



Newsletter

June 30th 2017

Link road, rail, sea!

Council Of Intermodal Shipping Consultants

YEAR XXXV
Issue of June 30th 2017

C.I.S.CO. NEWS

10% DISCOUNT FOR BIC MEMBERS AT ICHCA'S 65TH ANNIVERSARY CONFERENCE Page 3

PORTS AND TERMINALS

DECADE-OLD BETUWE ROUTE CRUCIAL FOR SUSTAINABLE GROWTH OF PORT OF ROTTERDAM " 5

MARITIME TRANSPORT

THE QATARI RESTRICTIONS: IMPLICATIONS FOR THE SHIPPING SECTOR " 8

RAIL TRANSPORT

NEW RAIL FREIGHT SERVICE TO LINK ITALY AND CHINA " 12

ROAD TRANSPORT

EU PROPOSES DISTANCED-BASED ROAD TOLLING TO DRIVE TRUCK FUEL EFFICIENCY " 14

INTERMODAL TRANSPORT

RHINE-ALPINE RAIL FREIGHT CORRIDOR COULD SEE LONGER TRAINS BY 2021 " 16

TRANSPORT & ENVIRONMENT

IMO MEETING CONSIDERS FLASHPOINT AND OTHER SAFETY IMPLICATIONS OF 0.50%
BUNKER FUEL SULPHUR LIMIT " 19

LOGISTICS

BELGIAN 'BEER TRAIN' WILL SAVE 5,000 ANNUAL LORRY MILES " 23

LAW & REGULATION

IMO NOD TO AUTONOMOUS SHIPS ON THE HIGH SEAS " 26

STUDIES & RESEARCH

DREWRY UPGRADES FULL-YEAR BOX GROWTH FORECAST Page 28

REEFER

MAERSK CONTAINER INDUSTRY LAUNCHES POWER METER FOR REEFERS " 30

ON THE CALENDAR " 32

June 30th 2017

The content of the C.I.S.Co. Newsletter is also published in the newspaper "Informare" accessible on the Internet site <http://www.informare.it>

C.I.S.C.O. NEWS

10% DISCOUNT FOR BIC MEMBERS AT ICHCA'S 65TH ANNIVERSARY CONFERENCE

On October 3rd to 6th next, ICHCA will celebrate its 65th anniversary.

The special event will be held in Las Palmas (Spain) and will be looking towards the future of cargo handling through 5 key sessions on how to make the global cargo chain SAFE, SUSTAINABLE, SECURE, SMART and SKILLED.

ICHCA's flagship event promises to bring together the big names in cargo handling to discuss the best ways to improve as an industry.

At a time of great change for world trade, shipping, port and land transport operations, including exponential developments in digital and automation technologies, ICHCA's 65th Anniversary Event is a chance to reflect on the journey so far and look ahead to the future.

How can all the supply chain stakeholders come together to deliver safer, more efficient and sustainable cargo handling from first to last mile?

How can best practice be disseminated and implemented on a truly global scale?

And what role can innovative technology play in addressing current and future challenges?

These are just some of the big issues to be explored in a high-level 2-day conference on October 3rd and 4th, focused on continuous improvement and information sharing in safety in cargo handling and operational efficiency around the globe.



The conference will be complemented by an exhibition of products and services, plus plenty of formal and informal networking opportunities.

The Conference & Exhibition will be followed by the 78th meeting of ICHCA's ISP Technical Panel and annual CARC meeting on October 5th-6th.

Please note that BIC Members will get a 10% discount at ICHCA's 65th Anniversary Conference.

For further information:

https://www.eiseverywhere.com/ehome/index.php?eventid=210824&utm_source=Email%2520%25231&utm_medium=BIC

PORTS AND TERMINALS

DECADE-OLD BETUWE ROUTE CRUCIAL FOR SUSTAINABLE GROWTH OF PORT OF ROTTERDAM

Ten years since the railway line's opening, the Betuwe Route serves as an indispensable connection for the transport of freight to and from the port of Rotterdam.

In recent years, the Betuwe Route has significantly contributed to the growth of throughput in Rotterdam, and consequently the Dutch economy as a whole.

To keep building on this success, it is vital that we continue to raise national and international interest in rail as a mode of transport – to increase the sustainability of the freight transport sector, among other things.

These are the key conclusions drawn by the Port of Rotterdam Authority, ten years after the opening of the Betuwe Route in 2007.

Ronald Paul, Chief Operating Officer (COO) of the Port of Rotterdam Authority: "A port is as good as its connections with the hinterland.

That is why the Betuwe Route has proven a very sound investment in our view.

It enables us to continue developing as a port, but it also allows us to shift transport from roads to rail.

Not just the port of Rotterdam, but the entire Dutch economy benefits from this: less congestion, less nuisance for residents along the existing railway, more sustainable transport and more room in our railway network for passenger transport.

The Betuwe Route is of crucial importance."

Exclusively for cargo transport

The Netherlands is the only country in Europe that has a dedicated cargo transport railway line.

For the transport of hazardous substances alone, this presents a very safe alternative, since one can bypass the cities and the existing rail network.

