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Chemical supply chains – longer and more complex, says Cefic

Cefic's *Chemical Logistics Vision 2020* report predicts higher transport volume concentration around chemical clusters and longer, more complex supply chains by the year 2020.

The review published by Cefic's logistics group, together with Deloitte, provides a picture of chemical logistics trends likely to occur in the coming decade and is derived from input received from logistics directors of key industry players combined with sector experience from Deloitte.

Jos Verlinden, head of Cefic Transport & Logistics, said: "It's clear that efficient, competitive and sustainable logistics are essential for the industry's future. Complex supply chains, capacity constraints and infrastructure congestion will present important challenges."

Among its main findings the report foresees a shift in chemical industry production that will affect the complexity of supply chains. Consolidation of the European chemical industry will lead to a concentration of production facilities in big clusters resulting in longer supply chains.

Continued lack of investment in logistics infrastructure will also lead to more congestion and reduced supply chain reliability. Increased competitive pressure for constrained logistics capacities, coupled with a broader geographic scope and increased need for risk management are leading to change, Cefic says.

There will be a continued focus on sustainability, safety and security. Measures to reduce transport carbon emissions and improve safety and security are predicted to lead to more regulations and drive the introduction of new supply chain models. The European Commission aims to reduce transport emissions by 60 percent compared to the base year 1990 and increase the share of intermodal transport. Further urbanisation and reductions in risk will lead to more safety and security restrictions.

Deloitte director of supply chain strategy Jurgen Hoppenbrouwers added: "We expect a further consolidation and sophistication of the logistics industry. Logistics service providers will offer more advanced solutions and expand their geographical scope. At the same time transport capacity will be constrained in the mid-term due to lack of qualified drivers and limited investments in the logistics industry."

The report recommends the development of 'sustainable' logistics strategies, responding to the European Commission's White Paper strategy for competitive and resource efficient transport systems. Those recommendations include:

- Improve both horizontal and vertical integration along the supply chain to improve efficiency and productivity of asset deployment;
- Develop sustainable logistics strategies with a shift to alternative transport modes, as well as increase vehicle utilisation levels and product swaps;
- Continuously improve supply chain safety and security by joining-up capabilities of all LSPs and chemical companies throughout Europe;
- More sophisticated supply chain organisation and logistics processes requiring better training of supply chain staff

Consolidation of the European chemical industry will lead to a concentration of production facilities in big clusters resulting in longer supply chains

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Stolt to buy Den Hartogh terminal

Den Hartogh Logistics is selling its storage terminal in Moerdijk, Netherlands, to Stolt-Nielsen. The transaction is expected to close, subject to agreement on final contract, on 31 December 2011.

The storage terminal for bulk liquid chemicals consists of 30 stainless steel tanks with a total capacity of 17,720 cbm. The facility includes a drumming operation, three warehouses, a jetty with a draft of 8.4m and a tank container storage depot.

Den Hartogh says it is making arrangements with Stolt-Nielsen to ensure a smooth transition for its employees, customers and other stakeholders, adding that the sale is "consistent with Den Hartogh's strategy of managing its portfolio to deliver maximum value to its customers in the core activities in which Den Hartogh is operating". The cash proceeds of the sale will be allocated to fund Den Hartogh's global growth strategy (see *Bulk Distributor*, Sep/Oct 2011, p2).

Group managing director Pieter den Hartogh said the Moerdijk tank terminal is financially healthy but the decision to sell was driven purely by the continuing focus on the group's strategy. "It gives us the opportunity to strengthen our core-activities. These include the logistics of bulk liquid chemicals and gases and tank cleaning. We are further developing our logistic services in Europe, CIS countries and on a global scale, where we opened offices in Houston, Singapore and Dubai this year and want to give this all the attention which our industry customers may expect from us."

A sustainable future for tank containers

As a freight transport option, how sustainable are tank containers? For the first time a new report commissioned by ITCO (*Tank Containers: A Sustainable Solution for Bulk Liquid Transport*), which was launched at the organisation's Annual Meeting, attempts to provide some concrete data on the issue.

The report was prepared by Zurich-based Atlantic Consulting. Some of the findings do not surprise. Tank containers offer obvious sustainability benefits, it says, as they are reusable, recyclable and resistant to product wastage.

And then there are less-obvious findings. Nearly all of an ISO tank's environmental impact happens not during its manufacture, cleaning or disposal, but during its actual usage. So, it is not just economically efficient, but environmentally efficient as well. This efficiency – which reduces 'deadhead' journeys and maximises use of water and rail connections – pays benefits in the form of a lower carbon footprint.

Built-in sustainability

Tank containers are typically designed for an economic life of 20 years. During this life the tank is used over and over again. After discharge of cargo the tank is cleaned, inspected and prepared for the next cargo load.

A tank container engaged on long-haul trades, for instance, China to Europe, where the door-to-door voyage lasts 6-7 weeks, might ship up to eight loads annually. Over 20 years, that amounts to 160 loads or 4,000 tonnes of cargo. Short-haul trades will result in considerably more loads.

It is also worth remembering that the tank operates door-to-door. It is loaded with cargo in plant A and transported by truck, rail and ship to the destination plant B where the tank is unloaded and the cargo directed into the production process.

Tank containers are manufactured from materials that are highly suitable for recycling. The total weight is typically 3,700 kg, of which the majority is metal, namely the stainless steel tank and the carbon steel frame. These are easily cut into manageable dimensions that can be melted and made into new materials.

And to extend life beyond 20 years, tank containers often undergo remanufacture which can prolong the life of the tank a further 15 years.

Carbon footprint

The report goes on to ask where and how tank containers affect the environment, looking at the carbon footprints (which are shown to be a good proxy for overall environmental impact) of a typical shipment from China to Europe.

The common unit of a footprint is CO_2e (carbon-dioxide equivalents), usually expressed in g, kg or tonnes. Footprints have been estimated for many products and services, from average European passenger-car transport (current footprint around 180g CO_2e/km) to production of potato crisps (around 75g CO_2e for a 33.5g packet of potato crisps, including the packaging).

The tank's multimodal nature is a big advantage in reducing its carbon footprint

So what is a tank container's footprint? The report says that for a typical 24-tonne shipment, originating in China and terminating in Western Europe, the carbon footprint is 422g CO_2e per kg of product shipped (or about 19.5g CO_2e per tonne-kilometre). This is smaller than the footprint of manufacturing, say, a chemical, where production footprints generally fall in the range of 1-4kg CO_2e per kg of product.

The study then goes on to disaggregate the footprint in three ways: function, life-cycle and by greenhouse gas. By *function*, the disaggregated carbon footprint of the China-Europe shipment can be expressed in absolute or percentage terms. Either way, there are three primary functions in the footprint: construction and disposal of the tank container; transport operations, by ship, rail and road; plus losses and disposal.

By far the biggest contributor to the footprint is transport. It accounts for 98 percent of the total footprint, while construction and disposal is just over 1 percent, with slightly less than 1 percent falling to losses and disposal (most of which is generated by tank cleaning).

Transport's dominance of the footprint is again obvious, when the result is presented by *life-cycle* phase. Although the 'ocean freight' portion of the journey accounts for the largest single part of the footprint, nearly 60 percent of the total, this is over a much longer distance, some 20,000 km from Shanghai to Rotterdam. Truck transport is only for 1,600 km, and rail for 1,700 km.

And of the three main *greenhouse gases*, carbon dioxide dominates the ISO tank footprint, which is not surprising, given the dominant role of transport.

Fewer empty journeys

Two aspects of tank containers make them most sustainable compared with some competing transport options. First, using an ISO tank operator rather than dedicated transport can reduce

Cutting average speeds at sea could also cut the environmental impact

deadhead, or empty, journeys significantly. Take, for example, a Glasgow-Melbourne route travelled by a Scottish exporter of whisky to Australia. If whisky is shipped one-way and the tank container is returned empty to Scotland, the resulting footprint is 318kg CO_2e per tonne of whisky. If, instead of returning empty, a cargo of wine is picked up in Australia and returned to the UK, the resulting footprint per tonne of whisky/wine shipped is about 15 percent lower.

Second, tank containers are inherently multimodal, which can be far less carbon intensive than mono-modal trucking, steel drums and even rail transport. Being able to travel on the water can significantly reduce a journey's footprint. For example, the footprint of a cargo shipped by sea from Le Havre (France) to St Petersburg (Russia) is nine times lower than by road. If it goes by rail, the footprint is about five times lower than by road. This order-of-magnitude difference applies to almost any journey where either water, rail or road transport are viable options. Multimodal transport's big advantage is its flexibility.

Room for improvement?

Nonetheless, the on-going fight against global warming means that tank containers will, like other industries, need to find ways to 'de-carbonise' even further, the report concludes. These might include ITCO-led initiatives to work with statutory authorities to enable efficient regulatory controls, cut tare weight, boost capacity and perhaps to improve aerodynamics. ITCO members might also lead the way in establishing performance benchmarks by improving the quality and quantity of emission factors.

A further option is cutting marine-shipping carbon emissions by reducing average speeds. A study by the Norwegian Institute of Marine Technology estimates that cost-neutral speed reductions would reduce marine carbon emissions by 28 percent. At the same time, to maintain capacity, this reduction would require a 19 percent increase in the shipping fleet.

DPW revisits beam tank stacking question

At the ITCO Meeting, Eric Noterman, managing director of DP World Belgium, reiterated the reasons why the terminal operator will not allow the stacking of beam tank containers using certain types of handling equipment.

Beam, or frameless, tank containers have their frame ends welded into the shell of tank with no top or bottom rails. The beam tank has a lower tare weight due to its construction, and is thereby able to carry a higher payload. However, in what has become a long-running issue with some container terminals in Port of Antwerp, owners of beam tanks have often been subject to premium charges for storage at the terminal.

It is possible, said Noterman, to stack frameless tanks on a terminal but it depends on the operational concept and the extra safety measures which need to be installed. "In cases where stacking is carried out using straddle carriers or reachstackers these types of handling machine have to pass over rows of containers before reaching the required slot. If the handling machine were to hit a frameless tank container this could cause a serious accident and DP World will not compromise on safety."

Noterman addressed ITCO members in a paper examining the impact of changing container shipping line strategy on container ports and terminals. He noted that between the year 2000 and 2010, the container's share of the general cargo market had risen from 48 percent to 67 percent, and predicted it would probably reach 72 percent by 2020. World port TEU throughput was 542 million in 2010 and could well reach 1.1 billion by the end of the current decade.

Aside from the sheer growth in volumes, what was just as interesting was the rise of Asia in general, and China in particular. Asian ports' share of world TEUs rose from 47 percent in 2000 to 55 percent in 2010 and is expected to account for over 65 percent by 2020. Over the same time span China alone has seen its share grow from 16 percent to 29 percent and could reach 40 percent.

Probably the most significant challenge facing container terminals for the coming decade is the growth in size of container vessels. He predicted that within a maximum of five years, at least two-thirds of all Asia-North Europe strings will be deploying ships of 13,000 TEU-plus.

And it is not just the implications of ultra large container carriers (ULCCs) on headhaul routes. There is a cascade effect which sees ever large vessels spilling over into what were previously minor or niche trades. For example, 4,000 to 5,000 TEU feeder ships are now common in intra-Asia and Baltic trades.

These developments require larger and higher capacity terminals, using bigger and bigger container cranes. And there is also a pressing need to raise the productivity of terminal operations as greater numbers of containers are loaded and discharged at each terminal. And if larger vessels result in higher dwell times, the terminals will likely have to impose higher storage charges; not to generate extra revenues, he emphasised, but simply to control dwell time.

However, DP World, along with other terminal operators, also recognises the need to improve connections with the hinterland in order to make the despatch of containers away from the maritime terminal as efficient as possible.

"It is generally accepted that the biggest hurdle to further volume expansion in western Europe is not port capacity but the movement of the cargo to and from the port," he commented. He pointed to the group's investments in container terminals along inland waterways – such as at Liege, on the river Meuse, and Germersheim on the river Rhine – as evidence of DP World's European strategy to provide faster on-carriage of containers at deepsea terminals.

In the end, though as container terminal business becomes ever more capital intensive it is likely to lead to greater market concentration. In 2000, the four largest terminal groups had combined a market share of 25 percent. By 2010, that had risen to 48 percent, although he declined to speculate what that figure might be by 2020.

• A total of 154 participants attended the ITCO General Meeting in Antwerp on 17/18 October 2011, making it the largest Meeting to be held since the organisation was launched.

During the Board Meeting, ITCO's directors confirmed that there would be two General Meetings in 2012: Istanbul (19-20 March) and Hamburg (22-23 October). The choice of Istanbul as a location is seen as recognition of fast growing tank container market in Turkey and the surrounding regions of Eastern Europe and the Middle East.

In addition, it was announced that there were only five exhibition stands remaining for the Tank Container Pavilion at Transport Logistic China, which will be held in Shanghai on 5-7 June 2012. The Pavilion will be based on the same concept as the ITCO Tank Container Village at the Munich Transport Logistic 2011.

Applications from two new members were confirmed: The Rootselaar Group – Cryovat (manufacturers division) and Hoover Materials Handling (Leasing Division).

Further reports on the meeting will appear in the next issue of *Bulk Distributor.*

Members can download information and reports from the meeting at the ITCO website - www.itco.org

InterBulk secures Malaysian order

InterBulk Group has landed a US$2.6 million order for H Type ISO-Veyors to a company in Malaysia.

The group operates a fleet of ISO-Veyors providing full door-to-door logistics. But for certain customers and projects, InterBulk also offers a capital sales option. The sale to the unnamed Malaysian client represents the group's largest ever single capital sales order. The client is an established public limited company in the manufacturing sector.

The H Type ISO-Veyor, developed by InBulk Technologies, the group's technology division, is a specially designed bulk intermodal ISO pressurised container for the loading, transport and pneumatic discharge of powders. The container has a patented fluidising floor to enable horizontal discharge and to maximise the internal cubic capacity. The discharge process is dense phase to ensure fast discharge times with low particle velocity and low abrasion from cementitious powders.

ISO-veyors have established a performance record of reliability and longevity and trials of the equipment have demonstrated class-leading targets for operating parameters including loading time, payload, discharge time and residuals. The final design was tailored to the requirements of the Malaysian client, taking into account quality and safety performance, cost effectiveness, national and local transportation and pressure vessel legislative requirements.

Koert van Wissen, InterBulk's chief executive, said: "We are pleased to conclude this sale in Asia after extending our engineering resources in the region. The order confirms our global engineering network's ability to work closely with clients on all aspects of materials handling during the pre-sale process and future commitment to after sales service. We would like to thank our Malaysian Client for their trust and business and look forward to working together closely in the future."

