

SUEZ CANAL TRANSIT SERVICES

INTRODUCTION

B.M.C Line Shipping LLC is a private independent Liner which was established in the year 2003 with shipping experiences of decades with head quarters in Geneva, Switzerland- and Dubai, United Arab Emirates.

B.M.C Line Shipping LLC, business philosophy focuses on the principles of honest, integrity and complete dedication to our principals. The combination of skilled professional staff and cutting edge technology allows us to handle the needs of our customers in a proficient yet personable manner. Through our International network of own offices and business associates, we offer a range of quality assured logistical services by air, sea or road and can Provide a package of services to suit customer's needs.

B.M.C Line Shipping (EGYPT) LIMITED & SUEZ CANAL TRANSIT

All the personal employed by B.M.C LINE SHIPPING (EGYPT) are a team of professionals with varied experience in shipping as their background along with exclusive dedicated team for Suez Canal Transit.

This dedicated team of operations and accounting functions operate from their offices located at:

B.M.C LINE SHIPPING (EGYPT) Port Said Branch

Al Tahan Tower, Behind Sonesta Hotel
1st Floor
Port Said, Egypt

B.M.C LINE SHIPPING (EGYPT) Suez Branch

38 Gohar Al Qaaed St. Port Tawfik
Suez, Egypt

B.M.C LINE SHIPPING (EGYPT) Alexandria Branch

8 Victor Bassily, Sultan Hussain
Alexandria, Egypt

B.M.C LINE SHIPPING (EGYPT) **Cairo Branch**

121 Saqr Quraish, Misr Al Gedidah
Cairo, Egypt

B.M.C LINE's experience in handling this business is well established by virtue of the extensive and vast experience of the nominated staff, who have been involved with this business for a number of years.

In addition to very sound knowledge of the business procedures, local market and keenness to monitor the market demands very closely, our personal rapport with the local Government Authorities, gives us an edge which enables us to serve our valuable principal better.

Our Operations, management and Accounts team are all conversant with the principal's professional style of working, pre- planning and reporting.

We assure our principals of smooth handling for the assigned business and tasks.

Being our head quarter is located at Dubai, this facilitates the fund matters which require swift handling between the principals head quarters at Dubai and the offices in Egypt.

In fact we are proud of handling capability of reasonable number of ships per annum and we do expect to handle more through our well trained team.

As soon as we receive confirmation of our principal's plans our operation network expansion will be commensurate to assign dedicated team for our principals as we recognize the importance of maintaining adequate manpower enable maintain a high quality service for closer rapport.

B.M.C LINE's team is further inspired and charged with energy, looking forward optimistically at the high quality service.

E-Mail: dxs@bmclines.com

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Egypt's Suez Canal, which is 195 km (121 mi) long, connects the Mediterranean Sea with the Gulf of Suez, an arm of the Red Sea. It runs north to south across the Isthmus of Suez in northeastern Egypt.

I INTRODUCTION

Suez Canal, artificial waterway running north to south across the Isthmus of Suez in northeastern Egypt; it connects the Mediterranean Sea with the Gulf of Suez, an arm of the Red Sea. The canal provides a shortcut for ships operating between both European and American ports and ports located in southern Asia, eastern Africa, and Oceania.



II PHYSICAL DESCRIPTION

The Suez Canal is 163 km (101 mi) long. The minimum bottom width of the channel is 60 m (197 ft) and ships of 16 m (53 ft) draft can make the transit. The canal can accommodate ships as large as 150,000 dead weight tons fully loaded. It has no locks, because the Mediterranean Sea and the Gulf of Suez have roughly the same water level. The canal utilizes three bodies of water—Lake Manzilah, Lake Timsāh, and the Bitter Lakes (the latter is actually one continuous body of water)—and is not the shortest distance across the isthmus. Most of the canal is limited to a single lane of traffic, but several passing bays exist, and two-lane bypasses are located in the Bitter Lakes and between Al Qanṭarah and Ismailia. A railroad on the west bank runs parallel to the canal for its entire distance.

