Arctic Passion News 2 / 2020

Dear Reader,

I believe all business leaders are currently trying to come to terms with the changes occurring due to COVID-19, and the implications for their companies.

In the maritime sector, we've witnessed a dramatic drop in newbuild orders, with the cruise and ferry markets suffering especially. Further delays in new ship investments are expected.

However, in polar-related projects, most activities are still ongoing, although precautionary measures naturally need to be taken.

The world's newest icebreaker *Ob*, delivered to Atomflot last year, was able to perform its first wintertime tasks in Sabetta port, and it seems that they were carried out highly successfully. This unique port icebreaker proved that it can achieve what it was planned for, and LNG logistics ran smoothly throughout the winter in the Arctic.

With shipping along the NSR increasing significantly, two noteworthy voyages were made. In May, SCF's *Christophe De Margerie* and Teekay's *Vladimir Voronin* completed their experimental voyages through the Northern Sea Route. One nuclear-powered icebreaker provided support and secured the safety of these two Double Acting LNG Carriers. These voyages proved that the practical operation of the vessels is possible and that their capability is sufficient for the route.

In the future, we will see more direct passages through the Northern Sea Route in wintertime. For support on the route, the first 60-megawatt Project 22220, nuclearpowered icebreaker *Arktika*, is nearing completion in St. Petersburg and should be delivered to Rosatomflot this fall, followed by two sister ships.

In April, an ambitious new project kicked-off as the contract for the construction of the massive 120-megawatt Project 10510, nuclear-powered icebreaker *Rossiya*, was signed between FSUE Atomflot and SKK Zvezda LLC. The aim is to have the icebreaker ready by 2027.

Meanwhile, the 160-metre icebreaking research and supply vessel (RSV) *Nuyina* is being constructed for

Australia, and its floating hull has been towed from the shipyard in Romania to the Netherlands for final outfitting. Additionally, Ponant's icebreaking expedition cruise ship *Le Commandant Charcot* was towed to Saint-Nazaire in France for the installation of its Azipod propulsion units. The Royal Canadian Navy received its first Arctic and Offshore Patrol Ship (AOPS) from Irving Shipbuilding's Halifax Shipyard.

In August 2020, the German research icebreaker *Polarstern* reached the North Pole as part of the European research project MOSAiC. Our recently designed and delivered polar research vessel, Chinese *Xue Long 2*, is now also conducting its research programmes in the Arctic.

Unfortunate setbacks also happen, as the United States Coast Guard medium icebreaker USCGC *Healy* suffered a propulsion motor fire, forcing her to cancel her mission and return to Seattle for repairs. However, activity in the Western Arctic is increasing with freighters regularly transiting through the Northwest Passage. Old Danish icebreakers, built more than 50 years ago, are going to be scrapped. Furthermore, Denmark is

not likely to order new ones as ice has become a rare problem in Denmark. In other parts of the world, old vessels still need to be replaced, and new investments for upgrading icebreaking fleets are now recommended.

Sincerely yours, Reko-Antti Suojanen Managing Director

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