FV's bespoke side

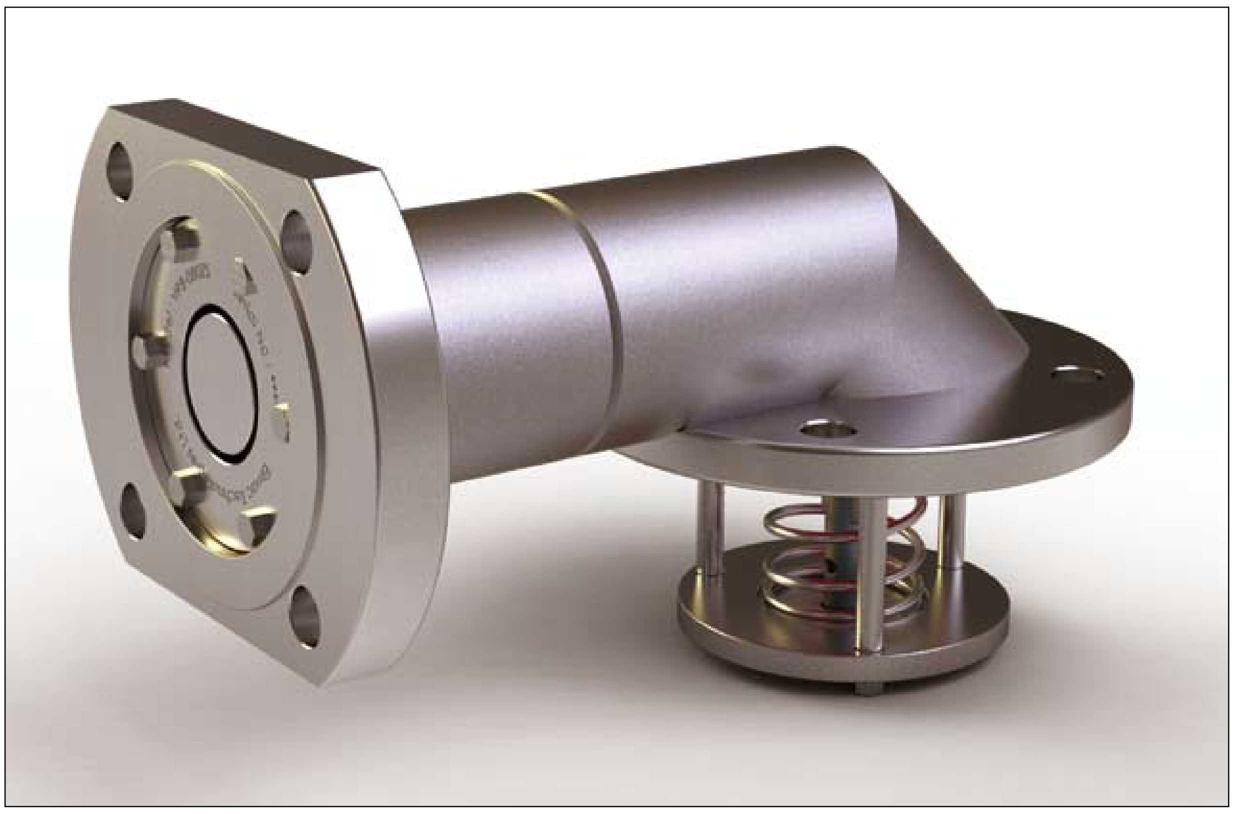
At the Intermodal Europe exhibition Fort Vale (Stand G32) is not only showcasing its core range of valves, manways and couplings for road, rail or tank container applications, is also using the opportunity to demonstrate its ability to offer bespoke products for specialist applications.

One such project has recently come to fruition. Following testing at a facility in Germany, Fort Vale has now released a new 3ins Vent valve with integral flame arrestor designed specifically to satisfy the requirements of RID 6.8.2.2.3 standards. The RID standard states that rail vessels that transport flammable cargoes should have a flame arrestor fitted in series with the vapour recovery pipework to prevent a fire or explosion should ignition of the flammable vapour accidentally occur.

The flame arrestor allows the flow of gases or vapour under normal operating conditions but prevents the transmission of a flame should an ignition take place. The new valve/flame arrestor was subjected to a 'confined deflagration test' where the exothermic flow is subsonic and then a 'stable detonation test' where the exothermic flow is supersonic. Test conditions comprised a vessel, connecting pipework with sensors to measure the velocity of the vapour/flame, the vent valve with flame arrestor and connecting pipework terminating in a ball valve. The system was purged with a flammable mixture, after which the gas in the vessel was ignited. The flame velocity was then measured and it was determined whether the flame had permeated the arrestor and ignited the flammable mix beyond. The 3ins Vent valve with flame arrestor passed both tests and is approved for Gas Class IIB3. It is compliant with EN14432:2006 and the flame arrestor is compliant with EN16852:2010 and ATEX. Fort Vale's complementary range of rail tank equipment includes a manway, emergency relief valves, EN14433 compliant 5ins primary discharge valve, EN14432 compliant 4ins ball valves and dry disconnect couplings.

Elsewhere in Europe, Fort Vale says it has received positive feedback from a customer trialling its improved PFA lined Ball valves with Hydrochloric acid and Sulphuric acid. PFA has physical and chemical properties similar to those of PTFE and is suitable for operating temperatures of -40degsC to +200degsC. Its chemical resistance makes it a robust, high performance lining material which offers "outstanding" corrosion protection in most applications. Prior to fitting Fort Vale lined valves, the client was changing the secondary valve every few months due to corrosion problems. Since switching supplier, the operator has experienced no further corrosion issues, saving money and tank down-time.

The full series of products for corrosive application includes PFA lined manway covers and prepared neckrings to be lined at the same time as the tank; 65mm and 80mm Super Maxi emergency relief valves with PFA lined bore and Halar lined springs; RID/EN14433 compliant 3ins 45degs Halar lined Highlift-style internal footvalve; RID/EN14432 compliant 25mm, 50mm and 80mm PFA lined Blacko ball valves with flanged connections. The secondary closure may be terminated with a lined threaded spigot and polycarbonate cap with full PTFE seal or with a lined bobbin flange.



Fort Vale's EN/RID approved 3ins Vent valve with flame arrestor

Suttons appointment

Suttons has announced the appointment of Jochen Krapp as regional vice-president for its Asian operations.

Jochen takes up this new position after 13 years with Suttons, most recently as European commercial manager. His experience of the global tank container business will be a major asset as Suttons expands and develops its Asian bulk logistics services.

Suttons group managing director, Andrew Palmer commented: "Jochen's experience in the market and his skills in supporting our customers will add considerable strength to our management group in Asia."

Jochen Krapp

The battle for central Europe

Container ports dotted around the Mediterranean have long scratched their heads wondering why so many containers destined for central Europe have made the long voyage all the way round to ports in the northwest Europe range rather discharging on the continent's southern shores.

For much of recent history southern Europe's dismal record of labour relations have played a large part in persuading cargo owners to avoid ports in, say, Italy or southern France in favour of ports such as Antwerp, Rotterdam and Hamburg.

However, the south's ports have at last been getting their act together and securing greater industrial peace and a more business-friendly climate which is encouraging greater investment in handling facilities and hinterland connections.

So can we expect to see an offensive by ports on the southern rim to win a greater share of cargo destined for the interior of the continent? No doubt they will try harder, pointing to the seemingly shorter steaming time from Asia. However, there are still a number of economic and geographic advantages to using northern seaports as entry points for serving large parts of central Europe, at least according to a new study.

The analysis was, admittedly, carried out on behalf of the ports of Antwerp, Rotterdam and Hamburg, but it was conducted by the well-respected independent Dutch transport research agency NEA. The authors cite five main factors determining northern Europe's competitive advantages, ranging from existing industrial activity to the prevalence of large container vessels in the northern range.

The study set out to investigate the observation that seven ports located in the north of Europe have around four times the container throughput of the principal 11 ports competing along the continent's southern coastline.

A large and growing proportion (43 percent) of European container traffic is related to trade via Suez, principally with China, Japan, Korea and ASEAN countries. This traffic passes the Mediterranean ports en-route to the north. So, it might seem that time and cost could be saved by diverting traffic from the north to the south, and yet, in a market where there are many competing ports and few restrictions in terms of port selection, container shipping companies are still concentrating the largest volumes in the north.

The NEA analysis reasons that the current situation is efficient, and is explained by a persistent combination of maritime and inland factors.

Inland factors

Europe's economic geography. Depending on the indicator used, the distribution of economic activity suggests a natural split of 65-70 percent within Europe's northern half.

Europe's physical geography. Crucially, the Alps and the Rhine waterways form, respectively, a natural barrier and a natural corridor extending the catchment area of the northern ports towards Switzerland and Austria, in turn encouraging the development of high capacity, and thus low cost, intermodal corridors.

Europe's multimodal transport infrastructure. The northern ports currently make good use of inland waterway and rail access into the contestable hinterland. In southern Europe, rail transport from ports towards the centre is still at a low level. Relatively high tolls and charges on Alpine crossings make road costs higher from the south than from the north.

Maritime factors

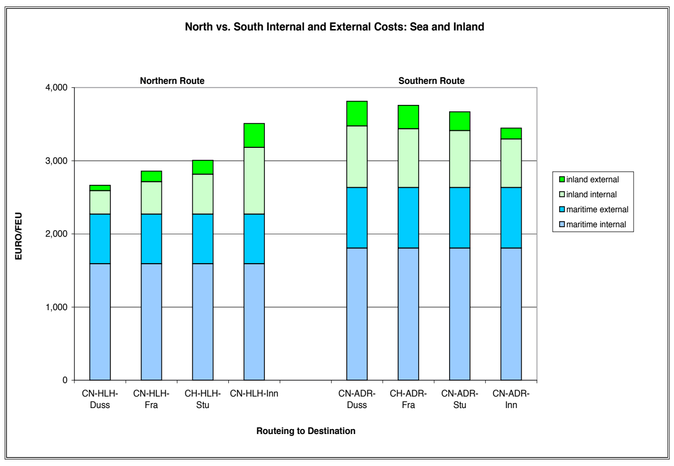
Large container vessels. These are lowering costs and increasing capacity between northern ports and the Far East. A combination of activity clustering, scale economies and deep water at the north Europe's main ports permits the use of ships with the lowest unit costs available.

Low maritime costs. Combined with a competitive process that has led to an over-supply on the Asia-Europe trade route, it is currently cheaper to send a container from China to the Hamburg-Le Havre (HLH) range than to the southern ports.

Scale economies within the northwest range also results in the attraction of container cargo for the Baltic area, and east-west linkages are as important in explaining port traffic concentrations as north to south linkages. In the south, there is a clear distinction between transhipment hubs and continental gateways. In the north these roles are typically combined, further enhancing scale effects.

Externalities

These, of course, are largely internal costs borne by the maritime logistics industry. However, the report goes on to say that even factoring in external costs does not change the picture radically because internal and external cost drivers are similar, ie, distance, modal split, fuel economy, scale and load factors. Inland, the Northern ports have an advantage because of the multimodal networks, and at sea because of the large ships which are also less



Total of internal and external, land and sea costs for an Asia-Europe container delivered to a range of European cities

The Rhine waterways form a natural corridor extending the catchment area of the northern ports towards Switzerland and Austria polluting in terms of CO2 per t/km. This advantage counts throughout the full 20,000 km journey between China and Western Europe.

Considering both internal costs and external costs, the North European ports have an advantage as far as the Southern German border. Moreover, measures to protect environmentally sensitive regions such as the Alpine Arc reinforce the demarcation of the northern and Southern hinterlands.

Future developments

It is likely that the largest structural change will occur within the north eastern Adriatic ports. Economic growth in this region (Slovenia, Croatia, and Hungary), resulting from better infrastructure and economic integration will improve scale economies, and inland links towards Hungary will help Adriatic ports to gain share. The authors predict this will bring the north to south ratio back to 75:25.

But in the north, market growth, even under pessimistic assumptions, is likely to be still strongly positive in absolute terms. Thus there is a continuing need for high capacity multimodal links.

The prospect of yet larger ships and yet larger container terminals in the north will tend to reinforce the status quo in the core markets of central Europe.

Policy directions

The findings of the study indicate that on the maritime side, market forces are already playing an important role in bringing incentives for low transport costs and lowering carbon emission rates per TEU. It shows that attention should focus on technology, fuels, and load factors as well as port selection.

On the inland side, the study tends to confirm and support the direction of the TEN-T core network policy, with the development of long distance multimodal corridors concentrating the flows between the main gateway ports and the inland centres of population and industry.

Ports in the Hamburg-Le Havre range are generating large and growing proportions of European barge and rail traffic, and the clustering effect provides critical mass to permit frequent, high capacity inland links.

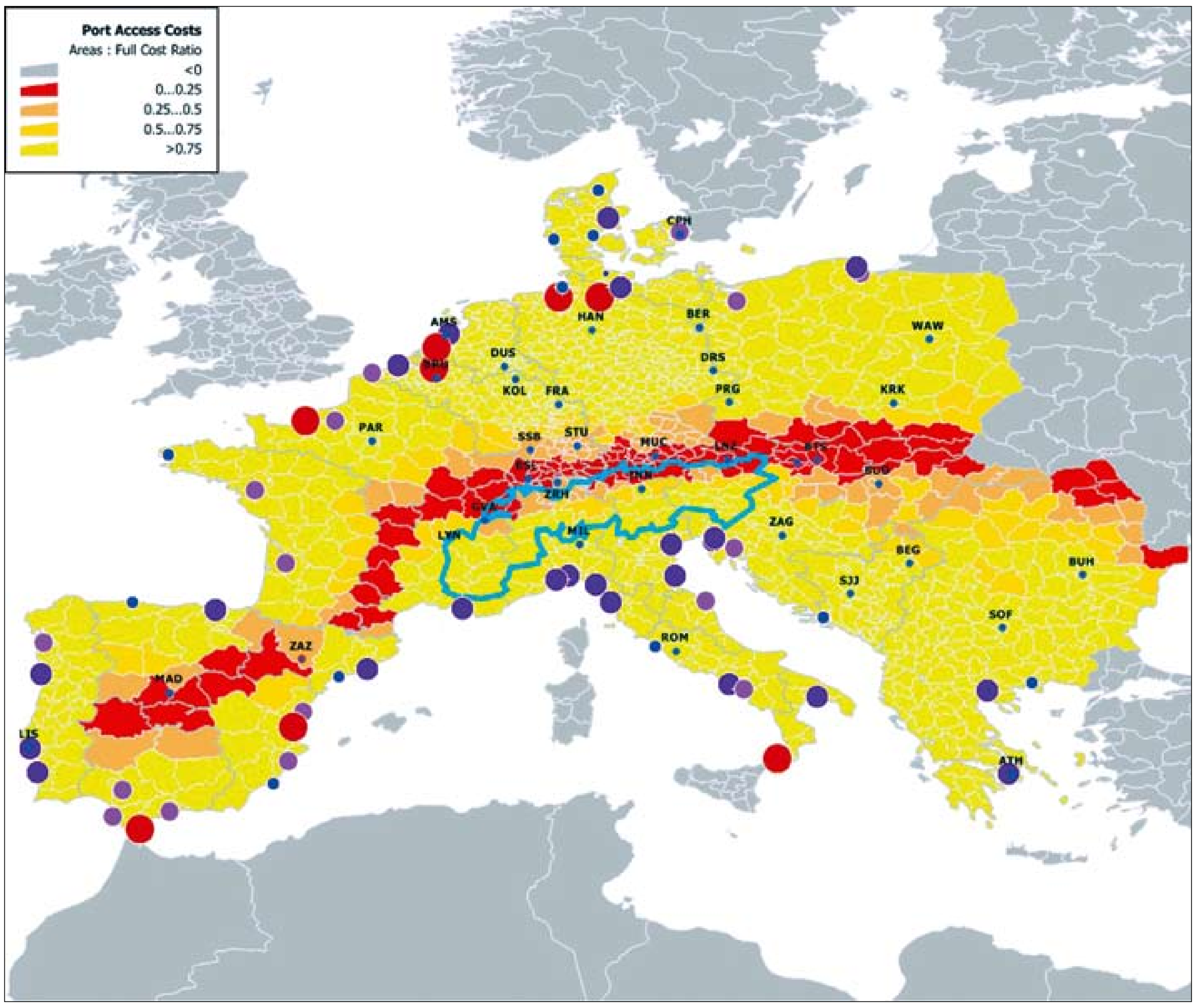
In the southern ranges, there are many medium-sized ports with shorter and mainly road-based inland connections, so the scale effects are less significant. This suggests a continued need for transhipment (sea to sea) hubs in the Mediterranean. In this way the scale advantages on the long distance voyages can be obtained, in combination with feeders to bring the cargo close to its final destination.

