

India's Afghan connection via Chabahar begins

In a big boost to regional connectivity, Afghanistan formally started sending goods to India from the Chabahar port in Iran last month. Afghan president Ashraf Ghani along with Indian ambassador to Afghanistan, Vinay Kumar, will be present at the event in the western Afghan city of Zaranj, the capital of Nimroz province bordering Iran. Confirming the development, President Ghani's spokesman Haroon Chakhansuri said, "The first trade convoy will involve 23 trucks carrying 570 tonnes of goods. The convoy will leave for India from the border city of Zaranj in a ceremony which will be attended by President Ashraf Ghani." Highlighting the importance of the port while speaking from Kabul, he said, "Chabahar Port is the result of healthy cooperation between India, Iran, and Afghanistan. This will ensure enhanced connectivity and economic growth for the countries." Without naming any country in the region, he added, "Other countries in the region should utilise the economic potentials of regional projects and enhance state-to-state cooperation instead of having illegal relations with non-state actors." Last month on January 27, India had formally established shipping lanes with the port by sending ships.

Etihad Rail, Abu Dhabi Ports signs rail network agreement

UAE national railway developer and operator, Etihad Rail has signed an agreement with Abu Dhabi Ports with the aim of connecting Khalifa Port to the national rail network. H.H. Sheikh Theyab bin Mohamed bin Zayed Al Nahyan, Member of Abu Dhabi Executive Council and Chairman of Etihad Rail, witnessed the signing of the agreement between the two entities. Sheikh Theyab said that this union will have positive effects, as connecting Khalifa Port to the national rail network will raise competitiveness, while noting that the train station in Khalifa Port will have an annual capacity of 2.4 million containers, the largest in the network. He added: "The train station in Khalifa Port was designed to improve infrastructure and raise the capacity of our ports to transfer goods in a more economical and reliable way, through the ability of one train to transfer the load of 300 trucks." The agreement was signed by Shadi Malak, CEO of Etisalat Rail and Captain Mohamed Juma Al Shamisi, CEO of Abu Dhabi Ports at Khalifa Port. Also, in attendance was Minister of State and Chairman of Abu Dhabi Ports Company, Dr Sultan bin Ahmad Sultan Al Jaber.

DP World expands with purchase of UK's P&O ferries

Dubai-based port operator DP World has acquired the pan-European logistics company P&O Ferries for a purchase consideration of GBP 322 million (USD 421 million). The company said that the transaction implies a 2017 Enterprise Value/EBITDA valuation multiple of 6.1x. The acquisition is expected to be earnings accretive from the first full year of consolidation and is expected to meet DP World's return targets. On a proforma basis, DP World's net leverage as of the first half of 2018 would be 2.96x net debt to EBITDA with this acquisition compared to the reported 2.91x. The transaction is subject to customary completion conditions and is expected to close in the first half of 2019. "P&O Ferries provides efficient European freight connectivity building on last year's acquisition of Unifeeder. This transaction is in line with our strategy to grow in complementary sectors, strengthen our product offering and play a wider role in the global supply chain as a trade enabler," Sultan Ahmed Bin Sulayem, Group Chairman and CEO, DP World, said. P&O Ferries consists of roll-on roll-off (Ro-Ro) ferries operation and a European transportation and logistics solutions provider, P&O Ferrymasters. The company operates a fleet of 21 vessels on the Short Sea, North Sea and Irish Sea sectors across 11 ports.

Egypt re-opens Port Tawfiq-Jeddah line after 14 years

The Egyptian Red Sea Ports Authority has announced the re-opening of the Port Tawfiq-Jeddah navigation line between Egypt and Saudi Arabia after a 14-year hiatus. Prior to 2006, Port Tawfiq was a private maritime port for travelers between Suez and Jeddah. The line was suspended in that year, however, after the sinking of the ferry Al-Salam Boccaccio 98. About 1,000 people died in what was described as one of the worst maritime accidents in history. Most of the passengers were Egyptian nationals working in Saudi Arabia, while others were pilgrims returning home from Hajj. Malak Youssef, spokesperson for the Red Sea Ports Authority, told Arab News that the tragedy has caused much of the passenger traffic between the two ports to come to a halt. The Red Sea Ports Authority and Maritime Safety Authority have been in talks in recent years about the reopening of the line, he said. The decision, according to Youssef, will attract companies and investors, and will boost trade. The Tawfiq line will be provided with up to six vessels. The reception halls of Port Tawfiq can accommodate 2,500 passengers. A series of police checks will be implemented to ensure the security and safety of passengers.

