Newsletter

November 30th 2017

Link road, rail, sea!

Council Of Intermodal Shipping Consultants

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PORTS AND TERMINALS

OUTLOOK POSITIVE FOR PORT OF HAMBURG IN Q3

Port of Hamburg set to profit from CETA free trade agreement with Canada

Comprising the general and bulk cargo segments, seaborne cargo handling in Hamburg during the first nine months at 104.3 million tons was at a stable level.

At 6.8 million TEU (20-ft standard containers), throughput of containerized general cargoes continued to grow; while at 34.1 million tons, bulk cargo throughput remained just below the previous year's figure.

For Port of Hamburg Marketing, the excellent trend in container traffic with Canada is a gratifying pointer.

The port's marketing organization sees the CETA free trade agreement as providing an additional boost for seaborne trade that will benefit the Port of Hamburg.

'On container throughput, a total of 6.8 million TEU (up 0.4 percent) represented a renewal of slight growth.

For loaded boxes, we achieved a 1.2 percent increase to 5.8 million TEU,' said Axel Mattern, Joint CEO of Port of Hamburg Marketing, at the port's quarterly press conference.

By contrast, handling of empty containers at 924,000 TEU was 4.3 percent lower than in the previous third quarter.

Mattern mentioned the not yet implemented dredging of the Elbe fairway as one reason for the downturn in empty box handling.

Market research by Port of Hamburg Marketing indicates that restrictions on the Elbe applying to Hamburg plus limited tidal 'windows' are causing shipping companies are to use available slot space on their mega-containerships for loaded boxes as a matter of priority.

Empty containers are increasingly being routed via other ports in Northern Europe, added Mattern.

Among Northern Europe’s major ports, Hamburg’s container throughput features the lowest proportion of empty boxes at 13.7 percent, and at 86.3 percent, the highest for loaded containers.

‘With the navigation channel adjusted, we could increase both container and bulk cargo throughput in Hamburg.

We therefore continue to closely monitor the downturn in empty box handling.

From the angle of value added, which on handling loaded boxes can be seen as higher for the port, our throughput of loaded boxes underlines Hamburg’s attractiveness as a Northern European hub port,’ continued Mattern.

Against a background of far-reaching restructuring by leading container shipping alliances, closure of the BUSS cargo handling terminal and clearance delays caused by Customs staff shortages, the two port experts see the Port of Hamburg as having held its own well in the first nine months.

Of the 6.8 million TEU (up 0.4%) handled in Hamburg in the first nine months, 3.5 million TEU were import containers (up 0.7%) and 3.2 million TEU export containers (up 0.1%).

The upward trend in container traffic with China, Hamburg’s leading trade partner by a wide margin, was maintained, with 2.5 percent growth to 2.0 million TEU.

Once ratified by the parliaments of EU countries, the Comprehensive Economic and Trade Agreement (CETA) between the European Union and Canada that provisionally came into force on 21 September will simplify foreign trade.

Customs dues will be scrapped on 98 percent of goods traded, and import and export restrictions will very largely be discarded.

Alignment of industry standards through standard regulations for many goods will also make trading simpler.

With trade volume put at around 64 billion euros, Canada is among the EU’s Top Ten trading partners.

Germany’s trade with Canada totals about 14 billion euros.

Canada takes 13th place among the Port of Hamburg’s trading partners for container transport.

Three liner services and one multi-purpose service offer regular sailings between the Port of Hamburg and Canada.

In the first nine months, 144,000 TEU (up 20.5 percent) were handled in container traffic with Canada.

With Halifax, a Canadian port is even a member of Port of Hamburg Marketing, using the numerous opportunities for cooperation.

Among the roughly one million tons of export freight shipped via Hamburg to Canada are chemical products, food and beverages, metals and metal products, as well as machinery, equipment and household appliances.

Imports from Canada total around three million tons.

Of these, Hamburg mainly handles ores, coal, agricultural products and food & beverages.

The trend in throughput in the Baltic trade that is of such importance for the Port of Hamburg was also gratifying.

This increased by 2.8 percent to total 1.4 million TEU.

Seaborne container traffic with Sweden was 20.9 percent up at 220.000 TEU and with Poland it grew by 7.7 percent to 172,000 TEU.

With growth at between 5.8 percent and 18.8 percent, Lithuania (95,000 TEU), Latvia (88,000 TEU) and Estonia (35,000 TEU) also contributed to growth on the Baltic services.

The trend was positive for the Port of Hamburg's container services with Europe generally, the total being 1.6 percent higher at 2.0 million TEU.

Other countries with distinct growth in container traffic were Vietnam, 62.6 percent up at 52,000 TEU, Chile, 43.4 percent up at 57,500 TEU, Mexico 22.7 percent ahead at 68,000 TEU, and Israel, up 25.5 percent at 57,000 TEU.

More mega-containerships in Hamburg

With calls by containerships with slot capacities of between 14,000 and 17,999 TEU increasing by 36.9 percent to 167 and those by even larger vessels (18,000-20,000+TEU) up by 87.8 percent at 77, the number of particularly large containerships seen in the Port of Hamburg further increased.

