

DP World chairman says trade tensions will make 2019 challenging

Global ports operator DP World believes international trade tensions such as those between the United States and China will make 2019 challenging but not unmanageable, its chairman said. The Dubai government-controlled ports operator cautioned in August about geopolitical risks and changes in trade policies as first-half profit fell 2.1 percent. DP World Chairman Sultan Ahmed bin Sulayem told Reuters he believed the psychological impact of trade tensions involving the United States were starting to translate into reality. Financial institutions were becoming increasingly cautious and taking measures such as tightening lending in reaction to trade tensions, he said in an interview at the DP World Tour Championship golf tournament in Dubai. That is likely to negatively impact growth in emerging markets, he said. Trade tensions were evident in Papua New Guinea on Sunday when Asia-Pacific leaders failed to agree on a communique at a summit for the first time in their history as deep divisions between the United States and China over trade and investment stymied cooperation. DP World, one of the world's largest port operators, was taking measures to reduce costs, and is addressing how it will manage a challenging 2019, said bin Sulayem.

New facility for ship repair opened at Dubai Maritime City

Albwardy Damen, a joint venture providing shipbuilding and ship repair services to the marine and oil and gas related industries in the Middle East, recently officially inaugurated its new facility at the Dubai Maritime City (DMC). Approximately 100 attendees were present at the event from both government and key industry makers such as Dubai Maritime City and Dubai Maritime City Authority. The new opening also comes at the time of their 40th anniversary celebrations in the UAE along with its 10th anniversary for a successful joint venture with the Dutch shipyards "Damen". Well-known as a leading shipbuilding and repair service provider for the Middle East Maritime Industry, Albwardy Damen operates in Dubai, Sharjah, and Fujairah; driven by its commitment to achieving excellence through abiding by technical and environmental standards. "The primary aim of the company has always been to offer its current and potential customers the ultimate best of service excellence. Albwardy Damen's tremendous growth over the past ten years is a strong testament to its never-ending pursuit of technical innovation and its dedication towards providing services according to the satisfaction of consumers," said Ali Saeed Juma Albwardy, Chairman and Director of Albwardy Investment.

BIMCO to complete cyber security clause in May 2019

Shipowner association BIMCO is developing a cyber security clause in cooperation with shipping companies Klaveness and Navig8. BIMCO said that the small team includes also representatives from the UK P&I Club and HFW law firm, which aim to complete the project in May 2019. The clause will deal with cyber security risks and incidents that might affect the ability of one of the parties to perform their contractual obligations. It requires the parties to have plans and procedures in place to protect its computer systems and data, and to be able to respond quickly and efficiently to a cyber incident. Furthermore, the clause requires the affected party to notify the other party quickly, so that they can take any necessary counter-measures. It is designed for use in a broad range of contracts, including arrangements with third-party service providers, such as brokers and agents. BIMCO said that the liability of the parties to each other for claims is limited to an amount agreed during negotiations. A sum of USD 100,000 will apply if no other amount is inserted. The clause is considered to be of great importance in the age of digital transformation of the shipping industry, especially taking into account the threats of cyber attacks.

Cosco Shipping Ports adding 2m teu in capacity at PSA in Singapore

Cosco Shipping Ports (CSP) is adding two more berths to its joint venture terminal in Singapore with PSA Corp. CSP and PSA inked a Memorandum of Understanding (MoU) on Wednesday for two additional berths at Cosco-PSA Terminal (CPT) in Singapore. The additional berths will increase the joint venture's capacity from 3m teu a year to 5m teu with five berths all capable of handling mega-containerships. PSA said the berths would be supported by automated technologies at its Pasir Panjang Terminal. Zhang Wei, vice chairman and managing director of CSP said: "The addition of the two new berths will enable us to secure more volume from the parent company and shipping alliances by providing them with high efficiency services. As our major hub port for transshipment in SE Asia, the expansion in the terminal will facilitate us to capture more volume from the new global trade momentum in the region." Ong Kim Pong, regional ceo Southeast Asia, PSA International, said, "PSA is honoured by the trust that CSP has placed in us to serve as their main hub port for container transshipment in Southeast Asia." The CPT joint venture was founded in 2003 when PSA moved away from being a purely common user facility in Singapore.