III HISTORY

The first canal between the Nile River delta and the Red Sea was excavated about the 13th century bc, possibly at the command of an Egyptian ruler, either Seti I or Ramses II. For long periods of time during the next 1000 years the canal was neglected, but several rulers at various times had it reexcavated or modified. All efforts to maintain it in good condition were finally abandoned in the 8th century ad. From time to time thereafter various proposals to dig a canal across the Isthmus of Suez were advanced, but no action was taken. In 1854 the French diplomat and engineer Vicomte Ferdinand Marie de Lesseps succeeded in enlisting the interest of the Egyptian viceroy Said Pasha in the project. In 1858 La Compagnie Universelle du Canal Maritime de Suez (Universal Company of the Maritime Suez Canal) was formed with authority to cut a canal and to operate it for 99 years, after which ownership would return to the Egyptian government. The company was originally a private Egyptian concern, its stock owned chiefly by French and Egyptian interests. In 1875 the British government purchased Egypt's shares

A - Control of the Canal

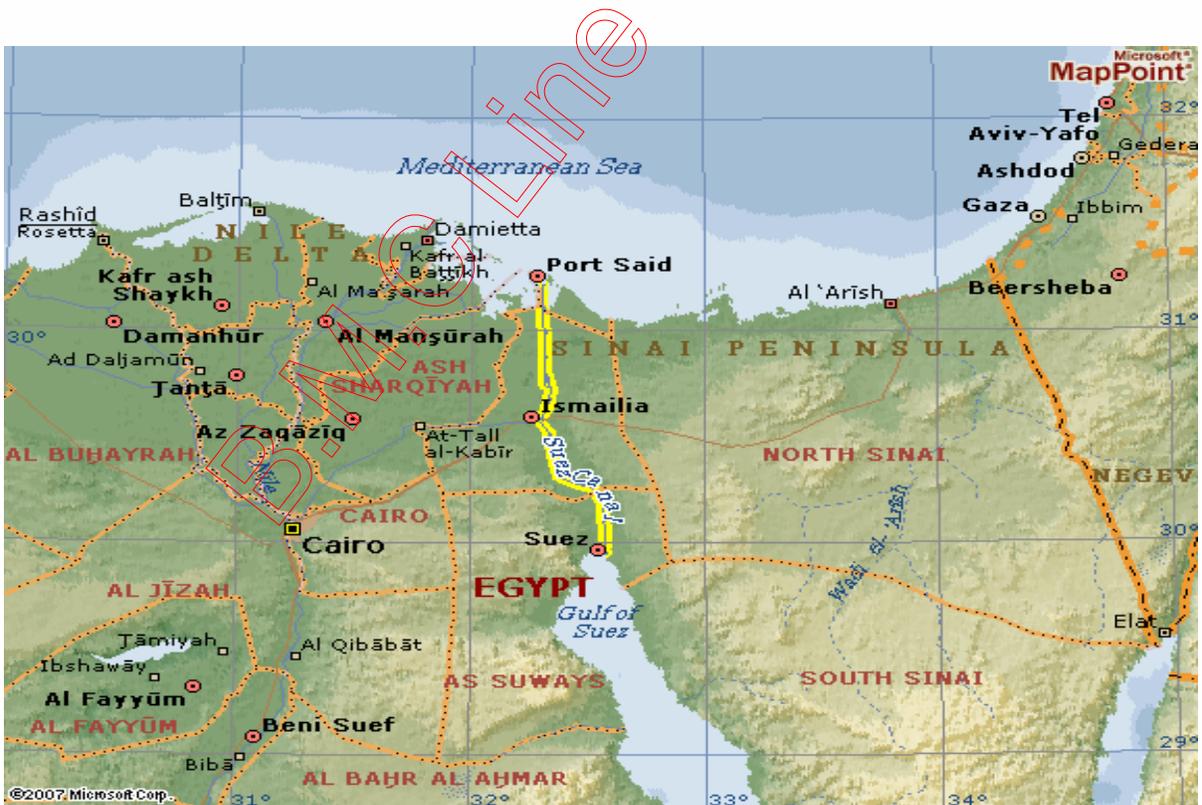
Under the terms of an international convention signed in 1888, the canal was opened to the vessels of all nations without discrimination, in peace and in war. However, Britain considered the canal vital to the maintenance of its maritime power and colonial interests. By the provisions of the Anglo-Egyptian Treaty of 1936, Britain acquired the right to maintain defense forces in the Suez Canal Zone, thus assuming command of the canal approaches. For most of the time after the creation of the state of Israel in Palestine in 1948, the Egyptian government prohibited the transit of vessels to and from Israel.

