

REVIEW OF ACTIVITIES **Ship repair**



Notwithstanding the difficult repair market conditions, our shipyards were kept busy with the repair of 373 vessels with an average value per vessel of \$1.03 million. Although tankers formed the bulk of vessels repaired, a substantial amount of business involved other types of vessels such as LPG/LNG tankers, bulkers, containers and others.

Description	2000	1999	1998
No. of vessels	373	358	378
Gross Tonnage(m)	16.23	16.09	15.81
Average value per vessel (S\$m)	1.03	1.19	1.22

Types of vessels repaired (%)	2000	1999	1998
Tanker	50	51	54
LPG/LNG	10	4	6
Bulker	10	9	9
Container	8	7	7
Passenger	5	15	11
Dredger	5	2	0
Cargo	4	4	1
Navy	2	1	3
Others	6	7	9

During the year, Sembawang Shipyard fostered several strategic alliances, which will provide a stable clientele base for future earnings. One of these alliances was signed between Sembawang Shipyard and BP Shipping of the United Kingdom. This evergreen alliance agreement would cover the refitting and drydocking of all BP Shipping S- Class vessels trading in the Far East by Sembawang Shipyard for the foreseeable future.

Under the agreement, both companies would commit to achieve sustainable targets in areas of safety, cost, and quality and technology advancements. Sembawang Shipyard would benefit from a rise in cost savings arising from economies of scale and operational efficiency from better forward planning of long-term work that had already been committed. Other targets would include the joint development and co-creation of innovative ship repair procedures, safety and quality improvements and other productivity enhancement schemes. Five vessels were repaired under this agreement in 2000, with another four scheduled for repairs in 2001.

In another alliance, Sembawang Shipyard signed an agreement with BHP Transport of Australia for the repairs of its entire fleet when docking in Singapore. A total of eight vessels are scheduled for dockings in 2001.



Sembawang Shipyard further signed an alliance agreement with JO Tankers of Norway to service its entire fleet dockings in Singapore. For 2001, there would be dockings by six vessels, one of which involving a major upgrading job.

Sembawang Shipyard also signed a term contract with Primorsk Shipping of the CIS for the repairs of its fleet. Primorsk Shipping is one of the most successful private shipping companies in the CIS.

