

# SHIP2SHORE



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**SHIP2SHORE**  
**Issue #22**  
**February 2016**

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**Published by:**  
 Hutchison Ports (UK) Limited  
 Tomline House, The Dock  
 Felixstowe, Suffolk  
 IP11 3SY  
 United Kingdom  
[www.portoffelixstowe.co.uk](http://www.portoffelixstowe.co.uk)



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# CEO COMMENT

Climate change and the effect of human activities on the environment are, once again, high on the agenda for many world leaders. 40,000 delegates, including representatives from industry, NGOs and over 190 countries gathered in Paris late in 2015 to conclude a landmark agreement to address the issue of greenhouse gas emissions.

The deal struck in Paris represents real progress in achieving this objective, although we share the disappointment expressed by the European Community Shipowners' Association (ECSA), Maersk Line and others that shipping was not included in the final agreement.

It is important that the port and shipping industry does what it can to reduce emissions. Many responsible shipowners and port operators are already seeking to address their impact on the environment, including Hutchison Ports.

At the Port of Felixstowe, through a programme of measures we have reduced our greenhouse gas emissions per container handled by 25% since 2008/9. We are not resting there and continue to develop initiatives to achieve our target of 30% reductions by 2017.

One component of the strategies adopted by many shipping lines is the investment in larger, more fuel efficient container vessels. The latest mega-ships have average emissions one-third lower than the average ship on the Europe-Asia trades. Shipping Lines are making these investments at a very challenging time for the industry, with over supply and slowing demand driving freight rates to record lows in 2015.

Difficulties in the industry have driven another round of consolidation with the merger of Cosco and China Shipping and the acquisition of NOL/APL by CMA CGM. We can expect another realignment of alliances later this year or possibly early-2017.

Like the shipping industry, ports also need to invest to reduce greenhouse gases and this is something we continue to do at Hutchison Ports. These investments in plant and facilities deliver both economies of scale and environmental improvements, as is recognized by the Secretary of State for Transport, the Rt Hon Patrick McLoughlin MP, in the Opinion piece he has written for this edition of Ship2shore.

He also discusses the Government's commitment to cutting red tape and partnership working. We welcome this approach which will help support the continued development of the UK economy. His full piece can be read on page 24.

**CLEMENCE CHENG**  
Chief Executive Officer

# NEWS UPDATES



## **PORT OF FELIXSTOWE LOGISTICS PARK RECEIVES PLANNING CONSENT**

The first phase of the 1.4 million square foot Port of Felixstowe Logistics Park has received planning permission.

The four warehouses consented as part of Phase 1 provide nearly 1 million square feet of storage space with the largest being 360,000 square feet.

Commenting on the development, Mark Seaman,

Finance Director at the port, said:

“The receipt of planning permission is a significant step towards the delivery of this latest major development at the port. There has already been significant interest from potential occupiers and the final design of each of the warehouses will be agreed with individual tenants to meet their specific requirements.

“The Port of Felixstowe Logistics Park is a unique proposition. Located within the port’s perimeter it offers tenants the benefit of a site

in the UK’s largest container port, adjacent to the terminal at which the world’s largest and most efficient container ships call.”

The initial Logistics Park Masterplan contains provision for four separate units ranging in size upwards from 106,000 square feet. Phase 1 will occupy 51 acres of the total 68 acre site. The remainder will be built as part of Phase 2.

The logistics park will benefit from the same excellent road and rail connections developed to serve Felixstowe, the Port of Britain.



### TRAINING FOR TESCO

The Port of Felixstowe has joined forces with Maersk Line, Damco and Tesco to deliver a 'Welcome to Tesco Logistics Programme' for the supermarket's employees.

The first group of logistics professionals from Tesco visited the port on 30 November as part

of the programme to help give them a greater insight into the practicalities of international trade. While in Felixstowe they also toured the port and were shown how port operations and logistics integrate with Tesco's global supply chain.

Commenting on the programme, Dave Marshall, Inbound Logistics Operations Manager for Tesco,

said: "The feedback from those attending the programme has been very positive. They enjoyed the tour around the port, were surprised by the size and scale of the transport operation and learnt a great deal from the classroom sessions."

Further visits to the port are planned during 2016 as the programme is rolled-out to more Tesco employees.

### NEW EXAMINATION FACILITIES PUT FELIXSTOWE AHEAD

A new ambient-temperature food examination facility has been formally opened at the Port of Felixstowe, the Port of Britain, by Transport Minister, Robert Goodwill MP.

The £4 million investment included a major refurbishment and expansion of the examination facilities and the provision of new offices for Suffolk Coastal Port Health Authority.