Egyptian nationalists demanded repeatedly that Britain evacuate the Suez Canal Zone, and in 1954 the two countries signed a seven-year agreement that superseded the 1936 treaty and provided for the gradual withdrawal of all British troops from the zone. By June 1956 all British troops had departed, and Egypt took over the British installations.

B - Nationalization

On July 26, 1956, shortly after the United States and the United Kingdom withdrew their offers to help finance the construction of the Aswān High Dam, the Egyptian government seized the Suez Canal in accordance with a decree of nationalization issued by President Gamal Abdel Nasser. Nasser announced that Egypt planned to use the proceeds from the operation of the canal to finance the dam. On October 29, 1956, Israel invaded Egypt. Two days later, British and French military units attacked Egypt for the announced purpose of ensuring free passage through the canal. In retaliation, Egypt sank 40 ships in the canal, effectively blocking it. Through the intervention of the United Nations (UN), a truce was arranged in November, and by the end of the year Israeli, French, and British forces were withdrawn from the area. Following removal of the sunken vessels by a UN salvage team, the Egyptian government reopened the canal in March 1957. In 1958 Egypt and its nationalized canal company reached agreement on terms of a financial settlement for the canal, and by 1962 final payments had been made to the original shareholders.

The Suez Canal continued to figure prominently in the conflicts between Egypt and Israel during the 1960s and 1970s. It was closed during the Six-Day War of 1967, when several vessels were sunk in the waterway, blocking the shipping lanes. The canal was reopened in June 1975, after an international task force had cleared it of obstacles. Late that year Egypt permitted nonmilitary goods to and from Israel to pass through the waterway. Unrestricted Israeli use of the canal was secured in the peace treaty with Egypt in 1979



A) Southbound Convoys (from Port Said to Suez)

There are two **SB** Convoys **N1** and **N2**

1. First Convoy N1	
Timing:	Commences 0100 hrs up to 0500 hrs
Limit time:	Limit time of arrival at anchorage is 1900 hrs
Surcharge:	Vessels arrive 1900 hrs till 2100 hrs Can join the Convoy But against a Surcharge of 3 PCT of Canal Dues, While Vessels arrive 2100 hrs till 2200 hrs Can join the convoy Against additional 5 PCT of Canal Transit Dues.
Transit Time:	14 -16 hours transit time, Vessels Anchor at Bitter Lake.
Type of Vessels Included: <ul style="list-style-type: none">• 3rd and 4th Generation Container Vessels• VLCC in ballast• Vessels with a draft over 42 ft• LPG, LNG Loaded or not Gas Free• Vessels in Port Said Harbor• Vessels with over 35000 SCGT.• Loaded Tankers• Navy Ships• Bulk Carriers Carrying Petroleum	

2. Second Convoy N2	
Timing:	Commences 0700 hrs up to 0900 hrs
Limit time:	Limit time of arrival at anchorage is 0300 hrs
Surcharge:	Vessels arrive 0300 hrs till 0400 hrs Can join the Convoy But against a Surcharge of 3 PCT of Canal Transit Dues While Vessels arriving 0400 hrs till 0500 hrs can join the Convoy against a Surcharge of 5 PCT of Canal Dues.
Transit Time:	14 – 16 hours. , Vessels make fast in Ballah Branch.
Vessels which are Not Allowed to Join N2 for Safety Reasons: <ul style="list-style-type: none">• Vessels in ballast over 90000 SCGRT• Navy Ships• Loaded Vessels Carrying Petroleum grade A and similar Products with F/P below 23C• Vessels with Beam over 145 ft• Vessels with Draft over 42 ft• LPG, LNG Vessels loaded or not gas free• Vessels Carrying Uncontainerised Radio Active materials• Vessels Carrying Explosives• Non-Double Fitted Bottom Vessels Carrying Chemicals in Bulk.	

