



NOTES FROM THE SECRETARIAT



Welcome to the latest edition of *ABTONews*. At the recent ABTO conference in Hamburg we heard some encouraging news about the prospects for the dry bulk markets. Frank Grone, Director of Frachtcontor said that while the bulk segment is slowly but steadily working its way out of the doldrums with a positive cash flow, this had been achieved by a significant amount of scraped tonnage by dry bulk ship owners. This along with port congestion and slow steaming had resulted in a healthy growth of 4% during 2017 and he went on to predict that this will continue with 2018 seeing further growth of 3%.

As far as bulk commodities are concerned demand for iron ore has been the major driver and the iron ore market should increase by about 2% this year and continue upwards with suppliers in Brazil and Australia ramping up production. Demand from the Chinese market is still there he said, and locally produced product is nowhere near the quality of imports. Coal is another market driver with a 7% increase in Chinese imports and Indian imports up 6%.

The overall increase in seaborne coal trade is 3-4%. This is not however a global pattern with Europe seeing imports fall. China, India, Japan and Korea import approximately 900mt of coal per year compared to the two biggest importers in Europe, the UK and Germany, which import approximately 110mt annually. European terminals can expect to see imports of coal continue to decline as more energy is derived from renewable sources.

The conference was very well received by the delegates who heard presentations on security and business continuity, environment and sustainability, challenges and opportunities (which included a very interesting presentation on marketing), safety and operations. The presentations are available in the members area of the ABTO website. There will be a full report in the upcoming edition of Bulk Terminals International.

In the meantime, I would like to take this opportunity to wish you all the very best for the holiday period and a prosperous 2019.

NEWS IN BRIEF

WAALHAVEN CARROUSEL GREENLIGHT

The smart breakbulk carousel plan for Rotterdam's Waalhaven has been greenlighted, paving the way for 12 hectares of industrial site and 1,155 metres of quay to undergo a user change.

The industrial sites and port infrastructure will also be renovated by the Port of Rotterdam Authority to give an additional growth incentive to the Rotterdam breakbulk sector.

"This operation enables us to demonstrate that we are giving the Rotterdam breakbulk sector ample space to develop," said Emile Hoogsteden, Director Containers, Breakbulk and Logistics at the Port of Rotterdam Authority.

"This particularly concerns heavy lift, project cargo, steel and non-ferrous metals. The investments now being made will form a further incentive to make Rotterdam the breakbulk hub of Europe," he said.

The four companies involved in the project are Metaal Transport (non-ferrous metals and steel), Broekman Project Services (heavy lift, project cargo and offshore), J.C. Meijers (multi-purpose terminal) and RHB/Rotterdams Havenbedrijf (specialist heavy lift and project cargo).

BULK MATERIAL HANDLING MARKET FORECAST TO GROW BY 4.3%?

A study recently published by Future Market Insights titled “Bulk Material Handling Systems Market: Global Industry Analysis (2012–2016) and Opportunity Assessment (2017–2027)” has indicated that the global bulk material handling systems market is expected to register a CAGR of 4.3% between 2017 and 2027.

In 2016, the market was valued above US\$3 billion and is projected to reach a valuation higher than US\$ 5 Bn by the end of 2027.

Regional ports are expected to play a pivotal role in cross border trades, leveraging commodity exchanges. The concentrated availability of bulk commodities such as coal, iron ore and petroleum products, is cited as having enhanced intra-connectivity amongst all the countries around the world, the report states.

In spite of the economic slowdown, global seaborne trade moved over 10 billion tons in 2015 and is anticipated to witness potential growth over the course of the forecast period. Increasing demand for minor commodities and liquid bulk is estimated to be one of the main drivers responsible for the growth of the bulk material handling systems market during the forecast period.

Furthermore, the growth of the manufacturing and mining industries at a global level is expected to create significant opportunities for the bulk material handling systems market and in turn fuel the production as well as the sales of such systems which are further used in these applications.

The mining application segment in the bulk material handling systems market is expected to account for a share of 28.4% in the global market in 2017 and is projected to reach approximately 29.3% by the end of 2027.

Construction and infrastructure along with manufacturing and mining activities have become dynamic sectors which are expected to contribute in the growth of the market for bulk material handling systems. The demand for some of the bulk material handling systems such as stackers, band conveyors, bucket elevators, and ship loaders and unloaders is increasing in manufacturing, construction, maritime and mining sectors in emerging economies of Asia Pacific.

Nevertheless, the rental services for heavy, gigantic and costly bulk material handling systems such as bucket wheel excavators, stacker cum reclaimers, and shovel, among others are expected to remain a precedence for many end users over the forecast period.