Massive development projects for Colombo Port: Minister

The Ports and Shipping Ministry will develop Jeya Container Terminal (JCT) of the Port of Colombo at a cost of US\$ 25.7 Million (Rs. four billion approximately) by deepening it up to 15 metres, fixing three Gantry Cranes and extending the quay to facilitate two 350 metre ships at a time, Ports and Shipping Minister Mahinda Samarasinghe said. "Cabinet approval has been granted to offer the contract to supply three Gantry Cranes to the JCT to Shanghai Zhenhua Heavy Industries Ltd. and the contract to deepen the JCT to China Harbour Engineering Co. on the recommendation of the Cabinet Appointed Procurement Committee (CAPC)," Minister Smarasinghe said. Meanwhile, the Eastern Container Terminal (ECT) will also be developed as the deepest Container Terminal at the Port of Colombo enabling to berth massive ships, container carriers and oil tankers. In three other terminals at the Port of Colombo, Jeya Container Terminal (JCT) South Asia Gateway Terminal (SAGT) and the Colombo International Container Terminal (CICT) don't have facilities to take big ships. After the development of ECT it will provide facilities to berth the largest ships in the world.

French ports ready to ease congestion from any Brexit fallout

Smaller ports in northern France are ready to absorb more shipping traffic from Britain if congestion builds up due to any fallout from Brexit, a top French official said on Wednesday. The Ports of Normandy Authority (PNA) currently owns and operates Cherbourg and Caen-Ouistreham terminals and will take on operating Dieppe nearby in 2019. "We can accept more (traffic) and we would like to accept more if there is congestion on the east side of the UK," Philippe Deiss, managing director of the PNA told Reuters during a trade visit to London. Over 1 million passengers and over 100,000 lorries pass through these French terminals each year with ferry lines and ro-ro cargo ships active on these routes. "Newhaven, Portsmouth and Poole can accept more traffic of course," Deiss said, referring to three southern English ports. Since striking a draft deal with the EU last week, British Prime Minister Theresa May has faced the most perilous crisis of her premiership with several ministers resigning. May has pledged to fight on, warning that toppling her risks delaying Britain's exit from the EU or leaving without a deal, a step that could thrust the economy into the unknown.

As automakers move more vehicles via ship, investments pour into North American ports

Finished-vehicle logistics tends to go unnoticed in the automotive sector compared with manufacturing and marketing — until a shipping delay creates a shortage at dealerships. Consumers don't care how their shiny new car got to the lot, but for automakers, transportation efficiency is an important part of keeping costs down and remaining competitive. Ports are an important node in that supply chain. In North America, the sector has witnessed a flurry of investment activity in the last 12 months as logistics providers and port authorities work to increase throughput and reduce the expense of getting vehicles from factory to showroom as the volume that is traveling longer distances grows. Last year, the U.S. imported nearly 8.3 million vehicles, a 19 percent increase from 2012, according to U.S. Census Bureau figures. Automakers in the U.S. export about 2 million passenger vehicles annually. Vehicle exports from Mexico to the U.S. have increased 71 percent over the last five years to 2.4 million, as more automakers open plants south of the border to take advantage of cheaper labor and the country's burgeoning supplier network. Although the Trump administration's revised trade deal with Mexico and Canada is expected to raise automakers' operating costs.

Kitack Lim wins second term at the helm of IMO

Kitack Lim has been given a second four-year term as Secretary General of the International Maritime Organization (IMO). Namely, the IMO Council agreed to renew Lim's appointment, starting in January 2020 and the decision is yet to be approved by the IMO Assembly in December, the organization informed. Kitack Lim was born in the Republic of Korea, and he is the eighth elected Secretary-General of the IMO. He has helped guide the international maritime industry to commit to ambitious environmental initiatives including, ballast water management, the Polar Code, the 2020 sulphur cap and 2050 decarbonization strategy. Namely, in April this year, the IMO member states adopted the Initial Strategy for the reduction of greenhouse gas emissions from international shipping, in line with the global initiative to combat climate change and its impact under the Paris Agreement. This is the first time that the international shipping community committed to a complete phase out of GHG emissions from ships, targeting at least a 50 per cent cut in emissions from the sector by 2050. However, a lot more work is yet to be done with regard to defining of concrete actions and timelines to achieve the goals set out in the strategy.

