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UK Shipping Association calls for Decarbonisation by mid-century

Maritime UK, the trade association for British ports, shipping companies, marine insurers, seafarers and other stakeholders, has committed to supporting the British government's goal of achieving decarbonization by mid-century. The target is substantially more ambitious than the IMO goal of reducing greenhouse gas emissions by half over the same period. In an open letter released Friday, Maritime UK called for the development of a sustainable "blue economy" that delivers economic benefits while protecting the environment. "The UK maritime sector is committed to tackling the impact on our oceans of climate change, pollution and other harmful activities," said Maritime UK. "Setting and delivering ambitious sustainability targets will stimulate new markets, products and services required to achieve our environmental goals." The association called on government bodies to join industry in investing in sustainable shipping, particularly in support of new propulsion technologies and the infrastructure required to support their implementation. UK industry and government have already established a joint national center for maritime innovation, Maritime Research and Innovation UK, and the association called on the government to commit to substantial investment to support its work.

DP World chairman and CEO on his $1bn entrance to oil and gas sector

DP World's entrance into the energy sector, with the acquisition of Topaz Energy & Marine (Topaz) in July 2019 for $1bn. "We have the experience to contribute measurably to the success of businesses in the energy industry through innovations that deliver safer, faster, and more efficient sector-specific logistics solutions," Sulayem says. "The energy sector has substantial and very complex logistical requirements, and as the leading global trade enabler, DP World has the experience and know-how in the dynamic connectivity of global cargo movement to provide the solutions the energy industry needs." It takes a fair amount of bravery to delve into an industry that, despite its high potential and logistics opportunities, is fraught with uncertainty. But Sulayem is accustomed to uncertainty - he served as the first chairman of the Jebel Ali Free Zone when it was founded in 1985, and oversaw its development into a logistics hub. He pioneered the development of the Dubai Multi Commodities Centre, a trading centre for international commodities ranging from gold to tea. He founded and led Istithmar World, a global investment company. In his current role, he deals with risk every day. The ongoing US-China trade war, and a recent spate of tanker attacks and seizures, have raised regional tensions.

Qatar, South Africa in talks to start direct shipping links to boost trade

Talking to media on the sidelines of a meeting between the officials of Qatar Chamber and members of a trade delegation from South Africa in Doha, Moosa said that talks are going on to have direct shipping links between Richards Bay in South Africa and Hamad Port in Qatar. "The idea is to use Hamad Port as re-export hub for South African goods in the Middle East market and Richards Bay port as re-export hub for Qatari products in the African continent," he said. "South Africa's Transnet National Ports Authority is working on partnering with Qatar's shipping company Milaha to achieve this goal," he said. A direct shipping link between the two countries will go a long way in boosting trade ties between the two countries, he said adding it will also ensure that Qatar gets sufficient supplies of food products from South Africa on a regular basis. "We witnessed marked increase in supplies of food products from South Africa to Qatar especially after the blockade. We are ready to increase our volume if required," he said. While the trade volume between the two counties was marginally down in 2018, the envoy said, the trade has picked up again this year. The bilateral trade between the two countries went up by almost 10 percent in the first quarter of 2019, he said.

Singapore and Panama boost maritime partnership

Under the agreement, the maritime authorities of Singapore and Panama will cooperate on a wide range of maritime issues including the promotion of the use and acceptance of ship's electronic certificates to facilitate port state inspections, the exercise of port state control (PSC) inspections by both countries, as well as personnel exchange. Lam Pin Min, Senior Minister of State for Transport and Senior Minister of State for Health of the Republic of Singapore led the first high-level delegation from Singapore to Panama under the new government of Panama. Singapore and Panama are ranking in the top five ship registries in the world. Lam Pin Min, Senior Minister of State for Transport and Senior Minister of State for Health of the Republic of Singapore, "This cooperation will strengthen maritime relations between our two countries. It will also yield significant benefits through speedier port clearances for vessels registered with our two countries calling at our ports. Araúz said, "Panama's and Singapore's maritime sectors have always had excellent relations but this MoU between our countries will address important technical issues for both Ship Registries. Singapore has retained its place at the top of the Xinhua-Baltic International Shipping Centre Development (ISCD) Index.

