

# EXPERIENCES FROM THE NORTHERN SEA ROUTE

*By Carsten Andersen, General Manager, Nordic Bulk Carriers*



**NORDIC**

BULK CARRIERS A/S

# Nordic Bulk Carriers Facts

- Nordic Bulk Carriers A/S (NBC) was established in 2009. The company is today controlled by Pangaea Logistics Solutions (PANL:US)
- NBC is located in Hellerup, Denmark with 13 employees and 5 employees in our subsidiary in Singapore.
- The company operates the largest fleet of 1A ice classed panamax vessels in the world
- NBC has completed 19 NSR transits and 1 North West Passage transit.
- In 2013 MV Nordic Orion became the first vessel to circumnavigate the world using only Arctic routes





**NORDIC**  
BULK CARRIERS A/S

# Nordic Bulk Carriers Operations

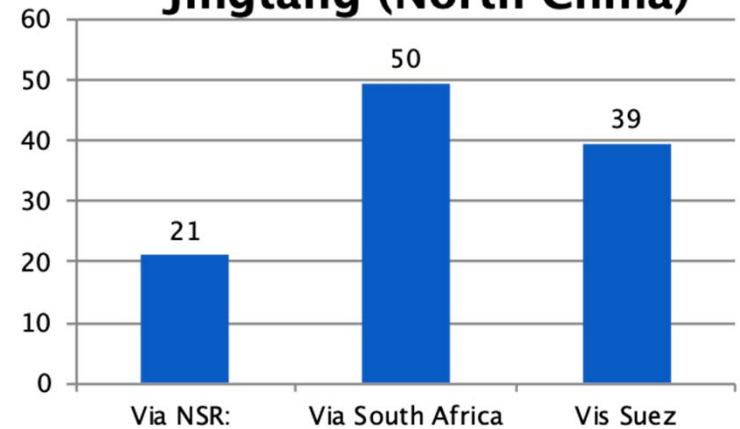
- NBC serves mainly as an operator, shipping bulk commodities around the world.
- We operate in the Handy to Panamax segment – Vessel sizes from 25,000 Dwt to 85,000 Dwt.
- We ship a wide variety of commodities, such as coal, iron ore, steel scrap, fertilizers and grain. Our strength is our ability to ship commodities all year, also in ice waters.
- NBC's fleet counts approximately 30 time chartered vessels, including 8 vessels owned by the group.



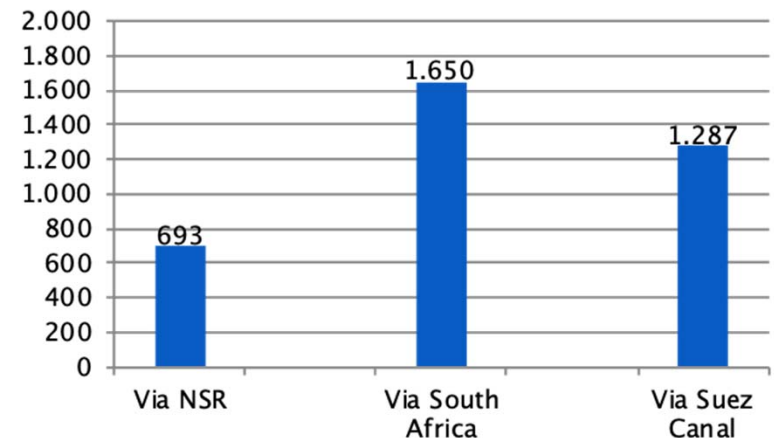
# Nordic Bulk Carriers - Northern Sea Route

- In 2010 NBC was one of the first companies to opening the Northern Sea Route for commercial purposes on dry cargo vessels.
- MV Nordic Barents carried a cargo of iron ore from Kirkenes, Norway to Jintang China during September 2010
- As freight rate and bunker costs fluctuate, it should be noted that the NSR becomes more attractive in higher markets and with higher bunker prices.
- By using our vessels in the Arctic winter we optimize the use of the ships outside our core business of winter operations in the Baltic and EC Canada area.

## Days from Murmansk to Jintang (North China)



## Fuel consumption in tons



# Nordic Oshima on her maiden voyage from West coast Canada to Finland via the Northern Sea Route



# Northern Sea Route (NSR)

- All traffic on the NSR is done under the rules and regulations issued by the Northern Sea Route administration ([www.NSRA.ru](http://www.NSRA.ru)) in Moscow. NSRA was established in 2011 following the increase in the number of vessels interested in using the NSR.
- Depending on the ice class of the vessel, the NSR is open from July until November provided you have ice breaker assistance.
- Most vessels using the NSR have ice class 1A but transits with 1B and 1C Ice class have also occurred. The season for lower ice classes is shorter than for 1A Ice Class.
- The ice breakers working in the NSR are nuclear powered (upto 85.000 HP) and operated by Rosatomflot ([www.rosatomflot.ru](http://www.rosatomflot.ru)). In order to transit the NSR you need to have a contract with Rosatomflot for icebreaker services.



Nordic Odyssey in the Eastern part of the Northern Sea Rute in October 2013 going through new ice





# Northern Sea Route - comments

- Our ships are winterised to minus 30 degrees celcius allowing them to operate in winter trades around East Coast Canada and Finland. This means that deck equipment are designed to operate in minus 30 degrees. Since our ships only trade in the Arctic summer, we are not exposed to those temperatures.
- Contrary to public belief, shipping along the NSR was, and still is, highly regulated by the 'Federal Law of Shipping on the Water of the Northern Sea Route' and the vessels are subject to an approval process.
- In addition to above, the IMO Polar Code is now in force which means that a world wide regulation is in place for all vessels trading to Polar regions.
- Prior to, and during the Northern Sea Route transit, the vessel is required to report its movements to the NSRA via their online website.
- On the NSRA website, daily updates of the traffic and weather and ice movements are available and satellite images of the ice are also sent to the vessel if needed.



