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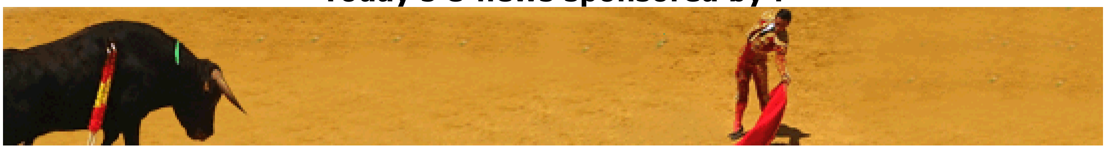

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Saudi Arabia's JIP to raise container capacity by 45pc

SAUDI ARABIA's Jeddah Islamic Port (JIP) capacity will be expanded by 45 per cent following the construction of a third container terminal at a cost of US$443 million on a build-operate-transfer basis.

The Saudi Trade and Export Development Company (Tusdeer) will be responsible for developing and operating the new terminal after signing a licence agreement with Jabara Al-Seraisry, Minister of Transport and the Chairman of the Sea Port Authority (SEAPA).

"In the past few years, the kingdom's seaports have witnessed big efforts to develop and modernise their working capability alongside the increased number of container ships," said Mr Al-Seraisry.

Tusdeer will be teaming up on the project with Seaport Terminal of Malaysia, which built and developed the Asia's fastest growing Port of Tanjung Pelepas. The Malaysian firm now has a 20 per cent stake in the terminal.

The hi-tech box terminal will be built on a reclaimed land within JIP's re-export zone. It will have a handling capacity of up to two million TEU annually, a storage area of 400,000 square metres and will be able to handle the world's largest containerships with a berth depth of over 18 metres, said the report in the Arab News.

"The estimated SR1.662 billion (US$443 million) project will take about three years to become operational with dredging expected to commence mid-year," said Tusdeer chairman Mohammed A Zainal Alireza.

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Antwerp container volume up, but Rotterdam's growth reined in

RESTRICTIONS on handling capacity has left the Port of Rotterdam with only slight growth in cargo volumes in 2006.

Total turnover increased by 1.7 per cent against the previous year to 377 million tons, partly due to reported IT problems at container handler ECT.

"Given the current terminal capacity it is not possible to achieve the maximum growth scenario. Once the extensions are complete, such as the EMO coal terminal and the Euromax container terminal, it will be possible to grow more quickly," Rotterdam Port boss Hans Smits was quoted saying in a report by Deutsche Presse Argentur.

By comparison, the news agency said that the ports smaller rivals registered larger growth in 2006, with Hamburg experiencing a 10 per cent increase.

The Port of Antwerp's total port volume was estimated to be up four per cent over the last year to 167.3 million tons, after seeing a 3.6 per cent rise in the number of ships calling at the port to 15,750 visits.

Antwerp's 2006 container trade faired much better, with throughput up eight per cent to seven million TEU. Within this total the Deurganck tidal dock handled 800,000 TEU throughout its first year of operation.

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Box scanning fee outrages shippers at Maputo, Mozambique

THE business community in Mozambique is reportedly up in arms over a levy imposed by the company operating a digital scanner that inspects the contents of containers as they pass through the port of Maputo.

Port users claim that Kudumba Investimentos is charging US$100 per TEU for imports, $70 for exports, $40 for transshipment boxes and $20 for empties. A report carried by Macau government news portal, Macauhub, noted that since most containers passing through the port are 40-footers, an importer has to pay $200 on top of other container charges to receive his goods.

To make matters worse, companies are being forced to pay the additional fee regardless of whether their containers have been examined by the scanner. Some even allege that Kudumba has started demanding payment for cargo that is not even transported in containers.

The president of the Maputo Corridor Logistics Initiative (MCLI), Brenda Horne claims that Kudumba Investimentos has pocketed US$6 million each year since installing the scanner in 2004, and is carrying out its activities with the approval of the government.

Kudumba Investimentos is 40 per cent owned by a Lebanese businessman, with SPI, Gestao e Investimentos, a holding company that manages the businesses of government party Frelimo, owning a 35 per cent share, the report added.

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China Southern opens its first Sino-African service

CHINA Southern Airlines, China's biggest air carrier, has launched its first China-Africa service starting with regular flights to Lagos, Nigeria.

"Nigeria is playing an increasingly important role in the international community," said China Southern chairman Liu Shaoyong at the welcoming ceremony at Lagos' Murtala Mohammed International Airport (MMIA).

Offering passengers an intermediary stop between China and Africa in Dubai, China Southern's new service features the airline's Airbus A330 aircraft, with China Southern's Premium Business Class mini-pod, flat bed seating.

Outbound flights will depart Beijing Mondays, Wednesdays and Saturdays, returning Tuesdays, Thursdays and Sundays arriving in Beijing Mondays, Wednesdays and Fridays.

Today, more than 30 Chinese enterprises have been established in Nigeria, which involve an accumulated investment of over US$100 million, with expanding levels of investment.

The airport has undergone thorough repairs in recent years, said a China Southern statement. Malfunctioning air conditioning and luggage belts have been fixed. "The entire airport has been cleaned, and many new restaurants and duty-free stores have opened. Bilateral Air Services Agreements signed between Nigeria and other countries are being revived and new ones signed. Airlines expected to begin or have begun operation to MMIA include Qatar Airways, Royal Air Maroc and Malaysia Airlines," said the release.