B) Northbound Convoy (from Suez to Port Said)

Only one Northbound Convoy Consists of Two Groups

Timing:	Commences at 0600 hrs up
transit time:	12 - 14 hours, Vessels make free run from Port Said to Suez.
Group A	
Limit time:	Limit time of arrival at anchorage is 0100 hrs
Surcharge:	Vessels arrive 0100 hrs till 0300 hrs Can join this group But against a Surcharge of 3 PCT of Canal Transit Dues While Vessels arriving 0300 hrs till 0330 hrs can join the Convoy against a Surcharge of 5 PCT of Canal Dues.
Types of Vessels in Group A: <ul style="list-style-type: none">• 3rd and 4th Generations Container Vessels• Loaded VLCCs• LPG, LNG Loaded or ballasted not gas free• Conventional Tankers• Lash Vessels over 35000 SCGRT• Heavy Bulk Carriers• RoRo Ships and other Vessels over 40000 SCGRT• Loaded Chemical Tankers• Navy Ships• Vessels with Draft over 38 ft or length over 950 ft Bp	
Group B	
Limit time:	Limit time of arrival at anchorage is 0300 hrs
Surcharge:	Vessels arrive 0300 hrs till 0400 hrs Can join this group But against a Surcharge of 3 PCT of Canal Transit Dues While Vessels arriving 0400 hrs till 0500 hrs can join the Convoy against a Surcharge of 5 PCT of Canal Dues.
Types of Vessels in Group B: <ul style="list-style-type: none">• All Cargo and other Vessels.	