Commenting on the new facility, Robert Goodwill MP said:

"This new state-of-the-art facility will ensure that vital imported products stay as fresh as possible. Some 40 per cent of the food on our supermarket shelves arrives by sea, so it must be checked efficiently in the most hygienic conditions.

"The significant investment currently underway across the UK means our major ports remain world leaders, contributing billions to the UK economy and creating thousands of skilled jobs."

Steve Gallant, Suffolk Coastal District Council Cabinet Member for Community Health, said:

"The new inspection facilities are built to an incredibly high standard – safe, clean and hygienic – to maintain the integrity of the food chain to the highest requirements of upcoming legislation.

"We have a very productive partnership with the Port of Felixstowe, and this is delivering best practice in terms of Port Health. Now our staff are next door to each other, we can get examinations done even more quickly. Being neighbours will also allow a closer understanding of each other's business and that can only lead to even better efficiency and effectiveness in the future."

Stephen Abraham, Chief Operating Officer of the Port of Felixstowe, added:

"We are committed to a programme of investment across all parts of the port to ensure our customers receive the highest possible levels of service. The new ambient-temperature facility is the latest example of this commitment. The dedication of our experienced examination facilities team, and the close working relationship they have with the

Port Health authority, will ensure that together we deliver the very best, most efficient inspection process of any UK port."

The new facility covers an area of 3,045 square metres with a further 840 square metres of office space and meeting rooms for both port and Port Health staff. Separate examination chambers, including segregated areas for dusty products such as chilli, spices and other powders, allow multiple consignments to be examined without the risk of contamination.



## RECORD YEAR FOR RAIL

2015 was another record year for rail volumes at the Port of Felixstowe. Boosted by the start of the 31st daily rail freight service in September, rail throughput for the year exceeded 900,000 TEUs for the first time.

Commenting on the performance, Stephen Abraham, Chief Operating Officer at the Port of Felixstowe, said:

“The rail product is an important differentiator that sets Felixstowe apart from other ports. With 62 daily freight movements connecting the Port of Felixstowe with 17 different inland destinations we can offer shippers more frequent departures to more terminals than anywhere else.



“With rail being an important component of a growing number of supply chains this underlines the benefits to shippers and receivers of using the UK’s largest container port.”

Rail capacity at the port grew not just due to the additional service, but also through greater use being made of the port’s North Rail Terminal. Stephen Abraham explained:

“The North Rail Terminal was the first in the UK designed to accommodate trains of over 30-wagons length. This has enabled us and our train operating partners to increase the length of trains on many existing services. Since the terminal opened in 2013, over 100 wagons have been added to existing services, the equivalent of nearly four additional trains.”

Regular rail services run from Felixstowe to Glasgow, Manchester, Liverpool, Leeds, Teesport, Birmingham, Doncaster, Tilbury, Selby, Hams Hall, Daventry, Wakefield, Ditton (Widnes), Burton, Scunthorpe, Birch Coppice and Bristol.



## BERTH 9 EXTENSION OPEN FOR BUSINESS

The Berth 9 Extension at the Port of Felixstowe has been opened by Dr Therese Coffey MP, Deputy Leader of the House of Commons.

The 190-metre extension has increased the port’s capability to work two of the world’s largest containerships simultaneously. More than 100 ships of 18,000+TEU were handled at the port in 2015, confirming Felixstowe’s position as the port-of-choice for mega-ships in the UK.

Speaking at the ceremony, Dr Coffey said:

“I am delighted to formally open this latest extension of the Port of Felixstowe. An ever increasing proportion of UK trade is moving on these huge container ships and UK ports need to provide the facilities they require. Felixstowe was the first port in the UK to handle these vessels and this latest development will help ensure UK exports reach overseas markets in the most efficient way possible.”

Clemence Cheng, Chief Executive Officer of the Port of Felixstowe and Managing Director of HPH Europe division, added:

“The Berth 9 Extension represents the latest phase of development at the Port of Felixstowe. Our

programme of continued investment has ensured that the UK remains a destination for direct calls by the latest generation of mega-ships.

“We are committed to ensuring we offer the best facilities and the highest possible levels of service and productivity to all our customers. The new facilities being opened today will help us deliver on this commitment and ensure that the Port of Felixstowe remains the Port of Britain.”

Berths 8&9 at the port were the first in the UK to handle the latest generation of giant container ships. The quay length of the port’s newest terminal is now 920 metres, and the total quay length in the port nearly 4,000 metres.

