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## Abu Dhabi Ports Weighs IPO Amid U.A.E. Listing Spree

Abu Dhabi Ports Co. is considering an initial public offering, joining a growing list of state entities in the United Arab Emirates seeking to sell shares, according to people familiar with the matter. The government-run ports operator has met with investment banks in recent weeks and may decide on financial advisers soon, the people said, asking not to be identified as the information is private. The company could raise at least $1 billion in a share sale on the local exchange, one of the people said. No final decisions have been taken, and the company may decide against a listing, they said. A spokesman for Abu Dhabi Ports declined to comment. Large state-owned companies in the Gulf are turning to equity markets to raise cash amid weak oil prices. Abu Dhabi National Oil Co. selected underwriters and advisers for an IPO of its gas stations unit, which may value the business at as much as $14 billion, people familiar with the matter said last week. Emirates Global Aluminium PJSC is also planning to raise about $3 billion through a stock sale, people familiar with the matter have said.

## Another major global shipping line offering service to Port Saint John

Port Saint John has landed Bahri, a global shipping line that will connect the city with major ports in the Middle East, India, Mediterranean Sea, Mexico, and U.S. Gulf and East Coasts, officials with DP World Cargo Terminals and Port Saint John announced today. “Adding a new service to the offerings at Port Saint John provides shippers and receivers in the region and beyond the opportunity to access new markets with their products,” said Jim Quinn, president & CEO of Port Saint John, in a press release. “The Bahri vessels are uniquely designed multipurpose vessels which specialize in carrying project cargo, roll on-roll off cargo and containers. Their addition to the services at DP World's cargo terminal here is very welcomed.” Curtis Doiron, general manager at DP World Saint John, said Bahri and DP World have a long relationship and shared expertise that will help make this new shipping service a success. “DP World is pleased to extend its long standing relationship with Bahri with the introduction of their services [in] Saint John,” said Doiron in a release.

## Huge investments go into building Malaysian ports

Ever since China rolled out its Belt and Road initiative, many countries have received billions of dollars towards infrastructure development to boost trade and investment along the old Silk Road that connects China and many other countries. For the developing nations along the Silk Road, receiving huge sums of money has boosted economic growth as China aims to intensify linkages with countries. President Xi Jinping's Belt and Road initiative, which originally aimed at building economic connectivity with 64 countries via infrastructure investments along the old Silk Road and maritime routes, is making positive impact on many countries and Malaysia is a big beneficiary of that. What is clear is the impact on investment in Malaysia. One of the largest investments inked has been through the East Coast Rail Link (ECRL). The first phase of the ECRL will connect Wakaf Baru in Kelantan to ITT Gombak at a cost of RM46bil. The second phase will join the Integrated Transport Terminal Gombak to Port Klang, a distance of 88km, at a cost of RM9bil.

## Tempers rise as Hamburg container port expansion is awarded to Chinese consortium

A storm is brewing in the city of Hamburg over the port authority awarding the development of the 42ha Steinwerder South container terminal project to a Chinese conglomerate. Hamburg Port Authority (HPA) launched an 'ideas' competition in January for the development of the redundant area on the south side of the city to include up to 1,100m of quay wall to accommodate ultra-large container vessels (ULCVs). China Communications Construction Company (CCCC) is the parent of the global market leader in container gantry cranes, ZPMC, and is one of the 500 largest companies in the world, with investors including Chinese internet billionaire Jack Ma, founder of Alibaba. The news that home-grown entries had been overlooked has shaken the Hamburg shipping fraternity – a reminder of the reaction when Singapore's Neptune Orient Lines attempted to acquire Hapag-Lloyd in 2008. “The resident container terminal operators must feel “*verschaukelt* [taken for a ride],” said the parliamentary manager of Hamburg FDP citizenship group, Michael Kruse.

## DP World launches logistics arm

Stevedoring company DP World Australia (DPWA) has launched DP World Logistics Australia, a new operating company offering transport and intermodal solutions. As part of the re-branding, a new business 'Botany Intermodal' will be housed within DP World Logistics Australia. The move into landside logistics is part of a long-term strategy to move beyond the port gate, offering efficiencies to customers and other stakeholders in the supply chain, the company explained in a statement. Paul Scurrah, Managing Director and CEO, DP World Australia, said the new DP World Logistics Australia brand and Botany Intermodal business in the Port Botany precinct is a natural extension of a local and global network stretching across DP World's 70 international container terminals. “As a critical link in the cargo logistics chain, we're growing our Australian business in a way that makes sense,” Scurrah said. “This new intermodal business aligns with our plans to develop operations that complement DP World Australia's stevedoring business.” With more than 25 years' experience in the shipping, logistics and stevedoring industry, Mark Hulme will lead the new DP World Logistics Australia business as Chief Operating Officer – Logistics.