South east European regions, especially Hungary and Slovakia, remain relatively inaccessible from the main maritime trade routes. Better rail connections from Slovenia and Croatia would be attractive for freight services.

Achieving the EC white paper targets for rail and waterway modal shares on longer distance routes can be assisted by ensuring capacity on port-inland intermodal connections throughout Europe.

However, engineering a north to south shift through intervention is limited by the availability and cost of rail infrastructure in the Alpine region. In future, the additional rail capacity offered on the Mont Cenis, Lotschberg, Gotthard and Brenner routes is likely to be needed for additional modal shift to rail within intra-European flows rather than for reducing maritime traffic around the Atlantic Arc.

* The Balance of Container Traffic amongst European Ports can be downloaded at **www.nealogistics.com**



The map shows the regions which are estimated to be battlegrounds for the northern and southern ports. These have been estimated by comparing the costs from the region in question to the nearest northern and southern ports, and expressing these quantities as a ratio. A red region indicates that the difference in cost is less than 25%

Block trains for Bulgaria

Bulgaria's government is looking to throw its weight behind greater use of container rail freight.

In September, the first container block train arrived at the new intermodal terminal in Bulgaria's capital Sofia. The transport ministry is going to grant all-out support to the use of container trains, according to Deputy Minister of Transport and IT Kamen Kichev.

"These types of transport service are the future. They will receive the necessary support from the Transport and IT Ministry because the smaller amount of freight transported by road, the lower the harm to the environment in Bulgaria," Kichev said welcoming the block train to the new intermodal terminal at Yana station in Sofia. The pilot train carried 24 containers loaded in the Slovenian capital Ljubljana.

Until now, container block trains had only passed through Bulgaria but had never been used on Bulgarian territory because of the lack of terminal facilities with sufficient capacity.

Block trains involve shipping the same freight units from origin to destination to save time and money.

The first train was the result of a joint project between the state-owned company BDZ Freight Services and private firm Ecologistics to offer a new service transporting 40 ft containers from Ljubljana to Sofia. By the end of 2011, Yana railway station will process about 400 containers delivered by block trains from port of Koper which means that each week one container block train will travel from Ljubljana to Sofia.

The full capacity of the Yana terminal will be achieved gradually, after the firms in charge of the project conclude their talks with six more intermodal operators over the processing of regular unit trains, the Transport Ministry added.

The Bulgarian government has recently confirmed the intention of the Transport Ministry to allow the privatisation of BDZ Freight Services, first announced in August 2011.

According to BDZ CEO Yordan Nedev, the privatisation process has not been organised yet, and the only thing clear at present is that BDZ Freight Services' assets are valued at about BGN320 million.

The freight services of the Bulgarian state railways BDZ have traditionally been its most profitable unit, and past governments have used freight revenues to cover mounting deficits in passenger services.

Dunkirk to Paris

Rail Link Europe (RLE) has launched a weekly container rail shuttle, with 80 TEU capacity, between Dunkirk port's Flanders Terminal and the Bonneuil-Sur-Marne Terminal to the south of the Greater Paris area.

RLE's aim is to provide a combined transport offer for the many shippers in the southeastern suburbs of Paris. This new link, scheduled to synchronise with the calls of mother vessels at Dunkirk and operating overnight, already benefits from a simplified Customs procedure.

The operator plans to increase the shuttle's frequency to two rotations per week in order to offer a more flexible service.

RLE has assigned the rail traction to Europorte, a subsidiary of the Eurotunnel Group.

With a port railway network comprising more than 200 km of tracks and rail traffic in excess of 10 million tonnes in 2010, the port of Dunkirk has long been involved in consolidating these overland transport volumes. Rail as 52 percent share of alternative modes in the port's transport links.

Sweden service dropped

Norwegian rail freight operator CargoNet has decided to close its domestic intermodal trains within Sweden as from timetable change 2011/2012. The company cited the main reasons as "failing results, as well as an infrastructure and terminals that had not worked as intended".

"We are in dialogue with other suppliers in the transport industry to explore their potential to take over parts of our network in Sweden," read a company statement. "Our desire is to help ensure that both our customers and our employees in Sweden have the best possible situation and transition from 11 December this year."

CargoNet is now concentrating on its transport network within Norway, between Norway and Sweden, and to/from the Continent. It will continue to run shuttle trains on the lines Oslo-Malmoe, Oslo-Gothenburg and Oslo-Narvik through Sweden. In addition, it is continuing to operate the intermodal terminals in Malmoe and Lulea until further notice.

Slovenia's Danube connection

The Austrian ports of Enns and Vienna on the river Danube are reinforcing their co-operation with the Slovenian seaport of Koper. At a joint presentation in Portoroz, Slovenia, representatives of the two inland ports emphasised the growing importance of the northern Adriatic for Austria's industry.

Monika Unterholzner, international manager of Port of Vienna, and Christian Steindl, managing director Ennshafen, considered port of Koper as a strong alternative to being served via the North Sea ports.

As a measure to promote seaport-hinterland transport on by rail, the services between Koper and Ennshafen/Port of Vienna are being expanded. Two container trains per week now operate from Vienna to Koper. With the 2012 change of the schedule the Ennshafen port will be connected by a daily train to Cargo Center Graz and can thus offer feeder connections for container shipments to Koper thanks to a link with NINA (National Intermodal Network Austria). Implemented in April this year, NINA links terminals throughout Austria on a daily basis by overnight connections.

Tibbett opens second terminal in Bucharest

Tibbett Logistics has opened a second intermodal terminal in the west of Bucharest.

Tibbett Logistics is part of UK-based Keswick Enterprises group and is Romania's largest privately owned contract logistics specialist. Tibbett has operated an intermodal terminal in the east of Bucharest primarily for block trains since 2008. Activities there will continue, and the new terminal commenced operations at the beginning of November.

The terminal is located within Europolis Park Bucharest – part of CA Immo Group's property portfolio in Romania – and will handle Tibbett Logistics' own block trains between the city and Port of Constanta, as well as trains with swap-bodies, containers, semi-trailers and tank containers to and from western European countries.

The terminal will be developed in phases over the next 12 to 18 months, with expectations that 14 trains a week will be handled by Q2 2012. In addition to the platform for intermodal units, Tibbett will also operate an 8,500 sqm warehouse within the terminal, with a rail siding for unloading conventional rail wagons directly into the warehouse.

Tibbett Logistics currently operates a separate 22,000 sqm retail distribution warehouse in Europolis Park Bucharest, where it has been present since 2008. In fact, it runs a total of five such distribution centres within a 10km radius – employing over 550 people.

Tibbett Logistics CEO, David Goldsborough, commented: "The demand for sustainable and efficient logistics solutions is increasing across south east Europe, and interest in intermodal solutions has been growing over recent years. The key to the success of intermodal operations is to locate the terminal as close as possible to the service's customers. For this reason we are delighted to be undertaking this development with CA Immo, which should help to reduce the impact of road traffic across Romania and create jobs in the area."

Revival for Geesthact

The plan comprises shuttling containers between Hamburg's terminals and Geesthacht

Hamburg's Eckelmann Group intends to revive plans for a container terminal in the river port of Geesthacht. "The plans are ready and will be implemented if infrastructure in Hamburg again reaches its limits because of rising container throughput," said Jürgen Schlottau, managing director of Carl Robert Eckelmann.

The idea was developed during the container boom in 2007/2008, but was put on ice due to the economic slowdown. The plan comprises shuttling containers between Hamburg's terminals and Geesthacht, which lies 35 km southeast of the port city on the lower Elbe.

Further to the southeast and about half way to Berlin, Eckelmann has also witnessed the opening of its joint venture river facility ElbePort Wittenberge.

Having started life as a multi-purpose-terminal, hinterland cargoes from Hamburg and regional loads around Wittenberge can now be handled due to the completion of pier 2, for bulk and general cargo, as well as project items. The three main associates of the inland port are Carl Robert Eckelmann Group, Eggers Umwelttechnik and Buss Group. Additional associate shares are held by regional companies such as the Eisenbahngesellschaft Potsdam.

"The ElbePort Wittenberge and particularly its customers will profit from this associate structure. Inland water transport, port handling and railways are co-operating in order to develop the location into a trimodal port for hinterland transports to and from the deepsea port," said Juergen Thies, managing director ElbePort Wittenberge GmbH.

A return trip via barge between Hamburg and Wittenberge is possible in less than 30 hours. In particular, the adjacent acreage for loading and unloading of bulk and general cargo, container and project cargo is seen as a crucial advantage of Wittenberge compared with other inland ports which often have sparse capacity.

World Bank backs India freight rail

India's first freight-only rail line is being backed by the World Bank. The bank has signed a US$975 million loan agreement with the Government of India, and the Dedicated Freight Corridor Corporation of India Ltd (DFCCIL) to set-up the Eastern Dedicated Freight Corridor-I that will help move raw materials and finished goods between the northern and eastern parts of India. The corridor will also allow Indian Railways to free up capacity for the large passenger market in this densely populated part of the country.

This is part of India's first Dedicated Freight Corridor (DFC) initiative being built on two main routes – the Western and the Eastern Corridors. These corridors will help India make a quantum leap in increasing rail transport capacity by building high capacity, higher speed dedicated freight corridors along the 'Golden Quadrilateral' – the four rail routes that connect Delhi, Mumbai, Chennai, and Kolkata. Currently, these routes account for just 16 percent of the railway network's length, but carry more than 50 percent of India's total rail freight.

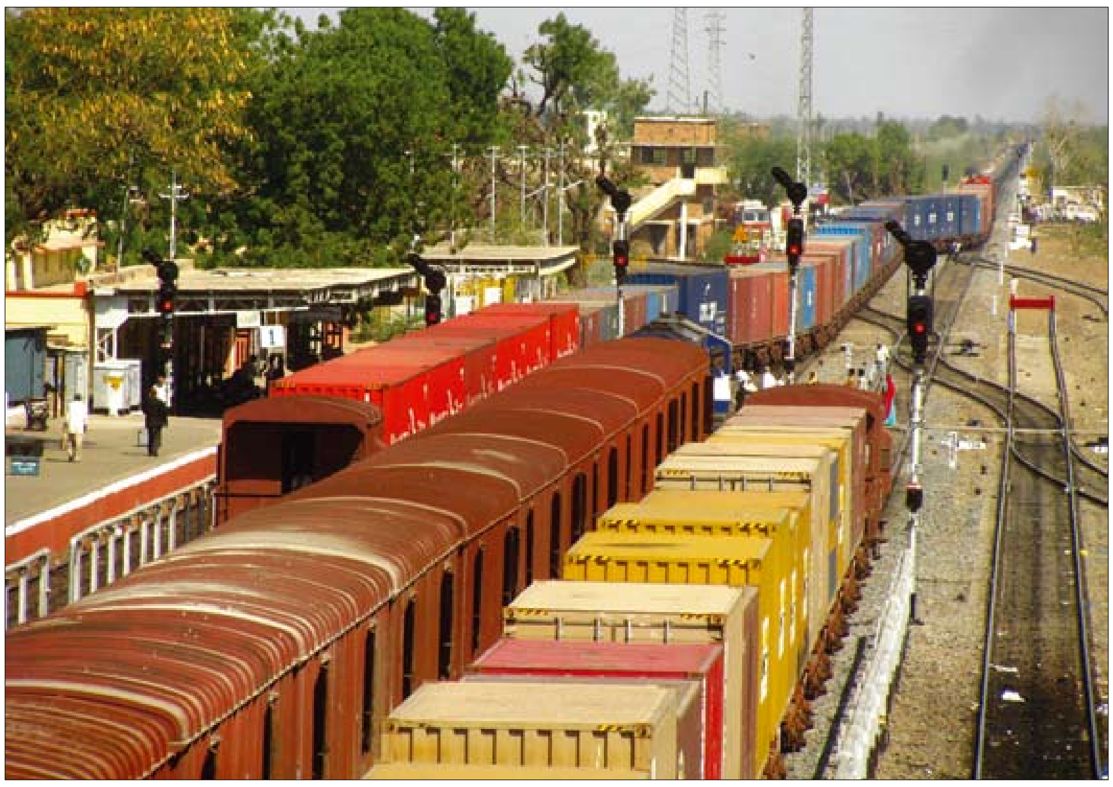
"The Indian Railways urgently needs to add freight routes to meet the growing freight traffic in India, which is projected to increase more than 7 percent annually," said Venu Rajamony, joint secretary, Department of Economic Affairs, Ministry of Finance. "Dedicated freight corridors will not only meet this growing freight demand, but also decongest the already saturated rail network and promote the shifting of freight transport from road to rail transport."

Augmenting India's transport systems is a crucial element of the country's trillion dollar infrastructure agenda for the next Five-Year Plan (XIIth Plan) which starts in 2012. Since the 1990s, road transport has grown more rapidly than the railways, and now accounts for about 65 percent of the freight market and 90 percent of the passenger market in India, and those shares are growing. The project also has a significant potential contribution to reducing GHGs and the Government of India is committed to increasing the share of rail transport in this mix, added Rajamony.

The agreements were signed by Venu Rajamony, on behalf of the Government of India; Anshuman Sharma, project director , on behalf of the DFCCIL; and Roberto Zagha, country director for India on behalf of the World Bank.

The Eastern DFC will ease congestion on the arterial Ludhiana-Delhi-Mughal Sarai route. It will also help to develop the institutional capacity of the DFCCIL and Ministry of Railways to use heavy haul freight systems. World Bank financing for the EDFC will cover a route length of 1,130 km (out of a total corridor length of 1,839 km) and will be provided in three phases. This first part of the project covers a 343 km section between Khurja and Kanpur. The project will help increase capacity by raising the axle-load limit from 22.9 to 25 tons and enable speeds of up to 100 km/hr.

"Implementing the DFC program will provide India the opportunity to create one of the world's largest freight operations, adopting proven international technologies and approaches which can progressively be extended to other important freight routes throughout the network," said Roberto Zagha.



Augmenting India's transport systems is a crucial element of the country's trillion dollar infrastructure agenda for the next Five-Year Plan

CSX announces significant national Gateway progress

CSX Transportation has either completed work or at least has construction underway at one-third of the clearance projects included in the National Gateway, keeping the major American infrastructure initiative on track for completion by 2015.

National Gateway is a public-private partnership that will create a double-stack freight rail corridor between Mid-Atlantic sea ports and the Midwest. The improvement projects are designed to increase the vertical clearances at 61 locations on CSX rail lines in the region to accommodate intermodal trains carrying double-stack containers. To date, work is complete at five of the locations, and crews are working at 15 others. The progress to date means almost one third of the clearance projects are completed or underway for National Gateway's phase one, which spans an existing rail corridor between North Baltimore, Ohio and Chambersburg (Pa).

The projects already completed include bridges in Hyndman and Chartiers Creek, (Pa) which were modified for double-stack usage. In Coraopolis (Pa), CSX worked with local officials to ensure the safe removal of an antiquated pedestrian bridge. At the request of local officials, the aging structure was not replaced. Similarly, CSX worked with city officials in Akron (Ohio) to remove the previously closed Park Street overpass. In Niles (Ohio) CSX removed a damaged and antiquated overhead highway bridge and is constructing a new, modern replacement structure.

CSX has begun work on other projects in its phase one of construction, with five tunnel improvement projects underway in Pennsylvania, West Virginia and Maryland where tunnel linings are being modified to provide the necessary clearance for modern, double-stacked containers.