The port has acquired three new ship-to-shore gantry cranes to work on the extended terminal. The cranes are capable of working vessels with containers stacked 10-high, and 24-wide, on deck. There are now 10 cranes on Berths 8&9 and 36 in the port as a whole.

The Port of Felixstowe is the largest container port in the UK, handling 44% of all UK container traffic. Its importance is recognised in the Government’s National Infrastructure Plan which includes improvements to its road and rail connections as leading priorities for investment.

## CONTAINERSHIPS CONFIRMS LONDON THAMESPORT SHORT SEA ROLE

London Thamesport's growing reputation as a short-sea container hub has been enhanced with regular calls by Helsinki-based Containerships Ltd Oy.

Containerships chose the Kent port to re-establish a direct service from and to the southern part of the UK offering regular and fast connections with Germany, Finland, Russia and the Baltic States.

Simon Mullett, on behalf of London Thamesport, said:

"We are delighted that Containerships chose London Thamesport as the UK port for this service. The improved service offers quicker transit times between the southern UK and Baltic ports including just three days to Lubeck and seven days to St Petersburg.

"With a location close to the M25 and a versatile and skilled workforce, London Thamesport is ideally placed as a regional base for a variety of cargo



types. In recent months we have handled increasing volumes of specialist cargoes in addition to our core container business."

London Thamesport can handle a variety of deep and shallow-drafted vessels carrying a broad

range of cargoes including containers, break-bulk, ro-ro and project cargoes. The efficient shipside operation, fast turnaround time of vessels and road vehicles allows London Thamesport to provide its customers with a cost efficient service in the heart of south-east England.



## A MEGA (SHIP) YEAR AT FELIXSTOWE

The Port of Felixstowe welcomed 105 calls last year by container ships of over 18,000 TEU, including all the largest container ships in the world. It is now firmly established as the UK port of call for these giants of the sea.

The year of mega-ships started in January with the maiden call of the *CSCL Globe* which, at 19,100 TEU capacity, set a new world-record as the largest ship then in service.

The record was short-lived however, the 19,224 TEU *MSC Oscar* pushed the bar even higher when it arrived at Felixstowe in March. June saw the maiden call of the first of United Arab Shipping Company's (UASC) A-18 class vessels, the *Barzan*. Although advertised as 'only' 18,800 TEU, the A-18 ships have a nominal capacity of 19,870 TEU. The *Barzan's* sister-ship, the *Al Nefud*, became the 100th mega-ship of 2015 when it arrived at

Felixstowe in early December.

Commenting on the growth in the size of container ships, Lawrence Yam, Commercial Director of Hutchison Ports (UK), said:

"The container shipping business is intensely competitive. Ships of this size allow the operators to benefit from economies of scale and reduce the average slot cost of each container carried. These savings produce wider economic benefits by pushing down the costs of imports and making exports more competitive. More efficient ships also mean lower emissions per container reducing further the environmental impact of what is already the most environmentally friendly form of freight transport."

The first 18,000 TEU mega-ship to call at Felixstowe was the *Majestic Maersk*, one of the first of Maersk Line's Triple-E class, and in July the port played host to the naming ceremony of the *Marchen Maersk*, one of the last of the 20-vessel series.



# CONTAINER WEIGHING:

## ARE YOU READY?

**H**alf a century after containerisation first emerged to transform the world of shipping, a landmark new regulation is on the horizon. From 1 July 2016, an amendment to the SOLAS (Safety of Life at Sea) Convention will require every packed export container to have its weight verified before it is loaded on to a ship.

The new regulation puts this responsibility firmly on the shipper – but how many shippers are actually ready for container weighing? The Freight Transport Association recently warned that shippers could fall foul of the new legislation after 1 July 2016 if they don't put measures in place to verify the gross mass of their containers.

There will be two accepted methods of weighing containers. First, the packed container can be weighed using certified and calibrated equipment. Second, a 'calculated weight' method can be used – this involves adding up the tare weight of the container plus all the individual items packed and the packing materials, using an approved process. Estimated weight will not be accepted.

Apart from having an accepted method of establishing the verified gross mass

(VGM) of a container, the shipper is also required to communicate that VGM, signed, in advance of the preparation of the ship's stowage planning.

Chris Welsh, the FTA's Director of Global & European Policy, said: "Shippers will be responsible for verifying container weights before loading and they need to be putting plans in place now to ensure they are ready. Containers without a verified weight won't be loaded onto container vessels from 1 July 2016."

He urged shippers to start discussions with their carriers and freight forwarders in order to put the logistics and communications systems in place that will ensure compliance with the rules, and avoid non-shipment and delays in the supply chain.