Making maiden calls, among the latter were mega-carriers MOL TRUST with slot capacity of 20,170 TEU and MUNICH MAERSK (20,568 TEU).

Both Joint CEOs see the inability of mega-containerships to call and leave Hamburg optimally loaded on account of the still outstanding adjustment of the Elbe fairway as the main reason behind only slight growth in container traffic.

'Adjustment of the fairway is essential for Hamburg and should at last be put into effect.

Higher draft and improved opportunities for passing on the Elbe will offer increased safety and flexibility for traffic control on the Elbe, also producing tremendous advantages for merchant shipping.

Mega-containerships will be able to bring/take away an additional 1,600 and more containers (TEU) per call to/from Hamburg,' explained Ingo Egloff, Joint CEO of Port of Hamburg Marketing.

For both CEOs of Port of Hamburg Marketing, it is not acceptable that vital infrastructure projects like the adjustment of the fairway on the Lower and Outer Elbe should be blocked by objections from environmental pressure groups and others.

The delays involved are meanwhile barely calculable.

'It is becoming increasingly difficult for us to explain to the port's international customers how we are still having to wait for implementation of fairway dredging despite the qualified planning approval granted in 2012 and the February 2017 decision of the Federal Administrative Court.

The fact that the bodies objecting also seemingly continue to pursue the aim of a final rejection of the dredging of the fairway also deserves criticism.

In doing so, they wholly ignore the damage to the national economy caused by a blockade that has already lasted years and the additional adverse economic effects on the further development of the port and the jobs involved,' commented Egloff.

Bulk cargo throughput was basically stable, being down one percent at 34.1 million tons in the first nine months.

Imports and export trends differed.

Imports were slightly lower, being 2.5 percent down at 25.1 million tons.

Behind this were falls in throughputs of suction goods, 4.9 percent down at three million tons, and of liquid cargoes that were 8.1 percent lower at 7.4 million tons.

At 14.7 million tons, up by 1.1 percent, grab cargoes re-asserted their position as the strongest segment of bulk cargo throughput.

A renewed advance was achieved in exports of bulk cargoes, up by 3.6 percent, to nine million tons.

This positive trend covered differing developments in the sub-segments.

Suction cargo throughput, for example fell by 18.4 percent to three million tons.

Handling of grab cargoes was 11.8 percentage points higher at 2.9 million tons, while the liquid cargo total actually rose by 26.8 percent to with 3.2 million tons.

Totalling 1.1 million tons, down by 9.4 percent, throughput of non-containerized general cargoes, for instance large plant elements or wheeled cargo, failed to reach the previous year's level.

Third quarter brings record figure for railborne container transport

With around 2,000 container train services per week, Hamburg is Europe's largest rail port.

With something over 611,000 TEU being brought into or moved out of the Port of Hamburg by rail, the third quarter produced a record figure.

That was an 8.8 percent increase on II/2017.

For the first nine months as a whole, rail transport totals of 34.4 million tons (down 2.9 percent) and around 1.8 million TEU (down 2.0 percent) were recorded for the Port of Hamburg.

'The record figure for the third quarter underlines Hamburg's efficiency in environmentally-friendly railborne container transport.

Up to 220 freight trains with up to 5,900 wagons are cleared daily in the Port of Hamburg.

Around eleven percent of total German rail freight traffic originates or terminates in the Port of Hamburg,' emphasized Ingo Egloff.

The Port of Hamburg is Germany's largest universal port, underpinning more than 155,000 jobs in the Hamburg Metropolitan Region.

The port is also an important location for industry, of great significance for the entire German national economy, with annual gross value added of 21.8 billion euros.

For 2017, the Port of Hamburg's marketing organisation reckons with seaborne freight handling of 138 million tons and container traffic of around 8.9 million TEU, with results equalling the previous year's level.

(from: bulk-distributor.com, November 16th 2017)

MARITIME TRANSPORT

HAPAG-LLOYD REPORTS BETTER OPERATING RESULTS

The German carrier has reported EBIT of almost €181M and net profit of €54M in Q3 2017 and says that integration with UASC is almost completed.

The first synergies from the merger with UASC are now apparent, says Hapag-Lloyd.

The integration with UASC is almost complete and on schedule to be finalised by the end of the year.

In Q3 2017 net profit amounted to €54.3M (prior-year period: €8.2M), EBIT rose to €180.6M (prior-year period: €65.6M), and EBITDA stood at €361.5M (prior-year period: €184.6M).

In the first nine months of 2017, Hapag-Lloyd was able to achieve an EBITDA and EBIT of €721.9M (prior-year period: €381.3M) and €267.9M (prior-year period: €25.9M) respectively, and a positive group profit result after taxes of €8.2M (prior-year period: negative €133.9M).

Transport volume increased by 24.4% in the first nine months, from 5.65M TEU to 7.03M TEU, while transport expenses (excluding bunker costs) were mitigated by cost savings along with fleet and network optimisation, said Hapag-Lloyd.

Freight rates continued to recover in Q3, adds the liner company, standing at US$1,060/TEU after nine months (prior-year period: US$1,037/TEU).

"The good operating result that we have achieved after three quarters is not only due to the positive development of the global economy and the increasing global container transportation volume," said Rolf Habben Jansen, CEO of Hapag-Lloyd AG.