CSX recently announced that it will invest an additional US$160 million to complete National Gateway. The investment brings CSX's planned private investment in the critical infrastructure project to about $575 million over several years. One of the nation's largest transportation projects, National Gateway will create more than 50,000 jobs over a 30 year period by creating a more efficient intermodal network and expanding double-stack capabilities, which increases the amount of freight that can be transported on a single train. CSX is targeting a 2015 completion date for the project to coincide with the expansion of the Panama Canal, which is expected to bring more traffic through East Coast ports.

"We are pleased to invest in these projects that will improve America's transportation infrastructure, helping create jobs and cleaner, more efficient freight transportation," said Louis Renjel, vice president of strategic infrastructure initiatives, CSX Transportation. "Over the next few years, the National Gateway will move forward aggressively to invest in strategic freight rail infrastructure that will prepare our nation for continued growth and competition in the global economy."

New bulk systems lining up

It is widely known that bulk transport in containers has an excellent return in terms of cost reduction and time savings by minimising the packaging, transportation and handling expenses.

Large amounts of cargo have been carried in this way for many years around the globe especially by the chemical industry. However, as Italian liner manufacturer Eceplast points out the outcome of a successful shipment in container is determined by different factors, of which one of the most important is the liner itself. This acts as a shield between the walls and floor of the container and the product itself, so that contamination from external agents is avoided.

ECEliners are made of special grades of LDPE and LLDPE coextruded film. "Our strength lies, among other things, in our capability to customise each liner so that every improvement is available for 20ft, 30ft, 40ft and 45ft containers serving from customers worldwide our sole Italian plant," explains commercial manager Nicola Altobelli.

Eceplast's latest liners developments include:

- Oxygen Barrier Liner – special liner for Bio Polymers
- Conductive Liner – transparent and certified for food contact
- ZeroTape Liner – a liner without adhesive tape to protect the container floor)
- Hard flowing material Liner (PVC-CEMENT-STARCH)
- Open top liner – a special liner designed for the disposal of contaminated mud
- Open top liner – re-closable for dangerous goods disposal

Eceplast sugar liner

Among recent market trends that Eceplast has seen, total cost reduction has become the 'mantra' for all raw material producers, from chemical to food. Although shipping bulk goods in container remains the most efficient way, the adoption of metal bars (5-7) used to keep liners and product properly stored inside the container during loading and unloading operation is definitely a cost to consider.

Currently 'barless' liners recently developed for 20ft and 40ft ISO containers are drawing a lot of attention and Eceplast is ready to introduce to the market its own patent version. "As a matter of fact, until now there hasn't been an acceptable standard able to convince end-users about the safety and reliability of this system. Eceplast is reinventing this concept and establishing, as per its history, a new standard," adds Altobelli.

Since June France-based liner producer BT Pack has set up new facilities particularly to increase production of PE film liners. Now the company says it is better able to support increases in production by more effectively deploying its workforce according to demand.

Eceplast Safety Liner with patented anti-bulging system. The liner allows the driver to sample the product from the letter box and eventually reclose it in case of product rejection while avoiding exposing personnel to unnecessary risk of injury

"We would like to emphasise to the market that our new strategy is dedicated towards European logistics companies, especially for 30ft liners," explains BT Pack's Mehmet Yildiz. "We recently supported a carrier to set up a brand new facility that was 100 percent dedicated to the use of liners. This consisted of significant investments in container tilting platforms, unloading product from one side and loading liners from the other side, while at the same time completing the process using transport by container liners.

BT Pack is currently working on a project in Spain in which a customer has had trouble finding a tilting truck chassis to load liners. Therefore BT Pack found a solution that allowed the loading of liners using a tilting container system.

Last summer BT Pack also found a technical solution for a long-standing customer that wanted to avoid any tape remaining on the container floor after using a 30ft PE liner. This was because the container is used for shipping palletised foodgrade goods in return, and the tape was not very clean. So BT Pack found a solution to seal one side of the tape to the liner by a special process and thus the tape now only attaches to the liner and not to the floor.

CorrPakBPS is entering its second decade of manufacturing and marketing bulk container liners to the dry, free flowing product industry. With manufacturing plants in India and China, CorrPakBPS offers 20ft and 40ft PE film heat sealed liners and also woven sewn liners.

The company's primary markets are petrochemical (resins-PP, PE, PVC, polystyrene) and agriculture (malt, grains, seeds, soybeans). The company's Andy Mintz says that whereas the petrochemical market continues to use a high-end design with steel bars for bracing, the agricultural market is beginning to use bar-less woven sewn liners which reduce the cost of shipments significantly.

Sea-bulk containers liner markets are growing and continue to take the place of conventional non-bulk packaging such as 25/50 kg bags, bulk bags, and corrugated boxes, adds Mintz. The packaging cost per pound is much less and the labour cost for filling, handling, and unloading the liners is reduced dramatically. Disposal cost is also reduced by recycling or disposing of one big liner.

Closed loop systems are being considered in the mineral industry where reuse of liners offers additional savings. These products normally go by rail so the designs include bars for bracing. Furthermore, hard to flow products such as carbon black and starches are shipped using fluidised bed liners. CorrpakBPS markets it's liners in Australia, the far east, north and south America, and in the Middle East.

Eceplast cement liner

Contacts
www.eceplast.it
www.bt-pack.com
www.corrpakbps.com

PNW needs solutions for containerised grain

Moving grain by container in the Pacific North West faces a number of obstacles

US Pacific Northwest wheat exports by container represent just a small portion of total shipments but they go to some important Asian markets. Consultant Mark Samson, who did a container study for the Washington Grain Commission, believes it is important to have container shipping in order to compete against Australia, which moves 30-40 percent of its shipments by container.

Samson says the Pacific Northwest faces some obstacles for container shipping of grain. First, the economic slowdown means fewer containers coming from Asia. Container ship operators would rather head back empty and use less fuel and get a quick turnaround than carry heavy cargo. PNW wheat must also compete for space with Midwest corn and soybeans moving by container.

An answer, believes Samson, is for the wheat industry to pull together some of its elevators that are interested in expanding this market, or maintaining their ability to ship by container, and start putting together activities and coalitions that "can go back and demonstrate to the international container carriers the benefits for them, the benefits for the industry here and the benefits for the customers out there."

Samson doesn't think PNW will ever move as much wheat by container as Australia, but he can see container shipments increasing to 10 percent of PNW exports.

Schenck fulfils Comvex requirements

Operating at the largest bulk handling terminal in the Black Sea area, Comvex SA had a requirement for high speed loading of iron oxide into 20ft containers. The containers are brought into the loading area by train and to reduce handling, and thus cost, a solution was needed to load them without removing them from the railcar trailer.

Schenck Process was able to offer a modified loader design based on its standard MFF FulFiller. The standard forklift frame was strengthened and extended to allow Comvex to raise and lower the unit using a fixed position crane. This allows the FulFiller to be attached to the containers before disconnecting the crane and shunting the railcar to the filling position beneath the silo discharge chute.

Once filling of the container is complete the train is reversed, enabling the FulFiller to be relocated on the next container and the cycle repeated. On average the overall time for a container to be loaded including all positioning and is less than 25 minutes.

At the heart of the FulFiller is a high-speed belt thrower which provides gentle handling of materials even at loading rates in excess of 200 cbm/hr. Power consumption is low and maintenance is simple. The basic machines are self-contained complete with all necessary operational controls and requiring only a three phase power supply and a fork-lift truck for positioning in order to be put to work.

The Fulfiller has been supplied across the world handling many different material and many of the units have been customised to suit specific applications.

www.redler.com

Schenck was able to offer Comvex a modified loader design based on its standard MFF FulFiller

More depots needed to connect central and eastern Europe

ChemLog, the chemical logistics co-operation body for Central and Eastern Europe, has been making a concerted effort this year to raise the profile of tank cleaning facilities across its region.

At the same time, the hope is that more investors will enter the market and open new depot facilities as there is a perceived lack of properly qualified cleaning stations compared with western Europe. What is more, argues ChemLog, is that the issue is not just that of establishing more depots per se; they will play a vital in shaping future logistics networks across the whole of continental Europe, and even between Europe and the Far East.

The international body is an umbrella organisation that includes chemical industry associations and scientific institutions in the Czech Republic, Germany, Poland, Austria, Slovakia, Hungary and Italy, and it is supported by the EU Central Europe programme. Already this year ChemLog has hosted two workshops to discuss opportunities for the development of bi-modal tank cleaning stations alongside the Pan-European Corridor (PEC) V. "Currently there is a clear deficit in the availability of tank cleaning capacities which is a barrier to the transport of chemical goods in Central and Eastern Europe," says ChemLog.

In the Czech Republic transport and logistics group AWT recently hosted the closing regional gathering of the key players in the ChemLog project. It was organised jointly by AWT and the Association of the Chemical Industry of the Czech Republic (ACICR). Thirty participants were given a tour of the open intermodal Ostrava-Paskov transport terminal as well as a visit to the AWT ROSCO purification station in Novy Bohumin.

ChemLog members visit the AWT ROSCO cleaning station

"The ChemLog project strives to improve the safety of shipments of chemical substances, remove obstacles to international transport and increase the competitiveness of the chemical industry in Central and Eastern Europe. One of the objectives of the project is to support the development of logistics centres that cater for intermodal transport and the integration of such centres into a unified European transportation infrastructure. The independent terminal operated by AWT Group in Ostrava-Paskov, including the facilities for cleaning tank containers, is a good example of how a logistics centre can operate," Ladislav Spacek of the ACICR told visitors.

The Ostrava-Paskov terminal is one of only a handful of comparable transhipment points in the Czech Republic. It has been designed as an independent facility, meaning it is not limited to the needs of the AWT Group, but is open to anyone in need of transhipment services. It thus fulfils the role of a public logistics centre in the Moravian-Silesian region. The terminal, which opened in 2007, is positioned in the industrial zones of Ostrava-Hrabova, Nosovice, Mosnov, Cesky Tesin and Trinec, and is also close to the Slovak and Polish borders. It has good links to seaports such as Hamburg, Bremerhaven, Rotterdam and Koper (Slovenia). Through a proprietary siding, with two shunters servicing nine tracks 24 hours a day, the terminal connects to the national railway network. In addition to transhipment, collection and distribution of containers, the Ostrava-Paskov terminal also offers customs clearance for complete trains and individual truck consignments.

The steaming and disinfecting station operated by AWT ROSCO provides cleaning services for rail tankers, tanker trucks and ISO tank containers. It is located less than 30 km from the Ostrava-Paskov terminal, making its services easily accessible to the terminal's customers.

"We clean tankers and containers following the shipment of, among other items, chemicals, oil products, tar and other substances. We remove solid waste materials for external disposal. We are capable of processing liquid wastes, mostly oils and water-based emulsions, using our own facilities. And we treat wastewater in our treatment plant. We have accumulated more than 30 years of experience with the necessary technologies," commented Jan Rechtoris, AWT ROSCO operations manager. Waste residues can be removed from tankers and containers by draining, exhausting and extracting. The vessels are then cleaned with steam, hot pressurised water that uses a rotary jet head with the optional addition of a solvent, and finally with hand cleaning.

The facility in Novy Bohumin also disposes of hazardous waste, oil-polluted water and emulsions. Furthermore, it handles oil products and liquid substrates, while the proprietary wastewater treatment plant processes oil-polluted water, emulsions and biologically polluted water.

Hub status

Meanwhile, in the south of Germany's Sachsen-Anhalt state, representatives of the chemical industry and logistics service providers are also discussing the construction of a central transport hub which should facilitate the transport of chemicals to eastern Europe. Such central transport hubs and transhipment points do not have to be built from scratch. Existing and planned terminals can carry out hub functions together, explained Andreas Fiedler, project co-ordinator of ChemLog, which is now presenting the results of its work after three years of research.

Fiedler is certain that if the existing and planned terminals for the combined road and rail transport in the chemical locations of Leuna and Schkopau, and in the port of Halle, as well as (perhaps) that of Deutsche Bahn in Leipzig-Wahren were to co-operate, they could fulfil the function of a hub for transport to eastern Europe. Fiedler, project manager of the Halle firm Isw-GmbH, currently co-ordinates the international ChemLog project, working on behalf of the Ministry of Economic Affairs and the Investment Bank of the Federal State of Sachsen-Anhalt.

The project was established in 2008 by the senior chemicals group of the EU on the suggestion of the European Chemicals Regions Network (ECRN) to respond to the expanding logistics requirements in the sector. In those days the president of the ECRN was the current state premier of Sachsen-Anhalt, Dr Reiner Haseloff.

Over the years to come, firms are set to increase the total chemical transport volume to 50-55 million tons a year. A large proportion of this will go eastwards, where the chemicals industry is focusing on key target markets. This is leading to a range of structural disadvantages, however. The chemical industry in western Europe is strongly integrated and well networked, says Fiedler. There are many pipelines and the river Rhine is also a key transport route, offering direct links to ports on the North Sea.

In eastern Europe, however, over 90 percent of all transports of chemicals and increasing quantities of hazardous goods are transported by road, which is not only damaging to the environment, but in transport terms, is not sustainable over the long term. The pipelines are lacking, the rail capacity is insufficient, and the existing terminals are insufficiently equipped for the requirements concerning the transport of chemicals. The goal of ChemLog has therefore been to highlight ways in which rail links, waterways and pipelines can be developed to benefit the chemicals industry.

As much transport as possible should go onto the railways, ChemLog believes. To create the conditions for such a development, three years ago a consortium was established, bringing together representatives from industrial associations, regions, research organisations and public authorities from Germany, Italy, Poland, Czech Republic, Hungary, Austria and Slovakia, who have been working together under the umbrella of ChemLog.

Fiedler believes there are realistic chances for the development a chemicals hub in central Germany. Dow, BASF, Infra-Leuna, port of Halle and logistics

Transport volumes into eastern Europe will increase dramatically. (Photo: Orlen)

firm Hoyer are currently in discussions. The German Association for the Chemicals Industry (North East Association) is also supporting the project. Such a hub would also help to establish Sachsen-Anhalt's reputation as a leading logistics centre, highlights Fiedler.

The Italian Chemlog partners are also pressing for the development of tank cleaning systems along the route from Northern Italy to Moscow, which will provide special services for the chemicals industry. In Slovakia and Hungary, where there are currently few combined terminals, such systems are set to be constructed in Zahony (H) and Dobra (SK).

ChemLog is also pressing for the harmonisation of standards, Customs regulations and procedures at border crossings. Fiedler views the fact that the European Commission has so far only focused on transport within Europe to be a major policy shortcoming. Rail links between the EU and China, for example, are an increasingly attractive option.

The project that has been co-financed by the EU (€1.7 million) and the project partners (€500,000) is shortly set to end, but the network of chemicals associations, logistics service providers and public partners which never existed before will remain. They are intent on continuing to work together, ensures Fiedler. Along with other partners they are now working on a follow up project which will focus on tracking the transport of hazardous goods in intermodal transport.

Boasso finalises Greenville purchase

Boasso America Corporation has completed the purchase of Greensville Transport Company. The purchase price was US$8.5 million, paid in cash, with an additional $0.5 million to be paid in cash, contingent on Greensville meeting certain future operating performance criteria.

Greensville, which is headquartered in Chesapeake (VA), is a provider of ISO tank container and depot services with access to ports in Virginia, Maryland and South Carolina. For its most recent fiscal year ended 31 December 2010, Greensville had revenues of approximately $8 million. The company expects the acquisition to be accretive to earnings and cash flow in 2012.

