

## India, Bangladesh expand shipping pact, add calls

India and Bangladesh have signed a slew of supplementary agreements to streamline/bolster inland and coastal trade connectivity between the neighboring nations, and the two also agreed to hold another round of talks in December to accelerate shipping cooperation. At the most recent talk in New Delhi, India Shipping Secretary Gopal Krishna and Bangladesh counterpart Abdus Samad agreed to increase ports of call, on each side, under the bilateral "inland water transit and trade" pact, according to a joint statement. The announcement stated that the ports of Chittagong and Mongla in Bangladesh will be used for handling cargo to/from India. In addition, specific protocols have been put in place to include the port of Dhubri in Assam, India, and the port of Pangaon in Bangladesh as additional ports of call. Further, selected river terminals have been identified as new ports of call, including: the Rupnarayan and the Kolaghat in West Bengal, India; and the Chilmari in Bangladesh. Other river routes also are under consideration to enhance connectivity between India's northeastern states — particularly West Bengal and Assam — and ports in Bangladesh.

## India-Kazakhstan-Iran-Turkmenistan quadrilateral plans connectivity corridor to Eurasia

A Quadrilateral meet on crossborder connectivity comprising Kazakhstan-Turkmenistan-Iran-India was held here to attract Indian businesses and investments to Eurasia. using eastern route of the North-South Transport corridor. The meet was organized by the Embassy of Kazakhstan in India together with the Federation of Freight Forwarders Associations in India and JSC "Kazakhstan Temir Zholy Express" (Kazakhstan railway express) with the support of the Indian Ministry of Trade and Industry. The key purpose of the meet was to inform the Indian business community about the logistical capabilities of the Eastern branch of the "North-South" transit corridor and to attract Indian business circles to the wider use of this route. Plans are afoot to link Gujarat's Mundra Port with Bandar Abbas and connect it to Iran-Turkmenistan-Kazakhstan railway network and onwards to Eastern Russia. The idea is to not only access markets of this landlocked region but also create a corridor to import natural resources from the region in a shorter period than being done currently, according to officials. The President of JSC "Kazakhstan Temir Zholy Express" Dias Iskakov presented detailed information about the possibilities of this route and the experience of Kazakhstan in its use.

## DP World, NIIF win bid to build Free Trade Warehousing Zone at JNPT for \$78 mn

A joint venture of DP World and National Investment and Infrastructure Fund (NIIF) has won the bid to develop and operate the Free Trade Warehousing Zone (FTWZ) at India's largest container gateway — Jawaharlal Nehru Port Trust (JNPT). Hindustan Infralog Private Limited (HIPL), the JV between Dubai's port and terminal operator (65%) and India's fund manager (35%), is to build FTWZ for USD 78 million. The facility is expected to be operational by 2020. HIPL is the recently created investment vehicle between DP World and NIIF to invest up to USD 3 billion in ports, logistics and related sectors in India. This is the second investment for HIPL following the acquisition of a 90% stake in multimodal logistics company Continental Warehousing Corporation (Nhava Sheva). As informed, the FTWZ comes with a long-term concession of 60 years and will be developed across 18 hectares at JNPT's Special Economic Zone (SEZ). JNPT is a key gateway hub handling approximately 5 million TEU's per annum which equates to 33% of India's container traffic. The FTWZ's strategic proximity to the port and the upcoming Navi Mumbai International Airport and western dedicated freight corridor, gives it direct access to global and domestic markets, according to DP World and NIIF.

## APMT Moin Container Terminal starts handling vessels

APM Terminals' Moin Container Terminal (MCT) in Costa Rica has been granted permission by the National Council of Concessions (CNC) to start commercial operations at its first deep-sea berth. This is a key step for the terminal, as it allows to transfer all commercial container ships currently serviced at Puerto Limon and Puerto Moin to the MCT. This transfer will take place once Phase 1 of the new facility is put into operation in February 2019. Phase 1 includes two berths and an area of 40 hectares. Meanwhile, the first ship to arrive at the Moin Container Terminal was CAP BEATRICE on 27 October, followed this week by Hamburg Sud's Polar Mexico containership, with a capacity of 3,947 TEU, arriving from Panama. 70% of the cargo loaded onto the ship will consist of bananas and pineapples, from Del Monte and Fyffes companies, destined for Northern Europe. Starting with this weekly service, the number of ships served will be gradually increasing until the project is completed and MCT is officially inaugurated in February 2019. The terminal will be equipped with 39 electric container cranes and six Super-Post Panamax STS cranes, and will be capable of handling container ships of up to 8,500 TEU.