NEWS IN BRIEF

BRONKA SIGNS HANDLING DEAL

The operator of port Bronka Fenix LLC and the International Dangerous goods & Containers Association (IDGCA) have signed an agreement of cooperation in cargo handling and transportation processes and also for initial and ongoing staff training.

IDGCA, established in 2001, is the only one non-governmental organisation in Russia that has attained consultative status by respective subcommittee of UNECE.

IBP WINS BEST PORT AWARD

ABP's Port of Immingham has been globally recognised as the Best Dry Bulk Port after winning the prestigious accolade at the International Bulk Journal (IBJ) Awards.

The Immingham Bulk Park (IBP) won the award ahead of other ports based in Hamburg, Kookkola in Finland and Abu Dhabi.

Immingham Bulk Park can handle any conceivable type of dry bulk cargo, from bagged or loose fertiliser, to pumice or soya. The site, which benefits from regular investment from ABP, is continually improving and in peak production, is capable of bagging 3,000 tonnes of fertiliser a day – the only place in the UK with that capability.

Mark Frith, Port Manager for ABP Immingham, said: “Given the hugely impressive international competition Immingham was up against, this award demonstrates just how important our facility in the Humber is for the bulks sector. It's a huge vote of confidence in our operations and is down to the terrific partnership that has been established between our staff, management and customers.”

NEWS IN BRIEF

CALLS FOR MORE TO JOIN RAINMAKING

Cargotec, which partnered with Rainmaking in September this year has called for more start-up companies to join the programme.

The programme connects world leading corporations and innovative startups to address the biggest challenges in maritime, cargo transport and logistics.

"Maritime logistics is full of inefficiencies throughout the value chain, and we at Cargotec want to change that. However, we cannot do it by ourselves - to change the world you need collaboration," says Tero Hottinen, Director Emerging Digital Business, Cargotec.

The key themes related to solving the inefficiencies in cargo flow include intelligent on-board cargo and load handling; optimised terminal operations; and efficient and sustainable cargo flow. Startup solutions can be related to artificial intelligence, IoT, big data or drone applications, to name just some examples.

Cargotec is one of the key partners driving the programme. Through its businesses Kalmar, MacGregor and Navis Cargotec connects to the whole cargo flow chain.

"I am delighted that we are participating, as part of Cargotec, in the Rainmaking programme and look forward to working with innovative startups around the world who can support and, through collaboration, accelerate our ability to make an impact in this vital area of vessel efficiency improvements and payload optimisation," says Dennis Mol, Vice President Digital and New Business Transformation, MacGregor.

ABP TO TAKE OWNERSHIP OF IMMINGHAM BULK TERMINAL



British Steel has announced that Associated British Ports will take over the ownership of Immingham Bulk Terminal as part of a £65 million investment to help support the long-term future of steel manufacturing along the River Humber.

The agreement sees ABP form a new business, IBT Limited, which will also manage the terminal located on the west side of the port in Immingham. It will continue to handle more than 5.5 million tonnes of bulk cargoes such as iron ore, coal and coke each year, all destined for British Steel's Scunthorpe headquarters.

As part of their commitment to the project, ABP will invest £65 million in new cranes, equipment and infrastructure to underpin the safe and reliable operation of the site for the future use.

All employees currently working for British Steel at IBT (approximately 45 people) will be invited to join Immingham Bulk Terminal Limited, within the ABP group. ABP's port operatives will also work alongside existing colleagues to assist in reducing any labour shortages.

Gerald Reichmann, British Steel's Chief Financial Officer, said: "We're delighted to be working in partnership with ABP, whose expertise in running operations like IBT will enable us to focus on our core steelmaking operations."

"As well as investment, the agreement will give us access to additional berthing opportunities to support our current requirements and enable further growth."

Simon Bird, Regional Director of ABP Humber, said: "We see this new venture as a fantastic opportunity for the Humber. Not only will people benefit from potential new job opportunities in the area but ABP and British Steel will be working together to run a smooth operation which has scope for further expansion of steel manufacturing in the Humber region."

IBT Limited will form an arm of ABP's existing business and will work hand-in-hand with their current operations which take place across the Humber ports.

NEWS IN BRIEF

INCREASE IN BOXED TIMBER

The Port of Riga has experienced a significant increase of timber cargoes throughout 2018.

During the first ten months of the year the port handled a total of 4.4 million tonnes of various types of timber cargo, one third more than in the previous year.

“The increase in timber cargo results from the growing market. Companies which work with various timber products, such as sawn wood, pulpwood or wood chips, currently operate with great intensity. Overall, this has been a very favourable year for the industry,” said Andis Bunkšis, board member at WT Terminal, one of the largest timber terminals of the Port of Riga.

The increase is in part due to the growth in the intensity of timber loaded in containers for transportation to Asia and Africa.

