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ASIAN SHIPPER
Brought to you by HKSG GROUP
Saturday, November 3, 2007

Maersk to ease Chittagong clogging with inland container depot

DANISH shipping giant Maersk plans to construct an inland container depot (ICD) near Chittagong port, in a bid to ease congestion at Bangladesh's leading harbour, reports Thomson Financial.

Maersk Bangladesh Ltd plans to invest US$20 million in building a 25-acre container depot next year in south eastern Bangladesh, said general manager Nurul Alam in an Agence France-Presse dispatch.

"We will build the inland container depot outside Chittagong port. It has become critically important to build the ICD to avoid congestion at Chittagong port," said Mr Nurul Alam.

Chittagong port handles 90 per cent of Bangladesh's foreign trade, which is said to be worth more than $29 billion annually, with Maersk handling around 30 per cent of Bangladesh's foreign trade, making it the country's top shipping operator.

Chittagong port has seen its container volumes double in the past five years, adding to its congestion woes.

New green group campaigns to recycle ships and end beaching

REPRESENTATIVES of the shipping industry have founded the International Ship Recycling Association (ISRA) in the Netherlands to be governed by Dutch law.

"It is important to handle ship recycling on a global scale. With the foundation of the ISRA we can start to work on the international legislation," said ISRA chairwoman Liu Guohong.

"As responsible ship recyclers we can join our forces against the dreadful practices of countries that allow beaching. We want this organisation to bring a voice to the IMO. We want to show the world, things can be done in a green, high-quality way and there can still be return and it is good business," she said.

The association aims to promote the exchange of knowledge, experience, ideas, and training programmes; and change the image of the dismantling industry to make ship recycling more attractive to shipowners.

Another important goal, she said, will the promotion of worldwide ship dismantling in an environmentally sound way, with members agreeing shipyards certified to the latest standards. "

"ISRA will seek the membership of yards in the developing countries. These yards will be required to accept ISRA guidelines and may well have to make investments for upgrading their yards to the required level," a statement from the group said.

Two Chinese, six Turkish, a Dutch and an American yard, together with the national Ship Association of Turkey have so far joined ISRA. They are Chine Jiang Xiajang Changjiang Shiprepair Yard and Zhongxin Ship Recycling & Steel Co., OGe Gemi Sokum, Cemas Celik, Leyal Ship Recycling, Adem Simsek & Simsekler Group, Demtas and Dortel Ship Recycling Limited & Co., Sparrows Point Shipyard, and Scheepsloperij Nederland BV.

MICT gains new terminal manager who rose from the ranks

INTERNATIONAL Container Terminal Services, Inc (ICTSI) has appointed Rico Cruz as the new terminal manager for its flagship operation, the Manila International Container Terminal (MICT).

Mr Cruz was formerly the general manager and concurrently, business development chief for ICTSI'S subsidiary, PT Makassar Terminal Services (MTS) in Indonesia.

A statement from the group said Mr Cruz joined ICTSI when the company started operating the MICT in 1988. Starting as container freight station supervisor, he rose from the ranks to eventually become operations manager in 1997.

In 2000, he was appointed general manager of South Cotabato Integrated Port Services (SCIPSI), an ICTSI affiliate and cargo handler at the Maker Wharf in General Santos City. In 2005, he became general manager of Subic Bay International Terminal Corporation (SBITC), and concurrently, business development manager. SBITC is an ICTSI subsidiary and cargo handler at the NSD Terminal in Subic Bay Freeport, Zambales. He was assigned to Indonesia in 2006.

Mr Cruz holds a degree in customs administration from PMI Colleges. In his latest post, he reports to Francis Andrews, ICTSI senior vice president for operations and MICT general manager.

Flights cancelled as Dragonair pilots quit over duty rosters, US dollar pay

DRAGONAIR has cancelled as many as eight flights a day as pilots quit the airline at a rate of more than one a week in a dispute over too much night work and US dollar pay, reports The South China Morning Post.

Thirty-four pilots and co-pilots have resigned over six months. Last month flights were cancelled including five between Hong Kong, Shanghai and Taipei.

"The salary for a Dragonair pilot is no longer competitive because of inflation and the state of the US dollar, and the rostering situation has become untenable," one pilot told the Hong Kong newspaper. "With the increase in the flight schedule and the wet-leased flights in China, some guys are doing 14 overnights a month and they're just fed up with it."

