

Shreyas Shipping, Concor & KICT emerge as a winning combination

Kandla International Container Terminal Pvt. Ltd (KICT) handled the first coastal container rake of CONCOR in the morning of February 9, 2018. Rake no. R17022 arrived at Kandla with 80x20 units from ICD-Jodhpur (Rajasthan), which were connected on to MV SSL Brahmputra Voy - 17119 of Shreyas Shipping & Logistics Ltd. (Smile Service). The vessel had berthed on February 9 at 20:18 hours. On the occasion, Mr Amardeep Singh Parmar, Terminal Head of KICT, congratulated CONCOR, Shreyas Shipping and Deendayal Port Trust (DPT) for their support and for showing confidence in the terminal. The Container Rail Terminal (CRT) at KICTPL, which has the alphanumeric code "KPRK 08524070", is fully operational and can accommodate an entire rail length on its siding. In a year of operations, Kandla Container Terminal has handled 90,000 TEUs thus far. Having its own dedicated rail siding is an added advantage to the trade, as it is the nearest rail terminal to the northern hinterlands of India, making it "The Gateway of Northern India to the World".

Saudi authorities give DP World Jeddah Port plans go-ahead

Dubai-based ports operator DP World says it has received approval from the Saudi Arabian ports authority for its plans to transform Jeddah's docks. In October 2017, DP World announced plans to develop Saudi Arabia's Jeddah port, in support of the country's Saudi Vision 2030. Talking to Bloomberg on the sidelines of the World Government Summit (WGS) taking place in Dubai this week, DP World chief executive Sultan Ahmad Bin Sulayem confirmed that the plan had been approved, and the company was "in the final stages of talking to the Saudi ministry on a date to start" its expansion. "Yes [the plans have been approved]. We have been discussing this for many months actually. This is part of the Saudi plan for Jeddah," Bin Sulayem said in the interview. Today, he added, the location was strategically important as "the main port in Saudi Arabia, and especially, it's on the Red Sea, which is the most important route between Europe to the Far East". DP World has so far declined to specify the amount it plans to invest in the port's expansion. "Saudi has Vision 2030, which is a huge opportunity for us," Bin Sulayem added. Bin Sulayem discussed how DP World's plans for Jeddah will realise the potential for economic growth.

Supramax freight gains in US Gulf set to be capped by ballasters

A recent freight increase for Supramax vessels in the US Gulf Coast is likely to be capped by ballasters from the UK-Continent and West Mediterranean in a repeat of mid-January activity, shipping sources said this week. Rising freight in the US Gulf Coast on the back of improved inquiry, including grains to Colombia and China as well as petcoke to the East Mediterranean, has attracted the interest of owners with vessels on the other side of the Atlantic looking to escape the soft rates. The Houston to Krishnapatnam, India, petcoke route, basis 50,000 mt, was assessed at \$36.50/mt Wednesday, while the Houston to Aliaga, Turkey, petcoke route, same basis, was assessed at \$18.50/mt, each gaining 50 cents on the week, and offering opportunities for potential ballasters. "Unless the UK-Continent and West Mediterranean pick up a bit you'd expect the recovery to be capped ... that will be key in determining [the direction of the US Gulf for March]," a ship operator said. The first ballasters were heard fixed Wednesday by Norden and Star Logistics in the \$15,000/d range basis DOP for their grain cargoes to China, with others expected to follow suit. Shipowners should be able to secure firm numbers for cargoes with laycans however due to a ballast duration of around 15 days from Gibraltar.

China's One Belt, One Road initiative reaches European Ports

Chinese corporation Cosco Shipping Ports Limited signed a deal on January 22 with Brussel's Port Zeebrugge for control of its massive shipping terminal. The deal gives Cosco full rights to design, develop, finance, construct, own, operate and maintain the second-largest port in Belgium. The natural, deep-water harbor is an excellent location for trade. According to Port Finance International, "Zeebrugge is close to Hamburg and Le Havre and is within a short distance of Great Britain. The terminal has a good network of road and rail connections to all countries of Continental Europe, and to other ports in Northwest, Central and Eastern Europe." The acquisition of Zeebrugge Port follows a growing trend of Chinese expansion in Europe. Following the European financial crisis, the Continent was left reeling with an estimated \$430 billion investment gap. Sensing opportunity, China proposed heavy investment in European businesses and infrastructure. The strapped-for-cash countries of the eurozone happily agreed to take Chinese money and thus began rebuilding a powerful trade network not seen in centuries: the Great Silk Road. Chinese President Xi Jinping announced last October that the time had come for China to take center stage on the world scene.

UAE retains ranking on logistics index; sector outlook upbeat

The United Arab Emirates retained its third position after China and India on the 2018 Agility Emerging Markets Logistics Index, a survey revealed, even as the logistics industry was upbeat about the sector for 2018 unlike last year. The index, now in its ninth year, offers an annual snapshot of industry sentiment and ranks the world's leading emerging markets by size, business conditions, and transport infrastructure and connections. It includes a survey of more than 500 global logistics executives. "The UAE maintains its high ranking across several indices with its abundance of free trade zones, no corporation tax, the offer of full ownership and unlimited repatriation of profits still setting the benchmark for emerging markets. The countries in the region are moving aggressively to spur non-energy economic growth, create jobs, lure new investment, and develop knowledge economies," said Elias Monem, chief executive officer of Agility Middle East and Africa. According to the report, Saudi Arabia was down one place to number 6 due to worsening economic growth forecasts and financial stability. Egypt moved up in rankings on the logistics index. The country jumped six spots this year to number 14, the largest jump of any emerging market in the index.

