

B.P. AND SHELL RETIRE 18 SHIPS

By Reuters

Published: June 18, 1981

Two major European oil companies announced plans yesterday to lay up 18 tankers over the next five years due to surplus tanker capacity and a reduction in oil shipments.

In London, British Petroleum Ltd. said its shipping company was reducing its tanker fleet by six ships.

The cut, combined with one earlier this year, would reduce the size of B.P.'s fleet to 46 ships from 58.

B.P. said it did not rule out the possibility of further layups, especially given the surplus of product carriers resulting from delivery of new ships.

In Rotterdam, the Netherlands, Shell Tankers B.V. said it would cut its tanker fleet by nearly 30 percent in the next five years, to 25 vessels from 35. Twelve very large crude carriers would be taken out of service by 1986 and two smaller oil-product carriers would be added, a spokesman said.

The spokesman said no decision had been taken on whether the tankers taken out of service would be scrapped or sold, but he said it was likely they would be scrapped. Shell Tankers' fleet included 43 vessels at the end of 1977.