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DP World defends port freight charge increase

Backlash has followed port operator DP World's introduction of an infrastructure charge for Sydney and Melbourne port drivers last month. The changes include an increase in Melbourne port fees from \$3.50 to \$32.50 per container, and a \$21.16 container fee in Sydney. Defending statements made by Road Freight NSW, who accuse the terminals of using market power to unilaterally impose fees, terminal operators maintain the charge is to cover increasing costs of rent, rates, land tax and required infrastructure improvements. "As we have publicly flagged on many occasions, we are in a similar position of facing significant and unavoidable cost increases for the use of the port infrastructure, including the cost of council rates, land tax, rent and terminal infrastructure maintenance, which we are reluctantly passing on," DP World chief commercial officer Brian Gillespie said.

Jebel Ali Container T4 unlikely to open until next year, report says

Dubai's giant new Container Terminal 4 at Jebel Ali is rapidly taking shape, but is unlikely to launch until 2018. The weekly newsletter detailed numerous shipments of cargo handling equipment have arrived at the new facility over the past few months. However, the terminal's developer, owner and future operator, DP World, has not publicly announced a formal launch date yet. Without detailing a more precise time line, earlier statements indicate that the terminal is now slated to come on stream in 2018. DP World is taking a deliberately slow approach to avoid dumping capacity into a contracted market. In 2016, Dubai handled a container volume of 14.77 m teu, down 5.3% from 2015. In the DP World annual report for 2016, group chairman and ceo Sultan Ahmed bin Sulayem said that in the current market environment, it made no sense for port capacity to be under-utilised.

Alliances creating congestion at Shanghai port

Alliances' product restructuring and increased throughput volume are creating high congestion at the Port of Shanghai, according to an announcement issued by Shanghai International Port Group. As informed, the Port of Shanghai is undertaking actions to return port operations to normal. In addition to the restructuring of alliances, inclement weather in China has also caused congestion at several terminals in Shanghai. The port authorities have announced some adjustments to the operations at the terminals, but no definite timeline has been offered on the restoration of normal operations. Consequently, delays of up to ten days can be expected for ships waiting to load and unload at these terminals.

Chittagong port to have bay container terminal

The government has initiated a move to construct a bay container terminal with the Indian credit to enhance the capacity of Chittagong Port which will reduce congestion at the port, officials said. He said another plan was there to construct a terminal at the proposed Payra Deep Sea Port, modernise Mongla Port, and construct Dry Dock in Chittagong. Talking to the news agency, an official at the Economic Relations Division (ERD) said such projects were taken to develop the country's ports under a \$4.5 billion fresh third Line of Credit (LoC) from India to be given against 17 projects selected so far. Another official at the Ministry of Shipping said that the coastal area adjacent to Haliashahar, Chittagong was primarily identified for the establishment of the Bay Container Terminal. The official said an 11km char had emerged about some 800 metres off the coast.

Sohar free port opens doors for Sri Lankan exports

One of the fastest growing free ports in the world and one of the biggest free-ports in the Gulf Cooperation Council, Sohar has opened its doors to Sri Lanka with unparalleled incentives of entry hitherto not offered by other free ports in the world-and historic Ceylon Tea, and several other Lankan sectors, are the immediate beneficiaries in the proposed win-win situation. "Sri Lanka has multiple benefits beyond exports when starting at Sohar which can be Sri Lanka's main manufacturing and re-exports base in the Middle East" said the Acting Undersecretary of the Foreign Ministry for Diplomatic Affairs of Sultanate of Oman's Dr. Mohammed bin Awad Al Hassan on 6 April in Colombo. The visiting Undersecretary Al Hassan was meeting with Minister Rishad Bathiudeen.

Bigger ships to continue pressuring freight rates, says Drewry

Westbound Asia to Mediterranean volumes have been disappointing thus far in 2017, but shipments heading in the opposite direction are surging, according to shipping consultancy Drewry. Similar to the Asia-North Europe trade, the backhaul market is currently on top in the Asia-Mediterranean/North Africa route. Eastbound shipments increased by 16% year-on-year in the first two months of 2017, massively overshadowing a 3% drop in the westbound leg. The same CTS numbers confirm that container traffic from Asia to the Med grew faster than to North Europe in 2016, rising by 2.5% versus 0.3%. However, despite the sluggish start to the year Drewry's latest forecast for the westbound Asia to Med trade is for a slight improvement in the growth rate.