"The quick and smooth integration of UASC into the Hapag-Lloyd Group has also played a crucial role.

We have already been able to realise the first synergies resulting from the merger, which will help us to further solidify our position in the sector."

The basic parameters for the 2017 forecast remain unchanged from those published in the H1 2017 financial statement.

Hapag-Lloyd continues to expect a significant rise in transport volumes, a significant rise in bunker price and an unchanged average freight rate.

EBITDA and EBIT are also expected to rise significantly.

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

RAIL TRANSPORT

ERFA BACKS NEW EU RULES FOR CREATING 'CUSTOMER-ORIENTED' RAILWAYS

Proposed new EU rules aimed at creating a more customer-oriented rail freight network have received the formal backing of the European Rail Freight Association (ERFA).

The body which represents more than 30 members across Europe says the rules, which essentially are designed to make sure that line managers and train operators work much more closely over infrastructure works, represent an 'important step forward' in the drive to improve the reliability and quality of rail services.

Julia Lamb, Secretary General of ERFA says the organisation, which represents new entrants, believes the adoption of EU regulations designed to improve the international coordination of infrastructure works are a 'positive step forward' in working towards a scenario in which rail becomes more competitive.

"Improved rail performance is essential to make rail a more attractive transport mode for customers and to encourage modal shift from road to the eco-friendly rail," she told RailFreight.

'Lack of clarity'

Late information regarding planned disruptions; limited provision of and/or unsuitable diversionary routes; and uncoordinated infrastructure works across one or more networks all contributed, she continued, to a 'poor quality' of rail service.

Furthermore, a 'lack of clarity' in current Rail Freight Corridor legislation remains a barrier to effective coordination of infrastructure works.

This summer's Rastatt crisis, which saw rail freight operators lose millions of Euros after a landslip in Germany saw a key stretch of line closed for some eight weeks, coupled with the planned construction works which disrupted Europe's north-south rail freight routes had been the 'final wake-up call'.

ERFA believes that to tackle this, better coordination of planned line closures and restrictions was a good basis for better management when there are unplanned disturbances.

Updated directive

The European Commission recently published its updated directive on the establishing of a 'single European railway area', setting out the core responsibilities of the rail sector's principal stakeholders, in particular all national rail infrastructure managers (IM) and railway undertakings (RI) or operators.

The 17-point plan sets out in detail what is expected of them, with a strong emphasis on better communications and the specific timescales that they must adhere to.

In a detailed response to the plans, Brussels-based ERFA says a key element of any IM's responsibilities is the effective management and coordination of planned infrastructure works.

To this end, the new framework provides the platform for consultation as well as coordination obligations on IMs aimed at minimising disruption to services.

Joint efforts

Julia Lamb added: "The infrastructure manager's crucial role in planning construction works should also be facilitated by long-term investment commitments from national governments.

It is an obligation under existing EU rules for Member States to commit long term public financing for rail, thereby providing a stable framework for infrastructure development.

ERFA hopes that joint efforts by national governments and infrastructure managers to support their rail sector will guarantee the viability of competitive rail transport in Europe."

ERFA has highlighted several specific planned 'positive' changes for capacity restrictions impacting on international rail service.

Diversionary routes

1) Early advance warning – for major capacity restrictions (more than seven days, affecting 30 per cent of traffic), IMs are obliged to set up a coordination platform, together with users and service facilities to prepare timetables, including the provision of diversionary routes.

2) Early coordination work – IMs, including those impacted by the rerouting of trains, are obliged to coordinate amongst themselves capacity restrictions more than two years before changes to the working timetable.

3) Involvement of users in the early coordination work – railway undertakings and service facilities have a right, subject to invitation from IMs, to be involved in the coordination work for international rail services.

4) Early and clear communication – the planned day, time of day, the section of lines affected and the capacity of diversionary lines shall be provided to users more than 24 months in advance and updated 12 months in advance of the change in the working timetable.

5) Planning that minimises rail disruption – For the most disruptive capacity restrictions (more than 30 days and affecting more than half of all traffic) at least two capacity restriction alternatives shall be offered to users, indicating the duration of the disruption and available capacity on diversionary lines.

'Positive step'

"The new rules are a positive step in the right direction and ERFA urges infrastructure managers to start working on their effective implementation as soon as they enter into force at the end of the year," it adds.

"Nothing prevents infrastructure managers from going over and beyond the basic framework to support rail's growth and competitiveness."

The directive says that one working rail timetable shall be established per calendar year, with the change taking effect at midnight on the second Saturday in December.

ERFA says the impact of the changes will start to be felt from the 2018 timetable change, but most will kick in for the 2019 timetable change, with the full impact being felt for the 2020 change.

ERFA has members in 16 countries, comprising freight operators, wagon keepers, service providers, forwarders and national rail freight associations, as well as passenger operators.

As previously reported on RailFreight, a pilot phase of proposed radical changes to Europe's rail timetabling procedures starts next month.

