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# **Alex Yong**

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APM Terminals acquires stake in greenfield Ecuador port

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APM Terminals has acquired a 51 per cent equity interest in Alinport SA from the Spanish Albacora Group for an undisclosed purchase price.

Alinport is a greenfield container terminal project in Ecuador. Groundwork has been ongoing and construction will start in early 2008 with expected start of operations in late 2009.

The first phase of the terminal will consist of a 450-metre long berth, yard space with rubber tyre gantry (RTG) operations, ship-to-shore (STS) cranes, a depth of 12.5 metres and an annual capacity of 700,000 TEU, an APM Terminals statement said.

APM Terminals has assumed management responsibility for the terminal and APM Terminals executive Carl Ejler Jensen has been appointed managing director.



# Marine insurance costs to rise as claims hit 15-year high

THE increase in claims for protection and indemnity (P&I) insurance in 2006/7 policy year ending February 20 has the been the highest in 15 years, resulting in a record payout of more than US\$550 million, reports the International Group of P&I Clubs' Pool.

Accordingly, company directors agreed to a general increase in premium ratings of 10 per cent. "An increase of 17.5 per cent was required," said a group communique issued after a board meeting in Bermuda recently. "However, a straight general increase would impact unfairly and it would be more equitable to reflect the cost of pool claims separately."

The increase in claims was attributed to a growing world fleet, larger ships, strong freight markets that pressures owners and charterers to deliver, problem in getting quality crews, sustained commodity prices, stormy weather and higher salvage costs, said group claims director Christopher Brown.

"There were a disproportionate number of groundings in the 2006 year following adverse weather, inappropriate crew response or mechanical troubles. Unusually, collisions were not the dominant form of loss and there was no major tanker spill. Salvage costs were particularly high," said Mr Brown.

"Clearly, there is an irregular but unmistakable upward cost trend. Claims appear to rise faster in real terms than the world fleet has increased. As more ships are launched, the P&I industry will need to monitor this carefully," he said.

Four new directors were elected to the UK P&I Club Board at the AGM in Bermuda on October 22. They are Faisal Ali of Kuwait Oil Tanker Co, SAK; Thomas Held of Neptune Orient Lines Limited; Takashi Kaneko of Nippon Oil Tanker Corporation

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and Zhang Liang of China Ocean Shipping Company. Tullio Biggi was unanimously re-elected chairman of the UK Club.



#### Marine accidents raise concern at MAIIF detectives' forum

DELEGATES to the recent Marine Accident Investigators' International Forum (MAIIF) in Beijing recently raised concerns about the spate of marine accidents that occurred over the past year.

"We have again noted, and continue to be concerned about the number of collisions between ships resulting from the watch officer's fatigue, complacency, or disregard for the Colregs. We also discussed the seemingly increasing number of fatalities and injuries resulting from seafarers entering enclosed spaces without regard for proper procedures or personal safety," statement from MAIIF said.

The event, held by the Maritime Safety Authority of China, brought together more than 60 marine accident investigators representing 28 maritime administrations.



#### Cape Town's Table Bay expansion to double container capacity

CAPE TOWN port authorities have started work on a ZAR4.2 billion (US\$647 million) expansion that will more than double container capacity in four years, reports South Africa's Business Day newspaper.

The project received final approval from the major corporate player, South African transport giant Transnet. Tenders have since been awarded for the construction and dredging.

The upgrade involves building a four-berth deep-water terminal that will have an annual capacity of 1.4 million TEU. Approval has been granted for the first two phases, but the third phase will wait on future demand, as it would expand capacity to 2 million TEU.

National Ports Authority CE Khomotso Phihlela said the expansion was needed to keep up with worldwide expansion. While South Africa initially expected growth of 8-10 per cent, growth in the past three years averaged 15 per cent. This compares with US growth of 6-8 per cent. The Far East grew faster, and South Korea's growth rate was 22 per cent.

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#### Shenzhen's ICCS first in China to pass Cargo 2000 audit

THE International Cargo Centre Shenzhen (ICCS) has successfully completed a Cargo 2000 audit for its ground handling operation, the first in China to do so, said the auditing organisation in a statement.

Since joining Cargo 2000 in August 2006, ICCS has been investing in additional staff training and further upgrades to its operational processes and customer service to meet Cargo 2000's requirements, a statement from Cargo 2000 said.

As part of the auditing process, ICCS was required to upgrade its existing quality management system to cope with all C2K requirements, including compiling a Cargo 2000 quality manual.

Ulrich Huesson, senior manager of customer relations and operations at ICCS, said: "We joined Cargo 2000 to underline our commitment to quality and to show potential customers that we are ready to provide ground handling services according to the C2K standards. We currently handle cargo for four Cargo 2000 members and they clearly see the importance of Cargo 2000 performance and monitoring. Many other airlines are keen to learn more about C2K and are likely to join."

Said Cargo 2000 chairman Mick Fountain: "ICCS has led the way as the first Chinese company to join Cargo 2000 and we hope their successful audit will raise greater awareness of the value and benefits of Cargo 2000 membership to many other companies across the country."