But it also contributes immensely to the efficiency of all rail movements in the Netherlands, in light of the country's relatively busy and mixed railway network.

The key cargo types that are transported by rail are containers, iron ore, coal and chemical products.

Port Section

In 2016, 10.4 percent of all the containers that left the port of Rotterdam were transported by rail.



Thirty-five percent is transported over water; the rest via road.

Every year, some 50,000 trains use the Havenspoorlijn (Port Section) – which is actually the first section of the Betuwe Route itself – and over 20,000 trains pass along the Betuwe Route's A-

15 connection.

The busiest year so far was 2014, with 25,000 trains.

In 2015 and 2016, work on the railway in Germany meant that more trains had to take the Brabant Route and were handled via Bad Bentheim.

In 2014, 82 percent of all rail traffic along the Rotterdam-Germany axis was directed via the Betuwe Route.

In 2016, this percentage had dropped to 57 percent due to the required detours.

Future

Now that a substantial share of the port's throughput is transported to the hinterland via rail, it is important to clear the various obstacles still standing in the way of further growth.

Ronald Paul: "It is vital that we pay balanced attention to the share of cargo transport versus passenger transport on our railways.

It is up to ProRail and the Ministry of Infrastructure and the environment to take targeted measures against issues that impede the further growth of rail transport.”

Playing field

At the international level, it is important to work towards a level playing field.

For example, in the Netherlands, we work with the more expensive European rail safety system ERMTS, and it is mandatory for our drivers to be bilingual.

This results in relatively high operating costs for transport companies.

In addition, a proposal is currently being reviewed in Germany to cut the usage fee by 50%.

It is important to ensure that the Dutch usage fee remains in line with this.

Germany

And finally, it is very important that the German continuation of the Betuwe Route is fully up to standard.

Although a start has been made on the construction of a third track between Emmerich and Oberhausen, it recently became clear that this project will not be completed according to schedule due to delays in the issue of permits for various route sections.

(from: hellenicshippingnews.com, June 20th 2017)

MARITIME TRANSPORT

THE QATARI RESTRICTIONS: IMPLICATIONS FOR THE SHIPPING SECTOR

On 5 June 2017, Saudi Arabia, the UAE, Bahrain and Egypt severed diplomatic ties with the State of Qatar.

Reports indicate that the move against Qatar is also supported by Yemen, a secondary government in Libya and the Maldives.

Saudi Arabia, the UAE and Bahrain have now closed their air space and territorial waters to Qatar.

Saudi Arabia also closed its land border with Qatar, Qatar's only land border with another country.

Egypt has also closed its airspace to all flights to and from Qatar.

A direct consequence is that ports operated by the alliance against Qatar are now blocking Qatar-flagged vessels, along with other vessels that are heading to and coming from Qatar.

In particular:

- The Saudi and UAE port authorities have now banned from their territorial waters all ships flying Qatari flags or owned by Qatari companies or individuals.

UAE ports, such as Fujairah or those operated by DP World UAE Region, have banned all vessels destined to or arriving from Qatari ports, regardless of the nature of their call.

In addition, DP World UAE Region extended the ban to all vessels loading or discharging cargo destined to or coming from Qatar.

- Reports were made of the Ports and Maritime Affairs at Bahrain's Ministry of Transportation and Telecommunications suspending all marine navigation from and to Qatar with immediate effect.

- The Petroleum Ports Authority in Abu Dhabi also issued an notice that Qatari-flagged vessels would not be allowed entry into Abu Dhabi Petroleum Ports Operating Co or IRSHAD, a subsidiary of Abu Dhabi National Oil Co.

Egypt has not yet indicated whether it intends to block Qatar-linked vessels/cargo from using the Suez Canal – a common route for tankers.

Practical implications in shipping

These developments mark an unprecedented change in Middle Eastern relations, which will undoubtedly affect companies with trade routes to or from Qatar.

Analysts suggested that companies with large trade volumes or retail operations in Qatar are likely to be most affected.

These include logistics and shipping companies.

Whilst all the aspects which may result from the current restrictions on Qatar are not yet apparent, we envisage the following operational implications are likely to be the most immediate in the shipping sector, all of which will have cost repercussions on the affected parties:

- The shutting of the land border crossing between Saudi Arabia and Qatar is likely to create long queues/delays.

This may particularly impact consignments bound by road transshipment to or from Qatar.

In addition, reports suggest that vessel supplies in Qatar, which are largely transited by road through Saudi Arabia, may be affected.

- Qatar is a major exporter of condensate, an ultra-light form of crude oil.

The trade ban may make the purchase of Qatari crude and condensate more difficult.

Indeed, very large crude carriers regularly conduct multi-loads of crude at multiple Middle East ports.

Barring vessels that have called at Qatar from entering other ports in the region could require traders to vary their trading patterns.



- Bunkering is also likely to be affected.

For instance, major bunkering ports such as Fujairah, where some three-quarters of tankers sailing through the Gulf stop to refuel, are refusing all vessels sailing to or from Qatar.

- On the transshipment side, some reports indicate that cargo is not allowed to be discharged onto feeder vessels to Qatar.