This will affect sections of three key Rail Freight Corridors: the Atlantic Corridor (Mannheim-Miranda de Ebro, connecting Germany and Spain), the North Sea – Mediterranean Corridor (Rotterdam-Antwerp, connecting the Netherlands and Belgium) and the Scandinavian Mediterranean Corridor (Munich-Verona, connecting Germany and Italy).

(from: railfreight.com, November 14th 2017)

ROAD TRANSPORT

MULTIMODAL TIR MOVE "BEATS ALL"

The IRU has reported that a TIR customs transit move on a corridor between Slovenia and Iran demonstrated a five-day saving compared to all-water.

What the IRU has called the "first successful intermodal TIR customs transit system operation involving road, sea and rail on a corridor linking Europe to the Middle East has demonstrated a 5-day time saving, with significant potential to reduce costs and boost trade."

Starting in Slovenia's Ljublana and arriving in Bandar Abbas in Iran, the container transited through Italy and Turkey, crossing the Mediterranean.

"Demonstrating TIR as the best transit tool for the long-haul intermodal transport of goods, the pilot initiative highlights the potential for full cross-modal operations in this and other regions.

Newly ratified countries in particular, can benefit from the intermodal standard at the outset of TIR implementation.

The streamlined operation was successfully coordinated by IRU member, Iran Chamber of Commerce, Industries, Mines & Agriculture (ICCIMA) in cooperation with Iranian Customs, and included a road leg from Slovenia to Italy, followed by a sea crossing from the port of Trieste in Italy to the port of Mersin in Turkey."

On arrival at the port of Mersin, the container was loaded onto rail, through to the Iranian customs office at Razi, where TIR was reactivated, and continued until the Sahlan Customs office and rail terminal in Iran (around 100 km from Razi) where the container was placed onto an Iranian truck and continued its journey to the destination port of Bandar Abbas.

The use of TIR IT tools facilitated the intermodal transport operation and further enhanced security, while Customs Authorities were able to perform advance risk assessment of the cargo.

The cooperation between representatives of the Customs Authorities, IRU Member Associations, transport companies and IRU, is an example of a successful public-private alliance to facilitate trade across the region.

GIZ Intertransport supported the project and the road leg was performed by the Slovenian TIR operator, Logistika d.o.o.

The remaining intermodal combination of maritime, rail and road transport was organised by ICCIMA member, the Iranian forwarder, Rahanjam International.

In order to make the intermodal corridor fully operational, Iranian Customs opened a Customs office in Razi for the use of TIR and accepted responsibility for TIR both as a transit guarantee and a guarantee instrument for transport of the goods during the rail leg.

Next steps will include cooperation with customs, rail authorities and transport operators along the corridor, to build on the success of this first milestone to streamline systems for the use of TIR across multiple modes of transport.

(from: worldcargonews.com, November 23rd 2017)

INTERMODAL TRANSPORT

MAERSK LINE AND DAMCO DELIVER A BLOCK TRAIN SOLUTION FOR DECATHLON

On October 28, Maersk Line and Damco launched their first block train from China to Europe for the French sporting goods retailer Decathlon.

On 16th November, the train arrived ahead of the schedule at Decathlon's premises in Northern France, marking a milestone in cross-brand collaboration within Maersk for providing tailored transportation solutions for customers.

The train ran from Wuhan, China to Dourges, France and was fully booked by Decathlon, one of the world's largest sporting goods retailers and a large ocean freight customer of Maersk Line and supply chain management customer of Damco.

"Today, we have witnessed the arrival of a train filled exclusively with Decathlon goods.

This project is born out of our wish to develop a more sustainable and faster transportation solutions.

It also contributes to the development of the local economy and improves the availability of our products to our clients", comments Christophe Dupas, Logistics Manager at Decathlon.

"We are delighted to participate in this project, which offers our customers products specifically designed with their supply chains in mind", shares Claus Ellemann-Jensen, Managing Director of Maersk Line in France.

"Considering volumes moved on the Asia-Europe trade and the importance of timely cargo availability, this is a great way to complement our ocean products with customised inland solutions."

The arrival of the block train in France saw the transit time for the 10 815-km journey reduced by exactly 20 days, compared to alternative ocean products.

Carbon emissions were also reduced by an estimated 5.2 tons (compared with air freight of 79.5 tons), positioning the block train service as a more environmentally conscious alternative for the transportation of goods.

"We are pleased that we have been able to put together this solution for Decathlon, and in fact for the wider market, which has produced immediate benefits on a logistics and economic level", comments Kasper Krog, Head of Rail at Damco.

Increasing Transport & Logistics' intermodal footprint

The block train is run by Damco's rail freight team using Maersk Line containers and represents the next step in the ambition of Maersk's Transport & Logistics division to expand its intermodal footprint and the range of services offered.

The solution will provide customers with more flexibility via multimodal transport solutions, which also reduces the need for trucking rail containers on arrival in Europe.

"With this tailored rail product for such an important customer, we are further strengthening our comprehensive and competitive portfolio of inland products offered within Maersk's Transport & Logistics division.

Maersk continuously works on developing inland transportation that meets the demands of our diverse customer base", shared Hans Augusteijn, Maersk's Global Head of Inland Services.