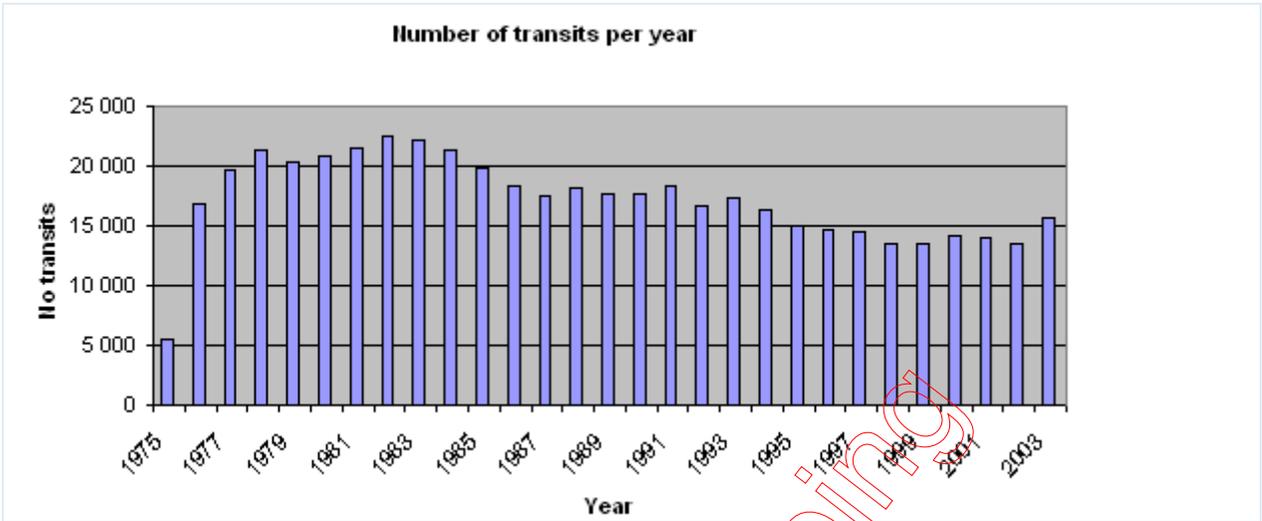


Statistics :Traffic

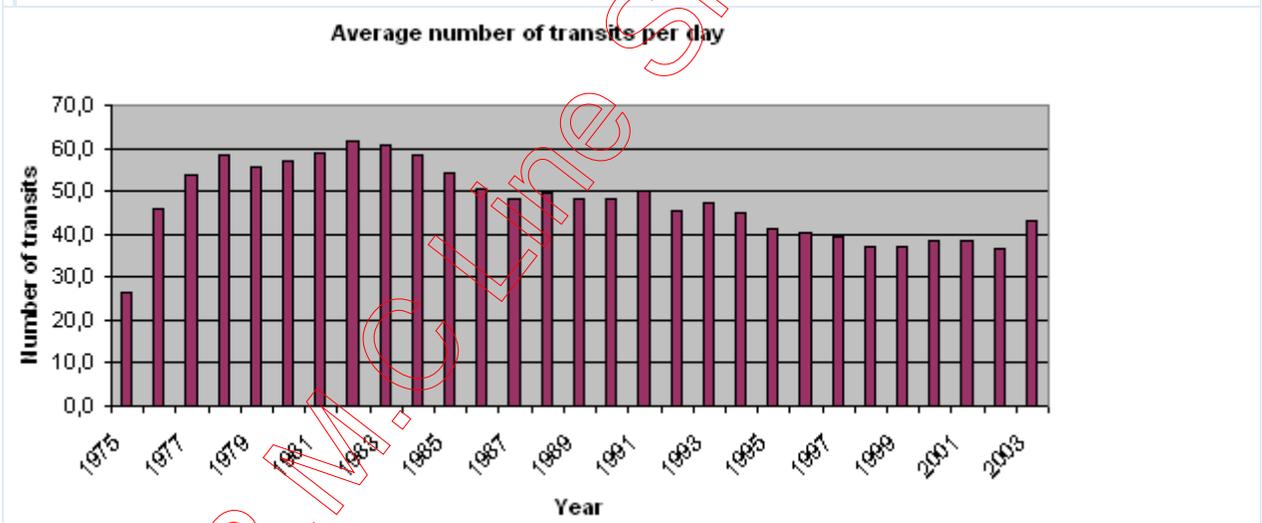
The below graphs shows the traffic through the Suez Canal on a yearly basis starting in 1975

Year	No vessels		Net Ton (1000)	
	Total	Daily avg.	Total	Daily avg.
1975	5 579	26,6	50 441	240
1976	16 806	45,9	187 757	513
1977	19 703	54,0	220 477	604
1978	21 266	58,3	248 260	680
1979	20 363	55,8	266 171	729
1980	20 795	56,8	281 305	769
1981	21 577	59,1	342 356	938
1982	22 545	61,8	363 538	996
1983	22 224	60,9	378 226	1 036
1984	21 361	58,4	371 039	1 014
1985	19 791	54,2	352 579	966
1986	18 403	50,4	366 076	1 003
1987	17 541	48,1	347 038	951
1988	18 190	49,7	356 913	975
1989	17 628	48,3	373 429	1 023
1990	17 664	48,4	410 322	1 124
1991	18 326	50,2	426 449	1 168
1992	16 629	45,4	369 779	1 010
1993	17 318	47,4	396 550	1 086
1994	16 370	44,8	364 487	999
1995	15 051	41,2	360 372	987
1996	14 731	40,2	354 974	970
1997	14 430	39,5	368 720	1 010
1998	13 472	36,9	386 069	1 058
1999	13 490	37,0	384 994	1 055
2000	14 142	38,6	439 041	1 200
2001	13 986	38,3	456 113	1 250
2002	13 447	36,8	444 786	1 219
2003	15 667	42,9	549 381	1 505

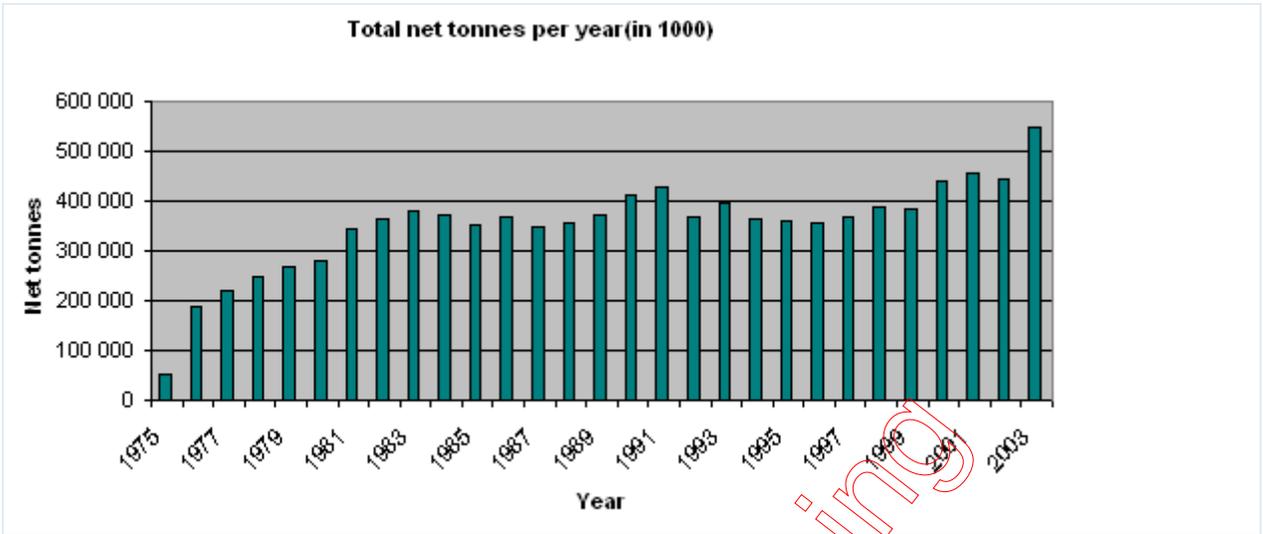
Table 1: Number of transits and tones per year



