

Dubai Ports World acquires stake in India's logistics firm in joint venture

Hindustan Infralog Private Ltd., the joint venture between India's infrastructure fund and port operator DP World bought 90 percent stake for an undisclosed amount in Continental Warehousing Corporation (Nhava Seva) Ltd. Founders of the Mumbai-based logistics firm will retain 10 percent stake, according to a statement by Dubai-based DP World. It didn't give the financial details. Continental Warehousing is a multi-modal logistics provider spread across 40 cities. DP World has been operating port terminals in India since 1997. The acquisition, its statement said, will enhance its logistics value in India. "We look forward to actively collaborating with the Reddy family, our partners in Continental Warehousing Corporation, to drive and realise the Company's growth," it quoted Sultan Ahmed Bin Sulayem, group chairman and chief executive officer, as saying. Adi Keshav Reddy, founder at Continental Warehousing, said in the statement that the company has enjoyed a successful partnership with Warburg Pincus, IFC and Aureos, and looks forward to partnering with Hindustan Infralog for the next phase of growth. This is the first acquisition by the joint venture between the National Investment and Infrastructure Fund and DP World.

KITA opens office in Dubai to boost exports

The Korea International Trade Association opened a new office in Dubai on Tuesday, the latest move in a push to strengthen business ties with countries in the Middle East and Africa. The new office was opened in time with President Moon Jae-in's visit to the country. Moon arrived in Seoul on Wednesday after traveling to Vietnam and the United Arab Emirates (UAE) during his seven-day trip. The association's UAE branch will focus on supporting small and mid-sized Korean businesses wanting to enter the Middle East and African markets by offering reports on local trade and market situations and helping them build local sales networks. Prior to opening the branch, the association inked a memorandum of understanding with the Abu Dhabi Chamber of Commerce & Industry on Sunday to closely exchange market information and boost business cooperation between Korean and UAE companies. On Monday, KITA executives also visited Dubai Future Accelerators, an intensive nine-week program for tech firms and start-ups in partnership with government organizations founded in 2016 by the crown prince of Dubai. "With the opening of our UAE branch, we hope many Korean start-ups and innovative entrepreneurs can start businesses in the Middle East," said Kim Young-ju, CEO of KITA.

AD Ports inks MoU with China Council to promote international trade

Port developer and operator Abu Dhabi Ports has inked an agreement with the China Council for the Promotion of International Trade to explore new commercial opportunities between Chinese companies interested in investing in Khalifa Industrial Zone Abu Dhabi (KIZAD) and Khalifa Port Free Trade Zone (KPFTZ). The Memorandum of Understanding (MoU) was signed on the sidelines of the KIZAD Business Week, which was a series of business and networking events organised by KIZAD, a subsidiary of Abu Dhabi Ports. Following the signature, Abdulla Al Hameli, Executive Vice President – Corporate Support at Abu Dhabi Ports, commented: "Last year alone, with the support and guidance from the leadership of the UAE, Abu Dhabi Ports signed a 50-year agreement with the Jiangsu province in China, bringing in AED 1.1 billion into the Khalifa Port Free Trade Zone in Abu Dhabi, the largest free zone in the region. Furthermore, COSCO Shipping, the world's largest container operator, chose Khalifa Port as the base for its operations in the region, driving volumes higher in the upcoming period." "We are confident this MoU will mark yet a new turning point and anticipate new and fruitful partnerships for both our countries," Al Hameli added.

India's first road-railer train gets Union Ministry nod

Cargo transportation in the country is all set to witness a technological upgrade with the Southern Railway set to launch a road-railer train, which will transport goods to the doorstep of companies passing through rail tracks and roads. The road-railer train, India's first bi-modal goods vehicle, has received approval from the Ministry of Road Transport and Highways for registering the vehicle with the state transport department. The road-railer unit (RRU), which will run as a semi-trailer lorry on road and as a wagon on rail, is aimed at shifting the cargo transport from road to rail, said officials. Each road-railer unit has eight lorry wheels and is coupled together with the help of adopter bogies. Each coupling bogie has got four rail wheels. The capacity of each wagon (also called RRU) is about 30 tons and upto 50 wagons can be operated for a trip. At the goods terminal, the road-railer units will be delinked from the rail adopter bogies and will be taken to destination after putting behind the prime mover. The road-railer will replace 50 to 55 lorries on road, reducing the external costs like loading and unloading of goods, besides providing safety from getting damaged during transportation.

Bharat Mumbai Container Terminal enhances Nhava Sheva connectivity

Bharat Mumbai Container Terminals Private Limited ("BMCT") continued to improve connectivity and ease of doing business for JNPT ("Jawaharlal Nehru Port Trust") users with its first barge and train volumes last week. A 90-TEU (twenty-foot equivalent unit) block train departed for Mandideep on 13 March 2018, while a second train left for Nagpur on 16 March. Both trains were operated by Container Corporation of India ("Concor"). On 18 March, there were both barge and rail movements as Shahi Shipping's "Royal Hugli" barge loaded 75 TEUs at BMCT for the short marine transit to Mumbai Port Trust; while an export train operated by Concor arrived from Boisar, carrying containers for other terminals in JNPT. Containers for other JNPT terminals arriving by rail at BMCT will be trucked less than 4 km via JNPT's South Gate, to connect with export vessels berthed at those terminals. BMCT is one of only two terminals in JNPT able to offer customers direct barge connections. BMCT's rail yard is equipped with four twinlift-capable Rail Mounted Gantry (RMG) cranes serving three lines. It will be the only terminal in JNPT capable of handling 1.5 km-long, 360-TEU Dedicated Freight Corridor ("DFC") trains when the DFC is completed.