In Fujairah, any Qatari cargoes already in port must be cleared within 24 hours.

- Ship managers are indicating they are encountering difficulties related to crew/personnel.

For instance, it is reported that the Fujairah port's immigration is not allowing crews to join or to sign off vessels coming from or bound for Qatar.

In parallel, it is proving difficult to extract crew members and other personnel based in Doha given the current blockade.

- In relation to charterparties, these should be reviewed to establish whether they include a provision which specifically addresses blockades – for example CONWARTIME 2013 refers to "blockades (whether imposed against all vessels or imposed selectively against vessels of certain flags or ownership, or against certain cargoes or crews or otherwise howsoever)".
- A number of international operators are bidding for new contracts and renewals to operate their FPSO and FSRU vessels in the various oil fields including Al Shaheen.

The uncertainty from the events this week will cast a shadow on the underlying charters supporting ship financing.

- There have been reports that banks in the region will refuse to deal with Qatari banks or refuse to recognise the Qatari riyal.

We understand that some Saudi, UAE and Egyptian banks are suspending business with Qatari banks, such as recognising letters of credit and other contingent payment instruments until they have received guidance from their respective central banks.

The international currency of shipping is the US Dollar so we expect limited exposure on this front.

However, it may be possible that a shipowner could have an exposure to Qatari riyals if for example, a supply contract requires payment in US Dollars whilst the sales contract income for the service or goods is in Qatari riyals.

- There have been no statements today from the Saudi Central Bank or from the UAE Central Bank.

It has been reported that the UAE Central Bank has asked all commercial banks to report on their exposure to Qatari banks by Thursday (8 June 2017) before it makes a decision on how to move forward.

Of course, the exposure of businesses to the current Qatari trade restrictions may be covered by insurance.

It may also be managed through applicable contractual and local legislative provisions within the Middle East, including those which deal with force majeure and deviation.

We expect to have more visibility on the operational and legal implications of the restrictions against Qatar as the matter unfolds.

In any event, for the time being, there is no indication of the dispute de-escalating.

(from: hellenicshippingnews.com, June 9th 2017)

RAIL TRANSPORT

NEW RAIL FREIGHT SERVICE TO LINK ITALY AND CHINA

A new rail freight service will link Northern Italy and China from September, according to a report by Italian business and news service Milano Finanza, becoming the second China-Italy rail freight service to launch this year.

Operated by Chinese company Changjiu Logistics, it will connect the northern Italian town of Mortara, around 40km southwest of Milan, with the capital of southwest China's Sichuan province, Chengdu.

The report said DB Cargo would run the service in Europe, which will be largely dedicated to transporting cars at first.

But Changjiu Logistics eventually hopes to branch out into other sectors like fashion, furniture, electronics and food.



The initial plan is to run one service a week in both directions and double the frequency in 2018, if the market conditions justify it.



Contacted by Lloyd's Loading List, no one at DB Cargo was able to confirm the information on the proposed Italy-China freight train

service at the time of writing.

The report added that the European company Far East Land Bridge (FELB), which specialises in the transport of containers via the European, Trans Siberian, and Chinese railway network, had earlier this year already linked Milan to China via Germany, with an eastbound transit time of 21 days.

FELB Italy manager Nicola Cavasin explained that many Italian companies now asked their shipping partners to send freight by rail between Europe and Asia as an alternative, because it was faster than a ship and cheaper than air freight.

FELB operates multiple weekly rail freight connections via the Trans-Siberian railway connecting Europe and China, through Russia, Belarus and Ukraine.

These operate mainly to eastern China, although some of the trains also serve Chongqing in central China.

European origin and destination points for FELB's services include Germany's Duisburg, Regensburg, and Hamburg, along with Milan, Bratislava, and Warsaw.

Transit times vary from 14 to 22 days for Europe-China services, and up to 25 days for services to or from Japan or South Korea.

(from: lloydsloadinglist.com, June 14th 2017)

ROAD TRANSPORT

EU PROPOSES DISTANCED-BASED ROAD TOLLING TO DRIVE TRUCK FUEL EFFICIENCY

Time-based road tolling for trucks is to be phased out in Europe by 2024, the European Commission has proposed.

The NGO Transport & Environment (T&E) welcomed the switch to a distanced-based system which, by charging per kilometer, encourages drivers to take the most efficient route and discourages empty trips while reducing congestion and pollution.

Tolls will also take into account the carbon emissions of trucks, the Commission said in its Clean, competitive and connected mobility package, while zero-emission vehicles will be given a 75% toll discount.

CO₂ emissions will be measured in a new CO₂ test for trucks, the recently adopted VECTO protocol.

The package also proposes that EU countries start monitoring truck CO₂ emissions under a new Monitoring, Reporting and Verification regulation.

Already 15 EU countries have tolling systems in place where trucks pay per kilometer driven; the Commission wants to expand this to more EU countries by phasing out time-based vignette systems by 2024.



T&E said that any country that wants to introduce road charging for cars should have to follow these new smarter toll rules.

T&E's executive director William Todts said: 'We welcome the Commission's reform of road charging.'