Demand for the China-Europe rail services has increased significantly in recent years, with rapid growth in high-value cargo segments, such as electronics, machinery and fashion goods, which need quick delivery to their final markets.

In addition to existing platforms of sea- and airfreight, the block train solution has the potential of becoming one of the major modes of delivering goods.

(from: hellenicshippingnews.com, November 21st 2017)

TRANSPORT & ENVIRONMENT

TRANSPORT NEEDS TO DO A LOT MORE TO FIGHT CLIMATE CHANGE

Transport is the second biggest source of greenhouse gas (GHG) emissions in the world, accounting for more than one fifth of all emissions.

But progress in reducing these emissions is among the slowest of all sectors, warns Eric Sievers.

Eric Sievers is investment director of Ethanol Europe, which is part of the Climate Ethanol Alliance.

"Road transport is over 90% reliant on fossil oil and transport CO2 emissions are still growing.

They grew by 2.5% annually between 2010 and 2015 globally and are on track to become the largest GHG emitting sector, especially in developed countries.

Major negotiators from the EU and beyond are in Bonn to discuss how to implement the Paris Agreement.

If we want to effectively combat climate change and reach well below 2 degree Celsius target from the Paris Agreement, we need to do a lot more.

Presently we are not on the right track.

Transport decarbonisation measures laid out in the nationally determined contributions (NDC's) to the Paris Agreement are not sufficiently ambitious to reach that target, according to the International Energy Agency (IEA).

In order to do so, the IEA says the sector's emissions must remain stable from 2015 to 2025 and decrease rapidly afterwards.

For OECD countries they need to decline by 2.1% annually between 2015 and 2025.

If Europe wants to reduce carbon emissions in transport it will need to rely on the use of ethanol as well.

It is a proven clean technology, getting better all the time, available at the scale needed to tackle transport's climate challenge.

Ethanol cuts GHG emissions from petrol by more than half and is promoted by most major industrial nations in the world.

The US has for more than a decade had policies in place to increase the share of ethanol use.

Brazil has the highest share of ethanol use globally, recently raising it to 27% of transport fuels.

China has just announced that E10 (a blend of 10% ethanol in petrol) will be introduced by 2020.

India is aiming at E10 by 2022.

Canada and other Asian and American countries are also following suit with similar measures considered.

The climate benefit of ethanol used as a transport fuel is recognised globally.

The UNFCCC agrees that ethanol and other sustainable biofuels have an important role to play in decarbonisation for decades ahead.

The European Union however has been to date contradictory in its policy-making in respect to this fuel despite ethanol being used in Europe in an ever growing share and the EU public support for biofuels.

Beyond climate benefits, the EU should look at how ethanol production brings benefits to society in terms of rural development, job creation in disadvantaged rural communities, increased energy independence and reduced health impact including by lowering fine particles known as PMs.

As COP23 continues, it's important to look at the reality and future trends.

The internal combustion engine vehicle fleet is still growing and electrification will take time to make an impact on the car market.

Vehicles on the road today, and the vast majority for decades ahead, are forecast to continue using oil.

Transport's main fuel will still be fossil-fuel based even in 2040.

Modal shift, energy taxation, internalisation of the billions of dollars of negative externalities of oil, are insufficient to reach the Paris Agreement goals.

If Europe wants achieve its goal of decarbonising EU transport it simply needs a mix of renewable energy solutions — including low-emission fuels such as sustainably produced and renewable European ethanol.

It has 64% greenhouse gas savings on average, compared with petrol.

It is also the most cost-effective way to reduce emissions in transport.

EU can count on it today to achieve the non-ETS."

(from: euractiv.com, November 14th 2017)

LAW & REGULATION

GERMAN COURTS ISSUE A LANDMARK JUDGEMENT ON NON EU CREW WORKING IN GERMAN WATERS

In October 2017, the Atlantic Tonjer was working at sea in German waters when the German police boarded the ship and issued an order to the Master and owners to remove two crew, both non EU nationals, from the ship immediately.

They also ordered the two crew members to leave the country.

This order was issued by the marine police on the basis that the non EU nationals were not entitled to be working on board a "mobile working platform" inside German waters (12M limit).

One of the crew members was the Chief Engineer and this action was taken whilst the ship was actually at work, at sea.

Owners then had to obtain an urgent permit from the flag state to remain at sea while a replacement was found.

Despite excellent work cover from the other engineering officers on board, this left the vessel operating without a C/E for 24 hrs and was a clear breach of the crew MLC agreements, not to mention the safety aspects of removing a senior officer whilst the vessel was at sea in operation.

Atlantic Marine have therefore challenged the police decision through the German courts.

Judgement

Firstly, the court found itself competent to decide this matter, thereby rejecting the attempt of the Federal Police to refer this matter to a different court by arguing that their orders have been issued on behalf of the Ministry of Inner Affairs of the State Mecklenburg-Vorpommern.

The court further decided that our application to suspend the police orders (technically speaking: to reinstate the suspensory effect of our objections against the police orders) is admissible and justified.

In the view of the court the orders of the police were clearly unlawful.

The reasons therefore are, in summary, as follows:

- The Federal Police was not competent to issue an order setting a deadline to leave German territory - only the Ausländerbehörde (foreigners' registration authority) would be entitled to such measure.