Bunkšis said: “Despite the fact that loading timber into containers requires a more sophisticated technological process compared with ships, the containerisation of cargo has become an increasingly popular trend in the global freight market.”

VANCOUVER GRAIN TERMINAL GO-AHEAD

The Vancouver Fraser Port Authority has approved a permit application from Fraser Grain Terminal to develop a grain export facility in Surrey on federal lands managed by the Vancouver Fraser Port Authority.

The approval is subject to 64 permit conditions that must be met to ensure the project is constructed safely, protects the environment, and considers the impacts on local communities.

QINHUANGDAO PORT COAL CARGOES INCREASE BY 10%

In the first 6 months of 2018, China’s Qinhuangdao Port registered an increased throughput of coal cargoes, representing a year-on-year increase of 9.9%.

China’s domestic traded coal shipped and foreign traded coal unloaded amounted to 430 million tonnes in aggregate, representing a year-on-year increase of 1.47%; of which, the domestic traded coal shipped amounted to 370 million tonnes, representing a year-on-year increase of 1.3%; and the foreign traded coal unloaded amounted to 60 million tonnes, representing a year-on-year increase of 2.5%.

For iron ore, China continued to improve with an increase in daily average production volume of crude steel in major steel enterprises. In the first half of the year, the production volume of crude steel in China amounted to 451 million tonnes, representing a year-on-year increase of 6.0%, and the amount of imported iron ores and concentrates was 531 million tonnes, representing a year-on-year decrease of 1.6%, which showed a slowdown in growth.

In its interim 2018 report, the Port said the sufficient supply of iron ores in steel factories in China led to high level of inventory of iron ores at the ports. However, demand of imported iron ores remained sluggish due to the ongoing implementation of capacity cut in steel industry.

As such, the amount of unloaded iron ores at the ports remained largely the same as that in the corresponding period of last year with unloaded imported iron ores of 470 million tonnes, representing a year-on-year decrease of 0.1%.

Overall, the Port’s recorded a total dry bulk throughput of 176.70 million tonnes, representing an increase of 0.82 million tonnes or an increase of 0.47% from 175.88 million tonnes for the corresponding period in 2017.

Total metal ores throughput was 54.35 million tonnes, representing a decrease of 5.87 million tonnes or a decrease of 9.75% from 60.22 million tonnes for the corresponding period in 2017.

Meanwhile, *Splash247* reports that the port plans to invest \$118 million in Cangzhou Huanghua Mineral Port Company, a bulk terminal operator at Huanghua Port. The investment will increase Qinhuangdao Port’s shareholding in the terminal to 98.9%.



NEWS IN BRIEF

TALLINN DISCOUNTS FOR EFFICIENCY

Starting in 2019, ships participating in the Environmental Ship Index (ESI) in working towards reducing air emissions may apply for up to 8% discount on tonnage fees in the harbours of the Port of Tallinn.

The new pricing system is aimed at encouraging shipping companies to adopt environmentally friendlier technologies.

To receive the discount, ships must hold a specific ESI score. Vessels with the ESI score of 80 and above may apply for a discounts. For ships with the ESI score between 65 and 79.9, a 3% discount will apply.

Ellen Kaasik, the Head of Quality and Environmental Management of the Port of Tallinn, said: "Our aim as the landlord port is to encourage shipping companies to make extra efforts for adopting sustainable solutions and thus for protecting the fragile ecosystem of our Baltic Sea."

PD PORTS INKS BRITISH GYPSUM DEAL

PD Ports, one of the UK's major port groups, has signed a multi-million pound, five-year contract with British Gypsum.

The deal is expected to bring gypsum rock shipments from Europe directly into Teesport every two weeks where it will be stored in a new bulks warehousing facility.

Through Teesport's dedicated rail terminal directly linked to the bulks facility, trains will run six days a week, providing British Gypsum with a flexible, cost effective and environmentally efficient solution for its UK imports.

Frans Calje, PD Ports' CEO, commented: "This investment symbolises our commitment to the future, providing an important addition to our wider plans at Teesport and its pivotal role in driving government plans to rebalance trade

SICHUAN YADONG CEMENT RELIES ON BEUMER TO CONVEY LIMESTONE

China's Sichuan Yadong Cement Co, Ltd has been relying on a 12.5 km overland conveyor from Beumer Group in order to convey limestone from its quarry to the silo.

When constructed in 2009 it was the longest belt conveying system in Beumer history. (A longer system was installed in 2016.)

A second project will now include two additional overland conveyors, with an overall length of 13.7km, transporting limestone to the cement plant. Unlike the first project, the task here was to build the conveyor across inhabited areas. Noise emission limitations set forth by the government also needed to be considered.

A mass flow of 2,200t of limestone per hour was necessary to meet the plant's requirements. For this project, the first conveyor was to be customised to these requirements.

