

NOTES FROM THE SECRETARIAT

It is hard to believe that ABTO was established just over twelve months ago. But in that short time so much has been achieved: we have seen an increase in membership, especially since the inclusion of new White Papers and regulatory updates in the Members' section of our website, and the publication of quarterly magazine *Bulk Terminals International (BTI)*. Indeed, *BTI* has been very well received with many of you commenting on the quality editorial content and aesthetic appeal of the publication.



A growing membership base, however, is not the only measure that we can apply to our success. A significant part of our activities has been ensuring our members' views are heard at the International Maritime Organization (IMO), where we continue to represent our members' interests.

The next meeting we will attend is the sub-Committee for Carriage of Cargoes and Containers (CCC 4), to take place next month, between 11 and 15 September. ABTO has been invited by the UK's Maritime and Coastguard Agency (MCA) to attend the pre-CCC briefing in order to raise concerns our membership may have about this important issue and to ensure our members' voices are heard with the host nation of the IMO. However, we will continue to lobby all IMO Member States on behalf of our international membership.

All the relevant papers for CCC 4 are available in the members' area of the website and we will of course report on the sub-Committee in subsequent editions of *ABTONews*.

Finally, I am delighted to report that we are in the final stages of negotiating the venue for our inaugural conference Bulk Terminals 2017. And I hope to make an announcement by the end of this month.

Places will be limited so please do make sure you book your place soon to avoid disappointment.

Ian Adams, CE

NEWS IN BRIEF

ESSAR TO EXPAND BERTHS

Essar Bulk Terminal Ltd (EBTL), the operator of the Hazira port terminal facility, has signed an agreement with Gujarat Maritime Board (GMB) for expanding its captive jetty by 1100 metres.

The expanded berthing facility is expected to be ready by December 2018, and will enhance the current capacity by 20MTPA.

Commenting on the development, Mr Rajiv Agarwal, Managing Director, Essar Ports, said: "Our Hazira Port Terminal has delivered record output on account of highly efficient operations. The expansion of the jetty by 1,100 metres will further boost the cargo handling capability of the facility."

Capt. Subhas Das, CEO, Essar Bulk Terminal, said: "The Hazira Port terminal is a world-class facility; the expansion will help us cater to the cargo requirements generated by the enhanced capacity utilisation of our anchor customer, Essar Steel."

Since Essar Steel production is expected to increase further during FY18, the total cargo handling at the Hazira port terminal is likely to cross 25 million tonnes.

Essar Ports has handled 19.62 million tonnes of cargo in the quarter ending 30 June 2017.

BULK TERMINALS 2017

ACHIEVING EFFICIENCY AND COMPLIANCE

The Inaugural Conference of the Association of Bulk Terminal Operators (ABTO)

31 October - 1 November 2017 - London

More details at:
www.bulkterminals.org/events.html



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KEY SPEAKERS INCLUDE

Susan Oatway, Associate,
Drewry Shipping Consultants

Professor Mike Bradley,
Director, The Wolfson Centre

Aron Frank Sørensen,
Head of Maritime Technology
and Regulation, BIMCO

David Wragg, Business
Development Director,
Hargreaves Industrial Services

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Official magazine of Association of
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NEWS IN BRIEF

MBTL PERMIT FOR COAL TERMINAL

Millennium Bulk Terminals-Longview (MBTL) has received its first permit for the Coal Export Terminal from the Cowlitz County Department of Building and Planning.

The Critical Areas Permit signals a new phase in the Coal Export Terminal project, after more than five-years of evaluation by regulatory agencies.

MBTL President and CEO Bill Chapman, said: "Our goal of building a state-of-the-art export terminal in Cowlitz County, creating thousands of family-wage jobs and pumping millions in tax revenue into the Washington economy is now closer than ever," Chapman continued. "There is more work to do before construction can begin and this is a strong start."

The Critical Areas Permit program has been designed to protect critical areas. These critical areas include wetlands and fish habitat areas. The issuance of this Critical Areas Permit indicates that Cowlitz County has approved Millennium's plans to protect these critical areas.

AGL PLANS TO IMPORT GAS AT CRIB

Australia's AGL has announced Crib Point (Western Port) in Victoria as the preferred site for a gas import jetty and pipeline to increase energy security and supply for customers in south eastern Australia.