ICCS, a joint venture between Shenzhen Airport and Lufthansa Cargo, commenced operations in September 2004. ICCS's goal is to maintain its position as the prime air cargo ground handling company in the Pearl River Delta.

Cargo 2000 is a group of 60 major airlines, freight forwarders, ground handlers, trucking companies and IT providers.



#### Ningbo airport cargo volume up, but value falls through September

FOREIGN trade cargo volume of Ningbo airport grew 9.3 per cent to 5,701 tons, but cargo value dropped 1.07 per cent to US\$634 million in the first nine months of this year, Xinhua reported.

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Customs statistics show imports of Ningbo airport rose 16 per cent to 3,074 tons, while exports were up 2.38 per cent to 2,627 tons.

Import value decreased 15.5 per cent to \$434 million, while export value surged 57.1 per cent to \$201 million.

Growth of foreign trade cargo volume of Ningbo airport has been restricted by a small quantity of international air services and transshipments via Hong Kong, the report explained.



### American Airlines re-locates in newly opened Terminal 8 at New York's JFK

AMERICAN Airlines has officially begun to conduct all of its operations out of newly opened Terminal 8 at John F Kennedy International Airport in New York.

The 1.58-million square foot facility includes a new US Customs and Immigration facility that can handle 1,600 travellers per hour, security checkpoints capable of handling 1,800 passengers per hour, expanded ticketing positions and self-serve check-in machines, as well as a state-of-the-art, in-line security baggage system to expedite processing time. All told, the terminal can handle 12.8 million passengers per year.

By 2016, the port authority's airport system is expected to handle more than 127 million passengers a year. Through long-term strategic planning and public-private alliances, the port authority and its airline partners are leading the way to ensure the region's airports are prepared for this growth. To further these efforts, the port authority's own 10-year plan earmarks nearly US\$4 billion for airport improvements and technological enhancement.



#### Maersk tells shippers in Lisbon to accept more flexibility

THE success of the liner industry will depend more and more on shifting cargo to and from hinterlands and will require more discipline and help from shippers, Maersk Line CEO Eivind Kolding told the European Shippers Council in Lisbon recently.

"Congestion is going to get worse. That's for certain," he said, adding that volumes will double in the next eight years creating tighter berthing windows and restricted terminal space."

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To work with the available capacity, Mr Kolding told shippers to be more flexible in their pick ups and deliveries and move them to off-peak and night-time slots, reported the American Shipper.

Mr Kolding also wanted improved information exchange with shippers giving longer term volume forecasts that would enable carriers to plan, Mr Kolding said.

Mr Kolding said carriers now must use 90 per cent their ships to sustain low rate levels. He also said lines are forced to pass on some of increasing fuel costs, pointing out that charges have increased US\$180 per FEU through 2007.

"We are fooling ourselves if we think a low-margin business like container shipping can sustain these extreme rises," he said.



#### 20 Chinese cities co-operate on greater logistics convenience

TWENTY cities in eastern and central China will join to offer greater convenience in customs clearance, cargo handling and lower charges for trucks and vessels in the region, Logistics Week reported.

The 20 cities are in three neighbouring provinces of Jiangsu, Anhui and Jiangxi, including Nanchang, Hefei and Nanjing. They will work together to formulate preferential tax and customs clearance policies, integrating resources to enhance competitive strength and encourage investment in new terminals.



#### Dachser sets up second WFOE in South China

DACHSER Far East Ltd has announced the establishment of its second wholly foreign owned enterprise (WFOE) in China, under the name of Dachser Shenzhen Co. Ltd.

"It's without doubt that we are in China to stay, and setting up WFOEs for our China operations is evidence of our commitment," Edoardo Podesta, regional managing director of Dachser Far East, said in a company statement.

"Importantly, having a Class A License for our operations gives us even more flexibility than ever before to support and cater to our customers' business requirements. We are now able to freely widen our business scope to bring even more services from our head office into China than when we only had a SchedNet E-News Page 7 of 8

representative office. And not to mention the big advantage we can now offer to our south China customers to be able to transact locally and in Chinese currency."

The establishment of Dachser Shenzhen in Futian District comes after the company set up its first WFOE, Dachser Shanghai Co. Ltd, in North China last year. Dachser Far East's Greater China head office is located in Hong Kong.



# Port co-operation main theme of fourth China-ASEAN Expo in Nanning

PORT co-operation was the chief topic of the four-day China-ASEAN Expo that opened on October 28 in southwest China's Nanning city, Xinhua reported.

Ministers of transport, representatives from port authorities, terminal operators, investors, major carriers, logistics service providers and shipbuilders were invited to the port development and co-operation forum held during the event.

The Port of Singapore, Malaysia's Port Klang, the ports of Manila, Jakarta and Port of Tanjung Perak as well as Vietnam's ports of Ho Chi Minh City and Danang attended.

The expo is said to be a showcase of the major port cities' future development plan, latest technologies and services, providing a platform for business connection between buyers and suppliers.

The ports of Fangchenggang, Qinzhou and Beihai in Guangxi, (the latter being the hub for trade between China and ASEAN countries), currently have an aggregate capacity of 3.45 million tons. Total throughput of these three ports will reach 100 million tons by 2010 and 300 million tons by 2020.



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