As to who the shipper is, that in itself can be complex. In this case, it's the company or person whose name is on the ocean carrier's Bill of Lading. That means the responsibility for the declaration could lie with a freight forwarder, logistics operator or non-vessel operating common carrier (NVOCC).

A survey carried out by the shipping e-marketplace Intra found that only 30% of shippers and forwarders would be ready for the new regulations in time – and Intra also pointed out that the real deadline to comply would actually be





*Containers without a verified weight won't be loaded on to container vessels from 1 July 2016."*



earlier for containers setting out from Asia to Europe if they are scheduled to be transhipped after July 1.

Container weights have, in fact, always been required – but over the years there have been growing concerns that the weights being declared were often wildly inaccurate, causing very real dangers onboard vessels, in ports and on roads and rail.

The sinking of the *MSC Napoli* on the south coast of England really put the spotlight on the problem – as the containers spilled on to the beach and their contents were revealed, it became clear that misdeclaration of weight was a very significant issue.

The SOLAS amendments which enter into force on 1 July were adopted by the International Maritime Organization to improve maritime safety and reduce the dangers to container ships, their crews and all those involved in container transport.

What are the risks? In a port, misdeclared container weights could cause a

stack collapse, road and terminal vehicles to overturn or a large fork-lift to tip over. At sea, the problem can lead to instability and even contribute to the loss of a ship altogether. Outside the port gates, there are the dangers to the public, on roads and rail.

“Overweight containers played a key role in the breakup and beaching of the *MSC Napoli* in the United Kingdom in 2007, along with the capsizing of the *Daneb*, a 500-TEU feeder ship, in the Spanish port of Algeciras in June 2011,” said the International Cargo Handling Coordination Association (ICHCA).

ICHCA, the World Shipping Council, the TT Club and the Global Shippers’ Forum, form a broad industry coalition which recently released a new FAQ document addressing issues around the new container weighing regulations.

In a statement, the coalition said: “Container safety is a shared responsibility and all parties have an interest in improving the safety of ships, the safety of cargo and the reduction of risks to the lives to ships’ crews and others throughout the containerised supply chain.”



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# EMBEDDING SAFETY AND FIGHTING COMPLACENCY

A NEVER-ENDING STORY

**H**igh-vis jackets, hard hats and safety boots: they are such an integral part of the port landscape these days that you would notice instantly if someone wasn't properly equipped.

It is hard to imagine that only a few decades back, you might have found the workforce at some busy ports handling ships and cargo and heavy equipment while dressed in flat caps, overalls and any old shoes, with no safety kit to be seen.

Health & safety is not all about stopping children playing with conkers! "The ports industry, like a lot of industries, has moved a long way in the last few years. Working practices have improved considerably," says Eddie Scoggins, Head of Health & Safety at Hutchison Ports UK.

"However, our industry is quite 'traditional' in that there is a lot of very large, heavy equipment; there's an inherent risk when mixing big machines with small people. Nationally and internationally, ports still present significant hazards. The

industry has come a long way in the last few years – but still has a way to go."

He lists the top five risks as: working at height, on a ship or crane; moving vehicles – including visiting hauliers, cars and internal vehicles; confined spaces such as the hold of a ship or the internal mechanism of a crane; musculoskeletal injuries, from moving and working with heavy and awkward equipment; and hazardous cargo, as demonstrated in the disastrous explosion in Tianjin.

However, he says, often the biggest risks can be due to complacency, negativity or even a lack of confidence to speak up when there's a safety concern.

"One of the strong themes in health & safety at present is 'safety leadership'," says Eddie. "That is not just about what the people at the top do – but also, as you go down through the organisation, it is about what the middle and junior managers do. Leaders throughout the organisation must set very high standards, set a good example, and challenge poor practices. They must be visible and vocal. Flowing from that are day-to-day conversations about health & safety, performance reviews with a safety element in them, ensuring the





necessary equipment is there to manage risk, and real action on the ground.”

Safety leadership is the theme in two key areas of action for HPUK, says Eddie. First, is a new health & safety strategy being finalised for the three UK ports. The first draft has already been written by Eddie who joined the company early in 2015 – bringing with him many years of experience as a safety professional. The second is the new guidance on safety leadership in the UK ports industry, being written and produced by Port Skills and Safety (PSS). HPUK has the leading role in this work; Stephen Abraham, Chief Operating Officer at Felixstowe, is the current Chairman of PSS, and Eddie Scoggins sits on the working group drawing up the new guidance.

“Meanwhile, HPUK’s new safety strategy will see us doing work around safety leadership in early 2016, including training to be effective safety leaders ready to challenge and set standards,” says Eddie. “An important part of the strategy is embedding safety and the confidence and ability to do risk assessments.”