Distance-based tolls are a great instrument to reduce congestion, promote cleaner vehicles and make transport more efficient.

The new rules also make charging smarter by differentiating tolls based on CO₂ emissions and giving discounts to zero-emission vehicles.

This will give a big boost to investments in more efficient and zero-emission trucks.'

The Commission also said it will propose CO₂ standards for cars and vans by the end of 2017, and for the first time, fuel efficiency standards for trucks in early 2018.

The announcement came as a new study showed fuel consumption of new trucks could be cut by 33% in a decade if manufacturers introduce proven fuel efficiency technologies.

The independent research by consultants Ricardo Energy & Environment said the improvements would be cost-effective for truckowners as virtually all of the fuel savings could be achieved within a payback time of less than three years.

Europe could apply almost all of the technologies deployed in the US market under America's phase two of truck CO₂ standards, the author said, delivering substantial fuel savings potential.

The European market has yet to adopt many off-the-shelf solutions to improve efficiency such as aerodynamic improvements and low rolling resistance tires.

T&E's safer and cleaner trucks officer, Stef Cornelis, said: 'Fuel consumption technologies that could reduce truck CO₂ emissions by 30% over 10 years are already available now but haven't been deployed yet.

That explains why truck fuel economy has stagnated for the last two decades.

Europe needs CO₂ standards for trucks now so as to boost competitiveness in innovation and accelerate the uptake of fuel efficiency technologies.'

Trucks represent less than 5% of all vehicles on the road in Europe but are responsible for around 30% of road transport CO₂ emissions.

(from: railjournal.com/transportenvironment.org, June 13th 2017)

INTERMODAL TRANSPORT

RHINE-ALPINE RAIL FREIGHT CORRIDOR COULD SEE LONGER TRAINS BY 2021

The International Transport Forum (ITF) in Leipzig saw European transport ministers from The Netherlands, Italy, Switzerland, Belgium and Germany discuss the Rhine-Alpine corridor, which links the strategic ports of Rotterdam and Genoa via Switzerland and the major economic centres of Germany's Rhein-Ruhr and Rhein-Main-Neckar regions.

Pledged

Together with European Commission transport representatives and rail stakeholders, ministers pledged to build on the success of the route, which is already benefiting from the new Gotthard rail tunnel linking Switzerland and Italy, and further increase its appeal as the preferred mode of transport for freight customers.



As well as closer cross-border working, ministers emphasised the importance of all stakeholders in ensuring that paths and capacities are taken full advantage of and used in the best possible way, while exploring opportunities for increased interoperability.

Market share

Despite rail freight facing fierce competition from road and water in recent years, rail freight's market share of the logistics corridor between the North Sea ports via Switzerland to Italy has risen by 6.8 per cent, whereas road transport has fallen by 3.4 per cent, according to the Dutch Ministry of Infrastructure and the Environment.

Dutch Transport Secretary Sharon Dijksma said: "The growth in rail freight transport is important for the sector, and consequently for our economy.

In addition, it offers huge environmental gains, as an average train carries 52 times more goods than a lorry, yet generates up to 80 per cent less greenhouse gas emissions.

That is why I will continue to do everything I can to make rail transport as attractive as possible to carriers and shippers."

Longer trains

One of the key drivers for expanding capacity on the route will be the introduction of longer trains, and the Leipzig summit saw ministers discuss the possibility for having the first 740-metre trains, which are more than 200 metres longer than current trains, operate on the Rotterdam-Genoa route by 2021.

The ITF forum was designed to build on the Rotterdam Declaration of 2016, held as part of the The Netherlands' EU Presidency.

European ministers then agreed on a series of measures aimed at increasing the appeal of rail transport, including improvements in how information is shared between carriers, shippers and infrastructure managers.

'Track and trace'

There have been significant investments across the sector in the past year, such as on-board 'track and trace' facilities that are now so important to customers.

Studies are also examining how information on expected arrival times can be better shared between trains, terminals and infrastructure managers as early as possible.

The Rhine-Alpine Rail Freight Corridor (RFC) is one of the nine strategic European rail freight corridors, providing a network of opportunities for rail freight stakeholders and customers all over Europe.

A mixture of public and private enterprise, the corridors' core aims are to remove capacity bottlenecks, build missing cross-border connections and promote modal integration and interoperability.

Noisy trains

Minister Dijksma also used the forum to make the case for noise-reducing technology to improve the quality of life for those in The Netherlands living near rail lines and affected by noisy freight trains.

One area being looked at is the conversion of brake pads on trains, which will contribute to achieving the goal of having 80 per cent of rail transport carried out by 'quiet trains' by 2020.

The issue of noisy freight trains is high on the agenda at the moment, with the International Union of Railways (UIC) just one of the key stakeholders working tackling the problem.

It is holding its annual Noise Workshop in November, while many operators and manufacturers are also working on noise-reducing technology to enable the 'retrofitting' of existing rolling stock.

(from: railfreight.com, June 2nd 2017)

TRANSPORT & ENVIRONMENT

IMO MEETING CONSIDERS FLASHPOINT AND OTHER SAFETY IMPLICATIONS OF 0.50% BUNKER FUEL SULPHUR LIMIT

IBIA contributed to a discussion at the International Maritime Organization (IMO) last week regarding the potential impact on ship safety associated with meeting demand for fuels complying with the 0.50% sulphur limit that is due to take effect on 1 January 2020.

