

THE MELVILLE CONNECTION

A publication of MELVILLE SHIPPING LIMITED, provider of quality ship agency, chandlery and other related services at all ports in Trinidad & Tobago

Volume 1, Issue 2

July - September 2005

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Our Quality Policy

To our customers:

We shall ensure that our customers are the focal point of our business. We commit to meeting or exceeding all requirements with on time, efficient and defect free products and services

To our principals:

We commit to providing proactive and responsible representation. Timely and effective communication shall form the cornerstone of our service.

To our suppliers:

We commit to working together to develop long term and mutually beneficial relationships.

To our employees:

We shall provide a safe and comfortable working environment. We shall ensure continual development and empowerment through ongoing training. We shall build strong relationships through effective communication, feedback, and recognition processes.

To our stakeholders:

We shall optimize the use of available resources to remain a growing, dynamic, and profitable company.

Melville Shipping Limited shall review, monitor, and measure its processes to ensure continual improvement and increased satisfaction for our customers, principals, suppliers, employees, and stakeholders.

Globalization Trend in Shipping Continues Moller-Maersk Acquires Royal P&O Nedlloyd

In what most industry analysts agree is possibly the biggest deal to ever take place within the shipping industry, Danish based A.P Moller Maersk has acquired the holdings of Royal P&O Nedlloyd in a deal worth an estimated US\$3 billion. By August 4, the expiry date for shareholder acceptance of the offer, Maersk had secured 95.6% of available shares. Maersk subsequently took management control of PONL on August 11, the final settlement date.

The Danish group owns Maersk-Sealand, which is currently the world's largest shipping company. Maersk-Sealand owns more than 300 container vessels and

750,000 containers. P&O Nedlloyd, the world's fourth largest shipping company has 156 vessels and 428,000 containers. The "combined entity" will control an estimated 20% of the global shipping market.

The bid by A.P Moller Maersk was reportedly largely fuelled by current limitations in ship capacity within the market. World trade has been expanding at a phenomenal pace, particularly in light of the manufacturing boom in places like China, and several shipping companies have been faced with the dilemma of lengthy waiting lists for new ships and an inability to charter existing vessels.

Maersk Sealand's CEO, Knud E. Stubkjaer, has been quoted as saying that "a combination of P&O Nedlloyd and the Maersk container business will create new and exciting opportunities in global commerce". Analysts agree that the takeover would yield significant cost savings and improved profitability.

Melville Shipping Limited has acted as agents for P&O Nedlloyd in Trinidad for a number of decades and has played a key role in making "Nedlloyd" the shipping line of choice for many local importers and exporters. Trinidad has also served as a major transshipment port for P&O Nedlloyd cargo.

PATT Divides its operations into Five Business Units

In its continued attempts to provide more efficient levels of service, the Port Authority of Trinidad and Tobago (PATT) has announced intentions for the formation of five new business units. These units include the Port of Port of Spain (PPOS), the Port of Spain Infrastructure Company (POSInCo),

Trinidad and Tobago Inter-Island Transport (TTIT), Destination Trinidad and Tobago (DTT), and a marine services company entity. TTIT will manage the inter-island ferry service while DTT will manage the port's cruise ship operations.

Four proposals have been

received with regards to the search for an operator for PPOS. Indications are that a manager will be sourced for DTT. PPOS and POSInCo are scheduled to be operational by the end of August 2005.

The PATT has also undertaken to send several

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ISO 9001:2000 REGISTERED FIRM

From the CEO's Desk

The Government's recent announcement that it will build a new state of the art port, replacing the existing Port of Spain port is good news for all stakeholders. However, the question is, is it too late? Three years is the projected time quoted by the Minister for completion but the reality is by that time business may be lost. The fact is, throughput through the port of Port of Spain is down significantly, not due to shipping lines leaving the Port, but through a

conscientious decision to re route cargo through other transshipment ports. Furthermore, the consolidation of existing shipping lines with the buyouts taking place, makes the market for customers smaller.

For two years now, the Port has confirmed that it is buying a new gantry crane. To date it has not been ordered. To be fair to them, the last six months has seen some positive steps being

taken to improve Port of Spain – a container terminal management system, paving of lands at spectrum and purchase of some support equipment. However, implementation is always slow. If we look at Jamaica which suffered terribly with congestion at Christmas time, by January they had four new ship to shore gantries.

However, as a shipping agent and for the business community as a whole in

Did you know?

Most of the world's shipping fleet measured by Gross Registered Tonnage (GRT) is registered in Panama. Panamanian registered ships represent approximately 22% of total world capacity based on GRT. Liberia is a distant second with 9% based on GRT.

Trinidad we welcome any change and will remain positive that the plans will benefit all stakeholders.

PATT Divides its operations into Five Business Units (cont'd)

(Continued from page 1)

of its staff for additional training (both local and foreign). Most recently training has been conducted to deal specifically with the maintenance of cargo handling equipment. Equipment breakdown and failure has historically been one of the most challenging issues for the PATT.