Siemens aims to cash in on logistics developments in UAE

Siemens aims to cash in on the logistics developments in the UAE by moving its global headquarters for airports, cargo and ports logistics from Germany to Dubai after the Expo 2020 ends. "If you look at Dubai and Abu Dhabi, they have some of the biggest and most advanced airports and ports. Emirates is one of the most advanced airlines, exporting people as well as goods, as well as Etihad and it is politically stable," Joe Kaeser, CEO of Siemens, told. The Germany-based company is the premier partner for intelligent infrastructure and operations for the Expo 2020. It will make use of the buildings at site as the new home for its future headquarters from April 2021. Some of the other premier partners announced so far are Accenture, DP World, Emirates airline, Emirates NBD, Etisalat, Nissan and SAP. Kaeser said that Siemens has been collaborating with expos from the beginning. "When the first expo happened in 1851 in London, Siemens, which was four years old, was there as a start-up. At that time, Siemens presented a device which later on became the first device for telecommunications. Since then, we have participated in all the expos," he said. He added that Siemens invests \$600 million every year for training and re-training people and spends almost \$6.5 billion on R&D every year.

Montreal Port pens cooperation deal with Mundra Port

On a trade mission to India, the Montreal Port Authority (MPA) has signed a cooperative agreement with Mundra Port. As informed, the agreement aims to develop cooperation in marketing and business development while sharing information on marine operations and industry best practices. "Asia, and especially India, is an emerging market with enormous potential. It and the Port of Montreal are already solidly connected thanks to container services," Tony Boemi, Vice-President, Growth and Development at the MPA, commented. "This cooperative agreement with Mundra Port strengthens our presence in India and showcases the Port of Montreal's advantages as a strategic gateway of choice for goods destined for the North American market," Boemi added. The Montreal Port Authority (MPA) is on a trade mission to India from February 12 to 16. The mission's objective is to increase the Port of Montreal's visibility with the Indian marine transport logistics chain. The MPA also aims to strengthen its business and cooperative ties with Indian ports, specifically Mundra Port. Asia accounts for 25% of the Port of Montreal's market and is by far the fastest growing segment. India alone accounts for 5%, yet was virtually non-existent as a market just a few years ago, according to the Port of Montreal.

New service between Haldia & Bangladesh

Haldia International Container Terminal (HICT) has achieved another milestone with the commencement of a new Bangladesh service from Haldia on February 6, 2018 under the Indo-Bangladesh Coastal Protocol. Located 90 km from Kolkata, the Petrapole-Benapole border handles \$ 3.4 billion (Rs 22,000 crore) of the \$ 6billion bilateral trade with Bangladesh. In 2016-17, Indian exports accounted for more than 70 per cent of the trade through this gate. However, due to the slow pace of border clearance, a truck normally takes 22 days, including two weeks on the Indian side, to complete its trade run. The Bangladesh trade was eagerly seeking an alternate efficient mode, delivered by a short coastal route with reliable vessel service, delivering goods right up to Dhaka and Chittagong ports. A ray of hope has emerged, from the immense efforts put in by the J. M. Baxi Group, which has come up with a robust vessel service in accordance with the India-Bangladesh Coastal Protocol. The maiden voyage KSL Pride, with rated capacity of 170 TEUs, berthed at the container terminal at Haldia managed by the J. M. Baxi Group. This was just a beginning, as the trade will receive scheduled service, improving delivery lead times, and massive savings in material holding costs.

UK shipping industry warns of Brexit's impact

The head of Britain's maritime business association is calling on the UK government to prepare for an orderly transition period when it exits the EU. "We are lost in politics," said David Dingle, head of Maritime UK. "Our message is: please, government, can you do this as quickly as possible because if there is no transition period the industry as a whole will be in trouble." He warned that the nation's biggest ferry ports would be the worst affected. "Our biggest concerns are Dover and Holyhead. There will be new customs requirements that could cause particular challenges for roll-on roll-off ferry ports which handle tens of thousands of [trucks] travelling between the UK and the EU each day," Dingle said. Adding just two minutes to the average time a truck takes to get through the port of Dover could lead to 20-mile-long traffic jams on the highways nearby. The UK will no longer be a part of the EU on March 29, 2019, and there is no guarantee that the European Commission and the government of British Prime Minister Theresa May will reach a deal for a transition period. European ports are preparing now for the increased trade hurdles that could come from a "hard Brexit."

India's largest container terminal JNPT's capacity to double by 2022, to be on par with Euro ports

The country's biggest container cargo terminal, Jawaharlal Nehru Port Trust, will be on par with European ports by 2022 when it is expected to handle 10 million teus (a measurement of 20-foot equivalent container units) annually. Before that, its capacity is set to go up by 50%, from the present 4.8 million teus per year, with the launch of the first phase of its fourth container terminal. The handling of 10 million teus annually will put it on par with big ports—Antwerp in Belgium, Hamburg of Germany and Los Angeles of the US. The one-km long first phase of the fourth container terminal will be officially e-launched by PM Narendra Modi on Sunday. The first phase will increase JNPT's capacity by 2.4 million teus per year, and the second phase—another one km extension by 2022—will give similar benefit. As a result, the fourth terminal alone will handle as much load as the other three do now. Shipping secretary Gopal Krishna who visited the port on Friday ahead of the launch by the PM, rolled out the roadmap for making JNPT the main gateway for the country's exports. As part of this, a port-led rail freight corridor linking JNPT with Delhi and the hinterland will be ready by 2021.