



e-Flash No. 184 – 8. October 2018

FIATA AND MEMBERS

FIATA Publishes Best Practices to Enhance Container Shipping

FIATA Multimodal Transport Institute Working Group Sea is pleased to announce the release of its first "Best Practice Guide" focusing on the charging of demurrage and detention. The guide provides best practices that may help reduce supply chain costs and inefficient operations leading to unnecessary detention and demurrage charges.

FIATA acknowledges that demurrage and detention charges are a valid and important tool for shipping lines to ensure that their equipment is being returned as fast as possible and users exceeding the contractual duration of use should be charged accordingly. However, merchants should not be subjected to unjust and unreasonable charges. FIATA believes the guide will provide orientation to its members and all stakeholders as to which conditions are adequate. We also look forward to closer collaboration with shipping lines and the various stakeholders throughout the port supply chain.

For more details, please visit: <https://fiata.com/media/press-releases/2018/3-october.html>

Best practice guide 'Demurrage and Detention in Container Shipping':
<https://fiata.com/media/documents-for-download.html>

FIATA World Congress 2018 successfully held in New Delhi, India

The FIATA World Congress 2018, which has taken place from September 26-29 at New Delhi with the theme "The Future Starts Here" has been attended by around 1200 delegates from more than 130 countries and across the India.

During the FWC 2018 there were about 20 Business Sessions, which were attended by some 70 eminent speakers from the international logistics industry, plus representatives from the Government of India and international organisations, such as WCO.

It was also decided that the FIATA World Congress 2021 will be hosted in Brussels, Belgium.

For more details, please visit: <https://www.fiata2018.org/press-release.php>

Young International Freight Forwarder Award Enters its Third Decade with Announcement of this Year's Winner

The FIATA award programme, exclusively sponsored by freight insurance specialist TT Club, was completed with the 2018 Winner, Louis Perrin of Hemisphere Freight representing BIFA, announced and presented with his award at the FIATA Annual Congress in New Delhi, India this week.

The future sustainability of professional standards of skill and knowledge in the global freight forwarding community depends on training and motivation of the young recruits to the industry. For

twenty years FIATA has maintained its efforts to nurture such talent through its annual Young International Freight Forwarder of the Year campaign.

For more details, please visit: <https://fiata.com/media/press-releases/2018/1-october.html>

SEA FREIGHT

Ocean rates set to fall next month

According to analysis by the consultancy Maritime Strategies International (MSI), August and September brought about an improvement in freight markets on key East-West trades lanes for lines. Although this was a welcome contrast compared to the steady worsening seen over the same period in 2017, momentum has stalled in recent weeks and rates could be about to fall.

"Spot freight rates on the transpacific trades remain elevated and are over 50% above the equivalent point in 2017," said the analyst. "On the Asia-Europe trends, rates are closer to 5-10% above 2017 levels, which is welcome but ultimately insufficient to make up for higher fuel costs.

For more details, please visit: https://www.lloydsloadinglist.com/freight-directory/news/Ocean-rates-set-to-fall-next-month/72955.htm?cl=article_3&elqTrack=true&mc_cid=0cd1015124&mc_eid=5a2be94349#.W7XtXWj7SF4

OECD: Port planning faces increasing challenges

The Container Port Strategy report, from the International Transport Forum at the Organisation for Economic Co-operation and Development, found that effective port planning required a thorough understanding of the way the needs of shippers were likely to develop in the future.

Port planning has often been mainly a question of timing when to phase in expansions, with projections based on the extrapolation of past trends, but this model's time has ended, according to the report, which is based on a round-table held in Buenos Aires, Argentina, in 2017. "Some ports have already developed long-term planning frameworks that include scenarios in which cargo volumes decline. Conversely, structural reforms can drive a step-change increase in the volume of trade."

For more details, please visit: <https://www.lloydsloadinglist.com/freight-directory/news/Port-planning-faces-increasing-challenges/72970.htm#.W7YP5mj7SF5>

AIR FREIGHT

Air freight demand growth is here to stay

Air freight demand growth is here to stay, and fears about a significant modal shift have been exaggerated, according to research by management consultants McKinsey & Company. However, steady growth of air freight capacity, mainly from passenger belly expansion, is expected to keep yields under further pressure, with prices for general cargo forecast to drop by an average of 3%, year on year, between now and 2025.

For more details, please visit: <https://www.lloydsloadinglist.com/freight-directory/news/Air-freight-demand-growth-is-here-to-stay/72922.htm#.W7Yh12j7SF4>

ROAD FREIGHT

New China to Europe super border crossing opens

Kazakhstan and China have opened a new border crossing to boost transport and trade along the new Western China to Western Europe 8,445 km expressway - part of China's Belt and Road project. The opening of "Nur Zholy" (on the Kazakh side) or Khorgos (on the China side) is the culmination of the huge expressway infrastructure project, traversing 2,233km on Russian territory, 2,787km in Kazakhstan and penetrating 3,425 km into China.

