

Caledonian Maritime Assets Ltd Municipal Buildings Fore St Port Glasgow PA14 5EQ

Tel: [REDACTED]

12 February 2024

Edward Mountain MSP Convener Net Zero, Energy and Transport Committee

By email only

Dear Mr Mountain,

## Update on New Vessels for Islay & Little Minch. MV Isle of Islay (NB1092), MV Loch Indaal (NB1093), MV Lochmor (NB1100) and MV Claymore (NB1101)

Thank you for your letter of 10 January 2023 seeking further information on our update on the New Vessels for Islay & Little Minch.

As reported in my letter of 28 December 2023, the design and construction of the four vessels; NB1092, NB1093, NB1100 and NB1101 is underway, progressing well and according to the shipyard schedule. From contract award, the basic design and detailed design phases have been executed according to schedule. The plan and drawing approval process performed by the Shipyard, Classification Society, MCA and CMAL has been well planned and co-ordinated; with the drawings and plans reviewed according to schedule.

CMAL have regular and direct engagement with the shipyard, working very closely together on all aspects of the builds. There is close co-operation with CMAL, Shipyard, MCA, Classification Society and suppliers on the project for the 4 Vessels. We have 4 supervisors on site at the shipyard, who have vast experience of shipbuilding contracts, providing oversight of the construction and commissioning of the vessels. The CMAL team are working collaboratively with the shipyard team and with the attending surveyors of the Classification Society, monitoring quality and checking that the progress of all construction activities; steelwork, pipework, electrical, outfitting, equipment deliveries, equipment installation, inspections and surveys etc is according to quality and schedule and according to normal good shipbuilding practice. We have provided the Shipyard with details of issues raised by MCA on Glen Sannox and Glen Rosa, which have been captured in the vessel design.

The equipment for the vessels has been ordered by the shipyard and delivered to the yard according to schedule. The construction, erection and survey of the vessel blocks has been performed according to schedule required and to required quality standards. On the completion of Contract Milestone Events in the construction of the Vessels, the Shipyard provide a certificate confirming the achievement of the relevant Milestone Event, signed by the attending surveyor of the Classification Society, confirming the attainment of the Milestone Event in question and that all relevant drawings up to and including that Milestone Event have been duly approved by the Classification Society.

CMAL thereafter ensures that the milestone payments are made in accordance with the Shipbuilding Contracts.



Regarding any changes to the vessels design. This is following normal practices that are within any shipbuilding contract whereby both parties discuss any changes required and an agreement regarding both time and costs is articulated and executed contractually. If they cannot be agreed, then the changes do not progress. All changes requested by either CMAL or the shipyard in Turkey have been successfully agreed to date.

There seems to be some confusion regarding what happened regarding H801/H802 – the approach by FMEL at the time was completely erroneous and did not follow contractual protocols. This resulted in very large claims that had no basis whatsoever (as verified by 3 separate barristers opinions) and that was clearly articulated by CMAL in the NZETS and RECC Committees.

Regarding your supplementary questions regarding the MV Glen Sannox and MV Glen Rosa I will respond under separate cover within this week given that our quarterly update related to the Update on Vessels under construction for Islay and Little Minch routes.

Yours sincerely,

Kevin Hobbs Chief Executive