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Birkart Globistics opens new logistics centre in Shanghai

INTERNATIONAL transportation and logistics firm, Birkart Globistics air + ocean, has opened a new hi-tech warehouse and distribution facility in Shanghai's Jinqiao Export Processing Zone.

The new 6,000-square-metre facility is designed to capture rising demand for inventory management and distribution services across southern China.

The facility will provide customised warehousing and freight forwarding services for the textile, apparel, clothing, fashion accessories and luxury goods industries.

This includes the distribution of both imported goods and fashion items made in China to more than 60 domestic retail outlets daily. Services include consolidated customs brokerage, storage, quality checking, order and inventory management, distribution and value-added services such as textile finishing, Chinese labelling, sorting and packaging.

TOP

World Air Holdings describes 2006 as 'difficult' year

WORLD Air Holdings, Inc. has posted a preliminary consolidated net income of US$6 million for the third quarter ended September 30, 2006.

Revenues for the quarter were $231 million, and operating income was $8 million. The company generated $9 million of cash flow from operations and ended the quarter with $41 million in cash and short-term investments, a company statement said.

"Our full-year financial performance will reflect the negative impact of a number of unexpected events," said Randy Martinez, chief executive officer.

"These events include World Airways being placed on penalty by the Air Mobility Command (AMC) during the second quarter, the impact to our income statement of the Delta Air Lines bankruptcy filing as it related to our MD-11 engine overhauls, and an unexpected curtailment of troop movements for the last half of December. This has certainly been a challenging and difficult year for the company."

He added the company is finding it hard to predict demand from its largest customer, the US Army in 2007. Revenue for the fourth quarter 2006 is expected to be in the range of $200 million to $205 million, resulting in an operating loss of $4 to $6 million. This reduction is driven by substantially lower AMC demand than had been previously forecast for the second half of December.

Aircraft utilisation declined slightly to 9.7 hours per aircraft per day, compared to 10 hours per aircraft per day in the third quarter a year ago. The decline in utilisation was primarily the result of a cargo contract ending and several aircraft in scheduled major maintenance checks during the quarter.

The outlook for 2007 anticipates consolidated revenues to increase by approximately 10 per cent over 2006. Consolidated AMC block hours are expected to be up versus 2006, but the company predicts total US military demand to be very similar to 2006 levels.

Based on these expectations, the company is forecasting total operating revenue of more than $900 million for 2007, the release added.

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Fangchenggang customs handles record volumes of trade

CHINESE customs at the port of Fangchenggang reported that the container trade grew 19.3 per cent to 48,100 TEU in the first 11 months of 2006.

The collective value of this cargo also reached an all-time-high of US$2.75 billion, up 48.4 per cent year onyear, said Xinhua News Agency.

From January to November 2006, the aggregate volume of imports rose by 47.2 per cent to 15.42 million tons, and carried a 50.78 per cent higher value at US$2.65 billion. Export volumes increased by 17.53 per cent over the same period a year ago to 5.41 million tons and were worth in total $1.09 billion, up 42.92 per cent over 2005.

November proved a record-setting month in terms of trade volumes and value, with the volume of cargo rising 44.58 over the same month the preceding year to 2.62 million tons. The value of November's cargo rose 29.13 per cent year on year to $427 million.

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Hubei to establish e-port operating company

AUTHORITIES in Hubei plan to set up a company to operate an online customs service information portal for businesses in the province on mainland China.

Since launching a trial run in November 2005, the e-port web site now covers customs offices in the province's major cities including Wuhan, Yichang, Jingzhou, Xiangfan, Shiyan and Huangshi, a report by the Hubei Daily said.

It said the e-port web site has so far attracted hits from 4,000 users in the province.

The e-port web site enjoys connections to other customs authorities in China, as well as government departments and banks to facilitate online payment and the exchange of information. The goal is for the online customs service to speed up the flow of trade in the province by reducing the time needed for local businesses to deal with customs formalities associated with the transportation of goods.

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Fujian seeks to widen cargo net to western, central hinterland

AUTHORTIES in Fujian province began implementing a series of measures this year to attract greater volumes of cargo from western and central regions of China.

Part of the measures include a reduction in expressway toll fees from CNY1.93 and CNY1.654 per kilometre (US$0.25 and $0.21 per kilometre) to CNY1.1/km for container trucks that transport cargo between Fujian and these hinterland regions. Truck drivers will be given the added incentive of enjoying greater discounts the further inland they travel.

Toll fees for using national highways will be cut to CNY25, Xinhua News Agency reported.

Cargo originating from or destined for western or central regions in China that are imported or exported via the port of Fujian will be exempted from paying port fees.

Furthermore, such cargo will be given priority during customs declaration and clearance processes at customs offices in Fujian. Customs officials in Fujian plan in future to co-operate with their counterparts in the hinterland to offer one-stop and 24/7 customs clearance services, as well as widen the coverage of port services online.

The measures also include improvements to the rail transport network between Fujian and the hinterland regions; and companies based in western and central China are also being encouraged to build private terminals at the ports in Fujian.

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Port of Nantong throughput breaches 100m ton mark

THE Chinese port of Nantong in Jiangsu province has seen its throughput for in 2006 surpass 100 million tons, Xinhua News Agency reports.

Located in the Yangtze River estuary, the port of Nantong presently has a total of 88 berths. This number is set to rise, as authorities plan to spend between now and 2010, CNY14 billion (US$1.79 billion) on 30 port expansion projects, said the report, without elaborating further.

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