Container shipping's oligopoly status is helping to stabilise rates

Global container shipping can expect to enjoy less volatility in freight rates, though not necessarily higher rates, in a market marked by slow demand growth and reduced competition for market share amongst liners. Following a period of deep consolidation that resulted in just three main alliances – namely THE Alliance, Ocean Alliance, and 2M – the boxship market has reached an oligopoly status, especially on the major trade lanes, according to Lars Jensen, ceo and partner of SeaIntelligence Consulting. "We have seen, over the last few years, the emergence of oligopoly and carriers are finally figuring out how consolidation can stabilise the market," Jensen told delegates at the Shipping 2030 Asia conference in Singapore, organised by KNect365 Maritime. "The volatility of freight rates has declined but that does not necessarily mean higher rates – just more stabilised," he observed. Jensen added that the market can also expect global demand growth to enter a "new norm" of 2-3%, and container shipping can forget about the multiplier effect linked for each percentage of GDP growth. Demand growth is expected to be in the range of 1-1.5% this year, following negative growth registered in December 2018, and January-February 2019.

Shell, Qatar Petroleum form global LNG bunkering JV

State-owned Qatar Petroleum and the Netherlands-based oil and gas company Shell are forming a joint venture for global LNG bunkering services. Signed by Qatar Petroleum's Wave LNG Solutions and Shell Gas & Power Developments B.V. on September 18, the agreement paves the way for the establishment of the joint venture company owned equally by both parties. The new company will focus on the procurement of LNG, setting up LNG bunkering infrastructure (storage and bunker vessels) at various strategic locations around the world, and facilitating the sale of LNG as marine fuel to end customers around the world. "We see LNG bunkering as a promising solution for the shipping industry in light of a continuously evolving regulatory environment, and as an important opportunity to enhance LNG's position as a clean energy source, particularly in maritime transportation," Saad Sherida Al-Kaabi, the Minister of State for Energy Affairs, the President & CEO of Qatar Petroleum, said. He added that LNG demand for bunkering was expected to grow significantly over the coming years, with a potential for such demand to reach 35 million tons per annum by 2035.

Sohar facilitates 15 years of continued economic growth in Oman

Over the course of 2018, Sohar Port and Freezone witnessed an increase in capacity as well as land area at the port. The reason behind the growth was the expansion of Sohar Port South, wherein 50 hectares of land was added in the first phase. Subsequent phases will see the addition of a further 200 hectares to the current capacity of 2,000 hectares. The additional land area will significantly boost the ability of Sohar to handle greater volumes of cargo traffic and simultaneously create new and sustainable jobs opportunities. The agreement for the development of the first phase of Sohar Port South was signed with Dredging International NV earlier this year. This development will lead to a rise in trade flows to the Sultanate of Oman, encourage shipping lines to make more direct calls to the port, opening the doors of opportunity to a larger group of potential customers in the upcoming years. The increase in businesses plays a significant role in port development. The number of cargo volumes directly tie in with the various investments that are currently present at Sohar Port and Freezone. The free zone hosts a multitude of companies not only from Oman but also from the GCC, the Indian subcontinent, Asia and Europe.

Construction of the second container terminal at Mombasa port on track

Construction of the second container terminal at Mombasa port is well on course. According to Kenya Ports Authority (KPA) managing director Daniel Manduku, the terminal which occupies 100 acres of space at Kilindini Harbor in the Port of Mombasa is 30% complete. "We have mobilized enough equipment's and workforce, and we hope to deliver the project by 2021," explained the M.D. There were fears that the construction works could slow down following the ongoing tender investigations, Mr. Manduku however disregarded the allegations indicating that unlike the first phase of the project which was completed about four years ago, phase two whose implementation begun in January this year is far much ahead of schedule and there will be no delays or whatsoever. Under the execution of Japanese Toyo Construction Company, the second terminal is an important facility that is expected to raise capacity of the port of Mombasa to allow larger container vessels to dock. This will enable the port to fight off growing competition from the Port of Dar es Salaam in the neighboring republic of Tanzania. The first segment of the three-phase project which cost about US $269.5m has since its completion in 2016 elevated the facility's handling capacity to nearly 1.7 million TEUs from 1.08 million TEUs.

