Centro
Internazionale
Studi
Containers

Newsletter C.I.S.Co. September 2020



Link road, rail, sea!

C.I.S.Co. - Via Garibaldi, 4 – 16124, Genova Tel. 010 2518852 - www.ciscoconsultant.it

P.

C.I.S.CO

- C.I.S.CO' S TRAINING COURSE "THE CONTAINER REEFER AND THE NEEDS OF THE GOODS" SECOND EDITION 3

PORTS

- PSA MUMBAI LAUNCHES DIGITAL PAYMENTS SYS 4
- PSA AND HMM FORM NEW COMPANY TO BOOST OPERATIONS 5

MARITIME TRANSPORT

- LARGEST LNG-POWERED CONTAINER SHIP MAKING MAIDEN VOYAGE 6
- CONTAINER RATES ARE ON FIRE. HOW CAN YOU INVEST IN THAT? 7
- HAPAG-LLOYD RELEASES DASHBOARD FOR CARGO VISIBILITY 11

RAIL TRANSPORT

- EU MINISTERS COMMIT TO FOSTER FREIGHT CORRIDORS 12

TRANSPORT AND ENVIRONMENT

- MPA AND IMO LAUNCH NEXTGEN CARBON-FREE INITIATIVE 13
- WHY AMMONIA MAY BE PART OF THE FUTURE FUEL MIX 14

TECHNOLOGY- RESEARCH

- HMM AND SAMSUNG HEAVY INDUSTRIES TO DEVELOP SMART SHIPS 15

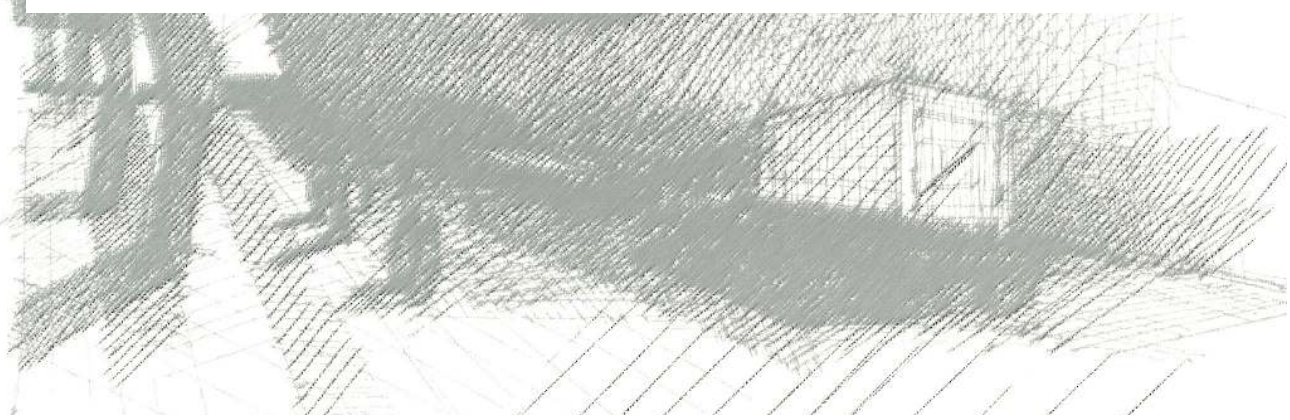
LEGISLATION

- UK PORTS RESPOND TO BREXIT WORST-CASE SCENARIO 16
- MEPS AGREE TO CHART SHIPPING'S ETS COURSE 17

THE SAFETY OF CARGO

- CARGO SAFELY SECURED? CHECK 18

SHIPPING EVENTS 19



C.I.S.CO' S TRAINING COURSE "THE CONTAINER REEFER AND THE NEEDS OF THE GOODS" SECOND EDITION



IL CONTAINER REEFER & LE ESIGENZE DELLA MERCE

Centro Internazionale Studi Containers

A training event organized by C.I.S.Co. is started started on September 28th and it will last untill November 2020, dedicated to the reefer container and the needs of the goods.

The course provided by C.I.S.Co. is reserved for maritime agency employees and is financed by the bilateral category body.

It provided by 30 hours of teaching, divided into 15 lessons of two hours each.

The topics of the course are the following:

- introductory notes
- technical aspects
- the goods
- logistics and containerized transport
- container logistics actors
- legislation and legal aspects
- container logistics documentation
- insurance aspects
- new technologies

The lessons are conducted online by videoconference Through Webinar Zoom.

Click here for details of the program

The program

PSA MUMBAI LAUNCHES DIGITAL PAYMENTS SYSTEM



"PSA Mumbai has reportedly signed an agreement with Indian digital documentation platform ODeX to launch an online payments solution for Direct Port Delivery (DPD) customers. "

PSA Mumbai's DPD customers will now be able to process their documentation and pay terminal handling charges on the ODeX platform from 15 September 2020.

The platform is a first for the Jawaharlal Nehru Port (JNPT) area, the online payments product is jointly developed by PSA Mumbai and ODeX.

Termed "CLICK → PAY ONLINE → TAKE DELIVERY OF DPD CONTAINERS", the solution will allow PSA Mumbai's growing number of DPD customers to take the documentation, payment and delivery process online via a one stop portal.

The OdeX portal provides real time status updates, documentation uploading / amendment, e-payment and confirmation for delivery.

One of the users in the pilot testing round, Director of Mungekar & Sons CHB Pvt. Ltd, Prathamesh Mungekar said: "We are very happy with this new product, a first in the JNPT area and one which streamlines our operations. We are already looking forward to more developments."

Managing Director of PSA Mumbai, Sivakumar K said, "A rapid and seamless flow of information between terminal and users is as important as the physical flow of containers through the terminal.

"This product gives our DPD customers a fast, efficient and secure payment and documentation system to take delivery of their goods as soon as possible. With ODeX's extensive user base, it is well positioned for widespread adoption."

Managing Director of ODeX, Liji Nowal also commented: "It is a great milestone for ODeX to Go-Live with our ePayments



solutions for PSA Mumbai's customers. Customers can now pay through a single click on ODeX – and the payment is confirmed in real time to PSA Mumbai.

"Thus any payments delay in cargo release is completely eliminated. During the current pandemic, PSA Mumbai has been very responsive to the needs of customers and I must congratulate the PSA team for ensuring that we have gone live very quickly with this solution, and becoming the very first terminal to offer seamless ePayment solutions on ODeX to customers.

"We are now 'live' for DPD delivery payments – and soon hope to extend this facility to more customers."

porttechnology.org

PSA AND HMM FORM NEW COMPANY TO BOOST OPERATIONS



"PSA Corporation Ltd (PSA) and HMM Co., Ltd (HMM) will form a joint venture in Singapore to enhance operational excellence and efficiency in container operations. ."

Subject to regulatory approvals, the joint venture company, HMM-PSA Singapore Terminal Pte Ltd (HPST), is scheduled to commence operations before the end of this year. PSA will hold a 58% stake in HPST, while HMM will own the remaining 42 per cent, both through their respective subsidiaries.

According to a statement, the strategic partnership will offer long-term certainty to HMM's fast expanding global vessel fleet in PSA Singapore.

Besides volume and terminal capacity assurance, PSA and HMM will also collaborate in operational technology developments and innovations. The enhanced partnership and staying ahead of the technology curve will ensure that PSA and HMM continue to deliver service excellence and exceed customers' expectations.

Ong Kim Pong, Regional CEO Southeast Asia, PSA International, said: "We are honoured to join forces with HMM, one of the world's top ocean carriers and a globally integrated logistics company, to maximise operational synergies and address the rapidly changing landscape of the shipping industry.