GMR Kakinada Gateway Port inks concession agreement for development of commercial port

Kakinada Gateway Port Ltd (KGPL), a subsidiary of Kakinada SEZ Ltd (KSEZ), has signed a concession agreement with the Andhra Pradesh government for development of a greenfield commercial port. The port is to be developed on design, build, finance, operate and transfer (DBFOT) basis at Kona village in East Godavari district of Andhra Pradesh. KSEZ is a company promoted by GMR Infrastructure Ltd, the flagship company of GMR Group, which is a leading infrastructure developer in the country. The agreement was signed by the Director of Ports, Koya Praveen, and the CEO Kakinada SEZ, Prasanna Challa, in the presence of state Chief Minister Nara Chandrababu Naidu, Ajay Jain, Principal Secretary, Energy, and Nagarajuna Tadury, Vice-President, Ports, Kakinada SEZ. The ground-breaking ceremony of the Rs 2,123-crore port is expected to be held in December 2018 and the port is projected to generate employment for about 3,000 people, according to a government statement. The concession has been awarded with a concession fee of 2.7 per cent of revenue share in the first 30 years, 5.4 per cent of revenue share in years 31 to 40 and 10.8 per cent revenue share in years 41 to 50. The port would be developed in an area of approximately 1,811 acres owned by KSEZ.

PE firm puts six operators together to form the UK's largest logistics company

A private equity firm has put together six operators to form the UK's largest privately owned logistics company, EV Cargo. The companies, backed by Hong Kong-based EmergeVest, are Allport Cargo Services, Palletforce, CM Downton, Jigsaw, NFT and Adjuno. The wide range of specialties in the group, from CM Downton, a haulier bought earlier this year by EmergeVest for £75m, to NFT, a cool chain specialist, and Adjuno, a supply chain software company, gives EV Cargo a solid logistics platform. EV Cargo will have four main operating segments: express, global forwarding, logistics and technology. EmergeVest appears to have been working towards this for some time. It bought Palletforce in October 2015 for £30m and Jigsaw was bought by CM Downton in 2009. In March this year, days after buying CM Downton, EmergeVest closed its logistics fund, having raised \$205m. The firm's managing director, Heath Zarin, formerly head of HSBC principal investments Asia, becomes EV Cargo's new chief executive, a move bound to trigger speculation over his experience in logistics. However, he is also currently chairman of Adjuno, Allport, NFT Distribution and Palletforce, and director of Hong Kong's Cargo Services Group.

ICTSI inaugurates first container barge terminal in Cavite

The Department of Transportation and port operator International Container Terminal Services Inc. inaugurated the Cavite Gateway Terminal, the country's first container barge terminal. A project by ICTSI, in coordination with the DOTr and Philippine Ports Authority, the Cavite Gateway Terminal will allow trans-shipment of cargo from international ports in Manila to Cavite via barges and roll-on roll-off operations. ICTSI said that by moving cargo and people out of the roads and into the waterways, the CGT was expected to decongest traffic in major roads and offer a faster, more cost-effective access to the Cavite market. The terminal offers direct port-to-port customer service and seamless cargo transfer to other major Luzon ports, acting as a container hub and provisions for empty container storage. Located in Tanza, Cavite, the terminal is positioned to be strategic, as it is within the presence of the Cavite Export Processing Zone, which hosts 400-plus actively operating companies in the municipality of Rosario, and future processing zones in neighboring cities. The CGT has an annual capacity of 115,000 twenty-foot equivalent units, including a RoRo wharf, storage for dry laden and empty containers, project cargo and ISO tanks.

Not informed of anti-competitive practices charge in India: DP World

Global ports operator DP World on Wednesday said it had not received any communication from India's anti-trust regulator for involvement in allegedly anti-competitive practices by the Dubai-based company. "We have not received any communication from the Competition Commission (of India) on this matter. We have always been committed to ensuring our business meets the highest standards, complying with all laws and regulations," a DP World spokesperson said in a statement. Earlier, quoting sources, Reuters reported that India's anti-trust regulator Competition Commission of India (CCI) had ordered an investigation into alleged anti-competitive practices by DP World and Denmark's AP Moller-Maersk at the terminals they operate in Mumbai. Singapore's PSA International alleged that Maersk and DP World had created barriers to hinder the growth of PSA's terminal by colluding on certain charges they levy at the state-owned Jawaharlal Nehru Port Trust (JNPT). Subsidiaries of DP World, Maersk and PSA currently operate 4 out of port's 5 terminals. According to Reuters, the dispute is about so-called inter-terminal transfers.