ICTSI inaugurates expansion of Batumi International Container Terminal

Philippines-based International Container Terminal Services (ICTSI) has inaugurated the expansion of its Batumi International Container Terminal (BICT) in Georgia. The project covers the expansion of the waterside and the landside areas of the multipurpose terminal. Expansion is aimed at optimising the processing of existing cargo flows and installing additional capacity to accommodate new business. ICTSI senior vice-president and Europe, Middle East and Africa head Hans-Ole Madsen said: "This new investment consolidates and expands BICT's competitive position. "A comprehensive dredging programme, undertaken in cooperation with Batumi Sea Port, provides an 11.5m draught in the port's fairway and alongside BICT's quay line, allowing easy access for feedermax vessels at the port and making it Georgia's deepest draught port. "On the landside, we have met the stated requirement of importers and established a new container freight station (CFS) complete with a 180m rail spur to facilitate cross-stuffing from containers to rail cars." ICTSI expanded container and truck storage areas. It also introduced a dedicated two-lane gate complex for BICT, following completion of a new highway to Batumi.

ADB-backed master plan to boost port development

The Sri Lanka Ports Authority (SLPA) held discussions last week on expediting work on the National Port Master Plan to develop the port and shipping sector, for which the Asian Development Bank (ADB) has proposed several models following a study conducted by the bank, Ports, Shipping and Southern Development, Sagala Ratnayake told the media at the launch of the SLPA news website in Colombo last week. He said SLPA has taken steps to fast track work on the Master Plan which was a timely need to meet the growing demands in the port sector. The ADB study on the port sector focused on meeting the supply and demand of the ports in Sri Lanka up to 2050. "Currently we are developing three terminals, the JCT (Jaya Container Terminal), SAGT (South Asia Gateway Terminals) and the CICT (Colombo International Container Terminal) of the Colombo South Port, but there are no plans as yet with regard to the North port which will be looked into by the SLPA soon," the Minister said, adding that the East Container Terminal of the Colombo Port will also be developed after technical evaluations have been completed to ensure there will be no harm to the West terminal. The SLPA has received one billion Yen from Japan to commence night navigation in the Trincomalee port.

Ports of Auckland to have a fully operational automated container terminal

The automation of the Ports of Auckland will entail having new 70-tonne straddle carriers. These carriers will hurtle around with up to 22km/h in speed and without anyone at the controls. As reported, project completion will have the port's 27 new blue carriers involved in an elaborate dance to get containers on and off ships. The process will be controlled by software at the head office. There will be no human contact with the container from the time the truck driver unscrews the twist locks until before it is hoisted by crane and deposited on a ship. Same process will apply for imports, except it will be done in reverse. The system is now being tested. Empty containers are stacked high to act as a barrier in case something goes wrong. The idea of using straddle carrier technology, together with the port's three new cranes, was seen as a game changer for the issue of expansion through further reclamation. The Auckland Council-owned port is under pressure from New Zealand First to relocate to Whangarei. The Government is conducting a comprehensive review of the upper North Island logistics and freight to guarantee that New Zealand's supply chain is fit for purpose in the longer term. The review will guide the development and delivery of a freight and logistics strategy for the upper North Island.

Saudi Arabia invites firms to prequalify for port project

Saudi Ports Authority (Mawani) has invited firms to prequalify by 14 March for the contract to build a quay wall in the northern area of the multipurpose terminal at Dhiba Port. Dhiba Port is located on the north end of the kingdom's Red Sea coast and is the nearest Saudi port to the Suez Canal. MEED understands the port has three berths. Berth 1 handles livestock cargo, berth 2 is for general cargo, and berth 3 is for roll-on/roll-off (Ro-Ro) cargo, including vehicles. The port was built in 1995 primarily to serve Saudi Arabia's northwestern region and to trade with ports in Egypt. It is the third Saudi port on the Red Sea coast. The other two are Jeddah Islamic Port, which has three container terminals, and King Abdullah Port. An estimated 20,000 container vessels pass through the Red Sea on the way to the Mediterranean Sea or Egypt's Suez Canal every year. Saudi Arabia captures only 15 per cent of this traffic. The ongoing ports modernisation programme aims to significantly increase this figure in line with the kingdom's national industrialisation programme. Dhiba Port is located on the north end of the Red Sea coast and is the closest Saudi port to the Suez Canal.

