

## World News

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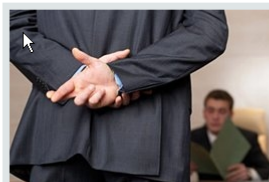
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# Difficult to Make Money Through "Honest" Bunker Trade, Says Executive

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Large-scale defrauding takes place across the bunker industry because of the difficulty in making money through "honest" bunker trade, shipping technology executive **Carsten Hounsgaard** has told ShippingWatch.

Hounsgaard, who is the project sales manager at **Insatech A/S**, makers of products that keep track of bunkering, says that there are several factors behind the difficulties, including a lack of



Hounsgaard says large-scale defrauding

rules within the industry, including a lack of rules, and low oil prices.

"I generally think the market needs to wake up. Shipowners have contributed to pushing the oil prices down to unrealistic levels with their oil traders and bonus systems," he says.

While the issue is a global one, industry sources have told **Ship & Bunker** that quantity problems are compounded in **Singapore**, the world's largest bunker port, because of the highly competitive environment arising from the market's size, and the number of suppliers at the port.

**Singapore Shipping Association's Carsten Ostenfeldt** has said that Singapore is "very much aware of the dangers of getting a reputation as being a place of where bunker fraud thrives."

As part of efforts to take action on the matter, the **Maritime and Port Authority of Singapore** (MPA) last year announced that it wants more bunker players to adopt mass flow meters for bunkering to help tackle the issue.

Hounsgaard predicts the MPA will make flow meter use mandatory next year, and despite some industry players reporting low demand for the technology, the primary bunkering ports are expected to follow suit.

"In order to get a license to trade out there, they're going to put up this requirement going forward. It's a great initiative, but if we want to be rid of all the problems we have to go through the IMO and the major bunker hubs, such as Houston and Rotterdam," says Hounsgaard.

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*Carsten Hounsgaard, Project Sales Manager, Insatech A/S*

"There are simple ways of dealing with the worst issues. It will never be great, but we could get rid of the worst parts by introducing some basic rules for trading oil, as defined by the MID directive."

"I hope the MPA succeeds with this, as the biggest hub in the world is guaranteed to have a spill-over effect on the rest of the market."

**Ship & Bunker News Team**

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It's more than oil



## Bunker Prices

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	IFO380		MGO	
	\$/mt	+/-	\$/mt	+/-
Singapore	605.50	0.00	913.50	3.00
Rotterdam	594.50	2.00	901.50	1.00
Houston	613.50	0.50	993.50	1.50
Houston	613.50	0.50	993.50	1.50
Fujairah	606.50	0.00	991.00	3.00
Istanbul	632.00	3.00	976.00	6.00
Piraeus	620.50	5.00	944.50	10.00

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