- The prerequisites to request the applicants to leave German territory have not been fulfilled.

- There is no requirement for a visa or work permit for crew members on board of a vessel in German territory waters.

- The applicants have been in possession of a Schengen Visa respectively biometric passport which allows them to enter the Schengen territory.

- The "Atlantic Tonjer" cannot be regarded as a mobile working platform - she is rather comparable with a salvage vessel and is considered to be a seagoing vessel.

I am providing this information to my linked-in contacts on the basis that we at Atlantic Marine wish to ensure that ALL seafarers are treated fairly and correctly under international laws, and should not be discriminated against on the grounds of Nationality.

Atlantic Marine has stood by its crew and the Master in this matter and we are proud to do so.

We have since learned that several other ship owners have also had similar problems, include a German owner, so I felt that this article would assist with guidance in the event this happens again.

It should be noted that the German Police do have 14 days to appeal this decision, so it is not yet set in stone.

The principal and judgement have both been set here and I believe it is important that vessel owners and charterers note this judgement and support international law in respect of non EU crews.

Atlantic Tonjer continued with the charter contract after this police visit and carried out a successful charter for our clients.

Only a few hours of operational time was lost as a result of the police action, but as a result of our application to the courts, we are now we are pleased to say that our EU and our non EU crew can continue to work and support the Atlantic Marine fleet in German waters with a knowledge that they are entitled to be there and to work on board.

Source: Paul Crowther, CEO/Chairman Atlantic Marine & Aviation LLP

(from: hellenicshippingnews.com, November 15th 2017)

PROGRESS & TECHNOLOGY

TESLA SEMI TRUCK REVEALED: EV HAS 500 MILES OF RANGE AND GOES 0-60MPH IN FIVE SECONDS

Tesla launched two new electric vehicles this morning - the Semi Truck and Roadster 2.0.

The launch event for the all-electric truck took place in Hawthorne, California and was live streamed via the company's website.

Tesla CEO, Elon Musk, lead the presentation of the new vehicle saying, “We want a vehicle that feels incredible and accelerates like no other.”

Incredibly the Semi Truck can go from zero-60mph in just five seconds and, even with a max load of 80,000lbs it can accelerate to 60mph in just 20 seconds.

The Semi can also travel up a five per cent gradient with a max load at 65 mph, compared to a diesel truck that can travel 45mph, earning 50 per cent per mile over a diesel truck due to the faster speed.

Diesel trucks are 20 per cent more expensive than a Semi from day one.

The new electric lorry will have a decent 500 miles of range at maximum weight at 60mph.

"Because this truck has no gears, you're not constantly shifting gears,” said Musk.

“It has one gear.

It's smooth.

It's like you're driving a Tesla, a Model S, or Model X, or Model 3, it's just big."

Elon Musk described its 500 mile range as a “worst case scenario” alluding to a significantly higher max range without a huge load.

There are motors on each wheel which alter torque and eliminates the possibility of jack-knifing.

Design for the truck was inspired by a ‘bullet’ and has a better drag coefficient than the new Bugatti Chiron hypercar.

Semi truck has a drag 0.36 coefficient compared to 0.38 on the Chiron.

Drivers of the Semi sit centrally instead of to one side and are flanked by two touchscreens - similar to those seen in the Model 3.

Claimed reliability for one million miles before breaking down and can still work with just two in a faster and more efficient way than a diesel truck.

The vehicle will also come in a range of colours.

It will run on solar power and be able to plug into the new ‘Mega Charger’ network.

Automatically the truck comes with Autopilot which will assist with braking and lane keeping.

It will cost $5000 for a reservation and production will begin in 2019.

(from: express.co.uk, Novembre 21st 2017)

STUDIES & RESEARCH

'PRESTIGE, NOT NEED' DRIVING ULCV ORDERS

Prestige rather than need appears to be driving the latest ordering spree for Ultra Large Container Vessels (ULCVs), with wanting to be the biggest carrier apparently outweighing economic sense, believes container shipping analyst Drewry.

It said one of the most asked questions from its container market outlook webinar last month was whether other carriers will follow CMA CGM and MSC with a further ordering spree for ULCVs of over 18,000 teu.

"Our answer at the time was that we think it unlikely, but not impossible," Drewry said in today's Container Insight Weekly report.

"Since then, Cosco Shipping Holdings has announced plans to raise a huge $1.9 billion war chest through the issuance of new shares, which will be used to part fund the purchase of 20 new ships, including 11 units over 20,000 teu and nine in the more modest 13,800-14,500 teu range.

Meanwhile, Korean line Hyundai Merchant Marine (HMM) has also denied various reports that it is planning to splurge on as many as 14 vessels of up to 22,000 teu."

As well as proving that no analyst can ever be right all of the time, Drewry said the latest developments highlight "the shortage of logical assumptions that one can reasonably apply when predicting newbuilding plans".

It added: "Our rationale for being doubtful on new orders included financing constraints, latent market overcapacity and the size of the existing orderbook.

Additionally, we believe that the scale economies argument for wanting ULCVs in the first place is false as cost savings at sea are countered by higher costs at port, which in theory should have reduced the industry's appetite for them."