## India's 1st container movement on inland waterways begins with PepsiCo goods

India's first container vessel movement on the river Ganga (National Waterways-1) began on Tuesday, with the Inland Waterways Authority of India transporting container cargo belonging to the food and beverages giant PepsiCo (India) from Kolkata to Varanasi. Union Shipping Secretary Gopal Krishna along with IWA Chairman Pravir Pandey flagged off the vessel carrying the consignment in the presence of PepsiCo representatives. Gopal Krishna said that cargo movement to the east and northeastern states will become easier with the new mode of transportation through waterways. Development of multi-modal hubs within three years will lead to considerable increase in volume of cargo movement through waterways. "Cruise tourism will also improve by next year," he said. The vessel -- MV Rabindranath Tagore -- is transporting 16 containers equivalent to 16 truckloads of food and snacks through the river Ganga, and will reach Varanasi in 9-10 days. It will make its return journey with fertilisers from IFFCO that will be procured from its Phulpur plant near Allahabad. The central government is developing NW-1 (River Ganga) under Jal Marg Vikas Project from Haldia to Varanasi (1,390 km) at about Rs 5,369 crore with the technical and financial assistance from the World Bank.

## Bellingham shipping terminal prepares to accept international cargo vessels

International cargo vessels are expected to arrive at the Bellingham Shipping Terminal on a regular basis as the result of a new service contract between the Port of Bellingham and Ports America. Ports America entered negotiations with the port after several of its shipping customers requested use of the Bellingham Shipping Terminal. Ports America is the largest terminal operator and stevedore in the United States. "This is a major turning point for the Bellingham Shipping Terminal," said Port Commission President Ken Bell. "As the last Pacific Northwest seaport between the United States and Canada, it was only a matter of time before cargo operators recognized the Bellingham Shipping Terminal as a congestion-free alternative to the docks and terminals serving Vancouver and Seattle. Increased cargo activity at the Bellingham Shipping Terminal will create jobs and stimulate economic activity throughout Whatcom County." Under the terms of the contract, Ports America will have exclusive stevedoring rights for certain types of steel as well as inbound international forest products, metal/aluminum ingots, modules, oversized and project cargoes. Much of the inbound cargo will be stored temporarily at the shipping terminal before it is trucked to Canada as its final destination.

## Abu Dhabi Customs and Abu Dhabi Ports collaborate to streamline processes at Khalifa Port

Abu Dhabi Customs has signed a joint agreement with Abu Dhabi Ports to support the development of an effective framework that allows seamless entry and exit of empty containers at Khalifa Port. The agreement was signed by Mubarak Matar Al Mansouri, executive director, customs operations sector, at Abu Dhabi Customs and Abdullah Humaid Al Hameli, executive vice-president, corporate support, at Abu Dhabi Ports. Al Mansouri said, "The signing of an agreement that governs the entry and exit of empty containers at Khalifa Port with Abu Dhabi Ports reflects the commitment of Abu Dhabi Customs towards its strategy of constructive cooperation with strategic partners." "This collaboration aims to support the security of the UAE society and promote economic growth whilst activating the shared interests between both entities. This partnership will also improve the performance of operations, simplify procedures, improve services and maximise the return on investment by applying best customs and innovative practices," Mansouri added. Commenting on the agreement, Abdulla Humaid Al Hameli, noted, "We are delighted to be building closer ties with Abu Dhabi Customs to the benefit of the business community in Abu Dhabi".

## Cochin Shipyard's Rs 18-bn 3rd dry dock to make Kochi one-stop maritime hub

The Union Minister of Shipping Nitin Gadkari have done the groundbreaking for the third dry dock of Cochin Shipyard (CSL) at Kochi recently. Located in the northern end of the shipyard, this will be one of the largest dry docks in India in terms of size and strength. The new dry dock will be equipped with one gantry crane of 600 tonnes, two LLTT cranes of 75 tonnes each and an option to add another 600-tonne gantry crane at a later stage. Estimated at Rs 17.99 billion, the cost of the project is partly being met through funds raised by CSL's August 2017 initial public offering (IPO) and partly through internal resources. The IPO, which was oversubscribed by 76 times, helped CSL raise Rs 9.41 billion for its two projects — a 310-metre dry dock and an International Ship Repair Facility (ISRF) project at Cochin Port Trust premises. The dock would contribute towards the target of increasing India's share from 0.4 per cent to two per cent of the global ship-building industry. With this project, India will emerge as a major ship repair centre on par with Colombo, Dubai, Singapore, Bahrain, among others. Kochi will become a one-stop maritime hub for repair needs of all vessels calling at Indian ports. The project is expected to create 2,000 jobs, directly and indirectly during the operation stage.