The good news – but also the bad news, in some ways – is that most people never actually see a serious accident. That, he says, can make them complacent. “It’s the attitude of ‘we get away with stuff, we don’t do it right and nothing has happened’. Complacency is something we need to fight – I have spent my whole career saying it.”

The answer, he says, is the ‘multiplier effect’. The symptom of a good safety culture is the ability for someone, whether senior or junior, to challenge an action without being pilloried for it. “They need to be able to do that positively and expect to be answered – not shouted at or made to look like an idiot. At HPUK, we are actively encouraging that. If you see something that you think is

*It is the ability to raise a concern that is so important.”*

wrong, we emphasise that people should deal with it or raise it with someone and they won’t be made to look small or silly. On the other side, if they see someone about to do something in an unsafe way, it’s not about wading in and shouting – it’s about speaking to people with respect and making sure they understand and come to the right view.”

Being able to raise concerns or report near misses depends, of course, on having the channels for doing that. At the Port of Felixstowe, for example, there are a series of safety committees from executive level through to operational shift level, and a strong union structure is also helpful. “There are opportunities to raise concerns via safety reps or union reps,” says Eddie. “And my own door is always open – I say, just come in and tell me what you know. It is the ability to raise a concern that is so important.”

Yes, keeping health & safety positive can be tricky, he says: “The perception is that all we do is stop children playing conkers or take down hanging baskets. We can be seen as negative and only ‘stopping’ things. But everyone must take ownership here. We must challenge poor behaviour whenever we see it. The positive message is: if we get safety right, it should be the driver for business improvement and not a blocker.”



# SMALL STEPS AND GIANT LEAPS

TOWARDS A GREENER PORT



**A**n ‘irreversible process’ leading to lower carbon dioxide emissions from ships has started, said Patrick Verhoeven, Secretary General of the European Community Shipowners’ Associations in December. His comments were made as shipowners called for shipping to be reintroduced into agreements being drawn up after the COP21 climate talks in Paris.

Shipping is recognised as the most environmentally friendly form of transport – but the overall picture must, of course, also include the ports that serve the ships.

Anyone who assumes that going green only makes a marginal difference would do well to read the Port of Felixstowe’s Environment Report for 2014-15, which has just been published. Among a series of

remarkable achievements, the headline is probably the dramatic drop in relative carbon footprint.

“The amount of CO<sub>2</sub> generated per teu handled through the port has fallen by 26.4% compared to figures in 2008-09, when we started measuring,” says Alan Tinline, the port’s Environment Manager. “We are moving a lot more containers for less energy; in 2008-09, the relative carbon footprint was 13.1 kg of CO<sub>2</sub> per teu, while in 2014-15, the figure was 9.7 kg. Our performance continues to improve and we are working to achieve 30% down from 2008-09.”

The relative footprint is calculated using the EU Ports EEIG’s Guidance for Greenhouse Gas Emission Footprinting for Container Terminals; Hutchison Ports UK played a significant role in developing the contents of this document, since adopted by the Federation of European Private Port Operators (Feport) as a standard for European terminals.

The Felixstowe report demonstrates that investment in cleaner technologies and effective traffic management continues to improve air quality overall; nitrogen dioxide concentrations have reduced by 20% since monitoring began in 2007, and sulphur dioxide has fallen by 80% since 2009.

How has all of this been achieved? Through a clear focus on projects that make a massive difference, particularly equipment and plant which uses a lot of energy.

One of the largest of these currently underway is the conversion of 54 rubber-tyred gantry (RTG) cranes from diesel to electric power. “We are one year into this project, which will take between two and three years in all and represents an investment of £18 million,” says Alan. “Once we have switched all of the RTGs, we will see a 30% reduction in diesel use at the port.

“The project will deliver many benefits – energy saving, emissions reduction, noise





reduction and more efficient operation, too, because the auto-steer feature we are installing will help the drivers. When they are operating on electricity, the RTGs will be emission-free locally – with no emissions of SO<sub>x</sub>, NO<sub>x</sub> or Particulate Matter. Bearing in mind that the RTGs amount for 40% of all greenhouse gas emissions at the port, this will go a long way to help with the air quality improvements we have already achieved.”

Meanwhile, the new internal movement vehicles (IMVs) coming into service feature stop/start technology so that the engine cuts out when the vehicle comes to a halt. “We also specify higher tier, cleaner burning engines, which will be important in reducing greenhouse gases,” says Alan.