The World Bank predicts the corridor will more than double road freight volumes between China and Western Europe.

For more details, please visit: <https://www.iru.org/resources/newsroom/new-china-europe-super-border-crossing-opens>

RAIL FREIGHT

Europe freight rail works to avoid another Rastatt disaster

Viable alternative routes to bypass rail disruption, train drivers, and controllers speaking the same language - and the posting of information on the internet - are some of the steps the rail sector has pledged to take to avoid a repeat of the two-month shutdown of the key Rhine-Alpine Gateway one year ago.

The impact was acknowledged in a joint statement yesterday by the European Rail Freight Association (ERFA), the Network of European Railways (Netzwerk Europäischer Eisenbahnen: NEE), and the International Union for Road-Rail Combined Transport (UIRR). "Never again must the closure of a small stretch of railway line lead to such chaos and wide-reaching economic damage," the statement noted.

For more details, please visit: https://www.joc.com/rail-intermodal/international-rail/europe/europe-freight-rail-works-avoid-another-rastatt-disaster_20181002.html

China-Europe rail on track for long term despite headwinds

In spite of bottlenecks lengthening transits, changing Chinese subsidies, and a slight deceleration of rapid growth this year, transportation providers are confident in the long-term sustainability of Asia-Europe containerized rail.

Figures from mainland China rail entities and state media show a doubling in volumes shipped between 2015 and 2017 to more than 317,000 TEU. A total of 6,300 block trains, westbound and eastbound combined, travelled between the two continents between 2011 and 2017. Of that number, 3,200 trains travelled in 2017.

For more details, please visit: https://www.joc.com/rail-intermodal/china-europe-rail-track-long-term-despite-headwinds_20180920.html

INNOVATION

First Hyperloop TT passenger pod unveiled in Spain

Just five years after an ambitious project to bring supersonic travel to the masses was launched, the first Hyperloop passenger pods, promising to revolutionise the way we live, have been unveiled at an event in Jerez, Spain.

At 32 metres in length and weighing five tonnes, QuinteroOne is the first passenger capsule designed and built to carry passengers at the speed of sound, Mach 1. That's an astonishing 1,230kph, and Hyperloop Transportation Technology has promised to have the first commercial operations running in Abu Dhabi and China next year.

For more details, please visit: <https://www.thenational.ae/uae/first-hyperloop-tt-passenger-pod-unveiled-in-spain-1.776509>

SUSTAINABILITY

ICAO urges States to remain engaged as much work lies ahead in CORSIA implementation

The sustainability of international civil aviation is a key priority for ICAO and its States today, and governments worldwide greatly appreciate how aviation's ability to connect us all has never been more important to our planet's shared prosperity.

"Since the last ICAO Assembly in 2016, the implementation of the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) has been one of the main priorities for ICAO," President Aliu continued, emphasizing that the very rapid and milestone development and approval by States of the new CORSIA international standards through ICAO earlier this year "is clearly representative of the increasing focus on climate change priorities which ICAO is now witnessing in every world region."

For more details, please visit: <https://www.icao.int/Newsroom/Pages/ICAO-Council-President-Aliu-urges-States-to-remain-engaged-as-much-work-lies-ahead-in-CORSIA-implementation.aspx>

EU to invest nearly EUR 700mn in sustainable and innovative transport

The European Commission has proposed to invest EUR 695.1 million in 49 key projects to develop sustainable and innovative transport infrastructure in Europe across all transport modes. Selected projects will provide infrastructure enabling greater use of alternative fuels and electric cars, modernise Europe's air traffic management, and further develop waterborne and rail transport.

"These projects are concentrated on the strategic sections of Europe's transport network to ensure the highest EU added-value and impact. This will allow us to further accelerate our transition to low-emission mobility across Europe, and firmly deliver on the EU's agenda for jobs and growth. We expect it to unlock a total of EUR 2.4 billion of public and private co-financing," EU Commissioner for Transport Violeta Bulc said.

For more details, please visit: https://ec.europa.eu/transport/themes/infrastructure/news/2018-10-01-cef_en

RISK MANAGEMENT

Building trust on the other side of the globe

TT Club report: Where fraudulent activity is concerned, the legitimate operator must be aware of the risks and erect defences to protect their business. Due diligence should be a fundamental component of any business' risk management strategy. In fast paced globalised markets, due diligence can all too easily be overlooked, resulting in significant financial losses. Whilst adept in the art of deceit, perpetrators prey on insufficient checks being undertaken prior to engagement.

For more details, please visit: <https://www.ttclub.com/loss-prevention/tt-talk/article/tt-talk-building-trust-on-the-other-side-of-the-globe-145576/>