"We were planning a second troughed belt conveyor with an overall length of 13.7 kilometres," said Dr. Andreas Echelmeyer, Director of Conveying and Loading Systems at Beumer Group. This is the longest conveyor in Beumer's history.

During the planning phase, the cement manufacturer acquired another plant in Lanfeng, 10km away. "Now we had to design the system so that both plants could be supplied with limestone," explains Dr. Echelmeyer.

The Beumer team divided the overland conveyor into two parts. After 5.4km an additional conveyor can be added to be fed to Lanfeng in the future. Both overland conveyors have four horizontal curves with radii of 1,200, 1,500 and 1,800m.

"We provided the engineering and the individual parts such as pulleys, motors, drive and control technology and the entire automation," describes Dr. Echelmeyer.

The installation was monitored by a Beumer Group supervisor and the wiring of the system was supported by a Beumer electrical engineer. The system supplier was also in charge of the commissioning in May 2016. The troughed belt conveyor is now supplying three kiln lines, a fourth line is planned.

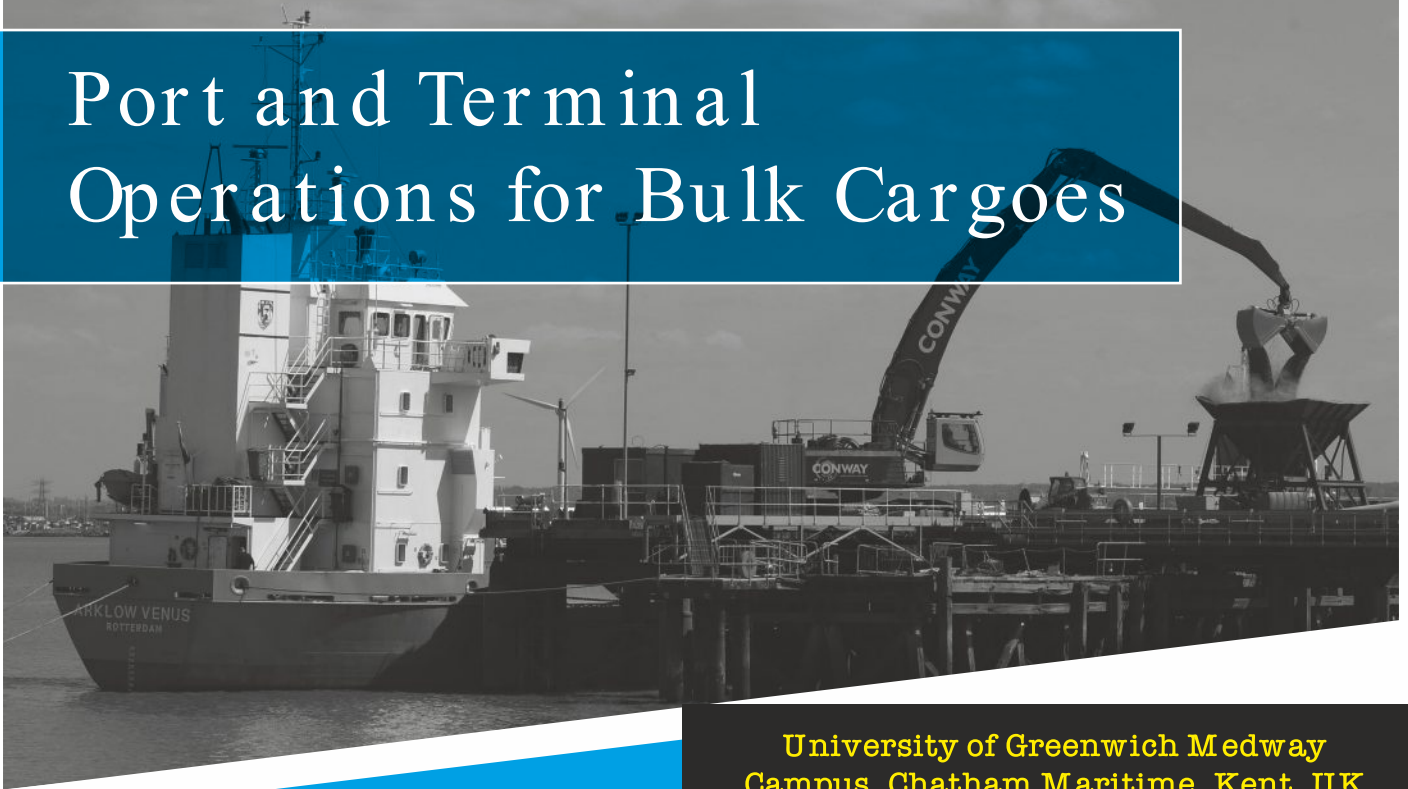


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