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MSC investing close to $1.1bn in Abu Dhabi's Khalifa Port

The world's second largest container line Mediterranean Shipping Co (MSC) is to invest close $1.1bn in Khalifa Port in the UAE. Abu Dhabi Ports inked a 30 year concession with MSC and will see the Geneva-based company make a total investment of AED4bn ($1.09bn) through Terminal Investments Ltd (TiL). The agreements were signed by Mohamed Juma Al Shamisi, ceo at Abu Dhabi Ports and Diego Aponte, president and ceo of MSC Group. The AED4bn investment will be made over the lifetime of the concession and will include 12 quays over the next two years, bring the port's total number to 25, and deepening of berths so it can handle the world's largest containerships. "Abu Dhabi Ports has successfully attracted two of the world largest companies in the field of shipping and container handling to develop a regional hub at Khalifa Port. Over the next five years, the capacity of two container terminals at Khalifa Port will increase to more than 8.5m teu annually," said Abu Dhabi Ports ceo Al Shamisi. The port currently has a capacity of 2.5m teu, and is set to increase 5.3m teu by 2020 and is a semi-automated facility. Khalifa Port is the flagship of Abu Dhabi Ports, which owns 50% of Abu Dhabi Terminals, which in turn manages Khalifa Port Container Terminal.

DP World in deal to develop Egyptian inland container depot

DP World, Dubai's state-owned ports operator, said on Monday that it had signed an agreement with Egypt's Holding Company for Maritime and Land Transport, and the Suez Canal Authority, with the intention to develop a new inland container depot (ICD) in Egypt's 6th of October City. The three partners say they will bid for the government's project contract later this year. The proposed ICD will increase the flow of cargo between ships and major land transportation networks, creating a central distribution point. Under the Memorandum of Understanding (MoU), DP World say they will lead and represent the alliance in the bidding process and become the ICD operator if the tender is won. The MoU was signed by Sultan Ahmad Bin Sulayem, DP World group chairman and CEO; Mohab Mamish, chairman of the Suez Canal Economic Zone; and Mohammad Ahmad Ebrahim Yousuf, chairman of the Holding Company of Maritime and Land Transport. "Developing trade infrastructure to improve hinterland access for goods bound for Africa's growing economic needs is essential. This collaboration builds on our strategic partnership with Egypt and we look forward to working with the SCZone and the government's Holding Company for Maritime and Land Transport to make it happen," Bin Sulayem said.

US sanctions on Iran - the impact on shipping

Shipowners and commodity traders are now digesting the impacts of President Donald Trump's widely anticipated announcement that the US would pull out of the six nation accord reached with Iran in 2015. The 2015 agreement with Iran- officially the "Joint Comprehensive Plan of Action" (JCPOA), with the European Union also a participant, saw a rigorous regime of economic sanctions against Iran rolled back. Lawyers from Seward & Kissel (S &K), in a bulletin, explain that all US sanctions in place prior to the JCPOA are "to be re-implemented no later than 4 November 2018 - with some coming back into effect in earlier". Since crude oil is the major commodity linked to Iran, barrels of crude play a major role in the story. With the US being a major nexus for insurance and reinsurance, the renewed sanctions will drive such activities to the London, European or Asian markets for owners of vessels, or traders of Iran-linked cargoes, if they not already. At the time of the prior deal, enacted when oil prices were in freefall and supply build was rampant, Iranian crude oil exports, which had dwindled down to 1m barrels per day (bpd) quickly ramped back up to levels approaching 3m bpd. These were boom times for the tanker markets, as forward curves encouraged the marketplace to store crude oil.

APM Terminals Pipavav digitizes truck permits

APM Terminals Pipavav has developed an online version of Form 13, a gate-in permit issued by terminals, to save close to 3 million kilometer of road trips annually. The terminal on the West Coast of India will also reduce its carbon emissions each year by using the paperless form, which is a document that each of the 500 trucks need for taking containers through the terminal gates every day. APM Terminals expect the digitalization to save customers fuel costs, processing time and lives, as fatal road traffic accidents are likely to fall due to fewer motorbike couriers delivering documents. Previously at APM Terminals Pipavav, shipping lines would collect multiple documents to issue completed Form 13 for each container. The truck arrived at the pre-gate waiting area and handed over the documents required to obtain Form 13 to Gate In the container. A customs agent then took the documents on a 14-kilometre trip to the shipping line's office to submit the documentation, and wait for a manual Form 13. Once a trucker had a Form 13, a pre-gate clerk would enter the details in the terminal operating system (TOS) so the truck could enter the facility. Under the new system, a customs agent can upload the required documentation digitally onto the e-Form 13 platform.