## 7th port development talks focus on German sea ports

The 7th Port Development Talks held in Hamburg in late October with particular emphasis on environment-friendly shipping and digitalisation. The talks brought together ministers and senators from Germany's coastal states with responsibility for ports, the German government's co-ordinator of the maritime economy, a representative of the German Ministry of Transport and the president of the Central Association of German Seaport Operators. "Further digitalisation and increased networking between our ports are indispensable for maintaining the competitiveness of our ports and of northern Germany as a business location. It is essential to support all players — from ports, port management, shipping and logistics to successfully advance this process," said Dr. Berend Lindner, State Secretary in the Lower Saxony Ministry of Economics, Labour, Transport and Digitisation. The Hamburg Port Authority (HPA) is to start building a rainwater treatment plant at Köhlbrand Bridge by late 2018. Every year, around 60,000 m<sup>3</sup> of rainwater pours down on Hamburg. New technical possibilities will allow HPA to remove heavy metals from the water before it flows into the Elbe.

## Ocean-going ships to arrive in Bellingham port regularly

International cargo vessels are expected to arrive at the Bellingham Shipping Terminal on a regular basis as the result of a new service contract between the Port of Bellingham and terminal operator Ports America. As explained, the marine terminal operator and stevedore entered negotiations with the port after several of its shipping customers requested use of the Bellingham Shipping Terminal. "This is a major turning point for the Bellingham Shipping Terminal. As the last Pacific Northwest seaport between the United States and Canada, it was only a matter of time before cargo operators recognized the Bellingham Shipping Terminal as a congestion-free alternative to the docks and terminals serving Vancouver and Seattle," Ken Bell, Port Commission President, said. Under the terms of the contract, Ports America will have exclusive stevedoring rights for certain types of steel as well as inbound international forest products, metal/aluminum, modules, oversized and project cargoes. Much of the inbound cargo will be stored temporarily at the shipping terminal before it is trucked to Canada as its final destination. The port is in the process of designating the shipping terminal and surrounding areas as a FTZ, where customers can store goods without having to pay United States import duties and taxes.

## Great Eastern becomes first Indian fleet owner to order scrubbers

Great Eastern Shipping Co Ltd will fit exhaust gas cleaning systems or scrubbers on seven of its ships. This makes it the first Indian fleet owner to take concrete steps to comply with the 0.5 per cent cap on sulphur in ship fuel oil mandated by the IMO from January 1, 2020. Currently, the maximum sulphur limit in fuel oil globally is 3.5 per cent. Ship fuel or bunkers account for as much as 40 per cent of the operating cost of a vessel. "We have ordered scrubbers to be installed on seven of our modern and large-sized ships," said a spokesperson for India's biggest private ocean carrier. The Mumbai-listed firm runs a fleet of 49 vessels, including crude and product tankers, LPG carriers and dry bulk cargo ships. On Friday, the management briefed the board on the company's decision to install scrubbers that allows the shipowner to continue using cheaper, high sulphur fuel oil and yet comply with the IMO rule. "It makes sense to spend money and install scrubbers only on the more modern and larger vessels due to their higher fuel consumption and therefore higher savings," the spokesperson added. The price differential between low and high sulphur fuel has widened to nearly \$300 a tonne. Large ships such as oil super tanker and Suezmax burn as much as 50 tonnes of fuel oil a day.

## Low sulphur fuel oil: With new rule 14 months away, ship owners all at sea

Indian ship owners, like their global peers, are all at sea over a new global rule on using low sulphur fuel oil on board ships, which will come into force in 14 months to check sulphur emissions. Beginning January 1, 2020, ships must use fuel oil on board with a sulphur content of not more than 0.5 per cent m/m (mass/mass), sharply lower than the current global sulphur cap of 3.5 per cent m/m, according to rules framed by the International Maritime Organization (IMO). Ships can meet the requirement by using low-sulphur compliant fuel oil or continue to use high sulphur fuel oil by fitting exhaust gas cleaning systems or scrubbers. "We are watching everyone and preparing in the background," says Anoop Kumar Sharma, Chairman and Managing Director at Shipping Corporation of India Ltd. "We have an option of installing scrubbers on big vessels such as very large crude carriers and Suezmaxes," he said on the disruption expected in the way the global shipping industry operates. Ship fuel (bunker) accounts for about 5 per cent of overall oil demand, but contributes to some 25 per cent of the sulphur emissions from oil. The Great Eastern Shipping Co Ltd, India's biggest private ocean carrier, is also evaluating the techno-feasibility of putting scrubbers on a few of its ships.