

Joint Operational Programm
“International BSB Mobile Cluster:
Marine education & Marine science;
Economic development & Shipping;
Social development, Culture & Historical heritage”

JOP IMC BSB

**MEMORANDUM
OF UNDERSTANDING
(Galati MoU)**

21 day of October 2016
Galati, Romania

The authorized persons of

East Europe Seafarers Training Center, Ltd (Galati, Romania), hereinafter called "EESEATRAN";

Tehnopol Galati Association, NGO (Galati, Romania), hereinafter called "ASSOCIATION";

Danubius International Business School (Galati, Romania), hereinafter called "DANUBIUS UNIVERSITY" –

all together called "Romanian Part of Galati MoU";

Seafarers Training Centre, Ltd (Odessa, Ukraine), hereinafter called "STC";

Ukrainian Seafarers Association, NGO (Odessa, Ukraine), hereinafter called "ASUM";

Joint-Stock Company "ARHIMED" (Odessa, Ukraine), hereinafter called "ARHIMED" –

all together called "Ukrainian Part of Galati MoU";

hereinafter referred to as "the Parties to Galati MoU"

RECOLLING the materials of Extraordinary Workshop "Science and Research on Danube" (Galati, October 20-21, 2016) which underlined the need to increase marine safety and the protection of the marine environment and the importance of improving of marine education and marine science;

NOTING with appreciation the progress achieved in these fields by the International Maritime Organization;

NOTING ALSO the contribution of the European Union towards meeting the above mentioned objectives;

MINDFUL that the principal responsibility for the effective application of standards laid down in the relevant international instruments rests upon the authorities of State;

RECOGNISING that officials from Galati City Hall, Galati Local Council, Galati County Council, Galati Chamber of Commerce, Lower Danube University, Danubius University and other important figures attended the event;

CONVENCED of necessity, for above mentioned purposes, of an improved and harmonized system of marine education and marine science and of strengthening cooperation and exchange of information,

have reached the following understanding

***For the purposes of the Memorandum the Parties to Galati MoU will take part in preparing and realization of
Joint Operational Programme “International BSB Mobile Cluster: Marine education & Marine science;
Economic development & Shipping; Social development, Culture & Historical heritage”***

<p><i>in sector “Marine education & Marine science”</i></p>	<p><i>in sector “Economic development & Shipping”</i></p>	<p><i>in sector “Social development, Culture & Historical heritage”</i></p>
<p>= cooperation between business, training institutions and training instructors for joint educational planning; = promotion of skills development and life-long learning aboard the ship; = cooperation between training institutions in marine education; = scientific researches aboard the ship for strengthening knowledge in climate change, prevention of marine accidents and disasters; = scientific researches aboard the ship for strengthening knowledge base in pollution prevention, management and control; = scientific researches aboard the ship for strengthening knowledge base in sustainable waste and waste water management systems; = congresses, conferences, “round tables”, exhibitions aboard the ship on the matters of pollution prevention, management and control, waste and waste water management systems in ports of call and during voyages</p>	<p>= cooperation between public and private sector; = strengthening economic cluster; = development and modernization in tourism, marine tourism, cruises; = improvement of accessibility to the BSB region; = mobility of persons and goods; = developing transport services and infrastructures by multimodal and intermodal carriage of goods and passengers in “short sea” shipping, “cross sea” shipping and “river-sea-river” shipping</p>	<p>= promoting employment and supporting labor mobility; = stimulate employment for youth; = increasing capacity of local and regional authorities and communities; = regional integration; = promoting legal and administrative cooperation; = promotion of local culture and preservation of historical heritage; = congresses, conferences, “round tables”, exhibitions, concerts aboard the ship on the matters of sector “Social development, Culture & Historical heritage” in ports of call and during voyages</p>

The **JOP IMC BSB** to provide for creation of training-scientific-production and cultural-entertaining cluster on the base of seagoing ship (Ro-Ro).

It is proposed that aboard the ship will function “offices-representatives” of bodies, organizations, entities in structure of complexes:

production complex – to cargo-passenger traffic service in Black Sea and Mediterranean Sea Basins – cars, lorries, touristic buses and passengers;

training-scientific-production complex – to carry out marine practice, educational and scientific programs – not less than 50 apprentices, tutors and scientists;

cultural-entertaining complex – to organize and carry out cruises, conferences, exhibitions; information, advertising, entertaining, sporting and other cultural events.