The Port-of-Spain waterfront is

also undergoing a visual transformation which is not directly related to PATT development but rather to Government's initiatives re the construction of a new International Waterfront Complex. This International Waterfront Complex, it is hoped, will assist with its bid to have Trinidad act as the headquarters for the Free Trade of the Americas Secretariat.

New Port of Port of Spain Facility/Location proposed

The Works and Transport Minister of Trinidad and Tobago has announced of the government's intentions to establish a new Port-of-Spain port facility equipped with the most up to date equipment and technology.

The location for the new facility would most probably be at Sea Lots in north Trinidad. If the plan gets the go ahead, estimates are that it could be completed within three years.

Further indications are that the proposed movement of the current port facility will allow continued development of the transportation network in the capital including road expansion and the re-establishment of a rail system.

Repsol YPF Exercises Option; Purchases Three Trinidad Oilfields

In late July, Repsol YPF, indicated that it will exercise its pre-emption right to purchase three of BPTT longest producing oilfields located of the southeast coast of Trinidad. The purchase price is a reported US\$229 million. The "sold" assets of the Teak, Samman and Pouli fields include 14 platforms and associated infrastructure, and associated exploration and production licences. BPTT will however maintain deep exploration and production rights within these fields. Also associated with the sale is Repsol YPF's purchase of one gas field, the Onyx gas field, which is soon to be

developed. BPTT's Galeota terminal is not part of the sale.

Prior to Repsol's announcement to exercise its option to buy, BPTT had announced a conditional agreement for sale of the assets to Neal & Massy Energy and Perenco.

Repsol YPF's decision is reported to be consistent with "its growth strategy in the Caribbean region". In the company's 2005-2009 strategic plan, Repsol YPF plans on investing US \$2.2 billion in the Caribbean, US \$1.25 billion of which will be spent in Trinidad and Tobago.

Petrotrin, the Trinidad and Tobago State owned company will purchase a 15% stake in the fields. This is however subject to the local government approval and the government's exercise of its own option to purchase 15% in the fields. The fields currently produce approximately 20,500 barrels of oils per day.

Repsol YPF is a 30% shareholder in BPTT. It is also a major stakeholder in trains 1,2,3 and the soon to be operational train 4 of the Atlantic LNG gas liquefying plant at Pt. Fortin Trinidad.



The Lighter Side - If it wasn't for the last minute, nothing would get done.



Port Focus - PLIPDECO (Part I)

Point Lisas is located in central Trinidad along the coast of the Gulf of Paria. PLIPDECO, the Point Lisas Industrial Development Company Limited, is a public corporation entrusted with overseeing the activities that take place at the Point Lisas Industrial Estate, port Point Lisas, and associated marine and harbour management services.

Port Point Lisas consists of eleven (11) berths, six of which #1, #1a, #2, #3, #4, and #5 are devoted to the handling of General and Break Bulk Cargo, RO/RO and LO/LO along what is termed the Commercial

Dock. Another berth (Berth #6) is to be constructed and also devoted to the aforementioned type of operations. Other berths are devoted to the handling of industrial type cargo including ammonia, methanol, and iron products.

The berths along the "Commercial Dock" range in dock length from 30 to 200 metres and can accommodate vessels with a maximum draught of 11.76 metres.

The port has made significant investments with regards to its operations at these berths. Three new

Rubber Tyre Gantries (RTGs – cranes) are to be commissioned in August 2005. Additional storage area of approximately 240m x 120m is being added alongside the existing berth #5 which will add an additional 2,000 TEU storage slots.

Further plans for the "Commercial Dock" include the construction of an Entrance/Exit Control facility to reduce congestion on the port. The port operates a Container Examination Station on behalf of the Customs and Excise Authority and offers unstuffing at its LCL Warehouse facility. This

facility is slated to receive additional forklifts to provide increased efficiency.

PLIPDECO's additional development and maintenance plans include an upgrade of berth #4; reconstruction of the empty container yard; the creation of a maintenance service center; and upgraded accommodation facilities for port workers.

Shipping Lines calling to Port Point Lisas include Crowley, InterMarine, Seaboard Marine, Maersk-Sealand, Seafreight and Tropical.

PLIPDECO's operations are ISO 9001:2000 certified.



INDUSTRY BRIEFS



NEW INDUSTRIAL SITES PLANNED IN TRINIDAD

Fuelled by the rapid growth of Trinidad's energy sector, particularly as relates to gas production, sites for three new industrial estates have been identified by the National Energy Corporation (NEC).

The three selected sites are all along the island's west coast due to its sheltered nature. They are: Point Lisas Extension (1,400 hectares), Cap-de-Ville Extension (530 hectares) and Oropouche Bank (1,400 hectares) via the reclamation of land along the Oropouche River.