Dragonair denies the problem is linked to rostering. "There are currently more vacancies than there are pilots throughout the industry. Therefore, it is not surprising to see a degree of pilot turnover," said an airline spokeswoman.

A year after its HK$12 billion (US$1.5 billion) acquisition by Cathay Pacific, Dragonair managers have declined a union rostering proposal to ease back-to-back flights and overnight stops, the newspaper reported.

But Dragonair said of its 400 mostly foreign pilots that "crew sickness" was the cause of the eight cancellations on October 13 and that it had signed on 57 new pilots this year and would take in 10 more before 2008 and another 50 next year.

A Dragonair veteran pilot of 10 years said: "We haven't had a pay rise for seven years, but it's not really a pay issue. We have asked for a roster agreement for years and years."

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Royal Jordanian joins TIACA, pledges to join fight against restrictions

ROYAL Jordanian Airlines, has joined The International Air Cargo Association (TIACA) and pledged support for the group's campaign to tackle problems impeding the development of air cargo.

Ingo Roessler, vice president of the airline's cargo unit, said in a statement issued by TIACA: "Royal Jordanian has made great advances during the last three years, achieving continuous profit and joining one of the leading alliances for passenger services: oneworld. Our cargo business is striving to make similar progress and joining TIACA, the world's leading cargo association, supports this objective.

"We seek to strengthen the association as a corporate member and look forward to strongly supporting TIACA as it works to tackle major issues of development where the airline industry has not enough voice," said Mr Roessler.

TIACA is actively involved with the International Civil Aviation Organization (ICAO), the European Civil Aviation Council, the World Customs Organization, World Bank and United Nations Conference on Trade and Development (UNCTAD). Through these working relationships, TIACA said it is attempting to represent the best interests of the air cargo industry on issues such as liberalisation policy, EU transport strategies, customs regulation and facilitation.

In the past year, through debates, consultations and conferences, TIACA said its representatives have also addressed issues affecting the supply chain, customs and trade integrity, air cargo, the third world, data discipline, customs performance measurement and unique consignment identification.

TIACA chairman Jack Boisen, who is also cargo vice president at Continental Airlines, said: "Our goal is to create a fairer, freer, faster and less regulated environment for an industry that is vital to world trade and a driver of global economic development. TIACA's membership is at an all-time high and we welcome more members that want to join us in working to improve the air cargo industry."

From its hub in Amman, Royal Jordanian serves more than 29 airports throughout the Arab world and a further 25 in Europe, the US and Asia, the TIACA statement said.

FedEx unveils January 7 rate hike for US express shipments

FEDEX Corporation has announced plans to raise the net average shipping rate for FedEx Express by 4.9 per cent, which is composed of a 6.9 per cent increase in standard list rates, offset by a 2 per cent reduction in the fuel surcharge.

The new rates will be introduced from January 7 and will apply to US and US export express package and freight shipments.

Rates and surcharges for FedEx Ground also will increase for 2008, the company said.

"FedEx continues to provide market leading express services," said Michael Glenn, FedEx executive vice president, market development and corporate communications in a company statement. "These rate adjustments will allow FedEx to continue making the necessary investments in our business so we can continue to give our customers a superior shipping experience."

In 2008, FedEx Express customers importing goods to the US will be required to pay US dollar rates. Increases in rates for shipments inbound to the US from certain international locations will also take effect January 7, a company statement added.

AADA bunker surcharge for China, HK Australia goes to US$350 per TEU

MEMBER container shipping lines of the Asia Australia Discussion Agreement (AADA) have announced a revision to the bunker surcharge for the China and Hong Kong to Australia Trade.

A statement issued on behalf of members said the revision in bunker surcharges has been prompted by the recent increase in oil prices in Hong Kong and South Korea.

Effective from November 16, the bunker surcharge level for shipments from China and Hong Kong to ports in Australia will be adjusted to US$350 per TEU and US$700 per FEU for dry and refrigerated containers.

AADA members are: ANL Singapore, China Shipping Container Line (HK)Cosco Container Line, Hamburg Sud, Hanjin Shipping, HMM, "K" Line, Maersk Line, MSC, MOL Line, NYK Line, OOCL, Gold Star Line (HK) and ZIM Line.

CNC Line expands intra-Asia services

TAIWAN's CNC Line, now owned by CMA CGM, has embarked on a major service expansion programme covering the intra-Asia trade, by launching four new services in the last month.