## Gulftainer handles largest container vessel to arrive at Iraqi Ports

Gulftainer, the largest privately owned, independent port operator, received the largest container vessel to call at Iraqi ports to date. The vessel, YM Wealth, deployed by Taiwan-based shipping line Yang Ming Marine Transport Corporation (Yang Ming), arrived at Gulftainer's Iraq Container Terminal (ICT) facility. Gulftainer marked the momentous occasion with a reception that drew the participation of Omran Radhi Thani, Director General of the National Ports Authority of Iraq, Osama Ali al-Maliki, Director of the Umm Qasr Customs Authority, and Rafi'e Yosif Abbas, Director General of the Iraqi State Company for Maritime Transport. Representatives of the Basra Governorate, shipping agencies in Iraq and other senior officials were also in attendance. Yang Ming currently operates a fleet of 98 vessels, primarily container ships, with the combined capacity of approximately 590,000 TEUs. The company deployed the YM Wealth for the China Gulf Express (CGX) service on a revised route that now includes a call at the Umm Qasr Port, offering a direct connection between the Far East and Iraq. On her maiden call to ICT, the 5,551 TEU vessel discharged and loaded over 2,500 containers.

## DP World posts 8% growth in first half of 2017

DP World handled 34m teu across all its terminals in the first half of 2017, an 8.2% year-on-year growth, while second quarter rates shot up by 10.7% year-on-year (YOY). All three DP World regions, Asia Pacific & India subcontinent, Americas & Australia and Europe, Middle East & Africa, experienced growth. Europe and the Americas posted significant growth of 9% and 12% respectively, while the UAE handled 7.7m teu in the first half of 2017, growing 4.3% YOY. The operator registered a 10.4% in like-for-like growth. This figure does not include container volumes at DP World’s terminals in Saint John in Canada, Limassol in Cyprus and Berbera in Somaliland, which all opened within the last 12 months. DP World group chairman and CEO Sultan Ahmed Bin Sulayem said: “Our portfolio has delivered ahead-of-market growth benefitting from the improved trading environment in 2017 and market share gains from the new shipping alliances, driving volumes in the second quarter. “We are pleased to see our terminals in the Americas and Europe continue to deliver growth. Encouragingly, UAE volumes have improved and we continue to expect our portfolio’s volume growth to outperform the market.

## India: No new port near 100 km vicinity of major ports: Par panel

Concerned about new ports eating into the profitability and business of India's 12 major ports, a parliamentary panel has recommended that no new port be allowed in 100 km vicinity of top ports without a nod from board. The recommendation assumes significance in the wake of 12 major ports losing about 33 per cent market share to non-major and private ports. "New ports are coming up in the vicinity of major ports affecting their business and profitability. The committee therefore recommends that no new ports be established in the 100 km vicinity of existing major ports without the permission of board..," Parliamentary Standing Committee on Transport said in its latest report. The 31-member committee, chaired by Mukul Roy has given its recommendations after examining the Major Port Authorities Bill, 2016, referred to it by the Rajya Sabha Chairman on January 12 this year. The bill seeks to provide greater autonomy to the 12 ports in decision-making besides repealing of Major Port Trusts Act of 1963. The committee said the need for restricting new ports was felt as there has been a paradigm shift with non-major ports and private ports accounting for more than 40 per cent of market share of the cargo handled.

## 12 Indian ports to gain autonomy

India's government has approved a draft bill to give 12 ports in the country full decision-making autonomy in a bid to enable greater efficiency. Union Minister of State for Shipping, Mansukh Lal Mandaviya, said once enacted, the Major Port Authorities Bill, 2016 would replace the Major Port Trusts Act, 1963. According to Maritime Professional, a statement from the Indian government said: “With the growth and development of private ports, the major ports are facing severe competition and difficulties in implementing the changes which may help them compete in the evolving market conditions. “The regulation of tariff in the major ports by the Central Government are some of the critical factors hindering their growth and development. To provide greater autonomy, flexibility to the Major Ports and to professionalize their governance, it is proposed to repeal the Major Port Trusts Act, 1963 and to replace it with a new legislation, namely the Major Ports Authorities Bill, 2016.” Maritime Professional reported that the bill proposes to create a Board of Port Authority for each major port, in place of the Board of Trustees.