Nansha port area to become new global shipping center

The Nansha Pilot Free Trade Zone will become a new international shipping hub, linking Guangzhou to more countries and regions in the years to come. Guangzhou has been a major commercial city and a trading port in China since ancient times and Nansha, located at the estuary of the Pearl River, should play an even bigger part in the city's opening up and foreign trade, said Pan Yuzhang, deputy director of the Nansha Pilot Free Trade Zone's administrative committee. "To this end, Nansha port is negotiating to open more global ocean routes in the coming years while expansion of the port is well underway," Pan said, without revealing specific details. Meanwhile, two luxury cruiser docks, with a capacity of more than 100,000 metric tons each, will be completed and start service in the first half of 2019, with an aim to build Nansha into one of the major ocean cruise centers in Asia, Pan added. Last year, cruiser piers in Nansha, which has opened cruise routes to Japan and Southeast Asian countries, handled more than 400,000 passenger trips. Nansha is the only ocean port in Guangzhou, capital of Guangdong province. The port, which now has 16 deepwater container piers that can handle 150,000-ton vessels, has now opened international ocean routes to more than 200 cities and regions.

Singapore launches world first e-certificate of origin based on block chain

The Singapore International Chamber of Commerce (SICC) has jumped on the block chain bandwagon with the first electronic Certificate of Origin (eCO). The eCO on block chain has been developed by vCargo Cloud for SICC and was officially launched on Tuesday. It is the world's first electronic certificate of origin for shippers to verify the origin of manufactured goods, versus the traditional paper method. Based on block chain for security and efficiency the system uses QR Codes allowing eCOs to be scanned, verified and printed. Desmond Tay CEO of VCC noted the traditional system was very paper based. "It is increasingly difficult to manage in terms of authentication and fraud," he said. Victor Mills, chief executive of SICC highlighted the cumbersome nature of the existing process. "If ever there was a process calling out for automation it is the issuance of certificates of origin. Today, almost unbelievably, we and all other authorised operators in Singapore are still processing huge volumes of paper in what is essentially still a 19th century process. The only thing missing is the quill pen and the ink stand, everything else is the same," he quipped. VCC aims to promote the platform globally, starting out in Asia with major manufacturing exporting countries such as Japan, Myanmar and Sri Lanka

App on truckers to speed up cargo movement from ports

India is eyeing an ambitious shift in shipping logistics with an 'Uber-like' facility that could radically change the way merchandise is moved into or out of ports. This 'Uberisation', as officials call it now, at sea ports is set to begin with India's largest container port, the Jawaharlal Nehru Port in Mumbai. The government has invited requests for proposal for creating this system, which would allow an importer or exporter to select a trucker via his phone app to transport goods directly from port to warehouse. The move is a part of the country's big plan, drawn up by the customs in consultation with other departments, to bring down the time taken for imports delivery at sea ports to 48 hours and airports to 24 hours by 2020. "Request for proposals has been issued," said a senior government official privy to the development. This will allow importers sitting in their offices to pre-feed data and get customs cleared goods via transport directly from ports. This is being done as customs cleared goods also at times get stuck due to issues with transport logistics, which leads to pile up at ports with freight agents. The customs department has already cut the dwell time, or the time taken at ports, to 140 hours from 286 hours in 2013. This, in fact, has been brought down to 62 hours is case of direct port delivery.

