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Singapore tops World Bank logistics ranking, Hong Kong comes 8th

SINGAPORE came in first in the World Bank Logistics Index this week ahead of the Netherlands (2), Germany (3), Sweden (4), Austria (5), Japan (6), Switzerland (7), Hong Kong (8), Canada (9), and UK. China placed 30th.

"All developed countries turned out to be top performers," said the World Bank communique. "There are also significant differences among developing countries with similar incomes."

Another finding of the survey of 150 countries was that developing nations where trade plays a central role in their economies, perform better than others with similar incomes.

Rankings of the top 50: Singapore (1), Netherlands (2), Germany (3), Sweden (4), Austria (5), Japan (6), Switzerland (7) Hong Kong (8), UK (9), Canada (10), Ireland (11), Belgium (12) Denmark (13), US (14), Finland (15), Norway (16), Australia (17), France (18), New Zealand (19), UAE (20), Taiwan (21), Italy (22), Luxembourg (23), South Africa (24) South Korea (25), Spain (26), Malaysia (27), Portugal (28), Greece (29), China (30), Thailand (31), Chile (32), Israel (33), Turkey (34), Hungary (35), Bahrain (36), Slovenia (37), Czech Republic (38), India (39), Poland (40), Saudi Arabia (41), Latvia (42), Indonesia (43), Kuwait (44), Argentina (45), Qatar (46) Estonia (47), Oman (48), Cyprus (49) and the Slovak Republic (50).

Ranking of the middle 50: Romania (51), Jordan (52), Vietnam (53), Panama (54), Bulgaria (55), Mexico (56), San Tome and Principe (57), Lithuania (58), Peru (59), Tunisia (60), Brazil (61), Guinea (62), Croatia (63), Sudan (64), Philippines (65), El Salvador (66), Mauritania (67), Pakistan (68), Venezuela (69), Ecuador (70), Paraguay (71), Costa Rica (72), Ukraine (73), Belarus (74), Guatemala (75), Kenya (76), Gambia (77), Iran (78), Uruguay (79), Honduras (80), Cambodia (81), Colombia (82), Uganda (83), Cameroon (84), Comoros (85), Angola (86), Bangladesh (87), Bosnia Herzegovina (88), Benin (89), Macedonia (90), Malawi. (91), Sri Lanka (92), Nigeria (93), Morocco (94), Papua New Guinea (95), Dominican Republic (96), Egypt (97), Lebanon (98), Russian Federation (99), Zambia (100).

Rankings of the bottom 50: Senegal (101), Cote d'Ivoire (102), Kyrgyzstan (103), Ethiopia (104), Liberia (105), Moldova (106), Bolivia (107), Lesotho (108), Mali (109), Mozambique (110), Azerbaijan (111), Yemen (112), Burundi (113), Zimbabwe (114), Serbia Montenegro (115), Guinea Bissau (116), Laos (117), Jamaica (118), Togo (119), Madagascar (120), Burkina Faso (121) Nicaragua (122), Haiti (123), Eritrea (124), Ghana (125), Namibia (126), Somalia (127), Bhutan (128), Uzbekistan (129), Nepal (130), Armenia (131), Mauritius (132), Kazakhstan (133), Gabon (134), Syria (135), Mongolia (136), Tanzania (137), Solomon Islands (138), Albania (139), Algeria, (140), Guyana (141), Chad (142), Niger (143), Sierra Leone (144) Djibouti (145), Tajikistan (146) Burma (147), Rwanda (148), East Timor (149) and Afghanistan (150).

TOP

Mombasa clogging blamed on prosperity, poor roads and railways

IN RESPONSE to mounting criticism about chronic congestion and poor ship turnarounds at Mombasa, the Kenya Ports Authority is blaming the Rift Valley

Railways, poor roads and a prosperous regional economy, reports the Nairobi East African.

Congestion has prompted shipping lines to threaten delay surcharges, a move that has so far been averted.

This comes amid complaints from shipping lines that their vessels are having to endure long waits to offload cargo, and when they finally do, there is no storage space. Port officials say vessels are often unloaded before shipping space has been identified, the report said.