Scott Giroir, president of Boasso, stated: "We are excited to announce this outstanding opportunity. Greensville has an excellent reputation in the intermodal tank container industry and we are confident that the business will merge seamlessly with our core operations. The Mid-Atlantic market is an attractive region with excellent growth prospects, especially with the planned expansion of the Panama Canal in 2014."

Ted Lepski, president of Greensville, stated: "We are pleased to have this opportunity to partner with Boasso. We believe this combination will enhance our ability to provide the best possible service to our customers and give us the ability to more quickly expand our geographic coverage."

ECTA expands RC to cleaning stations

The European Chemical Transport Association (ECTA) is expanding its Responsible Care programme for the supply chain to include warehousing and tank cleaning facilities.

This is a result of the desire by the ECTA board and members to improve Responsible Care and to include 'other' activities in the RC scheme.

ECTA created the European RC programme to improve health, safety and environment quality (HSEQ) throughout the continent. Based on a partnership with European Chemical Industry Council (Cefic), it is the first regional Responsible Care programme in the world.

Every company who participates must formally appoint a Responsible Care Co-ordinator and develop its own annual Responsible Care plan. Over and above this, operating units are assessed every three years using Cefic's Safety and Quality Assessment System (SQAS).

The 14th Annual Meeting of ECTA was held in Rotterdam on board the SS Rotterdam on 23 November 2011. The principal theme of the conference was the pressing issues within the European transport arena of carbon emissions and the future scenarios the industry has to face.

Isotank moves

UK depot operator Isotank closed its site at Jodrell Way, West Thurrock to open a new facility just five minutes away. The address of the new site is: Isotank West Thurrock, Oliver Close, Grays, Thurrock RM20 3EE.

Isotank operates the UK's largest integrated transport, cleaning and depot services network. The company also has offices/depots at Redcar (head office), Felixstowe, Hull, Immingham, Manchester, Middlesbrough and Southampton.

Container shipping to boost tracking revenues

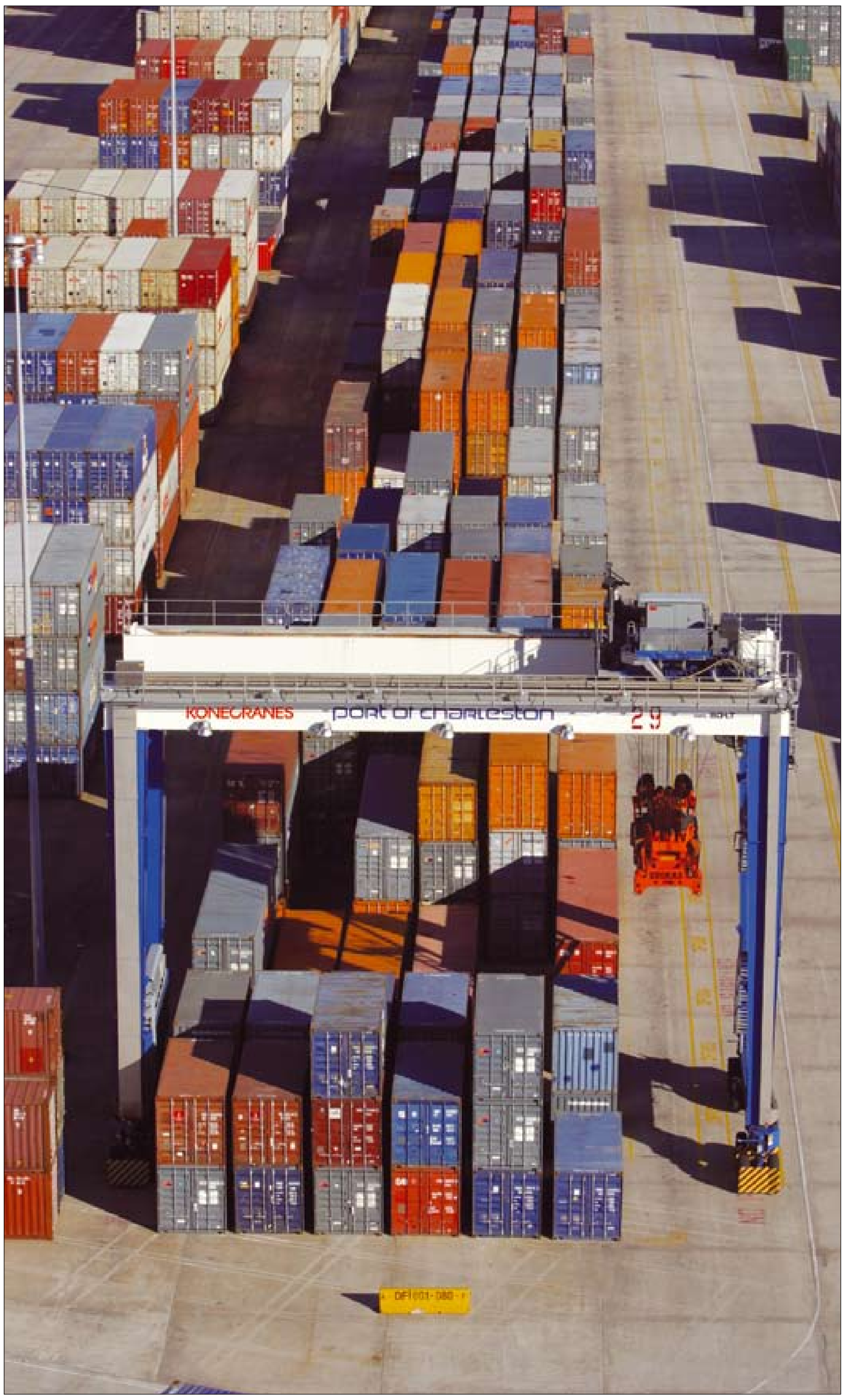
Container security and tracking revenues will grow at a compound annual growth rate of 27 percent from US$212m in 2011 to $690m in 2016, according to new research by ABI.

Many regulations and legislation were introduced in the aftermath of the attacks of 9/11 and expectations were high that the tracking and RFID industry would really take off prompting many vendors to enter the market with advanced solutions. However, Dominique Bonte, ABI Research telematics and navigation group director, says that while RFID-based point solutions at port yards are becoming more established – at least in North America and Western Europe – uptake of more advanced GPS-based solutions has been disappointing, despite several solutions having been made available by vendors such as SkyBitz, DB Schenker, Starcom, and Pointer Telocation – mainly for the intermodal market.

At the same time, end-to-end visibility, monitoring, and tracking are becoming more important in an increasingly competitive and security-challenged container transport industry where cheaper and safer container transport is urgently needed. While this will represent another strong driver for the uptake of GPS-based tracking in the future – though some players still claim tracking of containers during maritime transport on ocean liners is not a major requirement – the coexistence of different technologies such as OCR, RFID, RTLS, and GPS will remain the default situation, with slow migration from legacy systems such as OCR to RFID/RTLS, later followed by a more aggressive uptake of GPS/cellular-based solutions.

ABI Research's Cargo Container Security and Tracking study covers maritime and intermodal asset management solutions that are enabled with a family of integrated wireless technologies to provide real-time, global tracking, security, and communications features. It includes detailed descriptions of segments and verticals, applications and functionality, market drivers and barriers, regulation, and legislation, as well as shipment and revenue forecasts.

www.abiresearch.com



End-to-end visibility, monitoring, and tracking are becoming more important in an increasingly security-challenged container transport industry

Tank Management chooses RAM

Norway-based tank container operator Tank Management AS has purchased Real Asset Management's Monitor4000 software to manage its business operations. Headquartered in Oslo, the company specialises in moving tank containers for food grade products and chemicals and has a vast network of international suppliers.

Tank Management was founded in 2006. Since then it has built up a fleet of over 200 units and plans to expand by around 50 percent next year. Despite developing an effective track & trace system to control temperature sensitive cargo, Tank Management is using several different computer systems and spreadsheets to manage quotations, orders, sales and purchase invoices, unit enquiries, unit management and financial control. With a substantial growth plan ahead, 2011 was the right time for the operator to look for a more robust system that could help develop the business.

"We work closely with many companies that already use Monitor4000," explained Andre Nordbo, Tank Management's quality manager. "That gave us a head start when it came to considering our options as we could get honest feedback from other associates in the tank industry. My colleagues have experienced many other software products but Monitor4000 was by far the best fit for our business. Its functionality covers every aspect of tank container operations from quotations to tank testing and it is the most complete system we have seen."

Tank Management is currently in the process of implementing Monitor4000 and is due to go live shortly. "I am looking forward to using the new software," continued Nordbo. "The best part for us is that it will be consistently updated to keep up with market changes and trends and we won't have to put this responsibility on our IT staff."

Real Asset Management can now add Norway to the list of countries that it supplies to; others include France, Germany, Netherlands, USA, South Africa and the UK.

www.realassetmgt.com

Warburg, Vestar take controlling interest in IAS

IAS CEO Paul Crinks: "This investment by two such respected private equity firms represents a vote of confidence in IAS's business"

Two private equity firms, Warburg Pincus and Vestar Capital Partners, have acquired joint control of transportation industry technology firm IAS (International Asset Systems).

The Pritzker family business interests will retain a significant equity stake in the company and the current management team will continue to lead IAS. Terms of the transaction were not disclosed.

Paul Crinks, IAS CEO, said: "This investment by two such respected private equity firms represents a vote of confidence in IAS's business today and its potential to deliver even greater value to our present and future customers. We are excited about the possibilities this strategic partnership will bring as we continue to expand our services."

Clients will continue to use the IAS platform and services to manage assets, processes and events more economically across complex extended transport networks. This investment provides IAS with the opportunity to enhance its solutions, extend coverage, and address broader industry needs.

"IAS has developed tremendous expertise in delivering equipment management solutions to the world's leading ocean carriers and container leasing companies and is well-positioned to continue to solve important operational efficiency issues facing the global trade and shipping industry," said David Coulter, managing director of Warburg Pincus. "We look forward to partnering with Paul and the rest of the IAS team and building on the company's success."

"In keeping with our philosophy of backing superior management, and investing in companies with innovative solutions for today and the future, we are delighted to be working with the IAS team as the company enters its next phase of growth and development," said Sander Levy, managing director of Vestar Capital Partners. "IAS has long been an advocate for facilitating greater visibility, control and optimization of assets. As the supply chain becomes more globally connected, we envision the IAS network and portfolio of services will be in even greater need. Our investment will help IAS meet this demand."

www.interasset.com

Auchan tracks produce containers

French supermarket Auchan Group is to use RFID to manage its 1.8 million reusable plastic produce crates as they move from grower to distribution centre to store, and also through washing. The RFID solution, developed and implemented at Auchan's distribution centres in the past two years, is intended to provide the group with an eye on its leased containers, and with proof that they are being moved in a timely fashion, and washed according to EU requirements.

The technology, including tags, readers, software and installation, is provided by Orange Business Services, part of France Telecom. The EPC Gen 2 passive UHF RFID tags and readers were manufactured by IER.

With approximately 1,317 stores, Auchan Group is the world's 12th largest food retail group. In 2007, the company chose to phase out the system of cardboard and wooden crates and pallets that it had been using, and switch to reusable plastic containers. According to Francois Laveissiere, director of IT innovation for Auchan's hypermarkets, this will help the firm reduce the amount of necessary storage space as wooden pallets and crates are bulkier than the plastic containers. It could also provide better protection for fruits and vegetables loaded into the containers, and provide a more attractive-looking presentation in store when produce is placed directly on the sales floor, in its container, for customers to buy. At Auchan stores, staff members will use handheld computers to read the container tags, and so document each container's arrival and departure.

The company leases reusable plastic containers from logistics provider Cogit LGC. However, the containers are moved between many stores and distribution centres in France and Spain, and often seemed to end up lost or stolen, and they were difficult to trace when this occurred. In addition, an EU regulation requires that users of reusable containers to prove that they are washing and sanitising them after each use. Without an automated tracking method, it was hard to determine whether every container completed that process before being reused.

Call the FleetGenie

FleetGenie launches all-in-one telematics, mobile data and routing solution

FleetGenie a new mobile data and fleet control system incorporating vehicle tracking, route optimisation and mobile device management has been launched. FleetGenie enables any organisation with a mobile workforce and fleet operation to benefit from advanced routing, embedded satellite navigation, tracking and workflow management technology, which could save them up to 30 per cent on fleet running costs.

Available from a Chester (UK)-based company of the same name FleetGenie is a hardware independent and integrated low-cost solution that will run on any GPS-enabled hand-held computer or PDA using Microsoft Windows. The makers says it is customisable and flexible, making it suitable for a range of applications such as delivery, service engineers, skip hire, asset management, inspectors, field engineers, insurance loss adjusters and mobile sales.

A breakthrough of the new system is the mobile application with embedded satellite navigation. This eliminates the need to interface the route optimisation software with additional navigation software or hardware. In addition, FleetGenie's architecture has been designed to make data interchange with any back office business system simple.

Using the MobileGenie rapid application development system, complex, high-performance mobile software applications can be designed, changed or developed in minimum time without the need for programming experience. Most applications can be developed in days rather than taking weeks or even months of bespoke programming using traditional methods.

The FleetGenie management dashboard allows control and monitoring of all functions including full mobile device management, vehicle tracking and the report designer.

The company says is seeking vertical sector specialists to help promote the system. Mark Dale-Lace, director of FleetGenie, commented: "This new mobile workforce and fleet management product will open new opportunities for back office software providers and solutions specialists as it is quick and easy to integrate with any vertical market solution."

www.fleetgenie.co.uk

GIRARD

Intermediate Bulk Container Pressure & Vacuum Relief

A single GS10005 sMart Vent™ protects intermediate bulk containers (IBCs) against excessive pressure and vacuum. Threading into a standard 2″ port, the design features a cast stainless guard to protect the rain cover against impact damage. Engineered for low maintenance and easy cleaning, this vent offers superior protection for metal IBCs.

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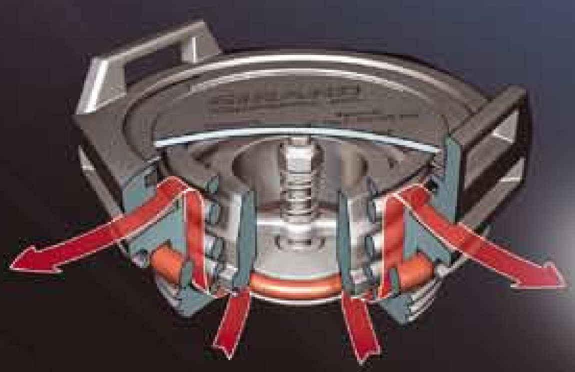
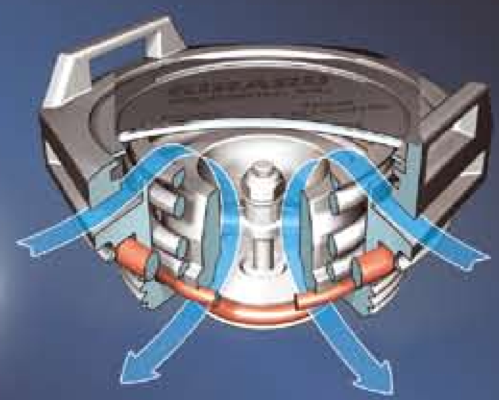
Manual Venting
sMart Vent™
manually relieves pressure by pushing down on the cover





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Pneumatic weigh filling system

Bulk Bag Filling Line: a 15-pallet dispenser releases the bottom-most pallet to roll beneath the cantilevered fill head of the bulk bag filler. Following manual connection of empty bags to the fill head, filling, densification and conveying functions are automatic

Flexicon has released a new pneumatic gain-in-weight filling system for free-flowing bulk solids that conveys and weighs the material and discharges it into bulk bags.