Of course, switching the RTGs from diesel means more demand for electricity, but the drive is also on to reduce electricity usage in other areas of the port. “So overall, the electricity used will be kept down; we are determined to mitigate for the extra electricity used by the RTGs,” he says.

“Meanwhile, we have just installed our tenth solar array and there will be more to come – and we continue to look at any renewable power opportunities.”

The big project for reducing electricity usage is the port’s ongoing switch to LED lighting. This work is nearing completion across warehouses and

offices, and the next phase will see LED lighting installed on the port’s high lighting towers, masts and cranes.”

Recycling and waste management are also areas where the Port of Felixstowe excels. In March 2015, the port achieved a record recycling rate of 82.5%, compared to 70% in 2014, for all waste produced onsite and from international shipping. Any non-recycled waste is sent for energy recovery – the only waste that goes to landfill is international catering waste from vessels, which is a regulatory requirement. Since the inception of its waste management system, the port has diverted more than 11,800 tonnes of waste from landfill.

Recycling is a matter of course for employees and others at the port, says Alan – but equally important is the emphasis on not using resources unnecessarily in the first place.

A big win here involved the use of protective work gloves. In 2012, the port got through 205,326 pairs of gloves in one year. In 2014 the figure was down to 110,000, and the final total for 2015 is expected to come in below 90,000. “It used to be a case of gloves being used once and left lying around. It is about tackling resource use – i.e. don’t use it at all, rather than recycling things that didn’t need to be used,” says Alan. “This approach sometimes means specifying longer-lasting products which may be a little bit more expensive but last longer –

we worked with our suppliers on this – while at the same time educating people to look after things.”

In 2015, HPH joined other global port operators in a ‘Go Green’ campaign. As part of this, an environmental corridor has been created inside the Port of Felixstowe. “With new developments for the logistics park, we took the opportunity to look at the dyke system which connects the two nature reserves, at Trimley and Landguard,” says Alan. “This new corridor will benefit from tree and wildflower planting, and managed to provide a habitat for a wide range of wildlife.”

Meanwhile, employees are being encouraged to switch to greener modes of transport to and from work, and higher numbers of staff are now cycling to work.

The Port of Felixstowe has the ISO 50001 (Energy Management System), ISO 14001 (Environmental Management System) and OHSAS 18001 (Health and Safety Management System) accreditations and all three were independently audited in the past year.

“We are clearly going in the right direction with all the main indicators – greenhouse gases, NO<sub>x</sub>, SO<sub>x</sub> and also recycling,” says Alan. “We have spent a lot of time, money and effort setting up the direction of travel to keep things improving every year, and it is working.”



*// // We have just installed our tenth solar array and there will be more to come."*

# SHANGHAI MINGDONG CONTAINER TERMINALS LIMITED

– an essential part of the World's largest container port



**W**ith its strategic geographical location in the world's fastest growing major economy, Shanghai has developed in recent years from a local hub into a world-class metropolis. Its growing influence on the world economy and its development as an international shipping centre has been accompanied by the rapid growth of its port. Shanghai is now the busiest container port in the world.

It is no surprise that the world's largest port operator would have a presence in the world's largest port. In fact, Hutchison Port Holdings Limited (HPH) has two terminals in Shanghai, Shanghai Mingdong Container Terminals Limited (SMCT)

and Shanghai Pudong International Container Terminals (SPICT).

SMCT is the larger of the two facilities and was first established to help meet the demands associated with the rapid development of Shanghai as an international shipping centre. The Company is a joint venture between Shanghai International Port (Group) Company Limited (SIPG), HPH and China Shipping Terminal Development Company Limited.

SMCT provides a comprehensive range of services for container and bulk cargoes for both international and domestic shipping routes. Services provided include loading/discharging, transshipment, warehousing, distribution, container cleaning/repair, cargo consolidation and deconsolidation, storage, freight station and transportation within the port area, as well as related technical consultation and information services. ▶▶▶

# PORT OF F THE PORT

## Ambient Temperature

As Linda Chan, General Manager of SMCT explains:

“By fully leveraging its three investors’ advantages in terminal operations, safety management, and customer services, SMCT strives to uphold a professional standard and customer-oriented approach. We aim at providing efficient and high-quality services.

“SMCT has been guided by the principle of achieving a win-win situation through concerted efforts. It plays a vital part in building Shanghai into an international shipping centre and contributes towards the flourishing economy in Shanghai.”

SMCT has 7 berths for container traffic with a total berth length of 2,068 metres and a maximum depth alongside of 12.8 metres. In addition, SMCT has built 2 special barge berths with a total length of 190 metres to accommodate smaller ships and barges for coastal distribution.