The port's technical services manager, Joseph Atonga, said there were 7,000 TEU in port every, largely because importers use it as a safe storage area.

Harbour master Twalib Khamis, said the port was designed to handle 250,000 TEU but was in fact handling double that amount because of the economic prosperity in the region with hinterland countries posting GDP growth of five and six per cent.

TOP

BAX Global and Schenker formally merge in Thailand

BAX Global (Thailand) Limited has legally merged with Schenker (Thai) Ltd from the beginning of this month. The newly merged company is operating under the name of Schenker (Thai) Ltd.

The integration of the two companies in Thailand brings Schenker and BAX Global open step closer to completing the integration of all their companies around the world, a process that has been ongoing since BAX Global was acquired by DB Logistics in January 2006, of which Schenker is a part.

The company release said that the merged Schenker (Thai) is now ranked among the top three supply chain service providers in this southeast Asian nation, with a combined 1,100 staff working in 12 branches in Thailand, Laos and Myanmar. Schenker alone has been operating in Thailand for 33 years.

Schenker Thailand is being primed for future growth as two more free trade zone warehouses in Survarnabhumi Airport and a logistics hub each in the Bangkok and Eastern Seaboard Industrial Estate area are scheduled to be opened in 2008, the statement said.

Schenker is the land, sea and air freight branch of DB Logistics, which is the freight transportation and logistics division of German railway group, Deutsche Bahn.

TOP

Cosco wins A320 Tianjin assembly line Airbus contract

TIANJIN Free Trade Zone has signed a deal with Cosco Group agreeing to outsource the door-to-door logistics service for Airbus A320 Tianjin assembly line to Cosco Logistics, Xinhua reported.

The contract is effective from 2008 to 2015, covering the air transportation, ocean shipping, river feeder transportation, ground transportation of parts of 284 aircraft and tools from Hamburg, Germany and Toulouse, France to Tianjin.

The A320 Tianjin assembly plant, which is Airbus' first assembly plant outside Europe, is jointly invested by Airbus, Tianjin Free Trade Zone, China Aviation Industry Corporation I and China Aviation Industry Corporation II.

The assembly plant is expected to finish and deliver the first aircraft in early 2009 and have a production capacity of four aircraft per month and 44 per year by 2011.

Cosco Logistics won the bidding for the logistics contract in January.

TOP

Dragonair joins the oneworld alliance as affiliate member

HONG KONG's Dragonair has become an affiliate member of oneworld, a leading quality global airline alliance.

Dragonair's membership to the oneworld alliance is expected to help connect oneworld customers from around the world to various destinations in mainland China through the carrier's hub at the Hong Kong International Airport, a statement from the carrier said.

"Becoming an affiliate member of oneworld is a very exciting development for Dragonair," said Dragonair CEO Kenny Tang. "Joining the alliance represents another significant step in our progression since becoming part of the Cathay Pacific Group last year."

Dragonair's joining means a total of 15 new destinations will be added to oneworld's existing network, including 12 destinations in mainland China. Dragonair's membership will raise the number of destinations served by alliance members to 700 in almost 150 countries and territories worldwide.

"Dragonair has an extensive network of more than 20 destinations and 400 flights a week to mainland China. Our strong market presence on the mainland will give passengers greater access to this fast-growing market, and at the same time we can help people connect with our growing network of niche destinations around the region," said Mr Tang.

Oneworld managing partner John McCulloch said: "Since its launch eight years ago, oneworld has been the only alliance with a member from greater China, in our Hong Kong-based founder member Cathay Pacific. The addition of Dragonair means that oneworld will maintain its lead in this important, fast-growing region."

Dragonair has a fleet of 31 passenger aircraft and seven freighters serving 33 destinations, including 21 cities in mainland China.

TOP

Skyroute Logistics expands into central Europe

UK-BASED air cargo broker to Russia and the CIS, Skyroute Logistics, says it is extending its partnership with Luxembourg's Eastern Air Cargo (EAC), in a bid to enter the central European market.

As part of this closer working relationship, EAC will adopt the corporate identify of Skyroute Logistics Luxembourg and become the European consolidation point for Skyroute's global GSA network, a statement issued on behalf of Skyroute Logistics said.