The filter receiver of the Pneumati-Con vacuum dilute-phase pneumatic conveying system is mounted on load cells, enabling the system controller to weigh incoming material at high rates, and then at steady trickle-feed rates, stopping the flow once an accurate batch weight has been reached.

Pressing a fill button on the control panel actuates a bag inflation blower on the Twin-Centrepost bulk bag filler to remove creases in the bag, and opens a slide gate valve at the outlet of the filter receiver, allowing the weighed batch to discharge by gravity into the bag at high rates, as a vibratory deck densifies the material to stabilise the bag.

A secondary set of load cells mounted beneath the bulk bag filler allows the system to confirm the final weight of the filled bulk bag.

A port within the discharge spout vents displaced air and dust to a remote bag house. The controller then releases the bag straps and deflates the spout seal, allowing the operator to tie-off the spout and remove the filled bag.

Connecting an empty bag consists of attaching the bag straps, pulling the spout over the inflatable collar and pushing a spout inflator button.

While filled bags are being removed and empty bags attached, a subsequent batch is being conveyed to the filter receiver and weighed, ready for another fill cycle.

In addition, Flexicon Europe has launched a new Bulk Bag Filling line. The company claims it provides an efficient system for automating bag fill and palletisation in preparation for forklift truck transfer of material to a downstream process or final packing in readiness for onward shipment to another plant. The new bag filling equipment can simplify and reduce bag filling times since it automatically dispenses the pallets, fills the bulk bags and then accumulates for removal by forklift.

The Flexicon system incorporates a dispenser which holds up to 15 pallets and a powered roller conveyor that removes the bottom-most pallet and positions it directly beneath the cantilevered fill head of the bulk bag filler. At the fill station an operator connects an empty bag to the four actuated bag strap hooks, seals the bag spout using an inflatable collar and presses a bag inflation button to initiate a seven-step automated filling sequence. This calls for delivery of material for either a Flexicon flexible screw or pneumatic conveyor, filling the bag at high rates initially before automatically reducing delivery speed as the target weight is approached.

When full, the bulk-bag filling line will vibrate the pallet to densify and stabilise the load, deflate the spout seal and automatically release the bag loops. The palletised load is released from the fill point and conveyed to an accumulation station to await removal by fork truck.

In designing the new bag filling line, Flexicon equipped the filler with a powered head height adjustment to ensure that it will accommodate all popular bag sizes, as well as incorporating a feed chute vent for dust-free air displacement during filling. An optional Swing-Down fill head lowers and pivots to a vertical position, enabling operators to quickly connect empty bags at floor level.

As with most of Flexicon's bulk handling systems the new Bulk Bag Filling Line is constructed to industrial, food, dairy and pharmaceutical standards. The simplicity in design enables it to integrate with existing systems as well as part of a new bulk handling operation.

www.flexicon.com
www.flexicon.co.uk

Flexicon's Pneumati-Con conveying system

Recycling in Brazil

Mauser NCG is expanding its reconditioning plant in Brazil. By opening a new factory building adjacent to its location in Taubate near Sao Paulo, Mauser NCG will be able to offer full recycling services to its customers in the region.

The reconditioning subsidiary National Container Group (NCG) offers comprehensive reconditioning services at its location NCG Tankpool in Taubate. By opening the new plant Tankpool REPEL, Mauser NCG will be able to recycle materials that will be used as post-consumer resin (PCR) for producing new packaging solutions. The equipment was relocated from Barra do Pirai and will be refurbished with more advanced technology.

In the new building, the company will process all types of used industrial packaging made of HDPE (high density polyethylene) – from 0.5 litre solutions up to 1,000 litre IBCs – and transform it in pelletized recycled resin. This PCR will then be reused at Mauser's Brazilian production sites to produce jerrycans, IBC accessories, plastic drums, as well as inner layers for plastic drums. Trial runs started in September.

Mauser says the investment shows commitment to manage the entire life cycle of plastic packaging for the benefit of customers and the environment, strengthening the group's global sustainability initiative and Eco-Cycle concept.

"By recycling several types of HDPE packaging solutions, our new Tankpool REPEL unit will allow us to expand our Total Recollect strategy to all of customers," said Ricardo Goldenberg, director at NCG Tankpool. "Moreover, this project is aligned with the National Policy on Solid Waste (PNRS) which includes the improvement of recycle activities and proper waste disposal in Brazil. We are delighted to open this new plant that enables our customers to act in a sustainable way."

Peter Schaefer, global head of NCG, added: "With the expansion of our reconditioning services in Brazil, we are once more able to close the circle of sustainable packaging solutions by giving materials new life. We are continuously expanding our worldwide reconditioning capabilities in order to support all our customers in improving their environmental record. This new plant enables us to manage the entire life cycle of containers and re-emphasise our global sustainability approach."

www.mausergroup.com

FW's big new machine

Francis Ward has installed a "unique" Multipod machine at a cost of over £300,000. The machine is the first in the world of a new design from GM Multipod in Bury, UK. It features a movable oven and static modular moulding stations. The company has invested in two moulding stations at this time, but more can be added at a later date, if required.

The arms on both Pods have been configured as drop arms, allowing Francis Ward to make some of the largest mouldings in the UK. The static moulding stations allow the machine to handle very heavy moulds with a weight limit in excess of two tonnes. The plate diameter, in the drop-arm configuration, is 4.5m allowing parts up to a capacity of 40,000 litres to be made. The closed-oven bi-axial rotation allows for a high level of manufacturing control that is often not possible on rock and roll machines. The machine features the latest control systems and has in-mould air cooling to aid production.

Francis Ward managing director Jonathan Wurr praised both Jason Hinch, contract moulding business manager, and Gary Mills of GM Multipod who worked together on the development and installation of the new machine. "The new machine represents a significant increase in the moulding capacity of Francis Ward, an increase in the size of moulding we can make, and an improvement in the fuel-efficiency and cost of manufacture. It is a major step forward for the company in our development plans," he said.

Francis Ward has also completed the latest stage of its expansion plans, with the recruitment of Andrew Jackson to the position of production manager. Jackson has experience in production management for companies such as Montracon, Bradley Doublelock and Drum International. He is a trained engineer with ONC and HNC qualifications, followed up with management qualifications in the form of a CMS, DMS and MBA from Huddersfield University.

www.francisward.com

Solid advice from Schuetz

A new solids certification (code 11HA 1) came into effect in July for all IBCs used to transport liquid filling goods that change their state and become solid when the temperature changes. This new certification only applies to products that are explicitly declared as solid on the material safety data sheet.

However, IBC manufacturer Schuetz says its customers can rest assured that the new regulation will not bring any great changes for them. "Our IBCs (31HA 1) are fully approved and certified for all the filling goods that will need additional labelling under the terms of this new regulation. The only change will be that the transport containers for these goods will have a larger identification plate," the company says.

However, Schuetz wished to advise that IBCs are still not allowed to be used for classic bulk solids, as the IBCs can become electrostatically charged when being filled with products in powder or granulate form.

In the meantime Schuetz has officially inaugurated its new production in Norway. The celebration saw the Norwegian subsidiary pursuing the Schuetz sustainability strategy by laying the foundation stone for the further expansion of its position in the market for industrial packaging in Scandinavia and Finland.

A larger production site immediately adjacent to the old site was the ideal location for the investment project. Following extensive work, all the existing buildings and infrastructure were efficiently converted and now house the IBC production lines, a reconditioning plant and all administrative offices.

www.schuetz.net

Flexibility thanks to modular systems

Schenck Process introduced the MoveMaster Vac product line for vacuum conveying at Powtech. The product line for is designed to convey mixed materials gently, which is required when handling powders and granulated substances, as well as pellets, tablets, capsules or fibrous bulk materials.

MoveMaster Vac loading stations and vacuum receivers cover a wide variety of conveying applications in the plastics, chemical, pharmaceutical and food industries, such as loss-in-weight and volumetric feeder refilling, batching (fill weighing), blender charging and discharging, bulk bag or sack unloading, filling/emptying silos, day tanks, etc.

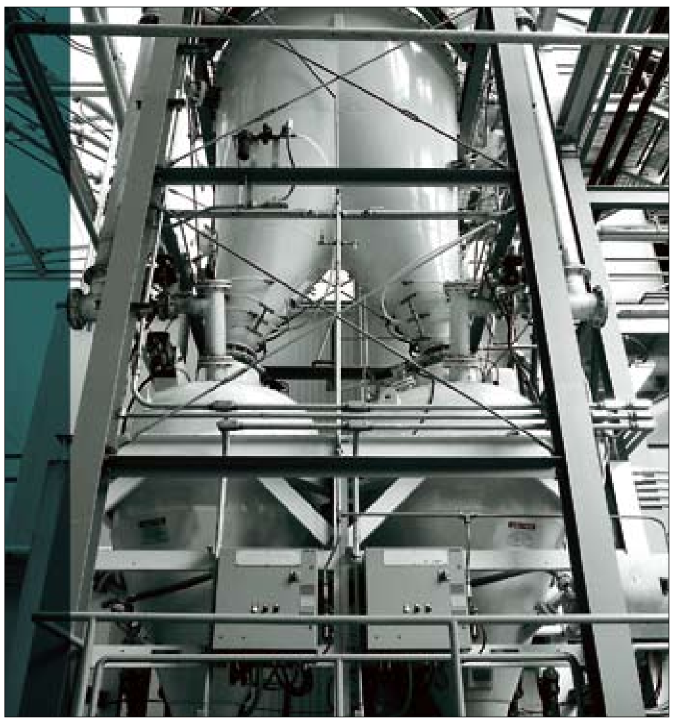
The loading stations feature a modular design and have a number of options for unloading sacks, bulk bags and octabins using suction wands or tank base manifolds, for instance. Flow promotion machines are available as an option. They allow for conveying of even the most difficult materials. Hygienic linings can be used to convey fragile products, such as tablets and capsules.

The vacuum receivers are modular too. They are either supplied without a filter to convey dust-free pellets or with a filter for powder or dusty bulk materials. There is a variety of options available for automatic filter cleaning. The vacuum receivers can be used as single conveyors, or be combined with a common vacuum source – be it an air venturi device, exhauster, claw pump or roots blower.

The modular system offers flexibility not just in terms of the vacuum source, but in the material selection and filtration too. Every module for the product loading stations and the vacuum receiver is attached by quick-connect band clamps, allowing for extremely easy maintenance and cleaning.

The conveyors feature precipitous tanks as standard, which ensure smooth material withdrawal, without the need for additional withdrawal machines. The full bore discharge flap valves and butterfly discharge valves that enable refilling of loss-in-weight feeders are standard features too. Control and sequencing of the conveying system can be by either solid state microprocessor controller or a programmable logic controller.

The MoveMaster Vac range can be used for applications from lean to dense flow conveying. The design allows for gentle conveying of materials with virtually no degradation.



The loading stations feature a modular design and have a number of options for unloading sacks, bulk bags and octabins

Schenck Process says it was able to expand its range thanks to its takeover of Clyde Process Solutions, a leading supplier of air filtration, pneumatic conveying and injection technologies, at the start of 2011.

Girard honoured

Girard Equipment has been named as Manufacturer of the Year by the Indian River (FL) Chamber of Commerce.

The Chamber of Commerce held its annual Industry Appreciation Awards Luncheon in late September. The awards honour those companies who stimulate the Indian River economy, make contributions back to the community, provide quality year-round employment and "have an overall positive impact on the Indian River County as a whole".

This year's award was based on multiple outstanding business attributes as determined by the County Chamber of Commerce. Girard was chosen for a multitude of reasons, including impressive annual economic impacts in payroll and local purchases of over US$300,000. Girard has more than doubled the number of employees since its inception and has recently expanded the Florida manufacturing facility by over 40,000 sq ft to accommodate growing product lines. The new facility will also allow for larger assembly and shipping areas.

Tim Girard, president, was honoured at the selection. "This part of Florida is home to so many innovative companies, being selected for this award is truly an honour," he commented.

www.girardequip.com

Tim Girard – honoured at being selected for Industry Appreciation Award

Liner for viscous liquids

The Guardian Pressure-Dispense liner is engineered to help discharge highly viscous liquids from IBCs. It features two internal air bladders. By pressurising the bladders, liquids are gathered together in the centre of the container and made available for the pump to evacuate the liner without losing prime.

As product is pumped out of the container, the air bladders expand to fill the empty space and eventually concentrate the viscous material into the bottom centre of the unit directly adjacent to the dispense port.

The Guardian is designed to work with the 275 gallon PaperIBC and the 315 gallon Buckhorn collapsible tote. The liner can also be manufactured to accommodate many other IBC containers.

Grayling, which manufactures specialised flexible film products, was founded in Atlanta (GA) in 1986. In 1990 Grayling relocated manufacturing to Juarez, Mexico, and in 1994 began manufacturing Guardian liners to 'form fit' the interior of bulk bags and other IBCs. By form fitting a liner to the inside of the container, industrial processors found they were able to gain efficiencies in operations, including waste reduction and increased productivity.

Grayling has since introduced; clean room produced liners, pillow style and form fit style liners for liquid IBC applications, foil laminated form fit liners, round bottom drum liners and other specialised products designed for industrial packaging.

www.graylingindustries.com

Licence to operate

New operator licencing rules for transport undertakings in EU Member States come into force on 4 December 2011. Tim Ridyard, solicitor at UK law firm Woodfines, explains the implications

Tim Ridyard - operators should reflect on how well their transport manager carries out his or her activities, how well he or she is supported by the business and whether more supervision and or/support is required

New and amended rules for businesses established in EU Member States engaged in the use of goods vehicles come into effect soon. This is *EC No 1071/2009 Access to the Occupation of Road Transport Operator Regulation*. It sets out the rules every Member State must include in its own operator licensing system governing the grant and retention of operator's licences. Operators need to consider in what way they may be affected now and in the future as changes being introduced affect important areas such as transport manager qualifications good repute and the 'financial standing' rules.

Because this EC Regulation has direct effect on the UK operator licensing system it must be implemented. However, the UK has some permitted flexibility and the Department for Transport's policy approach is to assist the sector by relaxing some requirements or interpreting them in a way which is flexible.

A UK Regulation is due to be published to amend the law as a result of the EC Regulation. The Regulation is intended to: (a) create a more level playing field for international transport operations across the EU; (b) raise the professional standard of the industry's transport managers; (c) reduce the administrative burden on regulators, enforcers and operators; and (d) enhance compliance.

Who is affected?

Only those who wish to apply for or already hold an operator's licence for hire or reward operations (ie, Standard National or International O-licences in the UK) are directly affected - not operations covered by a UK Restricted licence. Nevertheless, all operators should have an awareness of the amended regime: problems with operator licensing often arise from either ignorance or mis-application of the rules.

The increasing importance of the role of *Transport Manager* is highlighted by the new Regulation. Operators should reflect on how well their transport manager carries out his or her activities, how well he or she is supported by the business and whether more supervision and or/support is required.

The EC Regulation governs all goods vehicle combinations (including any trailer) operating under hire or reward; the UK will continue to disapply this to the sub-3.5 tonne vehicle/combination range. However, the existing 'small trailer exemption' for trailers under 1,020kgs, which under UK rules are ignored, will be abolished affecting some businesses.

There are various important changes with varying impact on businesses.