The 98th session of the IMO's Maritime Safety Committee (MSC 98) had two papers to consider on the subject.

MSC 98/22/8 submitted by Brazil and Chile expressed concerns about the effects the 2020 requirement will have on on-board safety, specifically with regards to flashpoint.

The paper noted that the official availability study presented to the 70th session of the IMO's Marine Environment Protection Committee (MEPC 70) had stated that a potential reduction in the minimum flashpoint of fuel oil "would certainly help improve fuel availability" to meet the 0.50% sulphur limit in 2020.

It asked, therefore, for the MEPC to clarify whether the decision to implement



the 0.50% sulphur limit in 2020 is conditional upon a reduction in the flashpoint limit of 60°C, and to request the Sub-Committee on Ship Systems and Equipment (SSE) to study any on-board safety problems that may arise from lowering the 60°C flashpoint limit

stipulated under SOLAS.

Also up for discussion was MSC 98/22/10 submitted by Brazil, which in addition to concerns about flashpoint pointed to papers submitted to MEPC 70 by IBIA and ISO that had raised concerns about the quality of fuel oil blends

that are anticipated to enter the market to meet the 0.50% sulphur limit relating to stability and challenges regarding compatibility of various blends.

Brazil said that the work on effective implementation of the 0.50% sulphur limit in 2020 to be undertaken by the MEPC should not focus on enforcement "but rather on exploring what actions, including preparatory and transitional measures to address any expected impact on fuel and machinery systems, uncertainties in general and potential safety concerns, may be taken to ensure truly consistent, safe and effective implementation of the global cap from 2020 onwards, and, as a result, secure the necessary compliance."

IBIA prepared a statement prior to the meeting highlighting that although the terms of reference for the availability study, set at MEPC 68 in 2015, requested the contractor to model the possible adjustment of the marine fuel oil flashpoint limit to 52°C, the conclusion presented to MEPC 70 that there would be sufficient refinery capacity to meet both marine and non-marine demand for fuel in 2020 did not rely on lowering the flashpoint limit from the current SOLAS requirement of 60°C.

This point was also specified by the IMO Secretariat before opening discussions on the two papers.

IBIA's IMO representative, Unni Einemo, addressing MSC 98 in plenary, added: "Furthermore, this committee [MSC], at its 96th session in May 2016, decided that all safety concerns with regard to ships using low-flashpoint fuels should be addressed in the context of the IGF Code only, and to not reopen discussion on the possibility of amending the minimum 60°C flashpoint requirement in SOLAS."

IBIA noted that this means fuels provided to the marine sector in 2020 will still need to meet a minimum flash point of 60°C as per the SOLAS requirement to be commercially viable.

Most member state delegations that spoke concluded that there is no requirement to reopen a discussion on whether meeting demand in 2020 will require a reduction of the current flashpoint limit in SOLAS, and noted that any further considerations of low flashpoint fuels should be dealt with under the auspices of the IGF Code (International Code of Safety for Ships Using Gases or Other Low-Flashpoint Fuels).

Despite that, a number of member states and industry NGO delegations were supportive of the proposal from Chile and Brazil, demonstrating that many are concerned that the safety of ship and crew are being compromised in order to meet the 0.50% sulphur limit in 2020.

"We agree that there is a need to keep a close eye on the safety implications associated with efforts to meet demand for fuels complying with the 0.50% sulphur limit that is due to take effect on 1 January 2020," IBIA told MSC 98.

Even a small amount of a low flashpoint blend component could cause the resultant blend to be off-spec, hence caution is required when choosing blend components, IBIA explained.

“The general consensus in the market today is that refineries and other parties in the marine fuel supply chain are aware of the 60°C flashpoint limit and as such will take due care to ensure products offered to the marine fuels market comply with the SOLAS requirement,” IBIA told MSC 98.

This may not be enough to reassure IMO member states, however, because flashpoint is seen as a critical safety parameter.

One member state delegation stressed that there have been “numerous reports” over the past few years of fuels failing to meet the minimum flashpoint limit being supplied to ships.

MSC 98 also heard a proposal, put forward during discussions, to make it mandatory to include flashpoint on the bunker delivery note.



This received significant support, but there were also objections, so it was not formally put forward to MEPC.

MSC 98 agreed that the way forward on flashpoint was to encourage interested parties to submit proposals to the Sub-Committee on Carriage of Cargoes and Containers (CCC) to develop specific requirements for low-flashpoint fuel oils within the context of the IGF Code.

CCC has an on-going agenda item relating to revisions to the IGF Code to add new chapters for low-flashpoint fuels which are materially different from LNG and therefore very different safety requirements.

One member state informed MSC 98 that it will submit the results of a study on the use of low flashpoint distillate fuels to the next session of CCC.

To date, CCC has only discussed a new chapter on using methanol as a marine fuel.

