



MV Haian City, a Vietnam-flagged container vessel that was damaged because of a sideways collision with an oil tanker mid sea, leaves Chattogram port for Singapore on June 21 after necessary repair.

PHOTO: COLLECTED

Bangladesh showing might in marine salvage and repair

DWAIPAYAN BARUA

The Chittagong Port Authority (CPA) recently saved an oceangoing ship, which was severely damaged in a mid-sea accident that could have caused the loss of export cargoes worth Tk 800 crore and create an obstacle for navigation.

The CPA took timely and courageous steps to save the 172-metre container vessel after it tilted seven degrees following a sideways collision with another vessel.

So, the CPA, in cooperation with Prantik Bengal Salvage and Diving, completed the delicate task of bringing the ship back to shore for repair.

The collision also created huge holes in the vessel's hull that were repaired by diving underwater, another task that requires high skills.

The CPA has termed the whole operation a big achievement for the port as well as for Bangladesh as the job highlighted the port's capabilities to the global community and created a bright image worldwide.

How did the accident happen?

MV Haian City, a Vietnam-flagged container vessel, left Chattogram port for Singapore in the morning of April 14 with 1,105 twenty-foot equivalent units (TEUs) of containers, including 718 TEUs export laden ones.

At around 10:30 am, the ship faced a sideways collision near Kutubdia, around 14 nautical miles off from Patenga Naval base.

MV Orion Express, a Bangladeshi inbound oil tanker, was the ship that had hit and created holes in the container vessel.

The oil tanker managed to arrive in



Chattogram on the same afternoon but Haian City had to anchor at sea as two of its cargo holds were flooded due to punctures in its hull.

The rescue job and Prantik Bengal

After the accident, the vessel's owner and charterer firms sent survey teams to the spot to determine whether the damage could be repaired at sea.

But they had to discard the notion of on-the-spot repairs as it was risky to work on a ship that is tilted, said Rafique Uddin Ahmed, general manager of the ship's local agent Intermodal Pte Ltd.

The damaged ship was brought back around 20 days after the accident and later berthed at Karnaphuli Dry Dock on the southern part of Karnaphuli river.

Prantik Bengal played a major role in the five-hour salvage operation initiated by the CPA on May 4.

The salvage operation was rendered by six tug boats – four from the CPA and two from Prantik – along with two recovery and pollution control vessels of

the CPA.

Because of water in the ship's cargo holds, the draft of the vessel reached 11 metres, 1.5 metres higher than the permitted draft of 9.5 metres at the port jetties of Karnaphuli river, said Syed Md Arif, chairman of the Bangladesh Shipping Agents Association (BSAA).

Draft at the Karnaphuli Dry Dock on the southern part of the river was enhanced through dredging to berth the ship there, he said.

"Salvaging a damaged vessel carrying over 1,100 TEUs of containers and re-entering it into the port channel was a brave attempt," Arif added.

Salvaging the ship was a big challenge, but CPA Chairman Rear Admiral M Shahjahan made it happen, said Captain Faridul Alam, deputy conservator of the port authority.

Although the accident occurred during his Eid vacation, the CPA chairman was able to sense the threat and convened an emergency meeting

with senior port officials and the ship's local agent, its insurer P&I Club, Bangladesh Navy and Coast Guard and decided to bring it back.

"The vessel was in a dangerous position after the accident as it got tilted, posing a serious threat for ship movement to and from the country's premier port," Alam said.

"If the vessel sank at the bay, the whole ship movement passage for the port could have been blocked," he added.

The underwater repair

It was reported that the vessel's cargo holds numbers 4 and 5 were flooded due to an underwater puncture in the hull and containers loaded in the cargo holds were affected, Samudera Shipping Line, the charterer of Haian City, said in a statement on April 19.

"Due to a lack of safe access, the extent of container damage cannot be determined. An investigation committee was formed under the Bangladesh Mercantile Marine Office to investigate the cause of the collision incident to assess losses and determine liabilities," it added.

The collision created a comparatively smaller hole on the portside shell plate, but the main damage was underwater, said Md Golam Sarwar, chairman of Prantik Bengal Salvage and Diving.

He said there was a big 22 feet by 26 feet hole on the hull.

The holes were fixed by welding a huge 33 feet by 40 feet steel patch by diving under water, Sarwar added.