Establishment

In addition to the well-established pillars of Standard Operator's Licences (namely *good repute, financial standing and professional competence*) the EC regulation requires 'undertakings' to *"have an effective and stable establishment in a Member State"*. The Office of the Traffic Commissioners has confirmed that …. *every standard licence holder must have an establishment in Great Britain (GB) with premises in which it keeps its core business documents. These include accounting and personnel management documents and data on driving time and rest. This means that the use of PO Box and third party addresses are no longer permitted*.

Most businesses should be relatively unaffected by this and It seems this will be regulated by only a 'light touch'.

Good Repute

The EC Regulation does not change the requirement that there be 'good repute' but sets out the need for good repute of both the business and that of the Transport Manager. It lists the areas of conduct to be considered, including convictions and penalties for serious infringements. If the Transport Manager or transport undertaking has incurred or incurs a conviction or penalty for serious matters (as defined and listed) then good repute must be lost. However, there is a rider that *"if the loss of good repute would be a disproportionate response"* then a decision can be made that good repute is unaffected but this fact has to be recorded in the 'National Register' (see below).

Operators will have to declare and confirm that they can prove at all times they have at least one vehicle

The effect of the new Regulation is also that it will become possible for a Traffic Commissioner to take action against a nominated Transport Manager *in person* – currently, a Transport Manager is called to a traffic commissioner public inquiry on the back of the operator summons – this might well happen where the operator is not called to a hearing because it is no longer trades or no longer holds a licence.

Transport Managers

Each business must have at least one nominated Transport Manager satisfying all the following:

- effectively and continuously manage the transport activities
- reside in the EU
- be of good repute
- be professionally competent (ie, be qualified by some route)

The EC Regulation also distinguishes between *internal* and *external* Transport Managers.

Internal Transport Managers are those with a genuine link to the undertaking and in practice are directors, partners, employees, shareholders, administration personnel, etc.

External Transport Managers are without such a link and will be typically external consultants who might provide services to a number of clients. They are also subject to some *additional* conditions: the *4/50 rule* (a restriction that they cannot transport manage more than four undertakings with a maximum of 50 vehicles combined) and the requirement for them to be *engaged under contracts* specifying the tasks to be performed by them.

Professional Competence

National CPC is abolished with effect from 4 December 2011 and thereafter what is in effect a combined National and International CPC will be required even for a National licence. National CPCs issued by exemptions (eg, professional memberships, grandfather's rights, etc) and examinations before 4 December 2011 remain valid beyond that date.

The Regulation allows Member States to permit 'grandfathers rights'. The UK intends to do so *but* the Regulation changes the rules on *how* grandfather's rights can be claimed by Transport Managers; they can only be granted so long as they have 'continuously managed' a road transport undertaking in one or more Member State for the period of 10 years before 4 December 2009.

Current grandfathers rights holders will receive a new 'Acquired Rights' certificate (which replaces grandfathers' rights) granted to Transport Managers currently listed on an operator's licence but a Transport Manager questionnaire issued in late September must (at least for the UK) be filled in and sent to the Office Of Traffic Commissioner in Leeds.

After 4 December 2011 all National Standard licence holders will therefore need one of the following:

- International CPC holder (even for a National licence)
- National CPC obtained before 4 Dec 2011
- CPC exemption under the 10-year grandfather's rights rule
- a third party qualification issued pre 4 Dec 2011

Financial Standing

This issue perplexes applicants for, and holders of, operator's licences, misunderstandings or ignorance accounting for various difficulties leading in some cases to licence revocation.

Financial standing requirement is a constant one throughout the life of the licence and operators must show the 'availability of sufficient resources' based on vehicles only (trailers are irrelevant) at £8,100 for the first vehicle and £4,500 for subsequent ones. These amounts are related to the Euro and are next due for revision in January 2012.

The Office of the Traffic Commissioner has set out that …..*the key test in demonstrating financial resources is whether the applicant or operator has available capital and reserves of an amount equal to the sum specified. 'Available' is defined as: "capable of being used, at one's disposal, within one's reach, obtainable or easy to get"*.

In reality financial standing is in most cases proved by cash in bank, overdraft facility, credit cards, undrawn amounts in discount finance arrangements, etc, with only companies with turnovers of more than £5.6 million being able to utilise audited accounts so long as certain conditions are fulfilled. Often operators provide a 'cocktail' of resources to demonstrate compliance.

The new Regulation permits, if the UK so opts (and it does), some greater flexibility of proving 'financial standing' by other means such as *a bank guarantee or an insurance (including professional liability insurance) from one or more banks or other financial institutions, including insurance companies*. Guidance issued in October 2011 suggests that Traffic Commissioners may be able to agree these methods of satisfying the rules as well as the traditional ones.

While companies and LLPs with a turnover of more than £5.6 million will continue to be able to use audited accounts as the sole means of proving financial standing they must be certified by a properly qualified person and must comprise: a balance sheet; evidence of profitable trading on the profit & loss sheet; notes on the Account; positive ratios of more than 1.0 (total assets over total liabilities) and 0.5 (current assets over current liabilities).

However it also appears that companies (and LLPs) with turnovers *under* £5.6 million may be able to use audited accounts, although Traffic Commissioners may possibly only accept them in conjunction with other evidence, eg, bank statements. At this stage it is unclear how this will work in practice; further guidance is awaiting publication.

National Registers

Under the Regulation, every Member State must keep (and in due course be able to share) data in an electronic register of road transport undertakings including name, address, Transport Manager, type of licence, numbers of vehicles, details of any serious infringements and details of any person declared to be 'unfit' (or the reason for not declaring a person to be unfit if loss of good repute would be disproportionate).

Vehicle Possession

Under the new Regulation it will *not* be permissible to hold an operator's licence without 'possessing' at least one vehicle. However, the Department for Transport has opted not to require a vehicle specification on the operator's licence. It will instead require operators to declare and confirm that they can prove at all times they have at least one vehicle, ie, one owned, held under an HP agreement or other *formal* arrangement.

The changes being introduced may need operators to carry out certain steps (eg, draw up specific contracts for external transport managers) so it is advisable to seek legal advice now and during the currency of any licence to ensure full compliance.

For further guidance and advice contact Tim Ridyard, Partner and Road Transport and Logistics Lawyer at Cambridge-based Woodfines Solicitors LLP (offices also at Milton Keynes, Bedford and Sandy)
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Email: tridyard@woodfines.co.uk
www.woodfines.co.uk
Twitter : @TransportLaw

Lehnkering joins Imperial Group

South African logistics firm Imperial Holdings is buying German hazardous cargo specialist Lehnkering Holding GmbH.

The takeover marks a further strategic move for the South African group which earlier this year acquired the heavy lift barge operator Baris. Imperial will reportedly pay €173 million ($234 million) for the business, which it said has a total enterprise value of €270 million including net debt of €97 million.

Imperial wants to enhance its market presence in Europe. In addition, Lehnkering provides Imperial with an ideal opportunity to expand into global emerging markets which are served by German exports. "In particular, Lehnkering's prominent position in warehousing and distribution for the chemicals industry represents a logical complement to our spectrum of services," explained Gerhard Riemann, executive director of Imperial Holdings Ltd, which has its European base in Duisburg, Germany.

Lehnkering generates around 80% of its revenues through services to chemical industry customers. The group specialises in transporting chemical and steel products via road and inland waterways. Its distribution logistics & services division includes a large number of warehouses from which chemical products are shipped.

Imperial is buying Lehnkering from Lukas Sweden AB and the German company's managers. It will continue to operate under its own brand name as part of the Imperial Group, Riemann added. The hazmat specialist currently employs about 2,700.

• Lehnkering held a naming ceremony for two newly constructed gas tankers. In addition to LRG GAS 88, which has been operating since August 2011, the sister vessel LRG GAS 89, which has exactly the same design, will now complement the gas tanker fleet operated by the Lehnkering Reederei. Dr Angela Stieglitz performed the naming ceremony for 88 and Odette Claus for 89.

The launch of the sister vessels reflects the Lehnkering corporate strategy of continually rejuvenating its gas tanker fleet, the company said. "The two new gas tankers are able to transport a wide range of products as a result of their modern design and therefore meet the needs of the market, which is looking for flexible transport solutions," said Robert Baack, COO of the Lehnkering Shipping Logistics & Services division. "The shipment of gases on inland waterway vessels is a very efficient and environmentally-friendly means of transport, which will continue to have good market prospects in the future too."

Gas shipping operations on or near the river Rhine, where Lehnkering is one of the market leaders, are growing steadily. The vessels each have four individual tanks each with a capacity for 584 cbm. To achieve this, the hull has had to be equipped with increased collision protection and this is provided by a special technical design, known as a Schelde lining.

The two vessels each have four individual tanks each with a capacity for 584 cbm

Wagon pooling boosts VTG rail service

VTG has established a new pool of wagons to provide flexible, ad hoc transports of ethanol from Rotterdam. This provides customers with small or excess quantities as well as those needing transport at short notice with easier access to rail freight transport.

The service has been developed jointly by VTG's Wagon Hire division and its Rail Logistics subsidiary Transpetrol. In Rotterdam, Wagon Hire supplies the tank wagons for transporting ethanol, while Transpetrol organises the entire dispatch and transport operation. The customer can therefore purchase a comprehensive transport solution that can be provided at short notice. The quantity and scheduled time can be selected and tailored to fit transport requirements. There is no minimum hire period and there are no additional costs for maintenance or breakdown.

"The ethanol wagon pooling system is primarily aimed at customers who need flexible, all-round solutions that can be provided at short notice for transporting their product. At Transpetrol we are in a position to provide combined wagon-and-freight solutions at short notice", explained Gert Sieksmeyer, managing director of Transpetrol GmbH.

"This means we are reducing the threshold for access in favour of rail freight traffic and making Europe-wide transports from Rotterdam possible that would previously have taken place on the road. For our customers, this is a good way to gain access to rail freight transport, which has lower emissions and is more sustainable" said Sven Wellbrock, member of the management board of Wagon Hire Europe.

Transpetrol has already had many successes in relocating transports from the road to the railway with comparable pooling solutions. For some years now, products such as propane, butane and propylene have been transported throughout Europe using the pooling system.

Bertschi registered as AEO

Bertschi BV, the Dutch entity of Bertschi AG Dürrenäsch, obtained the AEO certificate for "Simplification and Safety" under Customs law. As such, Bertschi BV is now regarded by Customs authorities as a particularly trustful and reliable logistics service provider in the international distribution of bulk products for the chemical industry.

Bertschi is one of the first LSPs in its field to receive this specific certificate, and the company says its customers have the advantage of a fully integrated supply chain according to European standards.

The AEO Simplification and Safety award is the highest official AEO recognition, which implies that apart from being reliable in the traditional financial and customs terms, a company is also compliant in respect of security and safety standards and, therefore, to be considered as a 'secure' and reliable trading partner.

Univar contract for Lewis

Yorkshire(UK)-based road tanker operator Lewis Tankers has won a substantial new distribution contract with Univar, one of the UK's largest suppliers of bulk and packaged solvents.

Lewis is to provide Univar with a UK distribution service for its bulk solvents from the chemical distributor's sea-fed terminal at Cadishead, Manchester. Prior to this award, distribution was handled by a number of road tanker operators on a contracted and spot hire basis.

Working with the Univar logistics specialists, an in-depth analysis of distribution patterns and volumes product by product enabled Univar and Lewis Tankers to develop a 'total distribution solution' aimed at improving the chemical distributor's delivery service to customers.

The solution involves managing Univar's distribution needs with a contracted fleet of six multi-compartment solvents tanks, supported as required by a second tier of dedicated solvents tanks from Lewis's multi-user fleet. The contract will be managed by Steve Smith, Lewis Tankers' regional manager, north west.

Lewis managing director Stewart MacDonald explained: "It's a solution which provides Univar with a highly effective distribution service. It means we can maximise utilisation of the contract fleet and add additional resources as needed. By supporting the contract with dedicated solvents tanks from our multi-user fleet we can minimise cleanouts, reducing the environmental impact."

Austen Sampson, Univar's distribution manager, solvents business, added: "The solvents division of Univar Ltd has worked with Lewis Tankers for several years as a joint supplier, and we are pleased to develop our relationship with them. This partnership will allow both parties to unlock opportunities so that we can improve the service we offer our customers while contributing to Univar maintaining the highest levels of safety and service."

Lewis Tankers currently operates a fleet of over 80 tankers from its headquarters at Hensall, near Goole, two miles from the M62/A19 interchange. With many safety awards and an exemplary operating record, Lewis Tankers serves a number of leading customers in the oils, chemicals and gases sectors, including BP, Scottish Fuels, Gulf Aviation, Stepan, Sasol, Scotia Gas Networks, and World Fuel Services.

L-R: Univar's Austen Sampson and Lewis Tankers' Steve Smith

Virtual inventory for ethanol shippers

US rail operator Norfolk Southern is supporting ethanol shippers with a new virtual inventory management and delivery system that the company says can cut in half the time it takes to transload shipments at Thoroughbred Bulk Transfer (TBT) facilities.

The new system, the first of its kind in the rail industry, combines ethanol shipments from multiple customers into a single inventory in a process called comingling. This expedites transloading operations by enabling trucks to access ethanol from any rail car when they arrive at the terminal.

Since the system was implemented in October 2010, NS has increased the efficiency and capacity of its TBT comingling facilities. For example, at Alexandria (VA) the transload process dropped from an average 90 minutes to just 30 minutes.

"By creating a virtual inventory, we are taking the variability out of service, increasing flexibility and accessibility to the product, and decreasing the time it takes to get the product to blending and storage facilities," said Charlie Brenner, NS assistant vice president market systems and development. "We visualise it as a 'rolling storage tank' that streamlines access to a customer's ethanol supply."

Customers can access real-time information on shipments through the enhanced NS Ethanol Dashboard, a component of the new inventory system's software developed by NS's e-commerce team. The Web-based application tracks the quantity of ethanol each shipper uses and automatically updates inventory levels, monitors shipments in transit, and provides access to historical data. Truck arrival and departure times also are recorded. In addition, NS monitors each customer's supply chain, sends automated alerts if inventory levels are low, and in some cases assists with purchasing.

OSAGE Inc, the largest independent distributor of motor-fuel grade ethanol in the Southeast, has been using the new dashboard since the beginning of 2011. "The operational change at the rail siding from segregated inventory to comingled inventory has improved efficiency and reduced incurred demurrage charges to almost zero," said OSAGE chief financial officer Wes Spruill. "This represents real cost savings to our business. With the NS Ethanol Dashboard and comingled storage, the Pineville rail siding has now become one of the simplest distribution points with which I work on a regular basis."

So far, more than 150 million gallons of ethanol have been transloaded using the new system at Norfolk Southern TBT facilities at Doraville (Atlanta), Pineville (Charlotte, NC), and Alexandria, and Petersburg (Va). NS also will offer the new inventory system at its recently opened TBT at Pottstown (PA), and in Roanoke (Va), scheduled to open in January 2012.

Norfolk Southern serves 22 ethanol production plants that manufacture 2.16 billion gallons of ethanol annually. In 2010, NS transported 2.13 billion gallons of ethanol, about 16 percent of the total US production, through a network of 75 facilities strategically located to serve suppliers and consumers in the eastern and southern US.

SABIC award

SABIC was awarded the Logistics Management Association's 2011 Netherlands Logistics Award for its project Adaptive Dynamic Sourcing for European Transport.

The award was presented by the chairman of the Jury, Walther Ploos van Amstel Esq, in Amsterdam on 3 November following an in-depth assessment and selection process.

According to the jury, the Adaptive Dynamic Sourcing for European Transport project is "an inspiring example of a mutually successful collaboration between a shipper and logistics service providers, during which planning information is shared proactively and operational processes are paperless and controlled". The project also sets an example for transport-intensive businesses in the chemical industry, an important sector for the Netherlands.