Legal form and place of registry of an entity

JOP IMC BSB makes provision for establishing
of shipping company which will be shipowner
(proprietor or manager/operator)
of the ship

OOO – Ltd – SRL	Bulgaria	<p>The questions of the place of registry and legal form of an entity are to be discussed taking into consideration all “<i>pro et contra</i>” !!!</p>
	<i>or</i>	
<i>or</i>	Romania	
AO – JSC – SA	<i>or</i>	
	Ukraine	

FUNDING

JOP IMC BSB makes provision for following manner of shipping company's operation funding in the beginning ("start up" – including ship's preparation for the first voyage)

Private funds	Involved funds	The decision as per amount of funding depends on the conditions of credit/leasing/chartering and are to be discussed taking into consideration all "pro et contra" !!!
Statute capital (stocks/shares issuing) <i>The shareholders, as a rule, will be persons which will take part in company's activity (banks, insurers, operators, agents, ...)</i>	Credit Leasing Chartering	

"Ships for Sale" Market (extracts)

PASSENGER/RORO for sale **MV PRINS JOACHIM**



DWT : 2,731 dwt on 5.3m draught
Built : 1980 Nakskov - Denmark
Flag : Denmark
Class : LR (Ice 1C, Passenger Train Ferry)
Passengers : 977 (Day Passengers)
Free height : Main deck 4.9m
Car capacity : 210 (1008 LM)
Lorry : 700m, Max axle load, trailer 3 x 16 t
lanemet.
Train tracks : 494m
Dims. : Loa 152.0, B 23.7, D 7.75m
GRT/NRT : 16071/4821
Lightweight : abt 8010t
M/E : 4x MaK 8M32C, 4000 kW 600 rpm
: 2x MaK 6M32C 3000 kW / 600 Rpm
D/G : 3x Frichs A8.185CUS, 736 kW 1000
rpm -
: 1x MaK 8M20, 1440 kW 1000 rpm
Twin Prop, Twin Bowthrusters
SOLAS 74/78 / Stockholm Agreement 4 m wave,
Two Compartments / A/Amax: 0,9020
Bow door, Stern door
Trading in Denmark-Germany

ROPAX for sale

MV BO HAI YIN ZHU

DWT : 6,984 dwt on 6.15m draught
Built : 2007 Huanghai SY-China
Class : CCS
GRT/NRT : 19,847/9,923
Dims. : Loa 161.2, Lbp 147, B 24.8m
Lane meter : abt 1800
Cargo intake : abt 5130t
Cabins. : 125
Berth : 902
Trucks : 100 pcs (15m)
M/E : 2x MAN B&W, 6720 kW
D/G : MAN B&W, 3x824 kW
Speed & cons. : 18 kn on abt 2.75 t/h IFO180
Fin Stabilizer, 2 Bow Thr
Not complied with Stockholm Agreement
Bow Door, Stern Door



"Ships for Sale" Market (extracts)

ROPAX VESSEL for sale

MV PORFYROUSA



DWT : 1,650 dwt on 3.95m draught
 Built : 08/1997 Gemyat-Turkey (Conv. 2008)

 Flag : Greece
 Class : RINA
 Passangers : 453
 Cars/Trucks : 140 or 8 trucks 75 cars
 Dims. : Loa 75.46, Lbp 71.5, B 14.0, D 5.5m

 GRT/NRT : 1.588/476
 M/E : 2 xMAN Burmeister, 2x960 kW
 D/G : 2x CAT 160 kW, Cummins 250 kW

 Speed : 12-13 kn
 CAT B, Stockholm Compl 2.5m, Voyage
 upto 200 nm
 Fully Air Conditioned
 Bow Thr, CPP
 Trading West Greece

M/F Eptanisos

Route : Laid up / Oplagt
 IMO : 8907280
 Building year : 1989 / 2003
 Building yard : Fukuoka : Shipbuilding Co. Ltd., Japan
 Owner : Strintzis Ferries
 Length : 114,7 m
 Breadth : 20,2 m
 Draft : 4,9 m
 GT : 3.611
 Machinery : 2 * Pielstick 9PC2-6L
 Speed : 19,5 kn.
 Number of passengers : 495
 Number of cars : 160
 Port of registry : Piraeus
 Flag : Greece



"Ships for Sale" Market (extracts)

ROPAX for sale

MV IONIS



DWT	: 880 dwt on 4.0m draught
Built	: 08/1977 Savvas Eleusis-Greece
Rebuilt	: 2008
Class	: RINA
GRT/NRT	: 2604/1626
Dims.	: Loa 96.3, Lbp 85.04, B 15.02, D 5.31m
Cars	: 40 Cars
Passengers	: 800
M/E	: 2x Werkspoor 6TM410
Trading	Aegean Sea

