

Alex Yong

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## ASIAN SHIPPER

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### Safmarine celebrates building of new vessel

SAFMARINE Container Lines has held a naming ceremony for its latest newbuild, the Safmarine Mulanje, which was built in South Korea at the Hyundai Heavy Industries shipyard in Ulsan.

The Safmarine Mulanje is the second in a series of panamax containerships to be delivered to the shipping company by Hyundai Heavy Industries.

The 4,154-TEU vessel takes its name from the 3,000-metre Mount Mulanje in Southern Malawi.

The containership will enter Safmarine's global fleet starting from next month as part of the company's long-term fleet renewal programme, a company statement said.



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### **Northport leverages demand for halal products among Muslim nations**

NORTHPORT at Malaysia's Port Klang is said to be making rapid headway in the global distribution market for Halal products to one billion Muslim consumers worldwide.

A report by Malaysia's Business Times said that Northport is emerging as a halal hub port, handling a wide variety of halal products in large volumes and helping to drive the port's throughput up to 2.7 million TEU in 2006.

The launch of new ocean liner services geared towards this specialised market for halal products is also acting to increase transportation connectivity in general to the port.

"With more shipping lines beginning to tap into the growing specialised demand for transportation and logistics services for halal products, we view the trend positively and are committed to further providing a wider range of services to meet the specific requirements of the trade," said Basheer Hassan Abdul Kader, the managing director and CEO of Northport (Malaysia).

At present more than 80 shipping lines, operating direct and feeder shipping services, call at Northport and provide connections to more than 200 ports in Asia, Europe, the Mediterranean, Africa and the Middle East. Specialised services include the weekly Halal Express offered by Malaysia's MISC.

The newspaper said that Northport is also keen to work closely with authorities at the Port of Rotterdam, Europe's only certified halal hub.

Northport offers distributors of halal products designated areas for packing and unpacking inbound or outbound products at its Distripark located in the Free Zone within the port. They are equipped with dedicated cold and cool room facilities to provide temperature-controlled storage space.



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### **Garment exporters cry foul over THC hikes in Sri Lanka**

SRI LANKA's garment exporters, the nation's largest export group, are calling for a regulatory body to be set up to monitor the services provided by ports and shipping industry amid a dramatic rise in terminal handling charges (THC).

From January 1, shipping lines have increased charges by up to 35 per cent, between US\$115 and \$155 per TEU, with FEU rates soaring from \$185 to \$245.

The Joint Apparel Association Forum (JAAF), which represents the nation's \$3

billion garment export industry, earlier this month released a statement to urge the government to freeze the THC hike, claiming that garment exporters will find it difficult to shoulder the extra burden, a report by the Colombo Sunday Times said.

In response, agents representing the shipping lines argue that the higher THC are needed as part of a drive to recover 100 per cent of expenses which vary according to port charges.

"The THC announced by the lines is in direct proportion to the tariffs applicable in the Port of Colombo and will vary according to changes in the tariffs," said NK Warusavitharana, Secretary General of the Ceylon Association of Ships' Agents (CASA) in the report, adding that no further THC hikes will be levied this year.

Garment exporters are not convinced and are demanding the increase in THC be reviewed.

"So there is a need for a regulator to look at how these prices are structured and to decide what should be passed on to exporters. Some of these costs should not be passed on to us," said Mr Priyatilake.



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### **Changi posts record results for cargo in 2006**

SINGAPORE's Changi Airport has reported that air freight throughput 2006 reached an all-time high of 1.91 million tonnes during its 25th year of operations, an increase of 4.2 per cent over 2005.

The number of weekly scheduled flights also rose for the first time to 4,199, after seven new airlines joined the Changi air network in 2006, bringing the number of airlines operating services from the airport to more than 80, offering connections to 180 cities in 57 countries.

In 2006, Changi Airport also reaped a record of 25 worldwide best airport awards and accolades from international publications and aviation related organisations, including being crowned "World's Leading Airport" and "Asia Pacific's Leading Airport" at the 13th World Travel Awards, a statement from the airport authority said.

"Last year was a challenging year for the global airline industry. High fuel prices and the continuing threat of terrorist attacks have made the aviation environment more complex and challenging. Nevertheless, as one Changi team, we have risen above these challenges to continue to provide travellers with a high level of service and a vibrant travel experience," said Transport Minister Raymond Lim.



### **Atlanta No 1 airport in US for 2nd year running**

ATLANTA's Hartsfield Jackson International Airport has been ranked as America's busiest airport for the second consecutive year, after handling 976,307 flights last year.

The outlook for further growth appears good as well amid forecasts that cargo shipments at Hartsfield-Jackson will double from 780,000 tons in 1995 to more than 1.5 million tons by 2015 boosted by improvements to the airport's airfreight operations and growing trade with Asia.

Airport authorities are investing US\$5 billion over a 10-year period to expand the airport, which includes the building of a fifth runway, said a report by America's Air Cargo News.

He pointed out that part of Atlanta's success is due to Delta Air Lines being Metro Atlanta's largest employer. More than 40 additional domestic and global airlines operate in Atlanta via Hartsfield-Jackson.

