

2016- the stormiest 12 months for container shipping

2016 will go down in history as the tumultuous year for container shipping, a segment that bled profusely since the global meltdown of 2008 but reached its 'Lehman moment' (the fall of Lehman Bros triggered a full-blown global financial crunch) only this year with the August collapse of Hanjin Shipping, once the world's seventh-biggest container line. This escalated a wave of mergers and acquisitions in container shipping, though, to be fair, box lines acknowledged the necessity many months before with CMA-CGM snapping up NOL. The final score card for 2016 is: one bankruptcy and four mergers and acquisitions.

King Abdullah Port Closer to 4 Million TEU Milestone

The infrastructure of the Berth 5 and Berth 6 at Saudi Arabia's King Abdullah Port is taking shape as the port informed that the works at the site are expected to be finished in a few weeks. The two berths are part of the port's strategic expansion plan, which aims to increase the port's capacity, thus boosting its standing in the maritime industry. "With the two new berths, the port's annual capacity will rise to four million TEU as of the beginning of the first quarter of 2017," Eng. Abdullah Hameedadin, Managing Director of the Ports Development Company, the owner and developer of King Abdullah Port, said.

China open to India joining economic corridor

China has signalled that it was ready to consider India's participation in the China Pakistan Economic Corridor (CPEC) after a Pakistani general said New Delhi should shed enmity and join the project. "I wonder what is India's take on this proposal by Pakistan; whether this is a good sign from the Pakistan side. This programme (the CPEC) is an important part of China's Belt and Road initiative and it is an open proposal, and we are willing to work with Pakistan to discuss the participation of any third country, (on the) principle of wide consultation and joint contribution," Hua Chunying, China's Foreign Ministry spokesperson, said.

Kaladan Corridor - A sea-gate for India's North East

Kaladan corridor, a key component of India's Act East policy is poised to link India's North-East with South-East Asia through a multi-modal transit system based on road, river and sea. Prime Minister Narendra Modi has called the North-East as a Natural Economic Zone (NEZ) and has focused on the region's development through cross country economic corridors. The Kaladan Multi-modal Transit Transport (KMTT) corridor could be developed as a potential sea gate for the Northeast. The corridor is named after river Kaladan which originates in Chin state of Myanmar and passes through the southern districts of Mizoram before falling into the Bay of Bengal.

India looks at ways to improve its ease of doing business ranking

The Narendra Modi government has asked the shipping ministry and the department of revenue to raise the volume of direct port delivery (DPD) consignments to 40% by the end of this month. The government has also directed these two agencies to ensure that the cost and time to export and import gets reduced substantially as part of an eight-point strategy chalked out at a meeting chaired by finance minister Arun Jaitley on 19 December to bring India's rank within top 50 for ease of doing business. India is ranked 131 in the World Bank's annual Doing Business Survey of 150 nations.

Concor keen to haul direct port delivery containers at JNPT

India's state-owned rail hauler Container Corporation of India is set to file an application with Jawaharlal Nehru Port Trust (JNPT) seeking the top port's nod to haul DPD containers in response to shipper requests after the port authority equalised the rates for rail and road movements from the port. DPD containers must be removed from the port within 48 hours of landing at the dock. In case of delay, the cargo is taken to a nearby off-site yard where it is stored at a cost until cleared under the normal customs procedure.

Sri Lanka may drop plans to privatise new container terminal in Colombo

Sri Lanka's plan to develop a new container terminal with private funds in Colombo Port is losing steam after the island nation's cabinet committee on economic management (CCEM) included new terms to the tender process that could effectively eliminate all the seven groups that had applied for the project. Ports and Shipping minister Arjuna Ranatunga is seeking cabinet nod to scrap the BOT tendering process and wants the government to sanction funds for purchasing cranes so that the state-owned Sri Lanka Ports Authority could run the planned East Container Terminal on its own without any private partners.

India weighs self-registration of firms for shipping goods to EU

India's commerce ministry has written a concept paper to permit self-registration of companies seeking to ship manufactured goods to the EU. Earlier, the Export Inspection Council issued certificates for exporters under the generalised system of preferences (GSP), a process often dogged by delays. The self-certification scheme will not only save time but also costs involved in obtaining such registration. The GSP grants preferential treatment to exporters through a lower duty compared to the same goods imported by the EU from non-GSP nations. From 1971, developed countries, including the US, EU and Australia, import commodities from developing countries by offering duty benefits.

World Bank to fund waterway connectivity projects in Bangladesh

The Bangladesh government has signed a \$360 million financing agreement with the World Bank to improve the navigability of 900 kms of inland waterways and connecting routes. The accord will enable year-round safe transport for passengers and cargo along the country's busiest waterways. The Bangladesh Regional Waterway Transport Project-1 will help reduce travel time and cost for cargo and passenger transport and boost national and regional trade, the Washington-based lender, said.

India to have separate rules for Indian flag ships and Indian controlled ships under new law

India will frame separate rules and regulations for Indian flag ships and Indian controlled ships in consultation with the industry after the new Merchant Shipping Act is approved by Parliament, a shipping ministry spokesman said. The new Merchant Shipping Bill was introduced in the recently concluded winter session of Parliament. The new Act will have provisions that allows Indian flag ships to hire foreign crew in case of emergency. Local fleet owners have decried India's plan to bring Indian controlled ships under the ambit of the new merchant shipping act saying that it would be detrimental to the success of the scheme.