The terminal is equipped with 26 ship-to-shore gantry cranes, 25 of them with 63 metres outreach and capable of handling vessels with container stowed 20 rows wide. One of the quay cranes has an 80-tonne capacity, capable of twin-lifting 40ft containers.

At the barge berths, there are two quay cranes each with 40-tonne lifting capacity and 35-metre outreach. With world-class, advanced handling equipment, SMCT is able to provide high quality services to customers, offering reliable on-time ship arrival and departure.

The berths are connected to the 113-hectare land storage yard via 8 approach bridges. The yard has a ground-slot capacity of 32,087 TEU including 726 TEU for refrigerated containers.

As part of an on-going commitment by HPH to reduce the impact of its operations on the environment, SMCT has converted the majority of its Rubber-Tyred Gantry cranes (RTGs), from diesel to electric power. The terminal now has 87 electric-powered RTGs with 11 running on hybrid power. The result is significantly reduced emissions allowing SMCT to improve air quality and reinforce its efforts to secure greater levels of environmental protection.

SMCT is also committed to making the best use of technology to ensure the best possible customer experience. It has an integrated management and operation computer system designed to run the terminal’s daily workload. The system not only has real-time control over ship loading and daily activities, but also handles the administrative functions of business management, statistical analysis, online enquiry system and customer services.

# ELIXSTOWE OF BRITAIN

## re Examination Facility

The use of the latest technological solutions has also been employed at the terminal's gate complex for the processing of road haulier arrivals. SMCT has 12 lanes at the in-gates and 12 at the out-gate all equipped to automatically identify container numbers and types. The use of a Radio Frequency (RF) card, which transmits i-data as far as 10 metres from the access point to computer, has resulted in a significant reduction in manual operations and in failures arising from contaminated cards. This system is twice as efficient as the previous manual operation.

Overall, SMCT is driven by a win-win philosophy that delivers the best results for customers, staff, shareholders, environment, and industry through a process of listening to needs, sharing information and delivering on promises.

*// We aim at providing  
efficient and high-quality  
services."*



# OPINION

The Rt Hon Patrick McLoughlin MP

Secretary of State for Transport

## GROWING TRADE: MEETING THE CHALLENGE

The vitally important work of our container ports may be largely hidden from public view, but their contribution to the UK's economic recovery since 2010 is clear for everyone to see. Ports directly employ over 100,000 people, and handle around 95% of our imports and exports. But their full contribution to Britain's prosperity is almost impossible to calculate. Every innovation and efficiency the sector makes benefits the wider UK economy.

Chief among them are improvements to capacity. Global shipping lines continue to invest in ever larger vessels. Every time the doubters think that the feasible limits have been reached, naval architects find a way to go even bigger, and ports are expected to adapt.

But they are not obliged to. British ports could have chosen to see the capacity race as a problem to be side-stepped. After all, goods would still be transported one way or another. They could have pointed out that these huge ships – and the sudden surges in workload they generate – are tricky to handle. It costs money to adapt the port infrastructure to accommodate them. Why not let other ports like Rotterdam take all the strain, and just transport goods to and from the UK in smaller feeder ships?

That would have been the easy option. But it would also have been the wrong option.

Leading British ports like Felixstowe were not prepared to duck the challenges of the modern, global shipping industry. Instead, they chose

to see the opportunities that larger vessels provide, invest in the necessary capacity, and manage the new traffic patterns. As a result, they achieved economies of scale and environmental improvements.

What is more, they did so during an economic downturn. Just as the government has massively increased transport investment over the past five years – and will further boost spending by half over this Parliament – UK ports have also emerged from the recession in a stronger position, prepared for the rise in trade which is now accompanying our economic recovery.

By modernising the infrastructure, ports have also delivered a statement of intent. Choosing to invest sent a message to the outside world that we were optimistic about the future, expecting long term growth in trade, and prepared to do what was necessary to achieve it. And it showed we were open for business as a nation. Felixstowe in particular exemplifies our long-held reputation for welcoming overseas investment and expertise into the ports sector — not only as terminal operators but as long-term owners.

That investment at Felixstowe is ongoing. Recently my colleague and Shipping Minister Robert Goodwill visited the port for the opening of the new Ambient Temperature Examination Facility, which came just a week before extensions to Berths 8 and 9 were unveiled. He also took part in a round-table discussion, and was interested to hear about the practical issues facing the port and its users.