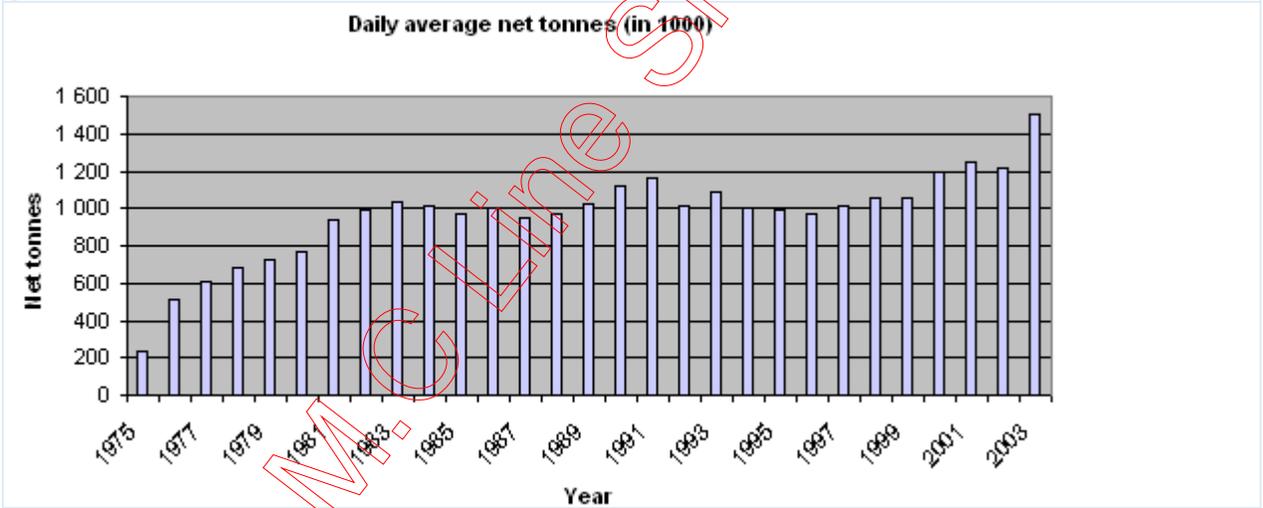
Graph 1: Number of transits per year.



Graph 2: Number of transits per year.