Aside from the issue of flashpoint, IBIA and other delegations noted that there are other uncertainties surrounding potential safety concerns relating to the fuel oil blends that are anticipated to come into the market to meet the 0.50% sulphur limit.

MEPC 71 will consider a draft justification and scope for a 'new output' prepared by the Sub-Committee on Pollution Prevention and Response (PPR) on consistent implementation of the 0.50% sulphur limit.

The draft scope already includes a note to consider the potential impact on fuel and machinery systems, but it was agreed, following discussions at MSC 98, to request MEPC 71 to explicitly add to the scope considerations on the safety implications relating to using fuel blends to meet the 0.50% sulphur limit.

If this is approved at MEPC 71, the PPR Sub-Committee will be asked to report to MSC on any safety issues that may be identified with regard to low-sulphur fuels.

(from: hellenicshippingnews.com, June 22nd 2017)

LOGISTICS

BELGIAN 'BEER TRAIN' WILL SAVE 5,000 ANNUAL LORRY MILES

Lineas, Belgium's principal rail freight operator, is at the heart of the pilot project which has begun moving thousands of litres of Jupiler beer from the Anheuser-Busch InBev brewery near Liège to food and drink wholesaler Delhaize's warehouse in Ninove, just outside Brussels.

Sustainable rail option

The service has been set up with the help of the Province of East Flanders, as part of a concerted effort to address pressure on the nation's roads by creating opportunities for a sustainable rail freight option.

The main effect will be felt on the ring road around Brussels, where until now lorries have been making daily deliveries between the two sites.

Described by those involved as an 'unnatural collaboration' because it brings together partners from different sectors, the expectation is that a three-times weekly train service will, in the long term, mean 5,000 fewer lorry journeys being made every year.

Denis Koops, CEO of Delhaize, said: "The beer that we purchase from AB InBev is usually loaded onto lorries near Liège and brought to our distribution centre in Ninove via road.

This adds up to a few thousand lorries per year.

Sustainability is central at Delhaize and that's why we always look for solutions to reduce the pressure on mobility, thereby contributing to a sustainable future".

'Only the beginning'

"Road transport remains necessary in every distribution system, but Delhaize wants to look for sustainable modes of transport, such as the railway, inland shipping or other alternatives, whenever possible.

I am very proud that we are able to keep thousands of lorries off the road every year via this unique collaboration.

I also hope that this is only the beginning and that others will follow our lead.”

Geert Pauwels, CEO of Lineas, added: “Lineas has set the objective to offer such competitive and high-quality rail products that enterprises consciously choose the railway.

This collaboration, in which a retailer like Delhaize transports a consumer product like beer by rail, is new in Belgium.

Thanks to this kind of innovative rail solutions, which we develop together with clients, we can breathe new life into the railway and make an important contribution to achieving climate objectives and reducing traffic jams.”

Promoting intermodal

François Bellot, Belgium’s Federal Minister of Mobility, said: “Promoting intermodal transport is one of the priorities of my policy.

We actively support this through the continuation of subsidies for scattered and combined transport.

This specific project, which chooses to transport beer throughout our country by rail and by lorry, is a concrete application of this policy objective.



I thank Delhaize and all the partners.”

Ben Weyts, Flemish Minister of Mobility, added: “The beer train deserves to be copied.

Companies don’t have to stare blindly at traffic jams at their front doors: there are often excellent alternatives for the traffic jams at the back door, like waterways or railways.

When partners work together and look at alternatives with an open mind, thousands of lorries can be removed from our roads.”

Green logistics

Alexander Soenen, Logistics Director, at AB InBev, said: “The beer train is a typical example of how we at AB take the lead in green logistics.

We constantly look for the best combinations to deliver beer to the consumer in a sustainable manner, without losing freshness and quality, via our multimodal transport chain.

The beer boat and the ecocombi are other examples of how we want to fulfil our ambitious, worldwide objective to achieve at least a 25 per cent reduction in carbon dioxide by the end of 2017."

(from: theloadstar.co.uk/railfreight.com, June 19th 2017)

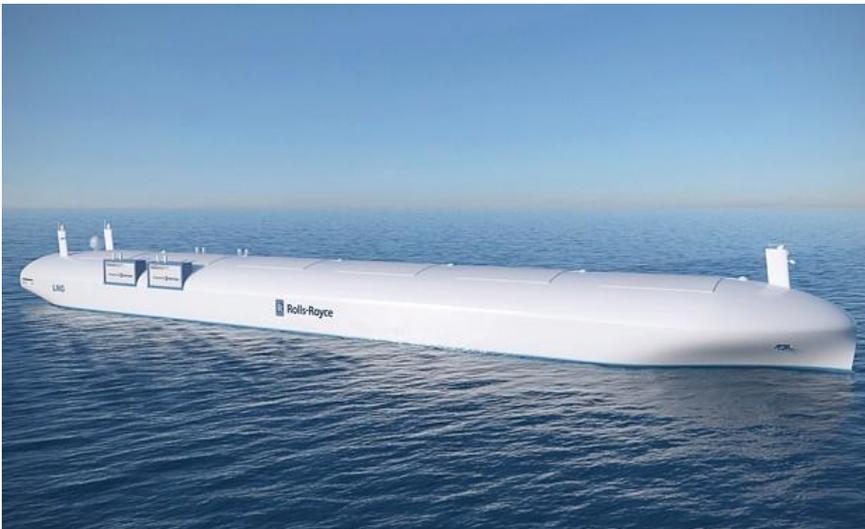
LAW & REGULATION

IMO NOD TO AUTONOMOUS SHIPS ON THE HIGH SEAS

International Maritime Organization gives significant nod towards unmanned and autonomous ships on the high seas.