Peel Ports launches Rail freight service

Peel Ports have launched their first rail freight service from the port of Liverpool, as part of a partnership with DB Cargo. The new service will provide a rail route between the quayside at Liverpool and Scotland, helping reduce congestion around the port of Liverpool — a major step in Peel Port's commitment to reducing road haulage miles locally. The inaugural journey was officially launched by Metro Mayer Steve Rotheram on Tuesday May 8, 2018 — which transferred goods to the Mossend terminal in Glasgow. Rotheram said: "Improving our connectivity, both logistically and digitally, is a key driver in transforming the Liverpool City Region and this new rail freight service is an important part of that process. "It also offers an environmentally friendly way of moving cargo arriving in the Port of Liverpool, by taking traffic off the roads. "The prosperity of our city region is intrinsically linked to the success of the Port of Liverpool so it is great to see it respond to market demands on efficiency and sustainability in a way that benefits the wider community." The new service will feature up to 30 wagons capable of carrying over 40 containers per trip — and will initially run three days a week, with DB Cargo providing the rail haulage to transport exports for global markets via direct deep-seas routes from Liverpool.

Remote-controlled terminal to open in Thailand

Hutchison Ports plans to open a fully-remote-controlled container terminal in Laem Chabang, Thailand, in June. The new $600 million, 1.7 kilometer (one mile) Terminal D will become operational in three phases with final completion planned for 2024. It will increase Laem Chabang's capacity by 3.5 million TEUs, and both quay and gantry cranes are remotely controlled. The cranes, three super post-Panamax quay cranes and eight electric rubber tired gantry cranes, were built by Shanghai Zhenhua Heavy Industry (ZPMC). The automation will result in around 25 percent fewer employees compared to conventional terminals. The company said that more women and older workers will be able to work at the terminal as a result of the automation - Thailand is currently experiencing a labor shortage. Laem Chabang is the nation's largest commercial port and is part of Thailand' s Eastern Economic Corridor under Thailand 4.0's objective to modernize the economy through improved infrastructure and innovation. The Terminal D development is expected to benefit from increased trade as a result of China's belt and road initiative. Hutchison is already the largest port operator in Thailand, running two of the three existing terminals at Laem Chabang. The company also has extensive operations in China.

Digitalisation of payment process key to container shipping

Digitalization and blockchain technologies have been described as major disruptors of smooth operations in the containership shipping. The new technological trends promise to simplify an outdated way of doing business bringing at the same time considerable cost reductions. However, the very payment process in the sector is yet to reap gains from the switch and it represents a major market opportunity for the tech companies. UK-based shipping consultancy Drewry estimates that in 2017, the global containerized trade of 207 million TEU of ocean containers required around 1.26 billion freight invoices to be issued, verified, paid and reconciled. "With the current low levels of automation of payment processes among shippers, forwarders and shipping, we estimate a total process cost of $34.4 billion annually," Drewry said, adding that the prevailing inefficiencies pose a significant market opportunity for technological disruptors. In particular, efficiency gains can be achieved through technological solutions that support the simplification and/or automation of invoicing and payment practices, especially for small and medium-sized shippers and forwarders. In addition, there is a need for payment guarantees between stakeholders so that 'Cash Against Documents' practices are no longer required.

Hyundai Motor renews contract with Chennai Port Trust for 10 yrs

Hyundai Motor India today said it has renewed contract with Chennai Port Trust (CPT) for another 10 years. Under the new agreement, which will be reviewed in the sixth year, it will export a minimum of 50,000 cars annually from the port, Hyundai Motor India (HMI) said in a statement. Other terms of the agreement include 20 days of free storage of cars at the port, priority berthing of vessels and exemption from double berthing charges, it added. The company has inked a Memorandum of Agreement (MoA) with CPT in this regard. "We decided to renew our contract with Chennai Port trust as the terms and conditions and the facilities offered by them suit our requirements the best", HMI MD & CEO Y K Koo said. The Indian unit of South Korean giant, which has its manufacturing facility at Chennai, is one of the leading exporters of passenger vehicles from India. It has been utilising the CPT for exports for the last 12 years. HMI exports to around 88 countries across Africa, Middle East, Latin America, Australia and Asia Pacific. In terms of turning innovation to action, 45% said lack of in-house IT resources was a challenge while 40% saw a lack of budget as a problem.

P.O. Box 261036, Plot No. S 20119, Jebel Ali Free Zone (South), Dubai. United Arab Emirates. Email: tgc@transworld.com Phone: +9714 8035400 Fax: +9714 8860086

Geetmala Complex, Off Deonar Village, Near Shah Industrial Estate, Govandi East, Mumbai - 400088. Phone : +91 22 66110300 Fax : +91 22 66110419

transworld GROUP

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