MoU for new container terminal in Egypt

A new MOU aims to set up the biggest logistic system in Africa and the Middle East including a container terminal in Egypt. In addition to a new container terminal at Damietta Port, the MoU between the Egyptian Ministry of Transport, represented by Damietta Port Authority (DPA) and European and German-based companies Contship Italia and Eurogate also aims to develop a railway line, dry port and cargo distribution area with a total investment of €750m as a first phase. Minister of Transport Lt. Gen. Kamel El-Wazir, who witnessed the signing of the MoU, said that the MoU is aimed at securing cooperation to set up a business model for the project implementation to achieve the economic development of Damietta Port and the surrounding area, which is expected to contribute to the development of the Egyptian economy and help raise the competitiveness of Egyptian ports. Mr El-Wazir pointed out that the project will also contribute to making Damietta Port a leading hub in the Eastern Mediterranean region, thus opening new markets for Egyptian exports by operating direct liner services for Egyptian exports and increasing the ability to compete with countries turning out similar industrial products.

Panama Canal signs agreement with Port of Rotterdam

The Panama Canal and the Port of Rotterdam signed a Memorandum of Understanding (MoU) to promote international trade between Europe and the West Coast of South America. Through this agreement, the two organisations will work closely to optimise operations while encouraging economic growth and the exchange of information on new business development opportunities, including logistics parks and port development projects. "The Expanded Canal continues to reshape global trade routes today, reinforcing our position as the logistics hub of the Americas," said Vice President for Complementary Businesses Rafael Pirro. "We are proud to be partnering with the Port of Rotterdam to ensure our customers experience the most efficient, consistent service and develop new business opportunities." The agreement, comes at a period of continued growth for both the Panama Canal and Port of Rotterdam. Last month, the port celebrated a new transshipment record for the first 6 months of 2019 with 240.7 million t handled, marking a 3.4% increase compared to 2018. During the same month, the canal set a new daily tonnage record of 1.706 million Panama Canal tonnes on 16 August not long before welcoming the 7000th neopanamax transit since the inauguration of the Expanded Canal in 2016.

Liverpool unveils major modernisation plans

UK-based terminal operator Peel Ports has outlined plans to invest approximately USD $21 million in the Port of Liverpool in a scheme which it claims will significantly improve the regions import and export capabilities. The project will see the dock expand to service next-generation RoRo (Roll-on/Roll-off) vessels by investing in best-in-class facilities to reduce turnaround times, increase route capacity and improve health and safety by implementing one-way traffic. The work carried out by Peel Ports includes a new multi-level berth to accommodate double-deck, simultaneous vehicle access to and from vessels as well as bigger berthing facilities for importers and exporters to take advantage of the port's connectivity. The newly developed terminal is expected to be fully operational by January 2020, ready to welcome Stena Line's new fleet of E-Flexer ships, which will utilize the Belfast-Liverpool route from spring 2020 following a multimillion-pound investment into the region as part of a 25-year commitment. Stena's new E-Flexer ships are larger than today's standard RoPax vessels and will provide freight capacity of 3,100 lane meters and the space to carry 120 cars and 1,000 passengers and crew.

India Bangladesh coastal shipping pact may be thrown open to larger ships

India is seeking to remove the size restriction on vessels plying between India and Bangladesh under the coastal shipping agreement signed between the two neighbours in June 2015 as the pact comes up for renewal next year. The coastal shipping pact currently permits vessels of up to 6,000 gross tonnage (GT) to ply due to size restrictions mandated by the River-Sea Vessel (RSV) rules framed separately by India's Directorate General of Shipping and the Department of Shipping, Bangladesh. This is because, Article II of the pact, signed on June 6, 2015, covers only Indian and Bangladeshi flag vessels that comply with RSV or equivalent standards to run services between the two countries. The RSV category was agreed upon by both the countries because of its lower construction and operation costs without compromising on the safety of the vessel. India's Shipping Ministry now feels that "the restriction on vessel size should be dictated by the route itself and not separately by tonnage". For instance, ships operating between Chennai and Chittagong, commercially provide cost effective service deploying larger ships. Currently, there is no restriction for vessels complying with international standards to trade between India and Bangladesh.

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