Richard Wrightson, AGL Executive General Manager, Wholesale Markets, said: "This doesn't signal the end of the feasibility studies for the proposed site but now accelerates the process."

If all goes to plan, AGL would invest roughly \$250 million and start construction in 2019. The terminal could be in operation by 2020/21.

US COAL EXPORTS SOAR WITH INCREASED EUROPEAN DEMAND

US seaborne coal exports have turned years of negative growth around and are climbing for a third quarter in a row, reports shipping association BIMCO.

The increase in total volume is predominantly driven by a growing demand from European importers. East Asian buyers have also ramped up their import of US coal, which is beneficial for the dry bulk shipping industry as it generates a substantial amount of tonne-miles, relative to other destinations.

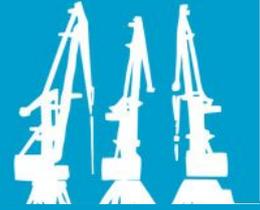
BIMCO reported back in December 2016, that the tonne-miles from US coal exports halved over three years due to long-haul routes carrying coking coal to East Asia not operating to the same extent and diminishing demand from Europe. After reaching the lowest levels for exported coal in Q3 2016 since Q1 2007 in terms of total volumes, US coal exports now look to return to recognisable heights and become a dominant player in global seaborne coal transport once again.

BIMCO's Chief Shipping Analyst Peter Sand comments: "A rising US coal trade has a multiplying effect on the dry bulk shipping industry, as it provides some of the longest sailing distances. East Asian importers source 61% of their US coal from Norfolk, Virginia and Baltimore, Maryland and thereby accept a journey of up to 45 sailing days at an average speed of 13 knots (14,000 nautical miles)."

Europe continues to be the largest importer of US coal and has for the first half year of 2017 imported 41% of all US seaborne coal exports. Europe has sourced 4.8 million tonnes more coal from the US in the first six months of 2017 compared to the same period in 2016, which is an increase of 43%. US coal exports to Europe occupies both the panamax and capesize segment. However, East Asian importers are the main reason why tonne-miles are growing more than total volume, despite only 24% of total US seaborne coal exports were destined for East Asia in 2017. The East Asian imports of US coal surged 172% in the first six months of 2017 compared to 2016, amounting to an increase of 5.9 million tonnes.

The US have produced 351 million tonnes of coal in the first half of 2017, this is an increase of 16% compared to the same period last year, amounting to an increase of 49 million tonnes. This year-on-year increase does not indicate a high production level compared to years prior to 2016, as the amount of coal produced in 2016 was the lowest level since 1978.

Peter Sand adds: "If US coal exports remain high throughout 2017 it will have a solid effect on the global seaborne coal trade and support the overall improvement in the dry bulk shipping industry".



NEWS IN BRIEF

INDIANA SHIPMENTS RISE

Shipments reached nearly 5.7 million tons and grew by 19 percent at the Ports of Indiana during the first six months of 2017 compared to the same time period last year. This was the second highest volume during the first two quarters of any year in the organization's history. The growth was primarily due to increased shipments of coal, ethanol, fertilizer, minerals and steel.

The Port of Indiana-Mount Vernon's tonnages rose nearly 38 percent over 2016 figures to 3.4 million tons. During the first half of the year, coal shipments through Alliance Coal's Mount Vernon Transfer Terminal were up more than 76 percent while ethanol tonnages increased 39 percent.

The port's fertilizer shipments have more than doubled so far this year due to strong demand during the spring planting season. Mineral shipments increased nearly 47 percent.

DEVELOPMENT FOR QUEENSLAND PORTS

The Port of Mackay has taken delivery of one of the mining industry's biggest and most critical pieces of equipment — a "stacker reclaimer" bound for the nearby Port of Hay Point.

The stacker reclaimer — used to move coal from incoming trains to terminal stockpiles and then onto export ships — will be unloaded over the next two weeks and staged for transport to BHP Billiton Mitsubishi Alliance's (BMA) Hay Point Coal Terminal operations.

North Queensland Bulk Ports Corporation (NQBP) CEO Steve Lewis said the arrival of the equipment on the *MV Happy Dover* is a welcome development for the region's ports.

WEIFANG SIME OPENS NEW LIQUID BULK TERMINAL

Weifang Sime Darby Port Co has opened its liquid terminal, expanding its range of services to provide storage and usage of terminal facilities for bulk oil and chemicals at the port.