Last year, Drewry carried out a simulation study of the operational and financial impacts on lines, terminal operators, ports and other supply chain stakeholders as vessel size increases up to and beyond 18,000 teu.

The study found that scale economies from megaships only work for the total supply chain if terminals can increase productivity in line with increases in vessel size, Drewry noted.

"Clearly, not everyone shares our opinion on the diminishing returns of ULCVs, and of course the financial constraints we mentioned do not apply to every company in the industry," it added.

"China's Cosco, for example, has vast state-backed resources so it can almost afford to play by its own rules."

Drewry believes the current orderbook is very top-heavy, with ships of 18,000 teu and above accounting for very nearly 50% of all ships scheduled to be delivered by the end of 2020.

"Based on the current demand outlook, that is arguably already more than what is required in the short and medium term, so adding the Cosco and possible HMM orders into the mix will only damage carriers' chance of attaining supply and demand equilibrium," Drewry observed.

Drewry also noted the uneven distribution of active and ordered ULCVs across operators and alliances.

"CMA CGM's order made some sense because it helped them play catch up with its nearest rivals in the rankings game – as the French company has a relative shortage of ULCVs in comparison to Maersk Line and MSC, while it also faces stiff competition from the expansionist Cosco, threatening its pre-eminence in the Ocean Alliance," Drewry observed.

"Therefore, we considered that any future ULCV orders would come from an operator within an alliance with the fewest of them."

The obvious candidate using those parameters was The Alliance, comprising of Hapag-Lloyd, Yang Ming and the three Japanese lines (NYK, MOL, and K Line) that will next year merge container operations into the Ocean Network Express (ONE) brand, Drewry said.

Its fleet of 18,000+ teu ships will barely be one-fifth the size of 2M's when all of the newbuilds are delivered.

"We considered ULCV orders from this group unlikely because of more limited financial resources, and because nothing in their public utterances suggested any of them would make the splash," Drewry said.

“Here, at least, it appears we were correct in our assessment, as last month, ONE chief executive officer Jeremy Nixon said: ‘I am not convinced by the big ships.

I don’t believe that is the way forward’.”

Outside of the Top 20, two carriers to watch out for as potential ULCV buyers because of past expansionist rhetoric are IRISL of Iran and newcomer SM Line from South Korea, Drewry noted.

It concluded: “Companies with the most logical reasons to order ULCVs probably won’t, whereas companies that already have plenty are the most interested in adding to their fleets.

The supposed prestige of being the biggest carrier appears to be outweighing economic sense at the moment.”

(from: lloydsloadinglist.com, November 13th 2017)

REEFER

HAPAG-LLOYD DEPLOYS R513A REEFERS

The German carrier will be the first to deploy Maersk Container Industry's drop in replacement for R134A on a large fleet of reefer containers.

Maersk Container Industry (MCI) and Hapag-Lloyd have provided more details of the large reefer order the carrier placed earlier this year.

As reported previoulsy, Hapag-Lloyd ordered 7,700 reefers, and it has now confirmed that 3,700 of the containers will be MCI's Star Cool Integrated reefers, delivered from MCI's factories in Qingdao (China) and San Antonio (Chile).

"Of these, 1,000 Star Cool units will be chilled by the environmentally friendly R513A refrigerant system with a Global Warming Potential (GWP) of less than 56 percent of the commonly used R134A refrigerant," MCI stated.

The GWP of R134A is 1360, and switching to R513A lowers that figure to 573.

This is still not as low GWP figure of 20 or below that organisations such as the German Federal Environment Agency (FEA) consider the industry should be working towards, but in the context of today's reefer operations it is a significant step forwards.

"We are pleased to introduce another low-GWP refrigerant solution in our fleet with the first 1,000 Star Cool Integrated containers," said Niklas Ohling, Senior Director at Hapag-Lloyd.

"Reducing carbon emissions is a key objective on our sustainability agenda and we believe in the potential of environmentally friendly refrigerants as an important element in achieving this.

At the same time, we have ensured in earlier field trials with MCI that the cargo quality and energy efficiency remains unaffected by the new refrigerant."

"We share the ambition of Hapag-Lloyd to reduce its environmental impact and are happy they again have selected the Star Cool Integrated solution," added Søren Leth Johannsen, Chief Commercial Officer at MCI.

"It has been our imperative to offer a refrigerant solution that is not only better for the environment, but can also be deployed here and now, in the future, and in existing Star Cool fleets.

This protects our customers' investment and allows for a gradual change to the new technology and to legislation."

Some reefer machinery manufacturers are promoting new refrigerants as "drop in" replacements for existing products, but it is not always clear what his means.

MCI explains that all Star Cool units produced after July 2017 can be delivered either charged with R513A or as "R513A-optimised", enabling them to be converted "at any time without modifications".

All Star Cool units produced prior to July 2017 are described as "R513A-ready", meaning that they can be adapted to run on R513A with only minor modifications.

The 3,700 containers include 1,000 units fitted with MCI's Controlled Atmosphere (CA) system, which Hapag-Lloyd will use to expand its own "ExtraFresh" and "ExtraFresh Plus" services, which slow the ripening of fruits and vegetables, allowing them to be transported over longer periods without over-ripening or decaying.