"PSA and HMM have had a steadfast and long-standing working relationship and we are excited to take this partnership to the next level, achieving a strategic win-win for both parties. We look forward to working alongside HMM to unlock the potential of our combined strengths and capabilities."

Jae-hoon Bae, President & CEO of HMM, said, "Both HMM and PSA have extended their reach to every corner of the globe and have maintained a strong partnership based on mutual respect.

"We believe this joint venture terminal in Singapore plays a significant role as a springboard for both parties to move forward to a new phase. In addition, HMM looks forward to creating greater synergy for our 24,000 TEU vessels by securing berth on arrival and providing more reliable services for our customers through the joint venture."

porttechnology.org

LARGEST LNG-POWERED CONTAINER SHIP MAKING MAIDEN VOYAGE





The world's largest container ship powered by liquefied natural gas (LNG) launched on its maiden voyage Wednesday.
The CMA CGM Jacques Saadé is the first of the French shipping line's nine planned 23,000-twenty-foot-equivalent-unit (TEU) container ships powered by LNG. The vessel is named in honor of the CMA CGM Group's founder, the late Jacques Saadé.



CMA CGM said the Jacques Saadé will sail on its "most emblematic line," between Asia and Northern Europe, launching in Pusan, South Korea, and continuing to Tianjin, Ningbo, Shanghai and Yantian, China; Singapore; Southampton, England; Dunkirk, France; Hamburg, Germany; Rotterdam, the Netherlands; Algeciras, Spain; and Port Kelang in Malaysia.
While the Jacques Saadé will not call the United States, CMA CGM made waves in North America earlier this month with the 15,072-TEU Brazil, the largest vessel to call the East Coast, visiting the ports of Halifax, Nova Scotia; New York and New Jersey; Virginia; Savannah, Georgia; and Charleston, South Carolina.

CMA CGM said the first-of-its-kind virtual naming ceremony for the Jacques Saadé this week involved shipyard representatives in Shanghai and the group's management in Marseille and marked "an emotional landmark moment" in the company's history.
Saadé launched the Compagnie Maritime d'Affrètement (CMA) in 1978 with four employees, one ship and one maritime service between France and Lebanon. He acquired Compagnie Générale Maritime (CGM) when it was privatized in 1996, then merged the two companies, which led to the birth of the CMA CGM Group in 1999. He died in June 2018.
His son, Rodolphe Saadé, now leads the CGA CGM Group as chairman and chief executive officer. He announced in November 2017 that the new series of container ships would be equipped with LNG-powered engines — a first in the history of shipping for ultra large container vessels, the company said.
CMA CGM said in the naming announcement this week that "LNG is the most advanced solution when it comes to preserving air quality. It enables a 99% reduction in sulfur dioxide and fine particle emissions and an 85% reduction in nitrogen dioxide emissions, going well beyond existing regulation. LNG emits up to 20% less CO2 compared to fuel motorization.
"This technology is one of the first steps toward achieving CMA CGM Group's ambitious 2050 objective of carbon neutrality," it said.

CMA CGM said the nine new ships are "packed with innovations" and the result of seven years of research and development. For example, the cockpit is outfitted with the latest digital technologies to assist the commander and crew, particularly with port maneuvers.
The vessels also feature redesigned straight bows, rudders and propellers, all of which substantially improve hydrodynamics and thus reduce energy consumption, CMA CGM said.
The company hailed "an extraordinary construction project that mobilized the know-how and expertise of CMA CGM Group's experts and their industrial partners." CMA CGM said those partners included:
• BIO-UV Group, a French specialist in ultraviolet-based water disinfection systems that provided the BIO-SEA system, a ballast water treatment technology.
• CSSC, the shipyard in Shanghai that constructed the Jacques Saadé.
• Cryostar, a French expert in cryogenic equipment that provided the LNG pumps.
• Bureau Veritas, a French classification company in charge of guaranteeing the certification of the Jacques Saadé and its sister ships.
• BLM, a French company that provided winches and windlasses.
• GTT, a French technology and engineering expert in membrane containment systems selected for the design of LNG tanks and related technical services.
• Schneider Electric, a French industrial group that designed the vessel's electrical switchboards.
• Sperry Marine, a U.K.-based company responsible for radio navigation and platform equipment.
• Total and the Port of Rotterdam, which provided LNG refueling services.
• Wartsila, a Finnish gas provider that handled system and auxiliary systems.
• WingGD, the Jacques Saadé's primary engine designer.
The Jacques Saadé is 1,062 feet long — about equal to the height of the Eiffel Tower. The eight sister 23,000-TEU, LNG-powered CMA CGM vessels will be named for other Parisian landmarks: Champs Elysées, Palais Royal, Louvre, Rivoli, Montmartre, Concorde, Trocadéro and Sorbonne.
"The CMA CGM Jacques Saadé embodies our commitment to the planet," said Rodolphe Saadé. "While guaranteeing the safety of our crew, it preserves air quality and will be part of our fight against global warming. It significantly improves the environmental footprint of carried goods. We have taken a big step forward. We need to go further to build transport that is even more respectful of the environment."
East Coast ports welcome largest vessel
CMA CGM draws clear trans-Pacific service lines
CMA CGM donates 200,000 face masks.

freightwaves.com

CONTAINER RATES ARE ON FIRE. HOW CAN YOU INVEST IN THAT?



Containers have wrestled the ocean-shipping headlines away from tankers and bulkers as stratospheric China-to-California box rates approach $4,000 per forty-foot equivalent unit (FEU). Container shipping, declares a glowing new report by Fearnleys Securities, is “The Unsung Hero.”

How can investors expose themselves to this historic trans-Pacific rate spike? Can box stocks woo tanker and bulker shareowners? And what do the curiously low prices of some container equities say about sentiment toward a U.S. recovery?

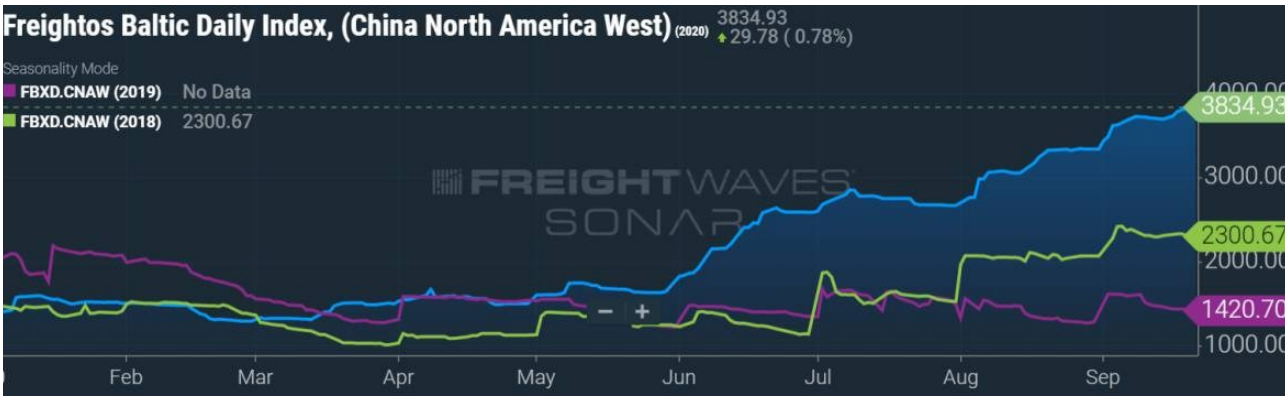
FreightWaves interviewed four shipping analysts to delve into these questions. Their responses highlight significant differences between investing in container shipping versus bulk commodity shipping.