The IMO has agreed to begin a scoping study that could pave the way for autonomous ships on the high seas.

The Maritime Safety Committee of the UN body, meeting this week, has



reportedly agreed to launch a study to scope out which parts of international regulations would need to be amended to allow for unmanned vessels to sail in international waters.

Sources at the meeting say this is an important step in the transformation of the

industry, but highlight that such a move will not result in any immediate changes.

International regulations such as the the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers (STCW) and Safety of Life at Sea convention (SOLAS) have ingrained criteria in them that require manned operations of vessels in international waters.

These conventions need to be assessed to determine where any regulatory changes may be needed to allow unmanned ships in international waters.

Individual nations that are members of the IMO are not required to implement IMO regulations in national waters, hence the provisions being made in countries such as Norway, Finland and Japan to promote research into unmanned and autonomous ship technology and capabilities.

Experts have said that any eventual changes to these regulations will take years to be made, and highlight how regional and national endeavours to develop unmanned and then autonomous vessel operations will lead to demonstration projects to underscore the technical capabilities of autonomous operations.

However, despite the sudden surge in interest in unmanned ships, even the most vociferous supporters agree that there will not be fleets of unmanned large commercial vessels on the world oceans for a long time.

One reason is simple economics.

For some time to come, it will likely remain cheaper to have crews on board than build the high levels of technology and redundancy needed to create safe, reliable large autonomous commercial tonnage.

(from: theloadstar.co.uk/fathom-news.com, June 16th 2017)

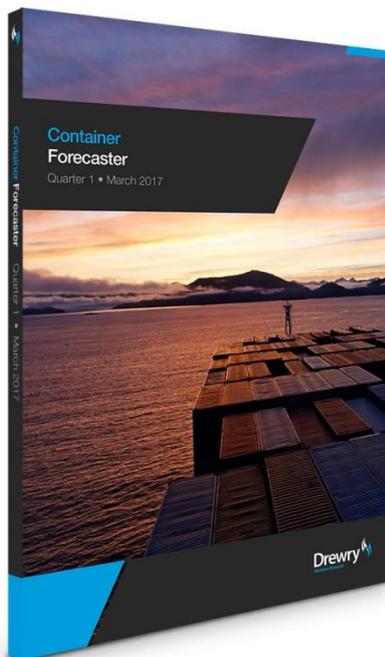
STUDIES & RESEARCH

DREWRY UPGRADES FULL-YEAR BOX GROWTH FORECAST

Drewry expects the recent uptick in global containerised trade to continue through to the end of 2017 and has subsequently upped its full-year growth forecast to around 4%.

Having previously estimated growth of 2%-3%, Drewry senior analyst Neil Davidson said that it was now much more positive for the year ahead on the back of improving market sentiment, compared to six or even three months ago.

A similar growth rate is also expected in 2018 by Drewry, although the level of trade growth in the medium to long term is still much harder to call given the current geopolitical uncertainties around the world.



Commenting on the first quarter, Mr Davidson highlighted that the significant increase in global port throughput numbers was driven by a recovery in key markets and the strength of the North American economy.

In the US he noted how consumer spending remained buoyant, while the rebuilding of stock inventories ahead of the new alliance programmes helped drive first quarter growth.

There was also significant growth in Africa, Latin America and Greater China traffic in the January-March period, according to Mr Davidson.

He said that box numbers increased significantly at the major hubs in West Africa, where volumes are beginning to rebound as economies start to recover following oil price depressions.

Drewry estimated that African throughput levels were up by double-digits in percentage terms during the first quarter against the corresponding period last year.

The continued recovery of the Brazilian economy and strong growth reported at Panamanian ports boosted South American containerised trade, which grew by around 10%, according to Drewry.

In Greater China, port productivity was boosted by strong growth on the intra-Asia trades and the ongoing recovery of both the domestic and international economy, said Mr Davidson.

Growth was however typically fragmented in the first three months of 2017.

Ports in northern Europe maintained a pattern of fairly moderate growth, a trend repeated at hubs further south in the Mediterranean.

Mr Davidson said that the Mediterranean's transshipment hubs were starting to see much lower growth compared to years gone by, as a consequence of carriers' preference for more direct calls.

But this a trend that is now being seen globally, added Mr Davidson.

This also goes a long way to explaining how in South Asia, which has been an engine of growth in global containerised trade over the past few years, volume growth at the start of 2017 was relatively moderate.

Although growth in the region was still healthy at around 4% in the first quarter of the year, Mr Davidson said that a rise in more direct rather than transshipment calls was having a profound impact.