Coastal cargo shipping recommences at Kerala's Azhikkal port

A vessel carrying 27 containers from Kochi reached the Azhikkal port here on Sunday afternoon, marking the recommencement of stalled cargo shipping operation from the port. Minister for Ports Kadannappally Ramachandran received the crew of the vessel 'Great Sea Vembanad'. Among those who were present on the occasion of the resumption of the coastal shipping service from the port were district panchayat president K.V. Suresh, District Collector Mir Mohammed Ali, and Regional Port Office Captain Ashwin Pratap. Though the coastal shipping service from the Azhikkal port had been inaugurated in 2014, it was stalled owing to development of shallow path on the channel. The service was now resumed as dredging operation using cutter-suction dredger, CSD Chandragiri, was under way in the port to increase the depth of the channel to six m for the launch of full-fledged coastal shipping services from here. North Malabar Chamber of Commerce (NMCC) president Vinod Narayan, who was present at the port on the occasion, said coffee growers of Kodagu in Karnataka were interested in utilising the Azhikkal port for shipping coffee via the Kochi port. The lack of Electronic Data Interchange facility of the Customs Department at the port was a hassle for business people.

Sea trade to Nepal gathers pace from Visakhapatnam Port

The sea trade business for Nepal is slowly increasing from Visakhapatnam Port Trust after declaring the Port as the second gateway to Nepal after the Kolkata port. With the Indian government strategic partnership with Nepal, the exports and imports from VPT have been gearing up with the transshipment through railways. As part of strengthening relations with Nepal, in view of future challenges with China, the Indian government is offering several business sops to Nepal and train transshipment is one the offers to the country. The Nepal is exporting various products particularly woolen and woolen products to various nations in sealed containers and importing various products including electronic goods and pulses. The stakeholders including East Coast Railway, CONCOR, Customs, VCTPL and CII, and shipping companies are collectively promoting the Nepal exports and imports from the Port. The Indian Railways is taking its share by connecting the route Visakhapatnam-Jogbani and Visakhapatnam-Birgunj, besides connecting some selected road ways. The government and the ports have been developing several facilities reducing the handling time in the shipment and transshipment, the shipping agents added.

Cosco Shipping's investment plans for Piraeus port rejected

Cosco Shipping's 'honeymoon period' between it and the Greek state is essentially over, following the rejection by the state of much of Cosco's investment plan for Piraeus port. For certain the EUR580m (\$650m) investment programme for Piraeus Port Authority (PPA) has reached an impasse, after a Shipping and Island Policy Ministry-affiliated Port Planning and Development Commission nixed the PPA management's investment master plan. The rejection came although the overall performance of Piraeus continues to bound along, at an ever more impressive level since the major port's privatization agreement, in August 2016 between the Greek government and Shanghai-based Cosco, a global giant in shipping and port management. For many months Cosco has been maintaining the Ministry was dragging its feet regrading the investment plan. News of the rejection brought no official response from the PPA management, although unofficially "displeasure, towards all sides involved" was said to have been expressed. Mostly based on environmental impact studies, Greece's port regulator cited discrepancies over the projects Cosco must implement at the port as part of a concession agreement. Under its concession contract Cosco is obliged to pump another EUR293m in investment through the PPA.

Malaysia upgrading Sabah ports to drive growth

Malaysia's Sabah ports are set to play a bigger role to cater to future needs and to drive the economy as the state government announced its commitment to develop port infrastructure and attract trades, reports said. Sabah chief minister Datuk Seri Mohd Shafie Apdal said that the state's main Sandakan port, which has long been the focus of trade, needs to get ready to cope with the growing needs of the area, following the recent opening of the port's new jetty. "In future we need a port with larger capacity. For Sandakan port our initiative is, among others, to cater to the needs and enable our trade to increase," he was reported saying. Seaborne trade between East Malaysia's Sabah state and neighbouring countries like the Philippines, Indonesia, China and Japan is expected to grow. "In future, when ships from outside come not only are there products from outside but also products from Sabah to be exported, this is important," he said, adding that this includes opportunities from the tourism market. Development should also happen for Kudat port in the northern tip of Sabah, where there are plans to create a railway route from Kudat to the state capital Kota Kinabula to facilitate the passage of freight forwarding.