They also point to opportunities for investors and traders to ride today’s container wave.

Liner exposure

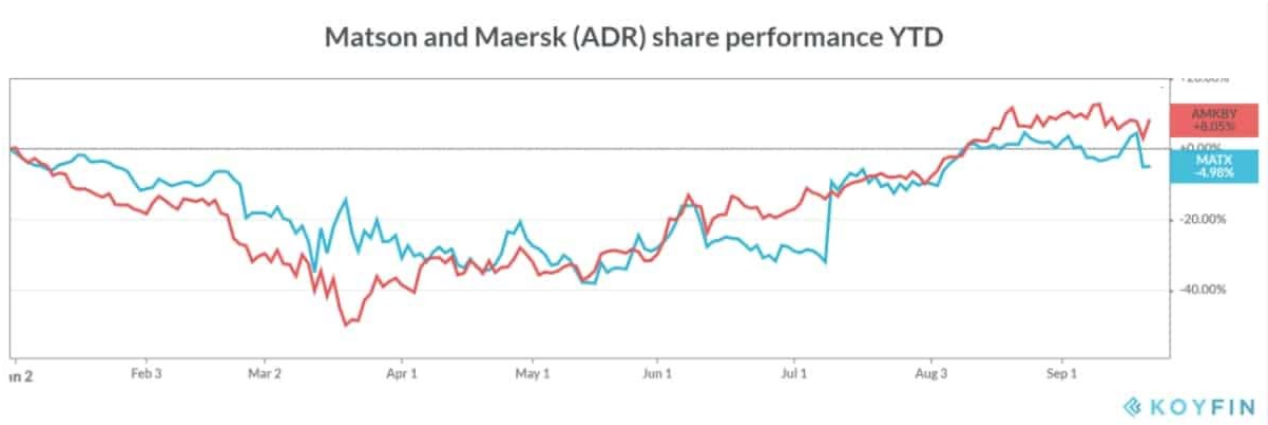
In tanker and dry bulk shipping, the ship owner is generally U.S.-listed and extremely leveraged to highly volatile daily spot freight rates. Theoretically, there should be a clear, direct link between spot rates and stock prices.

The link is not so clear in container shipping. According to the Freightos Baltic Daily Index, spot rates from Asia to the U.S. West Coast (SONAR: FBXD.CNAW) were up to $3,835 per FEU as of Monday. The liner companies are the direct beneficiaries of these soaring spot rates.



freightwaves.com

However, most liners have more long-term contract business than spot business, and many own diversified logistics platforms. Meanwhile, almost all public liner companies are listed in Europe and Asia, not the U.S.; the only U.S.-listed liner, Matson (NYSE: MATX), is primarily in the domestic Jones Act trade.
Investing in global liner giant Maersk — which has two classes of stock listed in Copenhagen and some thinly traded American depositary receipts (ADRs) in the U.S. (OTC: AMKBY) — is a very different proposition than, for example, buying Nordic American Tankers (NYSE: NAT) shares on Robinhood.



Investors can also buy liner exposure through U.S.-dollar-denominated bonds.
The prize goes to those who had the intestinal fortitude to buy bonds of French liner CMA CGM at "peak fear" in March, when those notes were trading at 55 cents on the dollar. They're now close to par (100 cents).
Leasing: 'Not particularly sexy'
The primary way U.S. investors buy exposure to container shipping is not through liners but via common and preferred shares of leasing companies: ship owners that charter (rent) vessels to liners and container-equipment owners that rent boxes to liners.
"It's kind of a boring business," acknowledged Ben Nolan, analyst at Wells Fargo, referring to container-ship leasing. "They're not particularly sexy," echoed Michael Webber, founder of Webber Research & Advisory, of box-equipment lessors.

ccording to Randy Giveans, analyst at Jefferies, "When you look at tankers, there's a lot more volatility in rates. More boom and bust. With container shipping, utilization may move around a couple of percentage points, and in normal times — and obviously this year is not normal — rates stay in a pretty tight band. Plus, there are a lot more vessels on long-term charters in the container market than in tankers and dry bulk. Container shipping is more like a conveyor belt moving goods from Asia to the U.S. and Europe.

"This year has been different. Because of COVID and the massive supply and demand shocks to containers, it has been quite a ride," said Giveans. "But usually, the driver for containers is much more about global GDP. And the drivers for tankers and dry bulk are more about geopolitical events and weather and shocks to supply and demand."
Tanker and bulker stocks are generally more casino-esque than the container stocks — and shipping investors have been more drawn to the excitement of the casinos. Quite a few tanker stock buyers have had a very exciting albeit very unprofitable year in 2020.

The case for ship lessors
The U.S-listed container-ship lessors (otherwise known as tonnage providers) include Seaspan owner Atlas Corp (NYSE: ATCO), Costamare (NYSE: CMRE), Global Ship Lease (NYSE: GSL), Danaos Corp. (NYSE: DAC), Capital Product Partners (NYSE: CPLP), Navios Containers (NASDAQ: NMCI), Navios Partners (NYSE: NMM) and Euroseas (NASDAQ: ESEA).

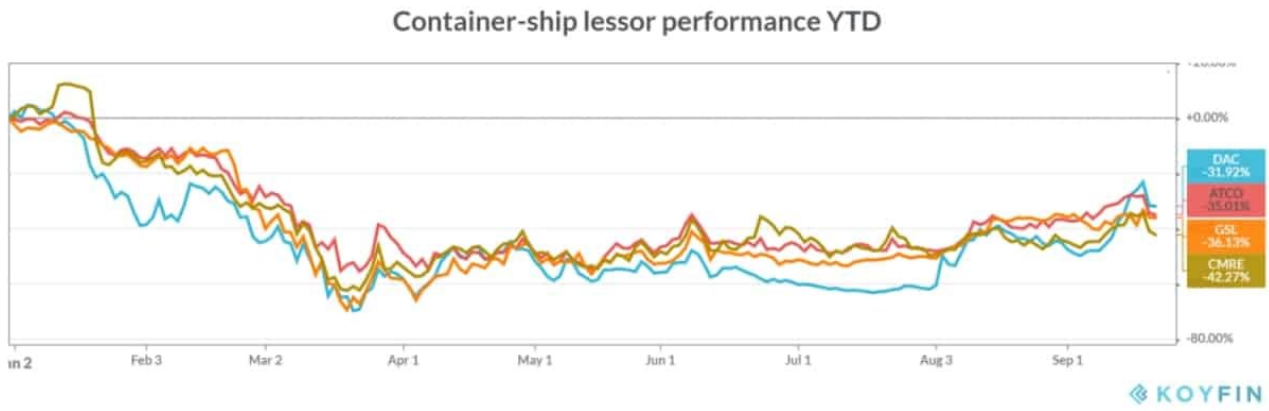
"There's a lot of misunderstanding of what these stocks are," said J Mintzmyer, analyst at Seeking Alpha's Value Investors Edge (disclosure: Mintzmyer owns long positions in several container-ship leasing stocks).
"This is just like aircraft leasing. Yes, there is a ship and someone is steering the ship. But these are not actually shipping companies.
"This is equipment leasing," he explained. "When the liner industry is very healthy and counterparty risk goes toward zero and interest rates are down, the value of the lease goes up."

Several analysts now argue that these stocks have not recovered as much as they should have, contending that investors who buy in now could pocket upside as the stocks catch up (even more so after the recent days' sell-off).