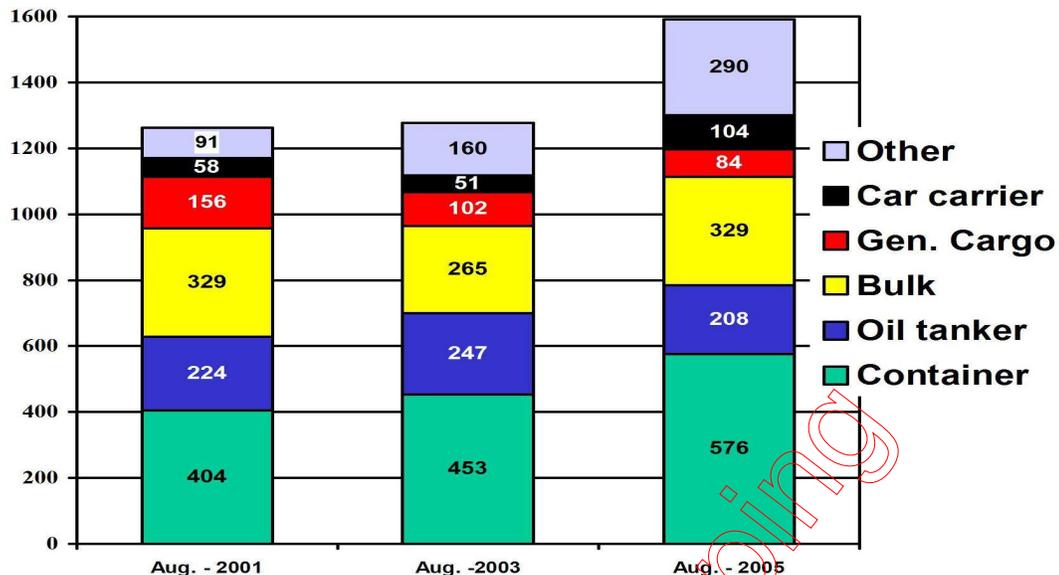


Graph 3: Number of transits per year.



Graph 4: Number of transits per year.

**Suez Canal Transits by Ship Type
(monthly transits)**



In the July – September 2005 period, containership transits through the Suez Canal have averaged 19 per day. If this pace is sustained, for the year, Container vessels will account for 38% of all transits.

Suez Canal Required Documents

PRE-ARRIVAL OF VESSELS

Booking for Transit :

(1)Vessels may book for transiting the Canal. The booking notice shall reach the SCA Offices not later than four days prior to the transit date. It must contain the name, nationality of the vessel, her type (Container, RO-RO,... etc),her draught, SC.G.T. And D.W.T.

(2)Vessels booking for fixed date will have priority to join the convoy on that date, if they arrive within the limit time defined by the present Rules.

(3)Booking can be cancelled or altered by notice to the SCA Offices at least 24 hours before the date booked for, otherwise, the vessel shall be charged of (150 U.S.Dollars).

(4)In case of VLCC's and similar vessels this charge will be (1 500 U.S. Dollars) on account of the special arrangements made by the SCA.

(5)Vessels arriving without previous booking will catch the convoy if the capacity of movement in the Canal permits,

Notice of Arrival :

Masters of vessels fitted with wireless apparatus are requested to transmit the following information to their agent 48

hours prior to the vessel's arrival and to SCA via SUQ :-

- (1)The name and nationality of the vessel, her ex-name if any.
- (2)Suez Canal Gross Tonnage and Deadweight Tonnage, Draught and Beam.
- (3)Whether they intend transiting or merely stopping in the harbors and in this case, mention the duration of stay required.
- (4)The E.T.A.
- (5)Whether they carry dangerous cargo stating quantity and class according to I.M.O's regulations

Contacting with Port Offices on Arrival :

A -Vessels have to contact the Harbor Office by V.H.F.:

- (1)Fifteen miles before arrival to Fairway Buoy of Port Said.
- (2)Five miles before arrival to Separation Zone Buoy No. 1 off Port of Suez.

B - When in touch, give the following information :

- (1)Lat. and Long.
- (2)Vessel's name. and vessel's call sign.
- (3)Suez Canal official number and code number.
- (4)S.C.G.T. and D.W.T.
- (5)Draught.
- (6)Loaded or not.
- (7)Kind of cargo.
- (8)Any defects affecting the safety of navigation.
- (9)If transiting the Canal for the first time, she has to send :
 - a) Date of building.Suez Canal Tonnage Certificate, if available.
- b) Call sign or official number.
- c) Length over-all.
- d)Beam.
- e) Type of engine.
- f) In all cases, the Master must inform if aiming to transit the Canal or just stay in the harbour.

This information will assist the Harbor Master to identify the vessel through his radar, acquire and assign her

Identification " ID " tag which will follow her path till the other end.

C -Failing to contact on the assigned channels, Masters may use, with the consent of the Harbor Master, through the International R/T (2182 KHZ) or via SUQ by W/T , or R. TELEX or Inmarsat and/or any of the following V.H.F. frequencies.

Port Said :

- (1)156.650 MHz (Channel 13).
- (2)156.600 MHz (Channel 12).

Port of Suez :

- (1)156.550 MHz (Channel 11).
- (2)156.700 MHz (Channel 14).

D -Any vessel which does not contact the Port Offices during her approach is subject to delay in joining the convoys.