Among them was rail access to Felixstowe, and how the government can work with the port to increase capacity on the network. UK container ports have been successful in efforts to sustain, and

where possible increase, rail share. Felixstowe's rail terminal investment is a prime example. At the same time, the Department for Transport provides Mode Shift Revenue Support grants, carefully targeted at routes where it will be cost-effective in keeping box traffic off the roads. And through Network Rail, we continue to maintain and improve the strategic rail freight network, for example planning diversionary routes to make the network more resilient.

Our Strategic Partnership plan with the ports sector was launched at the inaugural London International Shipping Week in 2013. It's another good example of how well government, industry and trade unions can achieve common goals for the benefit of the entire industry, and help it respond to ever evolving patterns of world trade. The Maritime Growth Study published earlier this year also challenges us to reinforce our strong partnership, and ensure the UK continues to be a world leading maritime centre.

Of course, this is a highly competitive sector, and we want to ensure that it remains so. That is why we have worked to reduce unnecessary regulation and red tape for all ports, why we will continue to work in the interests of UK ports and shipping in future international negotiations on regulation, and why we support fair but vigorous competition between all our container ports. But with that proviso, I wish everyone at the Port of Felixstowe well-earned success for the future.



*// // This is a highly competitive sector, and we want to ensure that it remains so."*

# RICHARD JACOBS

PORT HEALTH MANAGER – SUFFOLK COASTAL PORT HEALTH AUTHORITY



- 1990: Joined Suffolk Coastal Port Health Authority as a Technical Assistant
- 1998: Graduated from Kings College London – became a Port Health Officer
- 2003: Service Manager
- 2008: Technical Manager (Business Change) – development work on PHILIS – Port Health Interactive Life Information System.
- 2014: Port Health Manager

# Q&A

**Q** Describe your Role at Port Health:

**A** As the Port Health Manager I have overall responsibility for the delivery of the Port Health Service. Our remit is the protection of public and animal health at the border, which is delivered through a complex set of EU and national legislation. I am very fortunate to have an experienced and knowledgeable team of over 50 support and professional staff who do the real work.

**Q** What is the Biggest Challenge of your job:

**A** Meeting the expectations – the requirements of the legislation and the nature of shipping has changed over the years and we have to keep adapting to these changes to ensure we keep the Port Health service effective and efficient

**Q** What do you find Most Satisfying about your role:

**A** The people in the Port Health Team - without any one of them we wouldn't be able to deliver the service we do and when it all clicks into place, whether that's dealing with the regular trade or investigating issues, it's very rewarding.

**Q** What do you like Best about working at Port Health:

**A** I've been very fortunate with the opportunities that have come my way within Suffolk Coastal Port Health Authority, I also really enjoy the port environment, and the challenge of working within the biggest port in the UK.

**Q** Favourite film:

**A** The Matrix

**Q** Ideal dinner guest:

**A** Sir Ranulph Fiennes

**Q** Describe your best day at work:

**A** Any day where we have made a difference

**Q** First record bought:

**A** Parallel Lines - Blondie

**Q** Last CD bought:

**A** Invincible – Two Steps from Hell

**Q** Favourite book:

**A** Looking for Trouble – Sir Peter de la Billiere

**Q** Favourite meal:

**A** Crispy Tangy Fish

**Q** Ideal holiday destination:

**A** Anywhere off the beaten track

## A DAY IN THE LIFE...

08:00

Arrive – catch up on any immediate issues. Coffee.

09:00

Emails and more emails – anything from legislative changes through to service development

10:00

Catch up meetings with the Technical managers – each of whom have specific responsibilities; PoAO (Products of Animal Origin), NAO (Not of Animal Origin), Fish and Fishery Products including IUU (Illegal, unreported and unregulated fishing), Plastics.

11:00

Liaising with external users of our IT application - PHILIS (Port Health Interactive Live Information System) about updates. PHILIS is used by London, Mersey and Southampton Port Health Authorities.

12:00

Meeting with the Port's Examination Facilities Manager, who is in charge of the warehouse in which we perform exams, to discuss operational arrangements. It's important that we work closely with the port's team to ensure examinations are done with minimum delay.

13:00

Lunch – at the desk usually catching up on the non-essential emails.

14:00

Dealing with the other aspects of managing Port Health – service plans / reports / budgets / statistics.

15:00

Liaising with the IT team about new user requirement and future developments to PHILIS.

16:30

Catch-up with the Head of Environmental Services to report on developments, discuss Corporate administrative / policy matters and prepare briefings for Councillors as necessary.

18:00

Hopefully on the way home – not guaranteed but usually the case.



# LOGISTICS PARK

Build-To-Suit Distribution Warehouses

1.4m sq.ft within the  
Port of Felixstowe

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Port of Felixstowe