These stocks have two main drivers, both of which are heavily leveraged to the coronavirus. One is the counterparty risk of the liners that charter the ships. In periods of crisis, liners have defaulted and given the ships back. They have also renegotiated the rates lower.

The second driver is charter maturities. If a lessor has ships on 10-year charters, what's happening with charter rates this month is irrelevant. But for a lessor with multiple charters expiring soon, today's charter rates are highly relevant.

Charter rates, bond prices rebound
When liners "blanked" (canceled) double-digit percentages of capacity from Asia to Europe and the U.S. during the second quarter, they needed a lot fewer ships. Liners own a portion of their fleet and charter the rest from tonnage providers. In crisis periods when they need fewer ships, and a charter expires, they'll either not renew or only renew at much lower rates.
During coronavirus, charter rates fell precipitously, by 25-40%. Counterparty risks escalated. The stocks of the container-ship lessors would logically sink on this combination — and they did.
Then, things went off-script. U.S. cargo demand was much higher than expected and all the blanked capacity was reinstated. Survivability fears about CMA CGM and other liners dissipated as big second-quarter profits were reported. Bonds recovered.
Container-ship time-charter rates jumped all the way back to where they were before the crisis began, in some cases higher. Alphaliner reported Tuesday that rates for classic Panamaxes (4,000-5,299 twenty-foot equivalent units) are now garnering their highest rates since 2011 — up to $20,000 a day.
And yet, the stock prices of the container-ship lessors have not followed suit. They're still down in the 30-40% range year to date.



According to Mintzmyer, "You can put up charts of all these different things. The CMA bonds. The GSL bonds. Charter rates. Maersk's stock. Matson's stock. The stocks of box lessors, companies like CAI (NYSE: CAI). They're all correlated. January: great. February, March: horrendous. Then recovery. But if you look at the container-ship lessors, they're still all much closer to their 52-week lows."

Ship-lessor stocks left behind
Nolan at Stifel has been pointing out this disparity since mid-August, dubbing container-ship leasing companies "the single most compelling investment opportunity in traditional shipping segments."

Nolan told FreightWaves, "You haven't seen the same degree of follow-through [with prices] with respect to the ship-lessor equities. The counterparty risk is off the table. The [charter] rollover risk is less severe. The duration of time charters is going up.
"The bonds have really rerated. So, either credit investors [who bid up bonds such as CMA CGM's] are ahead of the curve or they've missed something. Either there's a risk the bonds need to come down or some of these equities need to come up."'

Battle for eyeballs'
There are at least two reasons the ship-lessor stocks haven't recovered. One could be that there's not enough interest — these stocks just aren't sexy enough. Another could be that there are legitimate fears about the U.S. recovery.

"I think it's mostly a lack of air time," said Mintzmyer. "If you look at tankers, what got those stocks moving was companies speaking on CNBC and analysts talking about those stocks."

Webber cited the "uphill battle for eyeballs" for these stocks.

Nolan agreed that the container stocks have lacked attention. "Capital for shipping is transient. Either it's there or it's not. And right now, it's not. It doesn't really matter what you think from a valuation perspective until there's a catalyst to get people to want to look at it again. The question is: At what point is there a catalyst? Maybe it will be [third-quarter] earnings. That's my best guess at the moment."

Lag effect
Giveans and Nolan both said a lag between the surge in liner spot container rates and container-ship lessor stock prices made sense.
"When you see $4,000-per-FEU rates, the liners get that cash immediately, whereas on the ship-charter side, the activity is few and far between so you wouldn't see an immediate uplift [in charter income]," said Giveans.

"It sort of makes sense that these [ship-leasing] equities would lag because they're kind of the tip of the spear relative to the liner companies," added Nolan.

"When there's excess capacity, the liners can lay off equipment and still do reasonably well and the lessors bear the brunt of that impact. Then, if the market begins to recover a bit for the liners, it doesn't necessarily have to translate [immediately] into a stronger market for the lessors."
But this raises the question: If stocks are inherently forward-looking and efficient, the market should be able to account for the charter-rate recovery as well as when lessors' charters will expire (and reap the benefits of the rate recovery), then reprice the stocks. If that's not happening, perhaps the market is pricing in a faltering U.S. economic recovery?

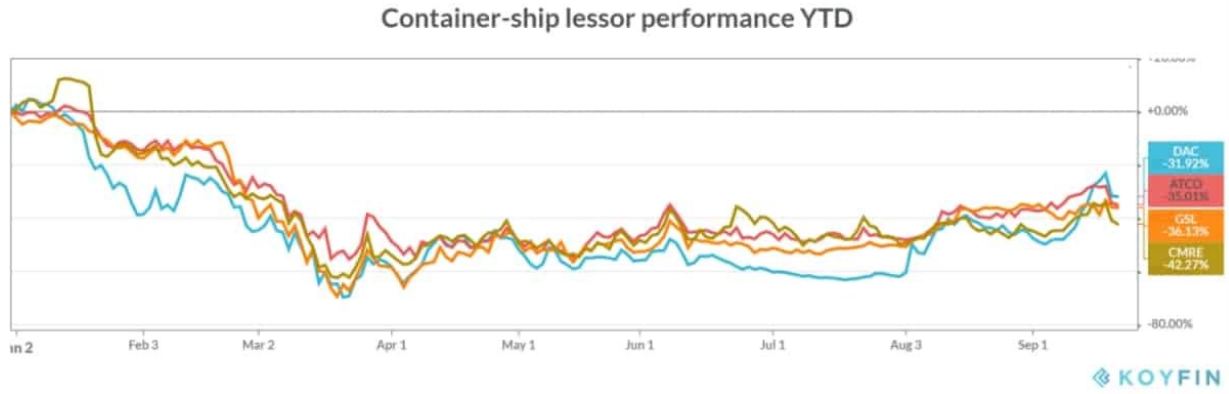
Trouble ahead?
"The wild card here is that I don't think anybody can say with high conviction that demand is going to be great for however long," said Nolan. "It's surprisingly good now, but we're not there yet."

"I think there are a lot of questions about the sustainability of demand," said Giveans. "Container rates are certainly going to come down as inventories get restocked and demand doesn't rebound as quickly as many people had hoped."

"I think it reflects trepidation around the future," said Webber. "I agree that you would have thought there'd be more of a recovery [in the container-ship lessor stocks]. But I also think the markets are consciously or subconsciously inferring a degree of credit risk."

Betting on box lessors instead
With container-ship lessors, said Webber, "the market exposure is lumpy because you have bigger chunks of cash flow rolling off at different times [due to charter expirations]. This can overlap with the refi [debt refinancing] cycle, and all of a sudden you get stuck."

Webber believes a better way to invest in the container-shipping space is to buy stocks in the box-equipment lessors that own containers and rent them to liners (as with ships, liner companies own a portion of their box fleet and rent the rest). These companies include Triton (NYE: TRTN), CAI and Textainer (NYSE: TGH).



"They're more liquid [than shipping container stocks]. And they don't have these waves of new supply that obfuscate what's going on from a sector dynamics perspective like you do in shipping," Webber explained.
It takes two years to build a ship but only six to eight weeks to build a container. In practice, this means box supply is more closely calibrated with demand than ship supply. It's less likely for capacity owners to overshoot.

"These [box-equipment lessor] stocks offer a better real-time gauge of what's actually happening from a trade perspective, and they're closer as a real-time indicator to the container lines themselves," argued Webber.