E -When berthing, changing berth or sailing, the Master must handle the mooring ropes by mooring boats of a firm approved by the SCA.

Documents and Requirements :

A -Documents to be produced are :

- (1) Suez Canal Special Tonnage Certificate and Calculation Sheets (3copies in the first transit).
- (2) Certificate of Registry & ship's drawing.
- (3) Statistical Declaration.
- (4) Extract from the vessel's official documents and information concerning the vessel's type and her cargo (Containers, barges, etc ...).
- (5) Declaration concerning the use of double bottom tanks and the lower parts of the high tanks.
- (6) Declaration concerning vessels in ballast.
- (7) Declaration of State of Navigability.
- (8) The last Classification Certificate issued.
- (9) Any other information necessary for transiting the Canal.
- (10) Piping plan and general arrangement plan for L.P.G. and L.N.G. vessels.
- (11) (I.O.P.P.) International Oil Pollution Prevention Certificate of Compliance and its supplement for the record of construction and equipment as amended for tankers vessels.

B-Vessel wishing to transit the Canal must declare at the CA Offices and pay the various dues mentioned in Part IV Chap. XIII of the present Rules. She must furnish the CA Officials with all the particulars requested by her agent's.

C-The vessel must in addition comply with the requirements of the A.R.E. Government Authorities.

D -In case the C A deems it necessary to be supplied with a new Seaworthiness Certificate issued by a recognized classification society belonging to I.A.C.S.. Seaworthiness Certificates to be accepted by SCA, if in native language, are to be translated into Arabic or English and duly certified by the Embassy or Consulate in the ARE.

E-Navy ships transiting the SC Waters must be provided with a Suez Canal Special Tonnage Certificate showing the SC.G. and N.T. If such documents is not on board, the Commanding Officer has to give, in writing, the following information :

- (1) Name of Ship.
- (2) Name of Commanding Officer.
- (3) Call sign of the ship (Radio Call).
- (4) L.O.A., B.O.A. and depth of the ship.

(As long as the ship is not provided with the SC Special Tonnage Certificate, transit dues will be levied on the temporary Gross Tonnage product of the empirical formula without any allowance till the presentation of the documents required).

Stay in the Harbor:

A-The Master is responsible for the mooring of the vessel in Port Said harbor and Port of Suez.

B-Mooring lashing ropes :

For the safety and quick berthing of vessels in Port Said Harbour, the only Lashing ropes allowed to be used for fixing ship's ropes on the buoys are those provided by the Suez Canal Mooring and Light Company. For this purpose, the said company provides vessels making fast in the harbor with 2 inch Manilla or Sezal ropes. This service is against 40 U.S. Dollars per vessel to be added to the invoice of the Suez Canal Mooring and Light Company.

C-The Master is to pay attention to the instructions hereunder :

(1)When the vessel is moored to the buoys, the mooring ropes must be watched to ensure safe mooring. If two

Vessels are moored to the same buoy, when one leaves, the other must adjust her mooring.

(2)Masters must comply with the Harbor Master's advice regarding mooring ropes during the stay of their vessels in port; especially when, in case of expected bad weather, it is necessary to increase the mooring if required.

(3)When a vessel is moored with her stern to the bank, the Master must keep himself continuously informed of the depth of water aft, to avoid grounding on the submerged slope either as a result of the settling of the vessel as she loads, or her proximity to the bank.

(4)At night, the vessel, whether moored or maneuvering, must show the lights prescribed by the International

Regulations for Preventing Collisions at sea, in addition to the SC light signals.

(5)Unless authorized, barges alongside a vessel must not be more than two abreast each other.

(6)It is forbidden to try projectors, or to turn the propellers during the process of warming up, in the absence of the pilot, or without informing him when on board.

(7)Vessels must not put their engines out of working order for any reason whatsoever without permission from the CA.

(8)The Master must always keep on board sufficient crew to ensure efficient handling of the moorings, fire fighting and damage control.

(9)The Harbor Master or his delegates should have free access on board to ensure application of the Regulations, to verify the vessel's Seaworthiness, and to ascertain that dangerous cargo on board complies with the SC.R.

(10)Vessels canceling booking berth at Port Said for commercial operations, bunkering, etc....., must do so 6 hours prior to arrival, otherwise an additional due of (300 U.S.Dollars) will be charged.