The welding was complex, so the former marine engineer Sarwar got himself engaged in the salvage and underwater repair.

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Recipe to deal with economic challenges



M MASRUR REAZ and HASNAT ALAM

Inflation in many countries has been brewing for quite some time due to production disruptions and supply chain issues related to the Covid-19 pandemic.

The supply of numerous commodities and goods has been unresponsive to higher demand reflected in, among other factors, bottlenecks, rising shipping costs, delivery delays, and shortages of key production inputs such as computer chips.

Productions have gone down with many firms struggling to cope financially, putting pressure on the prices of essentials. Furthermore, the transport sector and the intra- and inter-country movement of commodities have disrupted the supply chains.

Global oil prices were already up by 77 per cent in January 2022 compared to December 2021.

With the economy on its way to recovery and a lot of pent-up demand for foreign goods and machinery, Bangladesh has experienced an import surge of around 46 per cent this fiscal year.

While 75 per cent of our import basket comprises raw materials, intermediate goods and capital goods meant for the productive sector, the high global prices have expectedly put more pressure on the consumers, who usually take the burden of cost hikes.

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Capital is flowing to the United States in pursuit of greater yields as the Federal Reserve tightens monetary policy by raising the key interest rates to combat inflation.

Most developing country currencies, including the Bangladeshi Taka, have lost substantial value in recent weeks in the face of a stronger dollar, potentially fueling additional imported inflation, increasing debt payment costs and increasing financial instability.

The ongoing conflict in Ukraine has further reinforced the surge of inflation. Shocks in global oil markets due to the sanctions on Russia have resulted in price hikes in the global market.

According to the World Bank, energy prices were more than four times higher in March 2022 compared to their April 2020 lows. Fertilizer prices rose by 220 per cent during the same period.

IMPLICATIONS ON BANGLADESH'S ECONOMY AND BUSINESSES

Global inflation has adversely impacted food and energy prices globally, and Bangladesh is not immune to that. As Bangladesh is a petroleum-importing country, the increased prices of oil in the global market have directly impacted Bangladesh.

Food and transport have been adversely affected. Since the average food consumption constitutes more than 60 per cent of the total consumption expenditure of marginal households, increased food inflation in Bangladesh devastated their livelihoods.

READ MORE ON B2

Russia fails to pay debt but denies default

AFP, Moscow

Russia said Monday that two of its debt payments were blocked from reaching creditors, pushing the country closer to its first foreign default in a century due to sanctions over the Ukraine offensive.

The announcement came on the 124th day of Russia's military intervention in Ukraine, with Western sanctions so far failing to force the Kremlin to change its course.

The Western economic penalties have largely severed the country from the international financial system, making it difficult for Moscow to service its debt.

The Russian authorities insist they have the funds to honour the country's debt, calling the predicament a "farce" and accusing the West of seeking to drive Moscow into a default artificially.

"There are no grounds to call this situation a default," Kremlin spokesman Dmitry Peskov told reporters after a key payment deadline expired Sunday.

"These claims about default, they are absolutely wrong," he said, adding that Russia settled the debt in May.

Russia lost the last avenue to service its foreign-currency loans after the United States removed an exemption last month that allowed US investors to receive Moscow's payments.

A 30-day grace period for the payment of \$100 million in interest payments expired on Sunday night, most of which had to be paid in foreign currency.

Russia had attempted to make the payments, but the finance ministry said Monday that the money had not been transferred to creditors.



A woman buys vegetables at a food market in Moscow. The Western economic penalties have largely severed Russia from the international financial system, making it difficult for the country to service its debt.

PHOTO: AFP/FILE

G7 commits \$5b to tackle global food insecurity

REUTERS

The Group of Seven rich democracies will commit up to \$5 billion to improve global food security, a senior US official said, as the group responds to worries in developing nations about the threat of hunger triggered by war in Ukraine.

On the final day of the G7 summit in Germany, the official said that the United States would provide over half of that sum, which would go to efforts to fight hunger in 47 countries and to fund regional organisations.

The G7 is attempting to rally emerging countries, many with close ties to Russia, to oppose Russian President Vladimir Putin's invasion of Ukraine, and invited five major middle- and low-income democracies to the summit to win them over.