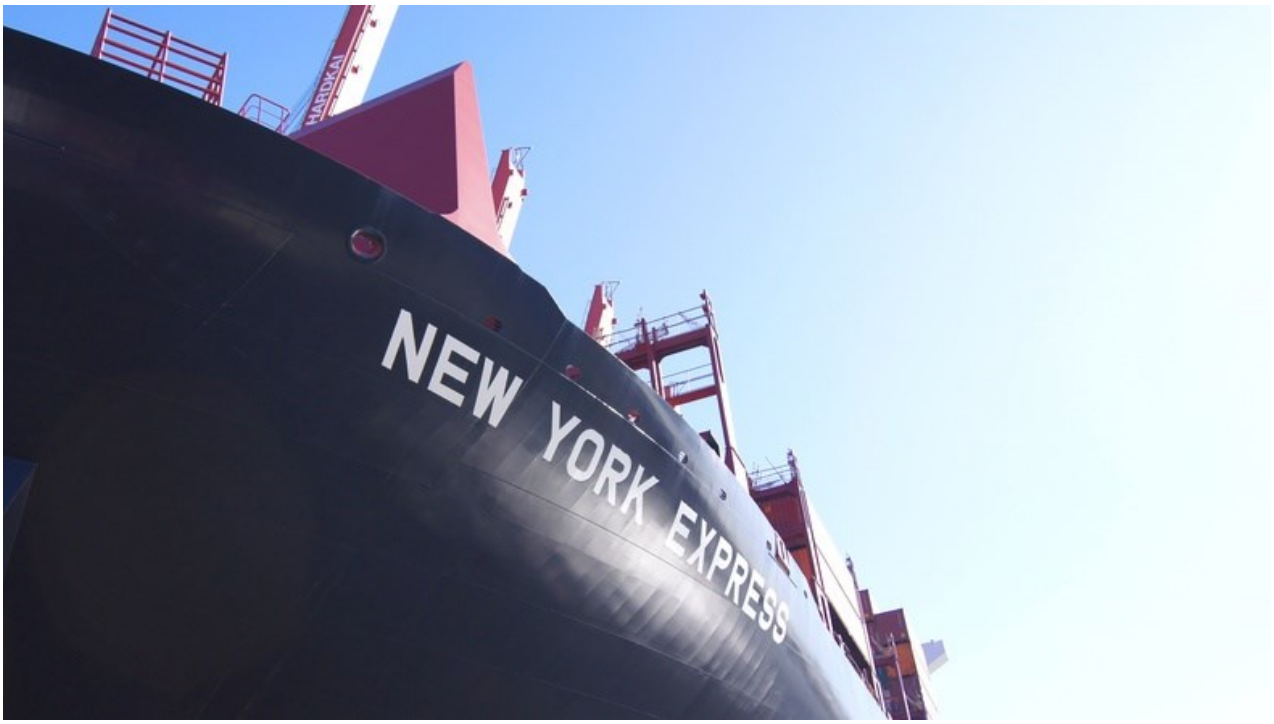
Investor interest still tepid
FreightWaves asked the analysts whether the recent publicity on container-shipping spot rates is bringing more investors into the fold.

Mintzmyer is enthusiastic. "It's so weird that nobody is talking about this. I think container ships are the most interesting of all the shipping sectors," he said.
"We have certainly had some calls," reported Giveans. "But mostly from people who were already interested in container ships. It's more legacy investors who had been on the sidelines and are now saying, 'Oh my goodness, this market is actually good. We have something positive here. How long can this last?'

According to Nolan, "Whether this is inventory restocking or stimulus spending or whatever, clearly something is going on. It has raised some eyebrows. People are looking at it as a non-energy, non-tech way to play the COVID-19 recovery. But it's certainly not like my phone is ringing off the hook." Click for more FreightWaves/American Shipper articles by Greg Miller



HAPAG-LLOYD RELEASES DASHBOARD FOR CARGO VISIBILITY



"Hapag-Lloyd has unveiled a new 'Customer Dashboard' to give its customers full cargo and supply chain visibility anywhere in the world. "

In a statement, the carrier said customers can access performance information based on four existing promises – 'Fast Booking Response', Timely and Correct Bill of Lading', 'Accurate Invoicing' and 'Loaded as Booked'.

The company said data can be easily checked on the dashboard, which will display how it is meeting the challenges on transparency and customer service it has set for itself.

"Our customers now have a clear and consistent visualization of our performance," said Jesper Kanstrup, Senior Director Customer Quality at Hapag-Lloyd.

"With the introduction of the Customer Dashboard, we can finally prove to our customers that we keep our promises and continue to deliver the best quality possible. Giving our customers this full visibility of our quality performance provides them with a direct added value and makes us unique in the container shipping industry."

Juan Carlos Duk, Managing Director Global Commercial Development at Hapag-Lloyd, also commented:"This virtual handshake with the customer is the basis for our mutual success. Delivering on our quality promises will be the foundation of a new partnership with our customers as part of our ongoing efforts to advance quality improvements in our industry."

Hapag-Lloyd customers can access their individual quality performance information with their Online Business credentials via the Hapag-Lloyd Navigator. The next six quality promises will be introduced on a quarterly basis until the end of 2021. All of them will also be fully trackable via the Customer Dashboard..

porttechnology.org

EU MINISTERS COMMIT TO FOSTER FREIGHT CORRIDORS



"EUROPE: EU transport ministers endorsed a formal declaration in Berlin on September 21 committing them to 'support international rail freight and further strengthen the Rail Freight Corridors"

Acknowledging that the Rail Freight Corridors had 'proven to be very effective in developing common measures facilitating the enhancement of the resilience of rail freight in the event of major crises', the ministers proposed that further resilience measures be developed and that lessons be learnt from coping with the Covid-19 pandemic in terms of ensuring good quality, high capacity infrastructure.

Further work is to be undertaken to 'strengthen the Rail Freight Corridors' one-stop shops in a co-ordinated way', with key performance indicators used to measure progress.

Rail freight stakeholders will receive support 'to enable them to better adapt to market needs' through encouragement to make use of opportunities for digital sharing of information on train movements, as in the 'Estimated Time of Departure and Arrival' project. Infrastructure managers will be invited to conclude the 'Timetable Redesign Project' which 'has the potential to become the main instrument for enhancing and improving international traffic in Europe by providing a more flexible and timely allocation of infrastructure capacity'.

Infrastructure managers will be encouraged to develop virtual traffic management by establishing standardised co-operation of national traffic management centres to ensure rapid response to disruption and to facilitate joint preparations for planned restrictions on capacity.

The declaration further commits ministers to enhance rail freight as 'one of the most environmentally friendly ways of moving freight'.

Referring to the European Commission's Green Deal initiative, they state that 'a level playing field among all transport modes' is essential to reach the target of 'delivering sustainable and carbon-free rail freight transport', as is 'continued greening of rail itself by moving to carbon-neutral energy sources'.

Infrastructure should be adapted to the needs of rail freight without affecting passenger operations, while the TEN-T provisions for infrastructure, 'especially the unlimited possibility to run 740 m trains within the core network' are considered 'sufficient and appropriate'.

Co-operation with the TEN-T Core Network Corridors will continue, and co-operation with road and waterborne transport 'in providing complete and efficient transport chains in the most eco-friendly way' will be encouraged.

Measures for mitigating noise from freight trains are welcomed as a means of increasing the acceptance of freight trains by the population — something specifically referred to by Germany's Federal Minister of Transport Andreas Scheuer in his statement at the Rail Summit with other transport ministers held on the same day.