ROPAX for sale

GO 0728

DWT	: 1126T
Built	: 1980 Santander Spain
Class	: Maritime LLOYD
GRT/NRT	: 5287 / 1586
Dims.	: Loa 99,5 m, B 17,6 m, D 5,0 m
M/E	: 2X Deurtz RBV 12 m 350, TTL 8800BHP, AT 430 RPM Each
Service speed	: 12 / 13 kn
Fuel consumption	: M/E 500kg/hour MDO, A/E 1,5- 2 MT/day
	: AJ400LT, 380KW
Bouthruster ulstein	: 3X Deutz S/BA 6m528, 600BHP AT 750 RPM Each+1x Emergency Chrysler B-36E, 140BHP AT 1500 RPM-100KVA
Gens	: 309CBM
	:125 OR 15 Trucks + 35 Cars
Fuel Capacity	: 560
Cars Capacity	3 X 2 Pax + 6 X 4 Pax
Pax Capacity	
Pax Cabins	



Ukrainian Part of GALATI MoU

have the pleasure to present our point of view as per steps to be made to achieve the implementation of Galati MoU in the Part “Shipping” and to satisfy common interests

We can combine efforts of Romanian Part of Galati MoU and Ukrainian Part of Galati MoU to perform all necessary arrangements to ensure:

1. To establish an entity - SRL (Ltd) or SpA (Joint-Stock) – an international shipping company “Black Sea Basin Ferry” (“BSB Ferry”), for example, which will be the “Proprietor” of a ship – “International BSB Mobile Cluster”.
2. We supposed that headquarter of the “BSB Ferry” will be situated in Romania.
3. The Galati MoU – “Shipping” must be based on Romanian legislation (establishing of international shipping company) and requirements of ENI CBC BSB.
4. To find the persons/companies which will be interested in operation of the ship on the ferry-line “Constanta – Odessa - Constanta” and/or “Odessa – Constanta – Varna – Constanta - Odessa”.
5. To find the persons/companies which will be founders of “BSB Ferry”
6. To discuss with future founders all the questions of future operation of the ship.

The abovementioned, on our opinion, will be a reason to nominate the Romanian Part of Galati MoU as coordinator for all participants based within the eligible area of the EU Programme “Cross-border cooperation in the Black Sea Basin 2014-2020”.

Model Voyage

Odessa – 179 – Constanta – 179 – Odessa

	<i>At the port</i>		<i>Departure</i>	<i>Under way</i>	<i>Arrival</i>
	<i>Discharging</i>	<i>Loading</i>			
Odessa		<i>Friday 19.00 – 24.00 (5 hours)</i>	<i>Saturday 00.00</i>	<i>15 hours</i>	
Констанца					<i>Saturday 15.00</i>
	<i>Saturday 15.00 – 19.00 (4 hours)</i>	<i>Saturday 19.00 – 23.00 (4 hours)</i>	<i>Saturday 23.00</i>	<i>15 hours</i>	
Одесса	<i>Sunday 14.00 – 19.00 (5 hours)</i>				<i>Sunday 14.00</i>
	18 hours			30 hours	48 hours = 2 days

Summary

Non-profitable case – shipping income covers expenses

Income items / Ships	Number	MV PORFYROUSA	MV EPTANISOS	MV GO 0728
Trailer (driver – 1)	8	100% $\Delta = 0$	25% $\Delta = + 29$	50% $\Delta = + 7$
Car (driver – 1; passenger – 1)	40	55% $\Delta = + 35$	55% $\Delta = + 60$	55% $\Delta = + 25$
Passengers	50	15%	15%	15%
Bus for tourists	depends	No	Yes	Yes
Containers	depends	Yes	Yes	Yes

Profitable part of the voyage depends on:
quality and price of service and quantity of consumers!!!

Summary

EXPENSES

Ship / Expenses	R _{sail} , usd/hour	R _{port} , usd/call	R _{ship} , usd/day	Σ usd	Voyage duration
MV PORFYROUSA	251,4	23 250 (21 000)**	6 414 (4 813)***	44 000	2,0 days
MV EPTANISOS	464,5 (+ 213)*	25 045 (24 000)**	7 137 (5 501)***	47 000	2,0 days
MV GO 0728	339,0 (+ 87,6)*	23 920	3 337 (1 882)***	40 000	2,0 days

* Ship's speed is 19,4 knots – mv EPTANISOS

Ship's main engine used MDO – mv GO 0728

** Port dues depend on ship's size.

*** Payback depends on ship's value – (1 – € 7 000 000; 2 – € 8 000 000; 3 – € 2 500 000).

Dear Sirs!

We are ready answer your questions.

We are ready to hear your observations.

We are open to discuss your prepositions
as per questions of organization of ***JOP IMC BSB***.

We are open to discuss your prepositions
as per questions of type, form and value
of your activity in ***JOP IMC BSB*** realization.

For and on behave of Ukrainian Part of Galati MoU

Ivan Dragomir

Member of Supervisory Council of JSC “ARHIMED”