Phase one with a maximum storage capacity of 406,000 cubic metres is already operational, while phase two with a maximum storage capacity of 91,000 cubic metres will be ready and operational in October this year. The final phase with a capacity of 164,000 cubic metres is currently under construction, and is expected to be completed in the first half of 2019.

Vice Chairman of Weifang Sime Darby Liquid Terminal Co Timothy Lee Chi Tim said: "We are very excited about the opportunities and prospects of our new liquid terminal. The terminal is part of our RMB2.8 billion master expansion plan, which will put Weifang Sime Darby Port on the roadmap to achieving our aim of becoming a significant multi-purpose port in the Northeast Asian region. The launch of our liquid terminals is timely to capture the growing market for crude and refined oil, as well as chemicals in China. These commodities have benefited from the gradual liberalisation of import and export policies in China."

Located within the prime region of the Bohai Sea's economic belt, Weifang Port lies strategically within the network of Longkou Port, Yantai Port, Weihai Port, Qingdao Port and Rizhao Port. Weifang Port's prime location makes it an excellent gateway and a natural choice for cargoes from Central, Northern and Western Shandong and Weifang city.

Weifang Port's liquid terminal will be constructed, managed and operated by Weifang Sime Darby Liquid Terminal Co. Ltd (WSDLT), a joint venture company owned in equal parts by Sime Darby Overseas (HK) Limited (SDOHK) and Dragon Crown Group Holdings Limited. SDOHK is the holding company for WSDLT and all subsidiaries operating within Sime Darby Logistics, a division within the Sime Darby Group.

Sime Darby is a Malaysia-based diversified multinational involved in key growth sectors, namely, plantation, industrial equipment, motors, property and logistics. Founded in 1910, its business divisions seek to create positive benefits in the economy, environment and society where it has a presence. With a workforce of over 120,000 employees in 25 countries and 4 territories, Sime Darby is committed to building a sustainable future for all its stakeholders. It is one of the largest companies on Bursa Malaysia with a market capitalisation of RM64 billion (USD15 billion).

BULK TERMINALS

SPRING/SUMMER 2017

international

THE OFFICIAL MAGAZINE OF ASSOCIATION OF BULK TERMINAL OPERATORS

COMPETITIVE ADVANTAGE

Why trading commodities in an anti-trade world is good for shipping

KING COAL

How goods such as coal are helping dry sectors to bounce back this year

SAFE SHIPPING

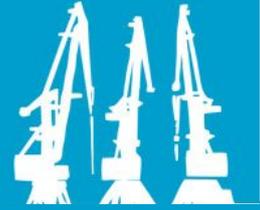
Are tanker conversions aimed at serving the bulk trade fit for purpose?

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NEWS IN BRIEF

HIAB ACQUIRES BRAZIL'S ARGOS

Hiab has entered into an agreement to acquire the loader crane business of one of Brazil's leading loader crane manufacturers Argos Guindastes Indústria e Comércio Ltda. The acquisition is expected to take place during the third quarter 2017.

With this acquisition, Hiab will underpin its leadership ambition by making a strong entrance to the Brazilian market and establishing a solid foundation for its business in the whole region.

"Brazil is one of the world's largest markets for loader cranes. A presence in Brazil is important in order to become the leading player in the global load handling industry. The acquisition of Argos is another concrete step in line with our strategy to grow and become the number one player in load handling worldwide," says Roland Sundén, President, Hiab.

NIBULON PLANS NEW RIVER TERMINALS

Speaking at the opening of the new transshipment terminal in Hola Prystan town (Kherson region), Nibulon's General Director Leksiy Vadaturskyy announced an ambitions plan to build at least 10 river transshipment terminals for bulk cargo along the Dnipro River, the Southern Buh River and other navigable rivers of Ukraine, as well as 40 non-self-propelled vessels and tugs for its fleet.

The new terminal with a capacity to transship up to 300 thousand tons of grain per year removes almost 20,000 heavy-duty trucks from the highways of Kherson region.

It is the terminal on the Dnipro River to to the Black Sea.

RIGHTSHIP TO DEVELOP NEW ISGOTT-EQUIVALENT GUIDELINES FOR BULK

RightShip is seeking industry input to develop an ISGOTT equivalent for the dry bulk sector.

To raise standards in the marine solid bulk cargo sector, there needs to be consensus and articulation of best practice, says the standards association.