The ministers supported the European Union Agency for Railways in its efforts to improve technical and operational harmonisation, remarking that this is 'most important in safeguarding and improving the competitiveness of rail freight'. All stakeholders are invited 'to co-operate and to remove redundant national rules' which are covered by TSIs.

The declaration recognises the importance of ERTMS for enhancing competitiveness and also that a co-ordinated approach is needed at the EU and national level to support the fitment of ETCS onboard units and the 'development and authorisation strategies to enable a smooth ERTMS trackside deployment'. Further, it emphasises the importance of rail freight innovations at European level and 'the need for the successor to Shift2Rail to focus more specifically on rail freight'.

Implementation of the Digital Automatic Coupling and automated train preparation are recognised as 'one of the main priorities', the aim being to agree on a single EU-wide migration strategy by 2022.

Finally, the declaration recognises that skilled staff are essential for the commercial success of international rail freight and the achievement of modal shift and climate targets, and ministers welcomed measures to make employment in rail freight more attractive; initiatives to address labour market needs will receive support.

The declaration builds on a series of commitments made in recent years that are intended to foster the development of rail freight across Europe, including declarations made in Rotterdam in 2016 and in Graz and Wien in 2018.

The declaration was welcomed by rail sector associations, suppliers and other interested parties through the Sector Statement Group, which noted that the Berlin Declaration 'showcases the necessary clear commitment of the EU Member States to support international rail freight and rightly recognises the environmental advantage of rail freight in view of the European Green Deal'."

railwaygazette.com

MPA AND IMO LAUNCH NEXTGEN CARBON-FREE INITIATIVE



"The Maritime Port Authority of Singapore (MPA) and the IMO have launched NextGen, an initiative designed to enable collaboration between global stakeholders in the fight to cut carbon emissions."

Unveiled during Singapore's Future of Shipping: Decarbonisation webinar, NextGen will facilitate information sharing on decarbonisation initiatives across stakeholders, including all IMO member states.

It will also identify opportunities and gaps for decarbonisation in the global shipping ecosystem and create important networks and platforms for collaboration.

Singapore Minister for Transport Ong Ye Kung urged the maritime industry to maintain its efforts to cut carbon emissions despite the difficulties it has faced this year.

"While the world deals with the COVID-19 crisis, it must keep up with the fight against climate change," Ye Kung said.

"No one can do this alone. It is a global ambition, to be accomplished by the international maritime community.

"But we all have capabilities, expertise, and resources to contribute to this endeavour. Singapore will do our part, and we look forward to the maritime community coming together, under the leadership of the IMO, to redouble our efforts and build a better, greener world.

He also described decarbonisation as "a major plank of the sustainable development and climate change agenda".

"As a small, low-lying city-state Singapore is particularly vulnerable to the effects of climate change, and tackling it is a matter of national priority."

As part of its eco-friendly strategy Singapore is developing several carbon-free infrastructure projects, the biggest of which is the Tuas Port, which will be the world's largest fully automated terminal at the same time as emitting half the amount of carbon compared to 2005 levels.

"The new Tuas Port will have a fleet of full-electric automated guided vehicles, to transport containers within the port premises," Ye Kung said.

"They will replace the conventional diesel-operated prime movers. We are actively encouraging vessels which call at our ports to use cleaner fuels such as LNG, by providing them with port dues concessions, and co-funding building of LNG-fuelled bunker tankers.

"We are also exploring the electrification of our harbour craft."

IMO General Secretary Kitack Lim also spoke and called for more action to speed up research into carbon emission-free fuels.

"To achieve this the IMO is stepping up its efforts to act as a global forum and promoter in R&D in zero carbon marine fuels, bringing together interested stakeholders from public and private sectors, and also private and development banks and other potential donors around the world."

porttechnology.org

WHY AMMONIA MAY BE PART OF THE FUTURE FUEL MIX

More points to ammonia as a promising zero-emission fuel. When based on wind or solar energy, it is a carbon-neutral option, with the infrastructure already in place, and ready to be mass-produced. After overcoming the challenges such us higher costs and the development of a new engine technology, it may become a part of the future fuel mix.

September 08 2020

In connection with the UN Climate Action Summit, MAN Energy Solutions joined the Getting to Zero Coalition in September 2019 to help develop zero-emission vessels by 2030 with its industry partners.

We view the Getting to Zero Coalition's aims as closely aligned with our own strategy of cooperating with external partners to expand our business with sustainable technologies and solutions, such that they become our main source of revenue by 2030.

As I said, at the time of our joining the coalition, we understand the need to work with a wide group of industry partners to achieve this strategy and the Getting to Zero Coalition is therefore a perfect match. In shipping, MAN Energy Solutions has publicly spoken out in favour of a 'maritime energy transition' for some time now, which draws on the increased use of low-emission fuels. For us, the path to decarbonising the maritime economy starts with fuel decarbonisation, which will be a natural step towards the development of zero emission vessels.

But what fuel?

January 1, 2020, marked a milestone for the maritime shipping industry. From that date, all vessels became bound by new IMO rules restricting the use of high-sulphur fuels. While compliance with this was relatively straightforward for shipowners, decarbonisation will prove a tougher nut to crack and requires swift action.

As such, ships launched in 2030 will still be at sea in 2050 when – according to an IMO strategy adopted in April 2018 – the sector must reduce its total annual greenhouse gas emissions by at least 50%.

Potential zero-carbon fuels include alternative fuels like synthetic methane, alcohol, green hydrogen, and ammonia. In this respect, there's naturally a bit of uncertainty because everybody realises the need for change. But it is also clear that you do not have just one solution.

Ammonia is a promising candidate

As a potential zero-carbon fuel, ammonia is an interesting candidate. Indeed, the DNV-GL declared in 2019: "Ammonia is the most promising, carbon-neutral fuel option for newbuildings."

Since large quantities of ammonia are already transported around the world, it is a well-established commodity with some 120 ports globally currently importing/exporting it, and some with storage facilities. Thus, using ammonia to power ships would be a natural step with infrastructure already in place.

The companies already producing and distributing ammonia around the world know ammonia technology and have an incentive to showcase it as it is a sustainable technology that could provide new business opportunities.

Sustainable production and competitivity

When discussing future fuels, one thing is clean sulphur-free fuels but the CO2 footprint of such fuels also needs to be looked at. In this context, so-called power-to-X solutions where fuels are produced from sustainable energy sources are worth investigating.

The ammonia you have in the market today is CO2-free but based more on fossil fuel. Manufacturing green ammonia implies that you take electricity created by windmills and react hydrogen with nitrogen to produce ammonia. What is interesting about this is that there is no carbon involved in the process, making it a completely carbon-free fuel.

"You need to build a scalable production of ammonia, utilising offshore windmill-fields or solar-power plants to provide the clean electricity required."

There are certain barriers, however, for ammonia and green ammonia – as there are with green or synthetic methane. It is relatively expensive, compared to fossil-based fuels. When talking about merchant shipping and the two-stroke business, solutions need to be business-viable.

Even if the cost of moving goods by sea increases in the future due to the introduction of zero-carbon fuels, it will still be the most efficient method as nothing can compete with shipping in terms of transporting goods. What we need to do is to create global coalitions and get the IMO to support a CO2 tax, and then funnel the money into R&D development and into developing solutions for the supply chain and large-scale production of these fuel types.

Ultimately, you need to build a scalable production of ammonia, utilising offshore windmill-fields or solar-power plants to provide the clean electricity required. Hand in hand with this, the ammonia supply-chain will have to be scaled up so that sufficient bunkering capacity is in place to supply vessels. Another requirement is, of course, a suitable engine technology.