These services will be operated in addition to the NIX, NCC and TMJ services covering the China/India trade, and the Thailand/Malaysia/Java trade.

"We have suspended most of the unprofitable swap arrangements we had and started in return our own dedicated services which have expanded our network to the Indian subcontinent and very soon to the Middle East," said Igal Dafni, CNC's CEO in a company statement.

The first of the four new routes comprises a new Straits/Pakistan Express service, which the Taiwan line is jointly operating with Singapore-based common-user feeder specialist Sea Consortium.

Effective October 7, the new Straits/Pakistan Express service is deploying three vessels averaging 1,600 TEU each with CNC contributing one containership, the chartered Helen Rickmers.

The port rotation is: Singapore, Port Kelang, Colombo, Karachi, Mundra, Pipavav, returning to Singapore.

The second of the four new services, the Thailand/Malaysia Express, was launched on October 10. This new weekly service uses one vessel, the 1,100-TEU Kuo Chang, which calls at the port of Laem Chabang and Port Klang. The shipping line said a deal has been struck for Singapore-based Pendulum Express Lines to buy slots on this service.

Following the Thailand/Malaysia Express, CNC is in partnership with SITC Container Lines, completely restructuring the China 2 service and rebranding it China 3, from October 19, to cover China, Thailand and Vietnam.

Rotation for the weekly China 3 is: Qingdao, Shanghai, Ningbo, Laem Chabang, Bangkok, Laem Chabang, Ho Chi Minh, Hong Kong, Shanghai and back to Qingdao.

Three 1,000-TEU ships are being used on the China 3 route with two provided by CNC Line, the CNC Bangkok and the CNC Hong Kong.

Effective from October 21, CNC Line has started offering the North Vietnam Express (NVX), which the line is running independently with a single charter vessel, the 440-TEU Ryoga. The port rotation for the NVX is: Haiphong, Qui Nhon, Hong Kong and Haiphong again.

Finally, by the end of the year, CNC is also planning to launch another new service, this time connecting Asia with the Middle East to break "new ground in a market that the Taiwan line under its previous ownership, has not been involved in," the statement said.

Since the change of CNC management, following its takeover by French shipping group CMA CGM earlier this year, CNC has increased its fleet of commercially operated vessels from 11 to 19. The shipping line aims to operate over 20 ships before the end of 2007, which would in effect double the capacity it had at the beginning of the year, according to Mr Dafni.

He said CNC aims to achieve an annual throughput of about 700,000 TEU by the end of the year, up from the 480,000 TEU it carried in 2006.

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MOL upwardly revises forecast for financial year 2007

JAPANESE shipping group MOL says it has revised its consolidated earnings forecast upwards for FY2007 that covers the period from April 1, 2007 to March 31, 2008.

The company said in a statement that the main reason for the revision was due to the "upswing in the dry bulker freight rate market, though bunker prices have remained high and compressed profits. The company made an upwards revision in the forecast for FY2007 announced earlier, based on prospects that the ocean shipping market will remain strong during the second half of the year".

MOL is now forecasting that net income for FY2007 will amount to JPY185 billion (US$1.60 billion), a 27.6 per cent increase over the earlier forecast of JPY145.0 billion.

The company said in the release it expects revenues for FY2007 to amount to JPY1.9 trillion billion, up 4.9 per cent on the July revenue forecast of JPY1.8 trillion.

It is also predicting an FY2007 operating income of JPY270 billion, which is 28.6 per cent higher than the operating income of JPY210 billion earlier forecast.

Finally, it expects ordinary income to be 21.7 per cent higher than earlier forecast, amounting to JPY280 billion for FY2007, up from the July forecast of JPY230 billion.

By comparison, for FY2006 ending March 2007, MOL achieved a consolidated net income of JPY120.9 billion on revenues of JPY1.5 trillion. The group's consolidated operating income amounted to JPY168 billion, while its ordinary income was JPY182.4 billion, the company statement added.

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Shanghai plans for agricultural throughput at planned logistics centre

SHANGHAI will build an logistics trading centre for agricultural produce from the Yangtze River Delta and other parts of the country in the western suburban area, Xinhua reported.

The new trading centre will become a platform of exhibition, wholesale, trading and distribution for agricultural produce when it's completed in 2010, the report said.

Investors from provinces including Anhui and foreign countries like Canada and South Africa have been contacting the trading centre for co-operation.

Shanghai aims to become one of the major agricultural product distribution centres in China with the new trading centre, the report said.

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