"Working together with MCI, we have been able to refine CA technology to offer our ExtraFresh Plus service," said Ohling.

"This service enables even extremely sensitive fruit such as blueberries and lychees to be transported to the desired level of quality and degree of ripeness.

With these new container orders with MCI, we are broadening our position and investing in expanding our ExtraFresh Plus offering to meet the needs of our customers worldwide."

"Hapag-Lloyd has been instrumental in spearheading CA services into new commodities such as blueberry and lychee loads," added Johannsen.

"Thanks to our close and agile partnership that spans over a decade, we have been able to test CA technology on new commodities together with interested exporters and growers in Africa and South America."

(from: worldcargonews.com, November 21st 2017)

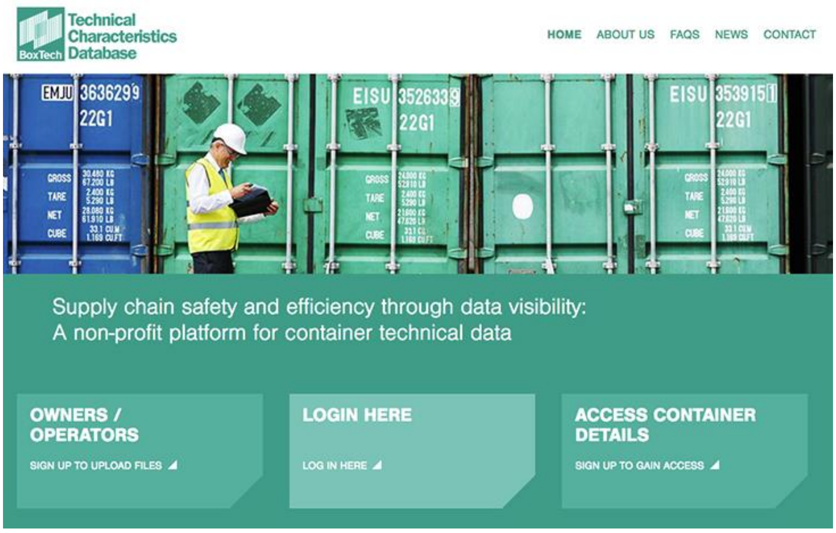
INFORMATION TECNOLOGY

BOXTECH EXPANDS ITS TOOLKIT TO HELP TRACK DOWN 'LOST' CONTAINERS

The Bureau International des Containers (BIC) has introduced new functions to its BoxTech database of container equipment that will enable the registration of box sales as well as alerts in cases of operator bankruptcies.

According to the BIC, CMA CGM and Maersk Line have already adopted the new features, and they are "working hard" to sign up MSC and other carriers.

The Paris-headquartered non-profit organisation functions as the industry's global container prefix registry and said the 'sold' alert function will address the hitherto problem of disposed containers assets being used illegally.



"This will help prevent improperly marked containers from circulating with the markings of the previous owner, improving safety, reducing risk and helping to encourage the proper neutralisation of sold containers," said the BIC.

Boxes that are sold on the second-hand container market should ideally have their prefixes erased, but in practice this is not always carried out due to the vast numbers involved.

"CMA CGM was an early adopter of BoxTech and Maersk one of our more recent," said secretary general Douglas Owen.

"Both have provided input that has been instrumental in developing new ideas and updates for BoxTech, in particular the new container sales function," he explained.

Ingrid Uppelschoten Snelderwaard, head of equipment at Maersk Line, said: "The new container sale function offers additional clarity, showing a clear dividing line between our current fleet and containers that have been sold."

A second new enhancement is the BoxTech Recovery Alert function which enables container owners and leasing companies to create alert lists for specific units in cases of bankruptcies, or in situations of lost or stolen containers.

Indeed, when Hanjin Shipping collapsed last year, leasing companies had around 750,000 teu of equipment out on hire to the South Korean carrier.

The containers were scattered around the world – stuck on ships, locked in terminals and storage depots, arrested by creditors and abandoned by shippers refused restitution by depots and terminals.

It was not until almost a month after Hanjin's demise that the leasing groups were in a position to issue a joint alert through the medium of the Container Owners Association (COA), listing the prefix numbers of the boxes they were looking to recover.

A statement released through the COA said: "If you come across any equipment previously on lease to Hanjin, this document will help identify the rightful owner and facilitate its return."

Although the new BoxTech facility would not have eased the financial hit to the container owners from unpaid daily hire – as well as from the premature termination of the leasing contracts – it would have added much-needed transparency to the recovery operation.

Virginie Charroyer, assistant general secretary, new codes, at the BIC told The Loadstar it was hoped that more carriers and container owners would follow the lead of CMA CGM and Maersk in signing up to the new features and thus further improve the transparency and security of the industry.

The BIC is currently exhibiting at Intermodal Europe in Amsterdam which runs until Thursday.

(da: theloadstar.co.uk, November 28th 2017)

ON THE CALENDAR

▪ 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
▪ 24/09/2018 – 29/09/2018	Napoli	Naples Shipping Week 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
▪ 28/11/2018 – 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.