First ammonia engine by 2024

MAN Energy Solutions has a convincing track record in developing engines running on alternative fuels, having developed the world's first oceangoing ships driven respectively by LNG, methanol, ethane, and LPG.

In a technical paper released in late 2019, we noted that the two-stroke ammonia concept is an add-on to our electronic ME-engine and similar to the previous engine concepts for liquid gas injection propane (ME-LGIP) and liquid gas injection methanol (ME-LGIM).

The development of the LGI engine has already addressed challenges similar to those posed by ammonia – namely corrosion, toxicity and low flammability – and there would be little difference between an ammonia engine and the ME-LGIP/LGIM engines. In light of this, we aim to deliver the first ammonia-fuelled, two-stroke engine in 2024.

Ammonia-engine development will take place at our Research Centre Copenhagen (RCC) facility. We already kickstarted the project in early 2020 with a HAZID (hazard identification) workshop. Subsequently, the first engine tests are scheduled to begin in 2021 where the ammonia supply and auxiliary systems will be specified, with an after-treatment (emissions) solution specified by 2022. NOx emissions reductions are expected to be achieved via a Selective Catalytic Reaction (SCR) system, which has already proven itself in the industry.

A full-scale engine test is scheduled for 2023, the success of which will enable the first delivery of an ammonia-fuelled engine to the market in 2024. We are also working diligently towards a dual-fuel, ammonia-retrofit solution for existing engines, which will be available from Q1 2025.

globalmaritimeforum.org

HMM AND SAMSUNG HEAVY INDUSTRIES TO DEVELOP SMART SHIPS



"HMM has signed a Memorandum of Understanding (MoU) with Samsung Heavy Industries (SHI) to develop smart ship technology."

According to a statement, under the MoU, HMM and SHI will collaborate in the research, development and innovation in the field of smart ship solutions.

The MoU mainly covers the development of eco-friendly technologies applicable for smart ships and the enhancement of technological competence related to the digitalisation of ships.

As part of this partnership, HMM has adopted 'SVESSEL', the most advanced smart ship solution developed by SHI.

The cloud-based 'SVESSEL' has been applied to five out of twelve 24,000 TEU mega containerships delivered to HMM this year. HMM will test operational data on its own container vessels.

An HMM official said: "Both digitalisation and decarbonisation have become integral factors on the pathway to sustainable growth. HMM has concentrated on the exploration of new technologies for the future and has actively participated in various discussions with the parties concerned."

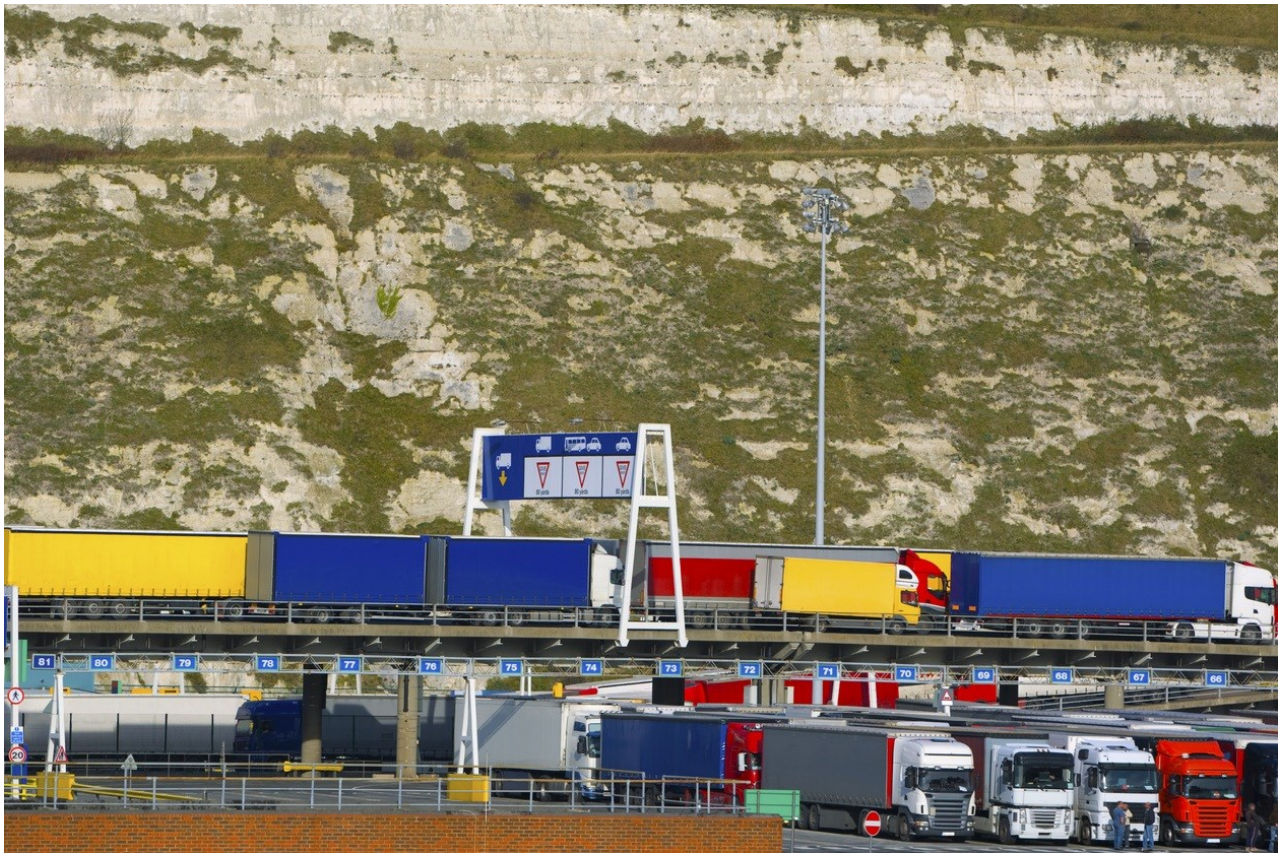
"We look forward to taking this partnership to the next level with great synergy."

Additionally, HMM is preparing to operate a 'Smart Ship Control Centre' that enables to monitor the safety and efficiency of ships in real time based on an extensive range of data including cargo information, service routes, locations, ocean weather and vessel conditions.

The centre is scheduled to be in full operation from mid-September this year.

porttechnology.org

UK PORTS RESPOND TO BREXIT WORST-CASE SCENARIO



"The British Ports Association (BPA) has suggested that a major government and cross-industry effort is needed to ensure hauliers and traders are prepared for Brexit."

This is in response to the letter sent to trade bodies by the chancellor of Duchy of Lancaster Michael Gove which highlights potential issues for freight traffic after the Brexit transition period.

The letter warns of 7,000-truck queues and delays of up to two days in Kent as hauliers head to the Port of Dover to cross the English Channel to mainland Europe.

In a statement released by the BPA it was noted that the ports industry is reporting that significant amounts of preparation is underway across the sector but that while there is obviously a lot going on elsewhere, wider trader preparedness is largely unknown.

The association is closely engaged with discussions between government and the industry.

British Ports Association Chief Executive Richard Ballantyne commented, "The government's worst-case scenarios are a stark reminder about the major changes that much of the UK's freight industry will have to embrace following the end of the transition period.

"Whilst highlighting particular issues in Kent the analysis also underlines that this will be a national issue for traders and hauliers moving goods through a wider number of gateways facing the same issues. Put simply if the traders have not completed the correct customs requirements, they will be unable to transport their goods through any port.