Pak's Gwadar port leased to Chinese company for 40 years

A state-run Chinese company will handle the operations of Pakistan's strategic Gwadar port for a period of 40 years, the government said today. Minister for Ports and Shipping Mir Hasil Khan Bizenjo said the China Overseas Port Holding Company (COPHC) would carry out all the development work on the port on the Arabian Sea. Gwadar forms the southern Pakistan hub of a USD 57 billion China-Pakistan Economic Corridor (CPEC) of infrastructure and energy projects announced in 2014. It also aims to develop seafood processing plants in a nearby free trade zone sprawled over 2,281 acres.

Vessel demand rises with new alliances: Alphaliner

With the launch of new carrier alliances on the east-west trades on 1 April 2017, the demand for vessels and the final tally of containership tonnage is set to increase by 5% in TEU capacity and by 4% in vessel count compared to March, according to Alphaliner. Compared against the peak season deployment of summer 2016, total vessel capacity planned for this summer on the revamped Asia-Europe, Transpacific and Transatlantic routes will be 2% higher. "The tonnage removed as a result of Hanjin Shipping's withdrawal from the east-west trades in September 2016 will be fully restored with the new services launched on 1 April by the 2M+HMM, OCEAN Alliance and THE Alliance, as well as various independent carriers including newcomer SM Line who kicked off its new Transpacific service last week," Alphaliner said.

Phase 1 of JN Port's fourth container terminal to be operational by end-2017

Jawaharlal Nehru Port Trust (JNPT) is all set for a significant capacity augmentation this year. Phase 1 of its mega fourth container terminal is expected to be commissioned and operational by December 2017, according to JNPT. Phase I will have capacity of 2.4 million TEUs on a quay length of 1 km. The estimated investment for this phase is Rs 4,719 crore (\$ 715 million). This mega terminal, having total capacity of 4.8 million TEUs, is a PPP project with Bharat Mumbai Container Terminals Pvt. Ltd, an SPV of PSA International. The concession was awarded in December 2014. Phase II, also having 2.4 million TEUs of capacity and 1 km of quay length, is likely to be commissioned by November 2022, JNPT said.

Amended Indian import tax targets container lines

Transport and logistics services providers in India are disappointed and bewildered at government changes to a controversial service tax on prepaid, or cost and freight (C&F), imports. Heeding appeals from various trade and shipper groups, notably the Mumbai and Nhava Sheva Ship Agents' Association, the union government has amended the tax to shift the onus of compliance from ship agents to ship-owners or those receiving cargo. "In respect of services provided or agreed to be provided by a person located in non-taxable territory to a person located in non-taxable territory by way of transportation of goods by a vessel from a place outside India up to the customs station of clearance in India, person liable for paying service tax other than the service provider shall be the importer," the Ministry of Finance said in its revised decree issued last week and slated to take effect April 23.

Japan logistics major enters Indian container business via JV with ACTL

The Indian container train sector is set to get a Japanese touch soon, with logistics major Konoike Transport today announcing the forming of a joint venture with New Delhi-based Associated Container Terminals Ltd (ACTL). The JV company, called Joshi Konoike Transport and Infrastructure, will invest at least Rs 100 crore in the initial stage for licence procurement and to buy container trains. Currently, the major private players in India's private container business include Adani Logistics Ltd, Gateway Rail Freight Limited, Hind Terminals Ltd, India Infrastructure and Logistics Ltd. Konoike Transport is a leading logistics major in Japan as well as countries like China, Vietnam, Thailand, Indonesia, Myanmar and Bangladesh.

Look at 'China First' policy - from maritime silk route to one belt one road

As China's economic growth slows to 6.5% for this financial year, and its domestic demand slumps - it is pushing hard to expand its industry and investment beyond its boundaries, especially in steel, concrete, housing and infrastructure sectors. The country is also trying to change the pivot to a "China First" policy of economic relations with the rest of the world. The 21st century Maritime Silk Route together with the One Belt One Road (OBOR) is being pitched as a signature foreign policy initiative of President Xi Jinping. As part of its strategy, China wants to develop ports, roads, railways and energy corridors across South Asia all the way up to Europe and Africa.

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