"We have been developing our strategy to expand into central Europe for some time but the key was to find the right partner with the essential wholesale and consolidation credentials we need," said Skyroute managing director Steven Matthews. "We have found that with EAC, and we look forward to this next exciting stage of Skyroute's development."

A statement from Skyroute also said it now plans to expand its global reach by establishing further sales outlets in the Far East and Australasia. An additional Skyroute hub is also planned for the Middle East later this year, the release said.

Since its launch in 1993, Skyroute Logistics network to Russia and the CIS has expanded to provide scheduled freighter services for companies to export their freight to more than 60 destinations in the region. Other services include airport-to-airport and airport-to-door delivery as well as charter brokerage.

TOP

Hanjin quarterly profit up 2.6pc on rising Asia-Europe trade

SOUTH KOREA's Hanjin Shipping has posted 2.6 per cent profit increase to

KRW112.3 billion (US$123.71 million) for the third quarter of 2007.

Third quarter earnings come on the back of a 14.9 per cent increase in sales compared to the same quarter last year, amounting to KRW1.83 trillion while operating profit came to KRW122.7 billion.

Hanjin Shipping said in a statement its container and bulk businesses both recorded increases in sales from January to September. The company's container division contributed KRW4.18 trillion in sales and bulk accounted for the remaining KRW847.6 billion, with sales for the first three quarters of the year adding up to KRW5.03 trillion, showing a 11.4 per cent increase over the same period last year.

The company attributed the sales growth to the stable increase in cargo volumes for its container business and the rise in freight rates for bulk caused by growing demand for the transport of raw material.

Hanjin's operating profit for the first three quarters of the year was KRW153.8 billion, representing an increase of 59.9 per cent compared to the corresponding period last year. The growth came despite an increase in bunker fuel charges.

The company said the factor behind the improvement in operating profit was an increase in third quarter cargo volumes for its container business, which is traditionally a peak season.

"Although Asia to US trade has remained slow throughout the year, Asia to Europe trade, having been weak the previous year, has shown a turn-around due to the rising demand in European regions," said the company statement.

TOP

Yang Ming Marine subsidiary buys two 6,600-TEU ships

TAIWAN's Yang Ming Marine Transport Corp has announced that its subsidiary All Oceans Transportation Inc. has purchased two containerships for US$194 million.

The two 6,600-TEU vessels were bought from Taiwan's CSBC Corp, reports XFN-Asia, which cited comments made by Yang Ming in a filing to the Taiwan stock exchange.

TOP

APL to deploy 53-foot seaworthy containers on China-US run

APL, the container shipping arm of Singapore-based NOL, says it will take delivery of the world's first "ocean-capable" 53-foot containers later this month on its weekly south China-LA service.

APL said its latest innovation - premium big-box service on a weekly basis - has the potential to make a significant difference to the economics of transpacific trade.

"Our objective is to move big-box economics farther back in the supply chain to the point where products are manufactured in Asia," said APL chief executive Ron Widdows. "We're responding to customers who want new levels of efficiency in their containerised trade."

APL said the 53-foot container is already used in domestic intermodal transportation in the US. But to date, 53-foot boxes have not been seaworthy. Instead, importers ship cargo to the US west coast in 20, 40 or 45-foot boxes, then trans-load - or transfer - shipments into 53-footer at US ports for truck or rail transport to final destinations.

APL said it is looking to change that with the new, reinforced 53-foot boxes that have been built for international trade and designed to withstand ocean voyages. That means cargo can now be transported from factories in Asia all the way to US store doors without trans-loading.

According to APL, 53-foot containers could become the transport method of choice for customers moving cargo to inland US destinations. The bigger boxes have 60 per cent more capacity than standard 40-foot containers as they are six inches wider. That extra space enables shippers to put more cargo into fewer containers.

"In the challenging, congested business environment we face today, with enormous escalation in rail and other inland transportation charges, our customers' primary drivers are speed, predictability and cost effectiveness," said Bob Sappio, APL's senior vice president for the transpacific trade.

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