The jury concluded that "Supply chain management has clearly been taken to a higher level at SABIC"

During the assessment process, the jury spoke to some of the logistics service providers involved, who cited proactive capacity planning based on predictions, and paperless processes as key advantages. By organising so-called 'haulier days', SABIC actively involves service providers in finding solutions for key issues such as safety, sustainability, loading/unloading, preventing empty kilometres and capacity planning.

In its final report, the jury concluded: "Supplying products promptly and most of all at low costs is one of the success factors for the chemical sector. SABIC shows how this can be realised in practice. Supply chain management has clearly been taken to a higher level at SABIC and makes a strategic contribution to the company's success."

Raf Bemelmans, director supply chain polymers Europe at SABIC said: "This award is not only recognition of our state-of-the-art sourcing process for transportation, but also of 10 years of process optimisation and automation. It allows us to guarantee high service levels to customers by securing transportation in a volatile market."

DPW says London Gateway's location is unique as it brings large vessels directly to Europe's biggest logistics park

DPW's gateway to London

The UK's first major port project in two decades was officially unveiled to the media in October. Dubai-based port group DP World showcased the US$1 billion London Gateway terminal announcing that it would open for business in Q4 2013.

London Gateway will have an initial capacity of 1.6 million TEU. By locating the port and what is set to become Europe's largest logistics park on the capital's doorstep, the developer says UK business will be able to take advantage of a more cost effective, greener way of getting goods to consumers.

In addition to the opening date, DP World announced the creation of an extra 1,000 new jobs for the UK, 700 new construction jobs and 300 new port jobs will be created in the coming months. The project has already created more than 600 jobs since January 2010 when major construction work started at the site.

The company also announced the award of four major port equipment contracts. Chinese crane builder ZPMC will provide eight quay cranes, which will be the largest in the world, able to handle the next generation container vessels of 18,000 TEU capacity. ZPMC will also provide rail mounted gantry cranes for the port's rail terminal. Sweden-based Cargotec will provide automated stacking cranes and straddle carriers to be used in the port.

UK business secretary Vince Cable and shipping minister Mike Penning joined DP World chairman Sultan Ahmed Bin Sulayem, vice chairman Jamal Majid Bin Thaniah, CEO Mohammed Sharaf and the rest of the DP World Board at London Gateway today to mark the formal announcement and tour the site.

Sultan Ahmed bin Sulayem commented: "We are delighted to announce a definitive opening date for the new port, which is a unique infrastructure development for the UK. London Gateway will help UK businesses improve efficiency and competiveness. It will provide the UK with a premier, world class global trading centre. Our investment in London Gateway reflects our long term commitment to the UK and to our customers trading in this market."

Mohammed Sharaf described the project as a "giant leap forward" for the UK's supply chains: "London Gateway's location is unique, bringing the world's largest ships directly to Europe's largest logistics park, providing long-term value for customers and UK business."

Dr Cable commented: "The opening of London Gateway in just two years' time will transform the UK's maritime port infrastructure and play an important role in helping Britain's economy grow in the coming years. It will help Britain to maintain its competitiveness, drive productivity, and crucially strengthen our links with Asia and beyond. The importance of this project cannot be overestimated. The announcement of these 1,000 new jobs today is a welcome boost to the UK."

Once complete, the new port and logistics park will save an estimated 65 million road freight miles every year as many goods will no longer need to be transported from deepsea ports to inland distribution centres. Instead, goods will be sent straight into the new logistics park.

Key facts about London Gateway

- Europe's largest logistics park
- 1,500 acre disused brownfield site, which will accommodate a mixture of commercial and logistics uses
- Location 25 miles from central London on former Shell Haven oil refinery on the north bank of the Thames
- 2.7 kilometre-long Thames frontage
- Quay length 2,700 metres
- Best tidal window access for deep-drafted vessels and capacity of 3.5 million TEU p/a
- 6 berths
- Terminal area 175 ha
- 24 quay cranes

Mitsui connects to bioethanol hub

A significant new contract between Simon Storage and global trading company Mitsui & Co Deutschland will see bioethanol being stored at Simon's Immingham West Terminal.

Located on England's East Coast, the terminal gives Mitsui a bioethanol storage and distribution hub with transport links to growing UK and international markets. Bioethanol will be received and redelivered by sea (via the Immingham West Jetty) and by road, and offered to off-takers already storing products at the terminal.

Simon's in-house engineering team is managing a range of new build works and tank modifications to meet the new contract, including new pipeline receipt and redelivery systems. In addition, facilities are being configured by Simon to provide Mitsui with the flexibility to respond quickly to changing market requirements by providing the ability to segregate differing status product and to denature bioethanol in tank as and when required to make UK standard TSDA (Trade Specific Denatured Alcohol).

Tank modifications for the project include new protective tank linings to protect against stress corrosion cracking, the installation of overfill safety systems linked to ROSOVs (remotely operated shut-off valves) in accordance with process safety standards recommended post Buncefield, and fitting automatic tank gauges linked into Simon's terminal automation and stock control system (TASCS). The tanks are also designed to allow in-tank nitrogen blanketing facilities to be fitted at a later stage in the contract. Subsequent connection to a metered supply of nitrogen to each tank vapour space will help to protect the tank and stored product against ingress of air and moisture.


Josh Cassidy, winner of the 2011 Tyne Tunnel 2K

Martyn Lyons, managing director of Simon Storage Ltd, says the contract with Mitsui reflects growing demand for bioethanol storage. "Our two terminals at Immingham are already handling thousands of tonnes of bioethanol every year and this looks set to continue rising in line with increased use of biofuels to cut carbon emissions," he commented.

• Simon Storage and its Canadian parent Inter Pipeline Fund were among the sponsors of the 2011 Tyne Tunnel 2K International, the fastest wheelchair race in the world. Simon supported the race winner, Josh Cassidy, for the second year running. The Canadian Paralympian sped to victory in the first TT2K to take place in the new Tyne Tunnel, commissioned in February 2011 as part of the new Tyne Crossing Project.

The new vehicle tunnel under the River Tyne was closed during the night of 16 September 2011 while 30 of the world's elite wheelchair athletes, both men and women, were tested to their limit over the 2km course. Josh Cassidy's time of 3:33.3 minutes was the fastest ever recorded at the TT2K and 20 seconds ahead of Richard Coleman, the Australian Paralympic Gold Medallist.

Statoil takes space

Oiltanking Terneuzen has signed a long-term storage contract with Norway's Statoil. The agreement, which will go into effect in 2013, will strengthen Oiltanking's position in the ARA hub for oil and chemicals and reinforce Statoil's trading portfolio in northwest Europe.

By signing this contract, the capacity of the terminal will increase from 317,000 cbm to 472,500 cbm. The expansion enhances the construction of 16 product flexible storage tanks with subsequent pumping, pipeline and vapour recovery. Next to these, a new 2/4 combination jetty will be built in co-operation with Zeeland Seaports, facilitating large seagoing ships with simultaneous barge movements.

Also at Terneuzen VSL SiloLogistics is to increase its capacity at the Valuepark site. Since 2003, the former Vos Logistics (now VSL SiloLogistics) has been taking care of the transportation and storage of polyethylene granules (PE and LDPE) for Dow Benelux.

Dow, together with Zeeland Seaports, is a co-partner in the joint venture Valuepark Terneuzen . "We look forward to the continuation of the co-operation. With the expansion of the storage capacity, VSL SiloLogistics is investing in a long-term relationship with the chemical concern," said to CEO Pieter de Graeff CEO.

As VSL SiloLogistics is investing in 22,500 sqm of extra warehouse storage and eight silos, Dow will be able to store all polyethylene granules under cover. This is a wish of Dow's to satisfy quality requirements for these products, particularly in the food and health industries.

Gerard van Harten, chairman of the Dow Benelux board, also underlined the power of the partnership. "Dow believes in long-term partnerships and it is very nice to have a partner that is close by. Moreover, it means that the concept of the Valuepark – production and logistics close together – is a success. Next year, Valuepark Terneuzen will celebrate its tenth anniversary and VSL SiloLogistics helped to make this possible."

Amsterdam Westpoort opens for business


The first vessel docks at Amsterdam Westpoort

Vopak Terminal Amsterdam Westpoort was inaugurated last month by Carolien Gehrels, vice mayor of Amsterdam; Dertje Meijer, president and CEO of Port of Amsterdam; and Eelco Hoekstra, chairman of the Vopak executive board.

The terminal is located in the Port of Amsterdam and will provide storage capacity to meet growing demand in the Amsterdam-Rotterdam-Antwerp (ARA) region. Amsterdam plays an important international role as a logistics hub for gasoline facilitating product flows between Europe, North America and Asia.

At the new terminal, gasoline, gas oil and diesel products can be stored and blended with other components bringing them up to specifications for the various international markets. Vopak Terminal Amsterdam Westpoort has an initial storage capacity of 620,000 cbm and has been delivered on time and within budget. As a result of the high demand for additional storage capacity and related services in the ARA region, the terminal will be increased to 1,190,000 cbm, which is due to be commissioned in phases up to the third quarter of 2012.

The terminal has two jetties for the handling of seagoing vessels with a maximum capacity of 120,000 DWT and eight berths for the handling of coasters and inland barges with a maximum capacity of 20,000 DWT.

For Dertje Meijer, president and CEO of Port of Amsterdam the opening of the terminal marks a crucial step in the development of the Port of Amsterdam as "the world's leading gasoline hub".

Eelco Hoekstra, chairman of the executive board of Royal Vopak NV: "With the opening of this state-of-the-art terminal we are able to expand the services we provide to our international customers, emphasising Vopak's growth strategy."

• China's State Development and Investment Corp (SDIC) is starting construction of a joint oil storage terminal with Vopak in south China. The move comes more than three years after the two firms signed a RMB7 billion deal for the 5 million cbm Yangpu storage and port facility in the island province of Hainan.

SDIC holds a 51 percent stake in the joint venture and Vopak, has 49 percent. SDIC has gathered together a variety of energy assets including power and coal in recent years, but it did not have any exposure in China's oil storage market that has boomed amid fast-growing demand in the past decade.

State-controlled oil majors Sinopec and PetroChina have both added considerable capacity in recent years alongside China's construction of its first state strategic oil reserves. The Yangpu storage will not only serve the Chinese market, it will also be open to southeast Asian countries said SDIC.

APMT to run Gothenburg

APM Terminals has won the concession to run Port of Gothenburg's Skandia Container Terminal for the next 25 years.

APMT says it will invest over US$115 million in the first five years of operation to make the port more competitive as a north Europe freight hub for the Nordic markets. Most of the investment will target infrastructure improvements.

APMT will invest over US$115m in the first five years of operation at Skandia

In the past two years, Port of Gothenburg has prepared its ro-ro, car and container terminals for privatisation by incorporating them as separate concession holders, believing that private ownership of these terminals will give a new impulse to investment, competitiveness and cargo volumes.

"This is a big day not only for Gothenburg but also for the whole of Swedish industry. With APM Terminals global network and expertise and a willingness to invest, the Port of Gothenburg will consolidate its role as the major international port in Sweden," stated Sven Hulterström, chairman of the Port of Gothenburg.

"We are delighted that APM Terminals has been selected for this important national container terminal by the leaders of the Port of Gothenburg. It underlines the value our port expertise delivers to governments and customers whose focus is on meeting their national and commercial objectives," added Martin Poulsen, CEO of APMT's Europe region, based in Rotterdam, Netherlands. "Projects like this enable us to grow national and regional economies. It is our experience that for a public-private partnership to be successful, the skills and commitment of the government is crucial. Throughout the bid process, we have been impressed by Gothenburg Port Authority's clarity of objectives and effective approach to achieve them."

The deal is subject to approval from the Swedish Competition Authorities.

The planned transfer of management and operations would be in the first quarter of 2012.

"Our vision is to continue strengthening Skandia Container Terminal's position as a key trade gateway in Sweden and an economic generator for the country. We are committed to establishing world-class port standards and infrastructure. We have the scale and expertise to do this and look forward to working with Port of Gothenburg to make this a joint success," added Poulsen.

30m for Z in NZ

In New Zealand 30 million litres of new fuel storage has just opened which is claimed to improve significantly fuel supply in the country's South Island.

Z Energy has commissioned new storage tanks at Port of Lyttelton, and committed to at least NZ$10 million of additional investment in South Island's storage infrastructure over the coming two years. Z Energy owns and operates a Shell-branded retail fuel business. 'Z' itself is owned by Infratil and the New Zealand Superannuation Fund.

The three 10 million litre tanks were formally opened by the Christchurch earthquake recovery minister, the Honourable Gerry Brownlee and the chair of the Z Board Marko Bogoievski at a ceremony at Port of Lyttelton.

Z chief executive Mike Bennetts said the commissioning of the tanks had been delayed twice by the Christchurch earthquakes and it was pleasing to open the facility formally. "I want to thank the many people who have been involved in developing this important project, unfortunately under some difficult circumstances," he said. "These tanks will make an important contribution to ensuring a reliable fuel supply to Christchurch and surrounding areas and it feels good to be completing an investment which will play a role in helping get Christchurch back on its feet," he said.

The tanks, which hold jet fuel, diesel and petrol, cost $25 million to construct. All of the capacity – enough to boost Canterbury's stock cover by a week – is now operational.

Bennetts said the country's bulk fuel storage had been rationalised and reduced over the previous decade and there was now a need for sustained investment in the fuel infrastructure.

He added that the exact location for additional fuel storage was currently being worked through and further announcements confirming the size and location of new tankage would follow over the coming months.

CAO to invest in S Korea terminal

Singapore-listed jet fuel supplier and trader China Aviation Oil (Singapore) Corporation (CAO) has agreed to invest US$32 million for a 26 percent equity stake in an oil storage firm in Yeosu, South Korea.

The announcement came two days after the company said it was investing $10 million in an oil storage terminal in Johor, Malaysia for its exclusive use. The Malaysia project was the first investment made by CAO in an enterprise outside China since its restructuring in 2004 and marks a milestone in its effort to build its network of assets in jet fuel trading, said CEO Meng Fanqiu.

CAO will be the second largest shareholder in Oilhub Korea Yeosu Co (OKYC), which is building the Northeast Asia Hub Terminal in Yeosu, a storage facility with a capacity of 1.3 million cbm, of which 670,000 cbm will be used for oil products and the rest for crude oil.

Korea National Oil Corporation will be the largest shareholder with a stake of 29 percent in OKYC. Other shareholders include SK Energy and GS Caltex Corporation.

The terminal under construction now is only 1.88 days by sea from Tianjin and 1.21 days from Shanghai, respectively. It is also able to support trading activities to the US west coast and southeast Asia, CAO said.

"CAO's investment in OKYC is in line with its oil storage investment strategy and highly (compatible with) its jet fuel trading business," Meng said.

Construction of the South Korean terminal started in February this year and is expected to be completed by the end of 2012. CAO will be leading tankages there for storage of middle distillates on a long-term basis.

CAO is the largest physical jet fuel trader in the Asia Pacific region and the key supplier of imported jet fuel to the Chinese mainland civil aviation industry. It was forced to undergo restructuring after suffering a loss of $550 million in 2004 from oil derivatives trading.

The company has been working hard to enhance corporate governance and risk control in recent years and managed to pay off its debts four years ahead of plan. It is now trying to transform itself from a jet fuel supplier to a trader of jet fuel and other oils, with the aim of establishing itself as the leader in jet fuel trade in Asia Pacific region and a major trader of other fuel oils by 2014.