UAE economy to benefit from trade growth in 2018

The UAE's trade will benefit this year from rising oil prices, improved macroeconomic outlook for country's key trading partners, and increased government spending, according to an HSBC research. The HSBC survey, released on Wednesday, shows that 77 per cent of the UAE's businesses project an increase in trade volumes in the next 12 months, while almost three quarters (62 per cent) expect to see a jump in service trade volumes. Dubai's economy is expected to enjoy a strong year, as the government boosts investment ahead of Expo 2020 and the stream of incoming tourists swells. "Although oil prices have impacted the GCC's economies over the last year, the UAE's push for diversification is bearing fruit. As we get closer to Expo 2020, we will see an increasing number of contracts being awarded in preparation, which in turn, increases opportunities for businesses," said Sunil Veetil, Regional Head of Global Trade and Receivables Finance for HSBC Menat (Middle East, North Africa and Turkey). Industry data shows infrastructure projects worth \$2 trillion across the GCC, while in the UAE, \$2.9 billion worth of contracts were awarded in 2017 for Expo 2020 alone.

Construction Work Begins on Saudi Arabia's Maritime Yard

The construction process on Saudi Arabia's new maritime yard has officially begun, with dredging and associated activities well underway, oil rig builder Lamprell Plc said. The yard is being developed by the International Maritime Industries (IMI) joint venture company, a project launched by Saudi Aramco, Hyundai Heavy Industries (HHI), Lamprell and the National Shipping Company of Saudi Arabia (Bahri) in January this year. According to Lamprell, all the conditions for the company to formally commence business have been met. "Lamprell has been working closely with its partners on the establishment of the IMI business over the past few months and we are very pleased to see such tangible progress towards the operational phase, now that the conditions under the shareholders' agreement have been completed," Christopher McDonald, CEO, Lamprell, said. "A very welcome progress is also the selection of our new L43 jackup rig designed with GustoMSC for the rigs under the offtake agreement, this will further strengthen Lamprell's position in our traditional market." The yard is expected to start production and service operations in 2019, with the facility reaching its full operational capacity by 2022.

SealIntel sees upcoming overcapacity in Asia-Europe

The Asia-Europe trades are looking set for overcapacity and a resultant increase in blank sailings during the post-Lunar New Year period. According to figures from container shipping analysts SealIntel Maritime Analysis, with the current vessel deployment schedule, Asia-North Europe capacity is scheduled to grow 8.8% year-on-year in the week 11-22 period, while Asia-Mediterranean is slated to grow 6.5%. "Capacity injection of 8.8% is not necessarily bad on its own, if matched by a similar growth in demand," said SealIntel shipping analyst Imaad Asad. While noting that Asia-North Europe demand growth for the coming 12 weeks remained an unknown, Asad pointed out that full-year demand growth in 2017 amounted to just 3.7%, and this collapsed further to 0.7% for the fourth quarter. "In this light, the current capacity projections do seem very optimistic," he said. SealIntel calculated that if a more modest capacity growth of 5% was targeted, carriers would have to blank a combined 112,000 teu over the 12-week period, or an average of 9,300 teu per week. With an average vessel size of 15,100 teu, this would then correspond to the blanking of 7.4 average-sized sailings.

Shipping has to be ready for the future, says IMO Secretary-General

Sustainable use of the oceans, maritime trade and the digital revolution were some of the issues addressed by the International Maritime Organization Secretary-General, Mr Kitack Lim, at the International Shipping Summit in Istanbul. In his address, he spoke about how IMO, in its leadership role as the global regulator of shipping, is and will be addressing a number of challenges facing the shipping industry. On the marine environment, he said that to be sustainable, human activities have to be balanced with the oceans' capacity to remain healthy and diverse in the long term—and that a major part of IMO's role is to ensure that shipping continues to make its contribution to the global economy without upsetting that delicate balance. He highlighted IMO's work on GHG emissions and ship energy-efficiency, ballast water management and polar shipping. He also emphasised that improving ports, developing and strengthening intermodal links and hinterland connections can both drive and support a growing economy, through promoting trade by sea. And on the digital revolution, he said that the shipping industry is entering a new era, through emerging technology in areas such as fuel and energy use, automation and vessel management, materials and construction, said a release.

Colombo port ranked 13th best connectivity port in the world

The Colombo port has gained five places in the latest Drewry Port Connectivity Index to be ranked as the 13th best connectivity port. According to the rankings, the Colombo port is also the best connectivity port in South Asia. The Drewry Global Container Port Connectivity Index recently announced the top 20 ports with new entries of Jebel Ali and Algeciras to the listing for the fourth quarter of 2017. The shipping consultancy Drewry that has launched a regular, bespoke index of port connectivity in the latest edition of its Ports & Terminals Insight report aims to show how well connected the world's container ports are. The index divides the world into seven major zones, and measures each port's breadth of connectivity by the number of regions served and how many mainline services call per week. Routes that involve transshipment are not counted, nor are intra-regional services within a region. The Drewry Global Container Port Connectivity Index that signifies the importance of port connectivity as important as size or scale consists of two variables—the number of mainline services calling at each port per week and the regions in the world to which each port is directly linked. Colombo port has exceeded 6.1 million TEU target and is expected to reach the 7 million TEU target by end of this year.