Amid a supply glut and an increase in the cascading of vessels onto secondary trade routes, the transshipment vs direct call balance is being affected.

"The former is being replaced by the latter and this in effect relates to just one teu move rather than three port moves as a result of this switch," he said.

Mr Davidson expects this trend to continue as carriers look to limit the number of calls made by their larger vessel units in the months and years to come.

It will be an area to watch as bigger ships flood the market.

(from: lloydsloadinglist.com, June 15th 2017)

REEFER

MAERSK CONTAINER INDUSTRY LAUNCHES POWER METER FOR REEFERS

The ability to measure actual power consumption on its Star Cool reefers opens up new possibilities for MCI customers.

Container Terminals and depots around the world with Maersk Line as a customer should get ready to have a conversation about billing the carrier for actual power consumption of its reefer containers, rather than a fixed daily fee.

MCI's Star Cool refrigerated containers are now fitted with a new embedded digital feature that offers "visibility and precise knowledge of actual energy consumption".

"To provide transparency into actual energy consumption throughout the transportation window, over land and sea, Maersk Container Industry (MCI) is introducing an energy meter feature integrated into all new Star Cool refrigerated containers.



Maersk Line, the world's largest container shipping company and part of Maersk's Transport & Logistics division, became the first of MCI's

customers to take delivery of the new Star Cool reefers at the start of the year," MCI said in statement.

For some time now Lines have been frustrated that investments in new reefers with much lower energy consumption have not, by and large, been recognised by container terminals with lower energy charges.

MCI's new development enables Star Cool reefers to log energy consumption in real time.

"The data can be monitored either via a modem or manually, at any time during the voyage, from when the Star Cool reefer is first turned on until it reaches its final destination," said MCI.

The company confirmed that actual energy consumption is measured with a meter, and not using an extrapolation from operating parameters.

Power metering is a logical next step for Maersk Line's Remote Container Management (RCM) system, and it expects to get full benefit from data on energy consumption.

"Taking our 270,000 reefer containers online has provided significant operational cost savings and will give our customers unprecedented visibility into their cargo during transport, enabling better planning across their supply chains.

Being able to accurately track the energy consumption of individual Star Cool reefer containers is a valuable add on for us", said Catja Hjorth Rasmussen, Head of Equipment Excellence at Maersk Line.

"It means that we can monitor actual energy consumption from point-to-point for different commodities, which supports not only cost optimisation but also our sustainability goals."

Sustainability goals include the carbon footprint of goods shipped in reefers, and power consumption data will provide this down to the individual container level.

"Delivering best-in-class energy efficiency has always been at the core of our innovation culture and we are very excited to be able to provide our customers with a window directly into the detailed real-time energy consumption of Star Cool reefers", explained Søren Leth Johannsen, Chief Commercial Officer of MCI.

"This will provide operators with clear knowledge of the performance of their Star Cool reefers and allow them to optimise operations and utilisation.

The new Star Cool energy meter is an industry first. Previously, operators needed to rely on third-party devices to capture energy data, which could only be read manually during the voyage.

As it was not logged, the data could not be used for future comparisons.

The Star Cool refrigeration unit logs all data in real time, which can then be used to support strategic cost and fleet optimisation processes," MCI concluded.

(from: worldcargonews.com, June 14th 2017)

ON THE CALENDAR

- 06/07/2017 – 07/07/2017 Yangon 15th ASEAN Ports and Shipping 2017
- 28/09/2017 – 29/09/2017 Tallinn Baltic Sea Ports & Shipping 2017
- 03/10/2017 – 04/10/2017 Las Palmas ICHCA Conference
- 05/10/2017 – 06/10/2017 Las Palmas ICHCA ISP Technical Panel & CARC Meeting
- 26/10/2017 – 27/10/2017 Barcelona 5th MED Ports 2017
- 29/11/2017 – 30/11/2017 Abidjan 18th Intermodal Africa 2017
- 24/01/2018 – 25/01/2018 Mauritius 12th Indian Ocean Ports and Logistics 2018
- 07/03/2018 – 09/03/2018 Padova Green Logistics Expo
- 28/03/2018 - 29/03/2018 Beira 19th Intermodal Africa 2018
- 18/04/2018 - 19/04/2018 Livorno 6th MED Ports 2018
- 30/05/2018 - 31/05/2018 Varna 7th Black Sea Ports and Shipping 2018
- 04/07/2018 – 05/07/2018 Johor 16th ASEAN Ports & Shipping 2018
- 26/09/2018 – 27/09/2018 Riga 2nd Baltic Sea Ports & Shipping 2018
- 24/10/2018 – 25/10/2018 Aqaba 15th Trans Middle East 2018
- 28/11/2017 – 29/11/2018 Accra 20th Intermodal Africa 2018
- 30/01/2019 – 31/01/2019 Kuwait City 16th Trans Middle East 2019
- 20/02/2019 – 21/02/2019 Manila 10th Philippine Ports and Shipping 2019
- 20/03/2019 – 21/03/2019 Mombasa 21st Intermodal Africa 2019

The Secretariat of C.I.S.Co. is able to communicate detailed information on the programs of all the events and how to participate.