"In recent months there has been a flurry of government activity. Ports are working to ensure infrastructure is ready but is still a lot to do. In particular decisions policy makers need to agree in respect of specifications for infrastructure.

"However, in terms of the wider freight operations there is perhaps even more to do. We will now be looking at ways to support the government's drive to communicate the new requirements to the wider freight and logistics industry to avoid many of the scenarios given in the analysis from arising."

Also commenting on the letter sent by Gove, Tim Morris, CEO of the UK Major Ports Group, said "The Government is right to launch a plea for UK businesses to prepare for new border arrangements from the 1 January. Regardless of whether a deal with the EU is reached or not, arrangements for handling goods moving to and from the European Union and the UK will change. The implementation of new border controls will mean new requirements, processes and checks. Gove's letter clearly sets out the potential for significant disruption, particularly in Kent.

"The UK has a range of ports all around the coast with additional capacity to handle EU-UK trade flows, many of whom are highly experienced in enabling global trade and border processes. It is vital that UK businesses understand their supply chain options and prepare really urgently for likely disruption in some areas and new requirements."

porttechnology.org

MEPS AGREE TO CHART SHIPPING'S ETS COURSE



"The European Parliament on Tuesday (15 September) voted in favour of including greenhouse gas emissions from the maritime sector in the European Union's carbon market from 2022, throwing its weight behind EU plans to make ships pay for their pollution."

Shipping is the only sector which does not face EU targets to cut emissions, but it is coming under increased scrutiny as the bloc attempts to steer industries towards its plan to become "climate neutral" by 2050.

In a vote on Tuesday, EU lawmakers said the bloc's carbon market should be expanded to include emissions from voyages within Europe, as well as international trips which start or finish in an EU port.

This would force shipowners to buy EU carbon permits to cover these emissions.
"It is high time that the 'polluter pays' principle is applied to shipping," said Jutta Paulus, the Green lawmaker leading the Parliament's talks on the issue. MEPs will formally approve its position with another vote on Wednesday.
Plans to reel shipping into the scheme are gathering momentum, despite pushback from industry.

A draft European Commission document, leaked to the media and due to be published on Thursday, confirms plans to expand the scheme to "at least intra-EU maritime transport".

This would likely happen through a package of market reforms the Commission will propose by June 2021. The expansion of the scheme may take until 2023 to implement, officials said.

That would coincide with a deadline for the UN shipping agency (IMO) to publish a plan on global emissions-cutting efforts for the sector.

"The proposal to extend the EU (carbon market) to international shipping ignores global negotiations already underway at the IMO, and risks enflaming trade tensions at a delicate time for the world economy," said Simon Bennett, deputy secretary-general of the International Chamber of Shipping.

If left unchecked, the IMO has said CO2 emissions from maritime transport could increase by up to 250% by 2050 from 2012 levels – a trajectory that could thwart global goals to curb climate change.

euractiv.com

CARGO SAFELY SECURED? CHECK



An international push continues for the adoption of safe cargo-packing practices to avoid the loss of billions of dollars worth of goods and equipment annually in preventable accidents.

Five international freight transport and cargo-handling organizations collaborated on the newly released CTU Code: A Quick Guide, which condenses their advice on the packing of all types of cargo into 13 pages, and the Container Packing Checklist, which itemizes requirements for the packing of multimodal freight containers in a yes-or-no format.

The five groups — the Container Owners Association (COA), Global Shippers Forum (GSF), International Cargo Handling Coordination Association (ICHCA), TT Club and World Shipping Council (WSC) — said in a media briefing Thursday that the guide is designed to improve awareness and understanding of good practices in the packing of goods in cargo transport units (CTUs).

They said many cases of ship fires and container stack failures, vehicle rollovers and train derailments can be traced to poor packing practices. Peregrine Storrs-Fox, the TT Club's risk management director, said in April that the organization has estimated the international maritime industry alone incurs losses of about $6 billion each year because of incorrectly packed or documented cargo.

"That includes damage to the cargo and delays, environmental cleanup, injuries and ship damage. The point is that $6 billion is totally unnecessary. If people followed things correctly, then that $6 billion would be saved to the entire industry," he said then.

Storrs-Fox repeated that figure Thursday and said the TT Club, which provides insurance and related risk-management services to the international transportation and logistics industry, believes these accidents can be prevented. "The vast majority are avoidable by adopting established good practices," he said.

The CTU Code was issued in 2014. Applying to packing and transport operations throughout the supply chain, the code was developed by the International Maritime Organization, International Labor Organization and United Nations Economic Commission for Europe.

In the years since the code was adopted, "we haven't actually seen a significant improvement in the incident statistics. Certainly wherever we go, we see that a lot of people are not aware of the CTU Code at all," Storrs-Fox said in April while discussing the launch of a cargo integrity campaign.

This week's release of the guide and checklist are the latest steps taken as part of that campaign.

Richard Brough, the head of the ICHCA and moderator of Thursday's web event, said it was clear from the number of cargo loss incidents that something more had to be done to attain adoption of the safety practices.

Storrs-Fox agreed, saying the TT Club had found "woeful ignorance" of the CTU Code.

The Quick Guide covers the end-to-end packing process and includes steps on securing cargo and the handling of dangerous goods.

Storrs-Fox was asked if adherence to the CTU Code could have prevented the massive explosion at the Port of Beirut on Aug. 4.

"All of these sorts of events take a very long time to understand precisely what's happening," he said. "That's certainly the case with ship fires in recent years. They all take a long time to investigate. … But following each of those sorts of events, there should be added awareness and energy put to developing and following good practice."

GSF Secretary General James Hookham called the checklist "a clear process map" for the packing of containers.

"There is a yes-or-no format and, upon successful completion, allows dispatch of a container," he said.

Currently, the checklist is available as a PDF, but a mobile app is being considered, Hookham said.

The CTU Code itself is available in all six official U.N. languages — English, French, Spanish, Russian, Chinese and Arabic — and work is underway to produce the printable guide and checklist in multiple languages as well.

One set of guidelines is important regardless of the language, Hookham said.

"The organizations found common ground," he said. "We've got a job to do and working at it together I think is better than we would have done working at it individually."

WSC Senior VP Lars Kjaer stressed that the work continues.

"On behalf of the World Shipping Council, I can assure … that this initiative that we are launching today is not the conclusion of the concern that the CEOs of my member companies have regarding container safety," Kjaer said. "It is but one initiative among a plethora of initiatives that … we have been asked by our principals to become involved in.""

freightwaves.com

FROM 28/09/20 TO 03/10/20
NAPLES
Naples Shipping Week

FROM 29/09/20 TO 30/09/20
MIAMI
Envirotech for Shipping Forum USA

FROM 29/09/20 TO 01/10/20
BREMEN
Breakbulk Europe | CANCELLED

FROM 30/09/20 TO 02/10/20
SINGAPORE
APM Asia Pacific Maritime 2020

FROM 01/10/20 TO 06/10/20
GENOA
60th Genoa International Boat Show | NEW DATES

FROM 05/10/20 TO 05/10/20
ATHENS
The Greek Shipping Hall of Fame Induction Ceremony & Dinner 2020 (NEW DATE)

FROM 05/10/20 TO 06/10/20
GENEVA
MTE - Maritime Transport Efficiency Conference (NEW DATES)

FROM 13/10/20 TO 14/10/20
DURBAN
Transport Evolution: African Forum & Expo

FROM 13/10/20 TO 13/10/20
NEW YORK
12th Annual New York Maritime Forum

FROM 14/10/20 TO 15/10/20
DIGITAL EVENT
12th Annual Capital Link New York Maritime Forum