The Cap-de-Ville site is the proposed location for an ALCOA aluminum smelter that will generate 300,000 tons of product annually.

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The existing industrial site of Union Estate in La Brea is also the proposed site for another aluminum smelter based on ongoing discussions with the

government of Trinidad and Tobago and personnel from China. The smelter will be 60% owned by NEC and 40% owned by SURAL, a company based in Venezuela.

GAS EXPORTING COUNTRIES FORUM MEETS IN T&T

Established to promote greater dialogue between LNG producers and consumers, and to ensure the stability and sustainability of the industry, the Gas Exporting Countries' Forum (GECF) held their annual conference in Trinidad during the last week of April. It marked the first time in the Forum's five year existence that the conference was not held in the Middle East.

The GECF currently has 15 members including Algeria, Bolivia, Brunei, Egypt, Indonesia, Iran, Libya, Malaysia, Nigeria, Oman, Qatar, Russia, Trinidad and Tobago, the United Arab Emirates and Venezuela.

Outcomes from the meeting included an agreement to establish a bureau to

discuss gas pricing arrangements. Members though were quick to point out that the Forum is not a cartel. Also agreed to was the establishment of a liaison office (in Qatar) and the development of a LNG supply and demand model.

NEW AMMONIA PLANT PLANNED FOR LA BREA

A Memorandum of understanding has been signed between the Government of Trinidad and Tobago and La Brea Nitrogen Ltd for the construction of a mega ammonia and urea ammonia nitrate plant at Union Estate in La Brea. Construction costs are estimated at US \$550 million and the project once started is expected to be completed within three years.

The plant will produce 2,200 short tons of ammonia per day, 50% of which will be sold directly as ammonia. The other 50% will be converted and sold as a liquid fertilizer urea ammonia nitrate.

Explosion on Oil Tanker off Chaguaramas

On June 22, four people were killed when there was an explosion on board the oil tanker M/T "Tradewind Sunrise", which was moored off Trinidad's western coast. The vessel had been in Trinidad for approximately five weeks in order to effect repairs. The vessel normally trades between Trinidad and Guyana conveying various types of fuel oil.

All of the vessel's personnel managed to escape without any major physical harm. Four members of a team conducting some work on the tanker

were not as fortunate.

Melville Shipping Limited assisted with the speedy conveyance of the ship's crew to a nearby hotel after the disaster and the meeting of their immediate needs in terms of personal care items and clothing. Melville also arranged counseling services for the crew members.

Melville Shipping Limited joins the nation in extending sincerest condolences to the families of those lost in the tragedy.

Getting to Know Us - Our Operations Team

This unit is contactable 24 hours a day, 365 days a year. It is fully capable of ensuring that any vessel's needs, at any port in Trinidad and Tobago, are met with regards to the fulfillment of all statutory, terminal and husbandry requirements.

Melville Shipping's Operations Department handles the co-ordination of activities for vessels for which the company has been appointed to serve as agents.

The team is led by Operations Director, Ian Rajack who has been at Melville Shipping for the past 26 years. His wealth of knowledge and experience forms the backbone of the unit and his guidance and input has allowed for Melville Shipping to provide quality representation for numerous principals in a variety of industries. Mr. Rajack is an associate member of the Chartered Institute of Transport and a Fellow of the Institute of Chartered Shipbrokers.

Second in command is Jason Ayong, a 13-year-old veteran at Melville Shipping. Jason serves as Operations Coordinator and directly supervises the activities of

the company's boarding representatives. He also ensures timely and effective communication with all principals.

Sonia Thomas serves as the Administrative Assistant to the Director.

The department has five boarding representatives. Anthony Gonzales has been with the company since 1975. He, along with our other Boarding Clerks, Sean Logie, Kario Bernard, Sheldon Poonsammy and Nicolas Escovalez, individually and collectively offer unmatched, dedicated and professional service to each and every vessel.

STAFF NOTES

MARK YOUR CALENDAR

Birthdays - July to September

Daya Marajh	July 02
Heather Harry	July 24
Maurice Maraj	July 26
Andre Soleyn	July 31
Jelani Williams	August 10
Shem Partap	August 14
Wendell Blake	August 16
Peter Andrew	August 18
Roger O'Neill	August 20
Ayanna Haynes	August 28
Abzal Ali	September 09
Judy Walcott	September 17
Nicole Adams	September 14
Sheldon Poonsammy	September 20
Henry Harper	September 21
Larry Peters	September 22

WELCOME

Welcome to the following new employees who joined the company since April.

Nicole Adams - Security

Richard Ashby - Driver

Nicholas Escovalez - Boarding Clerk

Nadia Jardine - Customs Clerk

Patricia Moore - Telephone Operator



Our Operations Team (l-r) : Nicolas Escovalez, Jason Ayong, Sonia Thomas, Kario Bernard, Ian Rajack, Sean Logie (Missing Anthony Gonzales, Sheldon Poonsammy)