

FLEET EXPANSION IS ONE OF THE MAIN STRATEGY OBJECTS OF PALMALI GROUP OF COMPANIES

As you may recall from the article in our edition of May 2004, about 7 years "Palmali" successfully carries on its activities in ship management and construction industry.

At the present moment, it can be considered that the company occupies a significant and sustained position in the current market of bulk cargoes and remains as the exclusive operator of "Lukoil" in Black, Azov and Mediterranean Seas in transportation of crude oil and oil products.

By choosing the correct course of distribution of the transported cargo into different destinations, the management of the company is permanently focusing on profitability of the shipping line by the way of increasing the total shipment volume. All shipments from Tatyanka oil terminal, which is located in Volgograd, are being carried out by the vessels of our company which are being carefully allocated according to their technical characteristics and cargo lifting capabilities. Being one of the proprietors of the biggest dry cargo and tanker fleet, Palmali employs the group of vessels containing both dry cargo and oil tankers with the deadweight up to 4000 tons, specifically in the inner waterways of Russian Federation. A special concentration is being held upon dry cargo vessels fleet performing the voyages among Caspian, Black and Mediterranean Sea ports. Mainly, cargo is being exported from river ports of Russia and Ukraine.

Concerning the activities of our company in the Caspian Sea, it can be mentioned that the major factor of the existence of the oil trading lines both East-West and North-South were composed by tankers performing the transportation of about 300 thousand tons of crude oil per month. It is worth to say that the tanker fleet operations changed the situation in the given region for a very short time interval. Owing to the efficient and qualified effort of regional representatives and ships crew, the company achieved a serious position in costumers profile by focusing the main objective on effectiveness of application of international requirements adopted by foreign companies and organizations.

At the end of the summer 2004, Palmali moved out the tanker fleet to the North Europe and Northland markets. Subsequent to thorough studies in the given region, management decided to operate some tankers between ports of Baltic and North Seas, as well as considering any offers of oil products transportation in whole continent at the same time.

For the transportation of bulk and general cargoes trough inner waterways of Russian Federation, as well as among Azov, Black and Mediterranean ports, the company operates a dry cargo fleet with the deadweight from 3150 to 7000 mts.

Turning the page over second half of the previous year and in the beginning of the current year, some noticeable changes in company's life occurred.

The location of the main office of "Palmali" Group of Companies, which was situated in Istanbul has been changed. Moving to a new modern five-storey building which took place in August 2004, was an important step through the development cycle of the company.

Modern design and comfortable office accommodation equipped with latest computer technology infrastructure brought together for better management of the company which in the same time gives an opportunity of organizing negotiations, meetings, conferences and etc.

One of the main objectives is attained as a renewal of the fleet by replacing vessels with new ones those are in full compliance with requirements of the major international oil companies and organizations, therefore the concentration is manly focused on ship construction and maintenance.

In the past days, another vessel constructed in accordance with the project number 006RSD05 designed by Marine Engineering Bureau of Odessa, has joined the dry cargo fleet of the company.

On 21st of August, 2004, in Volgograd Shipbuilding Plant, the company officially celebrated the launch and later, on 25th September, 2004, a multipurpose dry cargo carrier with a DWT of 6970 mts was delivered for exploitation. The vessel was named "Palmali Voyager".

M/v "Palmali Voyager" has been designed for transportation of bulk dry cargoes such as grain, pine logs, minerals as well as international standard containers and dangerous IMO cargoes.

The most distinctive feature of this project is the availability of rudder propellers giving a high performance with the powerful diesel engines and advanced maneuvering capability like turning 360 degrees in particular point.

Technical equipment of the vessel complies with the latest international maritime conventions and tendencies which were fulfilled in Russian Federation first time by this project.

The hull was designed for all year round exploitation in non-freezing seas, chopped iced waters of non-arctic seas. The vessel was equipped with latest navigation systems and has been classified as A1.

"Palmali Voyager", the seventh unit of the fleet has been delivered by the Volgograd Shipyard to Palmali Group of Companies during last year.

October 8th, 2004, the vessel was loaded at port of Taganrog and sent to her first commercial voyage.

At the present moment, construction process of the third and forth vessel of project 006RSD05 named as "Palmali Explorer" and "Palmali Mariner" goes on in Volgograd Shipyard. Building progress has been reached to 30 and 5 percent respectively. The delivery dates of m/v "Palmali Explorer" and m/v "Palmali Mariner" have been appointed as August and November of 2005.

The experience lying beneath the exploitation of the first two vessels of the mentioned project has approved accuracy in their concept and the satisfying efficiency level also encourages predicting the bright future of that series. Total of 6 vessels are planned to be built in near two years.

The company has also signed an agreement with the Marine Engineering Bureau in Odessa for draw up a new project of a dry cargo vessel with a DWT of 6250 mts with the first limited working area, strengthened ice-class of LU2 and A1 automation class. The deadline for the project drawing period is March, 2005.

Regarding tanker fleet of the company, during the past year the construction of the tanker vessels of project 005RST01, (the first tanker was named "Armada Leader"), kept on going in the shipyard Ada, located in Tuzla City (Turkey), which in the same time owned by Palmali. Two more vessels were delivered for exploitation and another one is planned to be launched in Mart 2005.

M/t "Armada Navigator" was launched on 30th of August, 2004 and delivered for exploitation on 20th of October, 2004, the forth tanker of the Armada series as well as the first vessel constructed in Ada Shipyard, Tuzla City.

Fifth vessel of the same series, m/t "General Hazi Aslanov" named in memory of the hero of Soviet Union, who died in II World War and in the honor of 60th anniversary of the victory of the war, was delivered 25th January, 2005.

At the present moment, the stockpile period of the sixth tanker, m/t "Dahi ByulByul", named in memory of the famous soloist and composer of Azerbaijan, is planned to be launched in March, 2005.

The exploitation of the vessels of this series is intended in areas of inner waterways of European side of Russian Federation till Volgo-Don canal as well as in permitted areas of open seas in accordance with the class restrictions, also including around Europe and Caspian, Azov, Black and Medirranean Seas. Altogether, total of 10 tankers of this series are planned to be built.

The negotiations on the construction of a tanker with a DWT of 150 000 mts are coming to the end. Recently, the fleet of the company has been enlarged by one more tug-pusher with 1500 bhp engine. Now quantity of tug-pushers operated by the company has reached to 6 units. Tugs are going to be used in navigation of non-propelled oil barges via Volgo-Don canal for consecutive short voyages for transshipment to storage tanker.

It is worth to note, the company is broadening the areas of its activities also in other countries. During the past period, three new "Palmali" branch offices were established in Moscow (Russia), Neka (Iran) and Bourgas (Bulgaria).

Palmali Group of Companies was successfully certified by classification society Det Norske Veritas (DNV) in accordance with the international quality standards ISO 9001:2000. Acquisition of such a certificate also means the recognition and approval of the quality of management system by one of the most important classification societies.

Severe conditions of the market and requirements of the most biggest oil companies such as Shell, BP, ChevronTexaco, Statoil, Exxon, Total and etc. demand serious and intensive work from the whole staff of Palmali Group of Companies in order to sustain high level of service quality provided by the company.