End nears for scorned hulk as Miami man mulls scrap deal

One of the world’s most urgently eligible scrapping candidates has been languishing for years in the narrow Serpent’s Mouth Strait between Venezuela and Trinidad, unwanted by Venezuelan authorities but scorned by scrap players.

Now, however, Miami cargo-equipment dealer Leonardo D’Agostini thinks he can put together a deal to get rid of what was formerly the 225,000-dwt very large ore carrier (VLOC) Berge Brioni (built 1973).

The disused floating ore terminal Boca Grande has been gradually falling apart in Caribbean waters since it was made redundant some five years ago. Two years back, it was moved a distance from its former transhipment location and deliberately grounded to avoid an imminent sinking. After years of buffeting by feederships, it had become weakened in its hull and inner structure and was holed and taking in water.

TradeWinds understands that extremely high price expectations by Venezuelan sellers may have been to blame for the ship’s long-deferred demolition. Financial control of the ship, but not its title, is understood to have been transferred from a Venezuelan state-owned entity to private Venezuelan interests, whose original asking price was around $11m some four years back. A counter offer from cash buyers of some $7m was disdained. Now the world’s biggest cash buyer declines to touch it, even though it might be had for around $5m.

Global Marketing Systems (GMS) operations director Captain Yogesh Rehani says he has had surveyors on the ship three times over the years and believes it could be made to float easily enough but would still be in no shape to be towed around the world. He reckons it needs about 800 tonnes of new steel inside and out.

But the head of Miami-based Coletti International Corp has made other plans. D’Agostini, who has spent the last year developing the deal, tells TradeWinds that repair work on a smaller scale is now being started by a local Venezuelan company. No trip to Alang will be necessary if one of two unnamed sites in the Caribbean or South American countries agrees to take the ship.

A deal could be in place within 45 to 60 days involving a US scrap player, he believes. But the deal is complicated by the fact that the party with whom D’Agostini is dealing does not hold a formal title.

Venezuelan authorities are expected to expedite removal of the environmental hazard. One of the countries being asked to receive the hulk on its beaches is said to be willing, while the other has yet to give the green light.

"The only option for this vessel is beaching," said D’Agostini, pointing out that “greener” dry-docking methods are out of the question because of the ship’s size and position.

The Boca Grande is not to be confused with its currently trading successor, the 135,000-dwt Boca Grande II (ex-Nobel, built 1982), operated by Caracas-based Cargopart for state-owned Ferromineras del Orinoco.

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