The airport also opened a few years back the 300,000-square-foot South Cargo Complex at Hartsfield Jackson International Airport, which raised the airport's total handling capacity to more than 1.5 million square feet.

"More than 100 licensed customs brokers and 200 domestic and international freight forwarders offer services at Hartsfield-Jackson," Mr DeCosta added.



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### **BT lays Royal Mail low with enormous TNT contract**

THE future looks bleak for Britain's Royal Mail, once one of the world's top mail sorting houses, after TNT Post, part of the Dutch post office beat out the "Queen's Messenger" on a major deal with BT.

BT, the UK's leading telecommunications firm and the country's largest bulk mailer awarded a three-year, GBP90 million (US\$176.45 million) contract to TNT to handle more than 170 million items annually, mainly bills and statements, with final mile home delivery through the Royal Mail.

The postal contract is the largest since deregulation of the service in 2004. It is also a stinging rebuke of the Royal Mail's services, which has a history stretching back over 360 years, as BT used once to be a part of the Post Office before the era of privatisation of state services.

TNT said in a statement its premier service's value-added benefits of two-day time definite delivery for pre-sorted mail, flexible pick up times and tracking systems helped the mailing firm clinch the deal from BT, which has 25 million customers in the UK.

"Thanks to BT, this award of the biggest contract to date in the deregulated postal

market to TNT Post is affirmation as our position as the main challenger to Royal Mail. We have the right product, at the right price with the right team. That is why our clients win by choosing TNT Post," said Nick Wells, CEO TNT Post UK, who added that he intended to win more business from BT.

TNT Post is part of the Netherland's-based TNT NV logistics group, which serves more than 200 countries, employing around 127,000 staff.



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### **TSA predicts balanced supply and demand relationship on trades in '07**

THE Transpacific Stabilization Agreement (TSA) forecasts strengthening market conditions in 2007 for ocean carriers in most major world trade lanes, said a communique from the association of 12 major shipping lines.

"Increasingly strong estimates of cargo demand and moderated estimates of capacity growth will result in a significantly more balanced supply and demand relationship for 2007 than many had forecast only a short time ago," the statement said.

This finding is a result of a consensus of member carriers following a review of market developments by TSA lines at meetings in Hong Kong this week.

The survey noted continued double-digit world trade growth, driven by Asian exports, that recent capacity growth estimates pointed to a more balanced supply and demand relationship for 2007-2008.

It also noted there had been a consistent recognition by carriers that they must adjust their capacity to reduce costs to better align themselves with market demand, and not just act in the slack season as before, but throughout the year.

A contracting Asia-Europe trade in 2006 led a global downturn in rates, but a "significantly improved environment" in 2007 will enhance conditions on other trade lanes.

TSA also said that there was a recognition by carriers and customers that the costs of landside deliveries have increased over the past two years, and a new awareness of carriers' poor financial results in 2006. There was also a need for improved profitability if the shipping industry is to reinvest to anticipate container trade growth, TSA said.

TSA members include: APL, "K" Line, Cosco, MOL, Evergreen, NYK, Hanjin Shipping, OOCL, Hapag Lloyd, Yangming and Hyundai Merchant Marine.



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### **SCT announces new service KSX from ZIM Line**

SHEKOU Container Terminals (SCT) in China has started to handle cargo for the Korea Straits Express (KSX) service, operated by Zim Line.

The KSX service made its maiden call at SCT on January 11. Vessels deployed on the route will stop off at the Pearl River Delta port every Wednesday.

The port rotation for the KSX is: Dalian, Tianjin, Qingdao, Pusan, Keelung, Shekou, Port Klang, Singapore, Jakarta, Keelung, MTL, Shanghai, Dalian.

The KSX service was launched with the aim of providing shippers and freight forwarders with more slots and transport options.



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### **Jining-Tongliao railway volume surpasses 18m tons**

THE Jining-Tongliao railway in Inner Mongolia carried a total of 18.37 million tons of freight in 2006, up from 5.04 million tons in 1996 after its first year of operation.

According to Xinhua News Agency, the railway received funding from both Beijing and the territorial government of the Inner Mongolia Autonomous Region. Construction of the railway started in 1990 and the line opened to traffic in December 1995.

In 2000, the operator of the railway added two branches to the line, and a third branch is expected to open to traffic later this year.

The Jining-Tongliao railway covers a distance of 1,150 kilometres, and is said to be an increasingly important route for coal transportation in China.



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### **Yingkou port handles 1m TEU in 2006**

THE Yingkou Port Group says the facility handled a record 94.77 million tons of cargo last year, including 1.01 million TEU for the container trade, Xinhua reports.

This follows the completion of three new berths within Yingkou port's fourth phase of development and the opening of a deep-water channel which is said to have improved operational efficiency at the mainland port.

Other development plans between now and the end of the decade include building a fourth phase inside the Bayuquan port area, which will comprise 10 new berths for the trade in containers and steel, and a 150,000-ton channel deepening project which is expected to be finished in June.

The report added that Yingkou port is on track to achieving its goal of handling 100

million tons of cargo in 2007.



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