The International Safety Guide for Oil Tankers and Terminals (ISGOTT) is an industry-accepted guide for the safe carriage and handling of crude oil and petroleum products on tankers and at terminals.

ISGOTT was first published in 1978 and combined the International Chamber of Shipping's 'Tanker Safety Guide (Petroleum)' and the Oil Companies International Marine Forum (OCIMF) publication 'International Oil Tanker and Terminal Safety Guide'. Currently in its 5th Edition (2006), ISGOTT is reviewed by these organisations together with the International Association of Ports and Harbours (IAPH), ensuring that it continues to reflect current best practice and legislation.

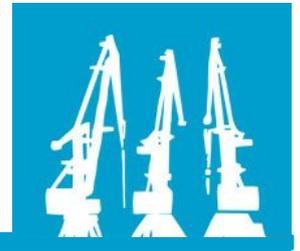
There is currently no ISGOTT equivalent in the solid bulk cargo sector. RightShip believes that facilitating, coordinating and contributing to the development of such a guide will have a direct and positive influence on safety. The proposed International Safety Guide for Bulk Carriers and Terminals (ISGBCT) will make recommendations for ship and terminal personnel on the safe carriage and handling of solid bulk cargoes on bulk carriers and in terminals.

The purpose of the Guide therefore will be to provide operational advice to assist personnel directly involved in bulk carrier and terminal operations.

As with ISGOTT, it will not be intended to provide a definitive description of how these operations are conducted. The Guide will however provide guidance on key aspects of these operations and how they may be managed.

RightShip and The Nautical Institute are now partnering with a number of industry peak bodies, including ABTO, in the preparation and peer review of the proposed Guide.

Parties interested in providing input can contact Paul MacGillivray, project lead, on: Mobile: + 61 437 050 534; Office: +61 3 8686 5750; or email: paul.macgillivray@rightship.com



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With a history dating back to 1862, Ukraine-based Nibulon has grown to become one of the country's largest producers and exporters of agricultural products, including wheat, barley, corn, rye, and sunflower. Since the 1990s Nibulon has expanded its geographic reach and its range of activities with 22 production units located in nine regions of Ukraine.

As part of a major investment programme to revive the Dnipro and Southern Bug rivers as major transport waterways, the company has developed a modern logistics network aimed at reducing the traffic congestion and emissions on the region's highways. This investment has not only included the development of its own fleet of cargo vessels and barges, which today comprises 28 non-self-propelled vessels, but also the development of new bulk terminals on the the Dnipro river.

During the navigation season between 2014 and 2015, the company transported and shipped for export more than 1.5 million tons of grain cargoes, and is gradually starting to transport grain and oil seeds by water transport. On completion of the implementation of the investment programme, the total cargo carried by river will comprise up to 3 million tons of crops annually, which represents the same volume as would have been carried by about 250 railcars or about 600 trucks per day. Its Mykolayiv transshipment terminal, located in Mykolayiv city, has capacity for 5 million tons of grain per year.

However, as part of a much wider investment project, Nibulon has already constructed 13 elevator complexes and transshipment terminals in different regions of Ukraine, with further terminals planned. In July this year, Nibulon officially opened its new transshipment terminal in Hola Prystan town (Kherson region). The new terminal has the capacity to transship up to 300 thousand tons of grain per year removing almost 20,000 heavy-duty trucks from the highways of the region.

However, further investment, supported by the EBRD, the European Investment Bank (EIB) and the International Finance Corporation of the World Bank Group, will be funnelled into the building of ten new bulk cargo facilities to "fundamentally change the logistics map of Ukraine".

The €74 million loan agreement with the EIB and a US\$100 million loan agreement with the IFC in the last six months means the company is able to invest about UAH7 billion in the development of water transportation and cargo shipbuilding in Ukraine. The investment will also be used to finance the the revival of Ukrainian shipbuilding, with a plan to built 40 additional vessels.

"We are the only company that works hard to contribute to decrease in traffic loading on the highways of the regional centres. We adhere to an approach according to which the ports should be outside the populated areas and should not affect the inhabitants. This programme is supported by the leading financial institutions of the world. We plan to build 10 facilities along the Dnipro River and along other rivers. This will fundamentally change the logistics map of Ukraine, said Nibulon CEO Oleksiy Vadaturskyy.