

The Chemistry Is Right

European shipyards are having a hard time. But Santierul Naval Constanta, equipped with leading-edge technology and a skilled workforce, is ready for the next economic upswing in the tanker market

ROMANIA

BLACK SEA

CONSTANTA



STRATEGIC POSITION.
The yard is located in the port of Constanta on the western shores of the Black Sea.

Last year there were several tectonic shifts among the ten leading shipbuilding countries: nations that used to be also-rans moved up to the front, among them the Philippines, India and Vietnam. On the other hand, some European shipbuilders lost ground. Romania dropped to 11th place after ranking 9th in 2008.

In other words, shipyards in Romania can't be doing too well. Yet, Santierul Naval Constanta (SNC), the country's second largest shipyard, managed to hold its ground in the oil tanker and bulk carrier business. Santierul Naval Constanta's current orderbook lists three 41,000-dwt oil and chemical tankers. Construction will begin in September 2010. This makes the yard one of the foremost shipbuilders in south-eastern Europe. Within Romania, the only yard that tops Santierul Naval Constanta is Daewoo Mangalia Heavy Industries (DMHI), located in the port city of Mangalia.

High Carrying Capacity

Not long ago, Santierul Naval Constanta delivered Histria Gemma, another 41,000-dwt oil and chemical tanker. She was the penultimate ship of a major series boasting 18 units that was begun in 2005. The design of these state-of-the-art vessels has since been optimized in a steady process. 180 metres in length and 32.2 metres wide, these double-hull tankers have a draught of 10.5 metres. What sets the design apart is the carrying capacity, which is comparatively high for a ship this size. Each tank is equipped with its own deep-well pump and discharging line. The main engine, a B&W 6S50 MC-C, cranks out 9,480 kilowatts at 127 revolutions per minute, propelling the ship at a service speed of 15 knots. The tanker has an

11,000-nautical-mile cruising range. The series has been classified by Germanischer Lloyd as Chemical Tankers Type 3/Oil Tanker.

Strategically Positioned

The history of the shipyard has been long and eventful. First mentioned in a ministerial report in 1892, Santierul Naval Constanta built up a reputation as a repair yard, which it maintained over several decades. The company was firmly established in the port of Constanta, which is strategically well-placed on the western coast of the Black Sea. The yard grew steadily. In 1936 its future potential became evident when the motor yacht Crai Nou was completed, the first new ship ever constructed at the yard, and a milestone in its history. The next step followed in 1950: The company began relying on its newbuilding business as a major second area of activity, investing heavily in its facilities. Two new dry docks and numerous fabrication halls were built. SNC became an important factor in the Romanian economy.

In the meantime Santierul Naval Constanta has specialized in various ship types, especially tankers. Sizes range from 1,100-dwt chemical tankers to Aframax and Suezmax vessels. In addition, SNC builds Capesize bulk carriers, as well as LPG tankers, ammonia tankers, offshore supply ships and steel pontoons.

Challenging Conversion

A particular challenge the yard embraces is conversions of ships in operation. Rebuilding the single-hull tanker Histria Diamond into a double-hulled, 87,680-dwt bulk carrier was definitely a unique task. The project was completed in February 2010. It involved removing 5,000 tonnes of steel, then joining 7,000 tonnes of steel by welding. The entire cargo space had to be retrofitted, and the ballast water tank system had to be almost entirely replaced. The engineering →



Photo: Adi Man

CONVERSION. With the challenging conversion of the single-hull tanker Histria Diamond into a double-hull bulk carrier, Santierul Naval Constanta entered new territory.



CAPACITY. SNC has two large dry docks and two floating docks.

Photo: Santierul Naval Constanta S.A.



Photos: Santierul Naval Constanta S.A.

POTENTIAL. From sailing ships to container vessels: The yard is equipped to build and repair ships of many sizes.

TANKER. The 180-metre tanker *Lisca Nera M*, named after a volcanic island, is currently sailing under the Italian flag.

→ work was done by SNC subsidiary SNC ShipDesign SRL. This complex conversion project, probably the only one of its kind in all of Europe, was a technical challenge for both the yard and GL. Many years of close co-operation truly paid off for the two companies, both of which have benefited from the technical experience gained during the project.

Today Santierul Naval Constanta operates two large dry docks (for ships up to 250,000 dwt and 150,000 dwt, respectively) and two floating docks (40,000 dwt and 15,000 dwt). The company's facilities cover a total area of 800,000 square metres. The floating docks are mostly used for repair jobs. To date, the yard has built tankers up to 150,000 tonnes and bulk carriers up to 165,000 tonnes, but it has the capacity to construct ships up to 200,000 tonnes.

"A Man of Action"

The change of tide in Eastern Europe has had lasting effects on the development of the yard's business. Since 1990, most orders have come from abroad, mainly from Western and Central European companies who appreciate the work of the skilled Romanian engineers and workers.

The most decisive event in the biography of the yard occurred in October 2002 when SNC was privatized. The main partner is the Histria Group with its president Gheorghe Bosinceanu. A former shipmaster with Romanian bulk carrier and oil tanker operator Petromin Shipping Company, the entrepreneur's first management position was as head

of the tanker division of the company. Following the fall of Communism in Romania, Gheorghe Bosinceanu, who enjoys the reputation of a "man of action", built the Histria Group. In 2008, the shipyard recorded sales of EUR 153.5 million with a workforce of 2,300.

Market Uncertainty

The current intransparency of the tanker market and its many sub-segments makes forecasts difficult. While the oil tanker business is seeing a slight upturn owing to the regulations for phased decommissioning of single-hull ships, other market segments have been nearly without demand. Due to the long delivery periods of three or more years for new ships, there are still ships under construction or being delivered that were ordered prior to the financial and economic crises. Order volumes are far from reaching pre-crisis levels.

In view of rising freight rates in the container business and a recovery in the bulk carrier new-building segment stimulated by the economic boom in China, Gerhard Carlsson, market researcher with German Naval Architecture and Ocean Engineering Association VSM, cautions against overly optimistic expectations for tankers: "At the moment, rates are going up and down all the time so any forecast would be futile. There are no reliable market trends."

As for SNC, the yard is well-prepared for an economic recovery. In 2008, SNC presented a draft design for a 50,000-dwt oil and chemical tanker developed by SDC Ship Design & Consult, Hamburg. This is GL's first tanker design based on the new IACS Common Structural Rules. The design, featuring increased fatigue strength, met with serious interest from potential buyers, but unfortunately, early orders were cancelled in the wake of the financial and economic crisis.

SNC with its highly skilled engineers and workers could begin implementing this design at any time. For the time being, SNC continues repairing ships and building offshore and marine vessels. ■ HS

CLASSIFICATION

Close Co-operation with GL

Co-operation between SNC and Germanischer Lloyd began in 1990 with GL overseeing the construction of a series of six 1,078-TEU containerships for Thien und Heyenga AG. The largest project to date has been a series of 18 chemical tankers for various customers, involving constant design improvements. Most of the ships were built for sister company Histria Shipmanagement S.R.L. Co-operation with GL has been

very successful, especially since SNC adopted GL's ISO 9001:2008 quality management system.

In addition, the shipyard has implemented the ISO 14001:2004 standard for environmental compatibility, and an Occupational Health & Safety Management System compliant with the OHSAS 18001:2007 standard. Here again, SNC was a pioneer among Romanian shipbuilders.



PARTNERS. Gheorghe Bosinceanu, President of the Histria Group, and GL Executive Board Member Dr Hermann J. Klein.

SNC at the SMM 2010: Hall B4, Booth EG 261
www.snc.ro; www.histria.ro