail.com



Women in Shipping and Trade Round-table luncheon
 Friday, May 9, 2014 (11 - 2pm)
 8 Connaught Road, Central, Hong Kong
youngprofessionals.shipping@gmail.com

INDUSTRY EVENTS APRIL, 2014



The Nautical Institute: IMSBC CODE GROUP A BULK CARGOES
 Thursday, April 17, 2014 (18:30 onwards)
 Police Officer's Club, Causeway Bay, Hong Kong
secretary@nautinsthk.com



The Most Often Used Logistic and Trading Words



English 英语全称	Chinese Pinyin 汉语拼音	Chinese Characters 汉字
Arrival Notice	dào huò tōng zhī shū	到货通知书
B/L Copy	tí dān fù běn	提单副本
Base Port	jī běn gǎng	基本港
Bill of Lading (B/L)	tí dān	提单
Bonded Area	bǎo shuì qū	保税区
Bonded Area	bǎo shuì qū	保税区
Booking Agent	dìng cāng dài lǐ	订舱代理
Cargo Volume	huò liàng	货量
Carton	zhǐ xiāng	纸箱
Combined Bill	bìng dān (tí dān)	并单 (提单)
Bonded Goods (Goods in Bond)	bǎo shuì huò wù	保税货物
Manufacture	zhì zào shāng	制造商
Brokerage /Commission	yōng jīn	佣金
Dead Freight	kōng cāng fèi	空舱费
Commodity Inspection	shāng pǐn jiǎn yàn	商品检验
Container	jí zhuāng xiāng	集装箱
Estimated Time of Departure/EDT	yù jì lí bó shí jiān	预计离泊时间
Customs fine	hǎi guān fá kuǎn	海关罚款
Customs House Broker	bào guān háng	报关行
Customs Inspection	hǎi guān chá yàn	海关查验
Customs seals	hǎi guān guān fēng	海关关封
Delivery Order	jiāo huò dān (xiǎo tí dān)	交货单 (小提单)

English 英语全称	Chinese Pinyin 汉语拼音	Chinese Characters 汉字
Free on Board (FOB)	lí àn jià gé	离岸价格
Freight Forwarder	Huò yùn dài lǐ	货运代理
General Rate Increase (GRI)	yùn jià shàng diào	运价上调
Handling Agent	cāo zuò dài lǐ	操作代理
Inco terms	guó jì mào yì shù yǔ	国际贸易术语
Market Price Level	shì chǎng jià shuǐ píng	市场价水平
Master Bill of Lading	chuán dōng tí dān	船东提单
Measurement	chǐ cùn	尺寸
Nomination Cargo	zhǐ dìng huò	指定货
Ocean/ Sea Freight	hǎi yùn	海运
Peak Season Charge	wàng jì fù jiā fèi	旺季附加费
Peak Season Surcharge	wàng jì fù jiā fèi	旺季附加费
On-schedule arrival / departure	zhǔn bān dī lí	准班抵离
Shipping agent	chuán bó dài lǐ	船舶代理
Shipping Order	tuō (yùn) dān	托 (运) 单
Special Rate	tè jià	特价
Supply Chain Management	gōng yīng liàn guǎn lǐ	供应链管理
Terminal Handling Charge (THC)	mǎ tóu cāo zuò fèi	码头操作费
Transit Time (TT)	zhōng zhuǎn shí jiān	中转时间
Unit price	dān jià	单价
Warehouse Management System	cāng kù guǎn lǐ tǐ xì	仓库管理体系
Through Bill of Lading	quán chéng tí dān	全程提单
Estimated(Expected) Time of Arrival	yù jì dào dá shí jiān	预计到达时间

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