

SHIP2SHORE



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SHIP2SHORE

**Issue #31
January 2019**

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CEO COMMENT

Predicting the future has always been an imprecise science. It has never been easy but, with signs that protectionism may be on the increase around the world and with Brexit on the near-horizon closer to home, it has arguably never been more difficult than it is at the moment.

The fact that the future is uncertain should not, however, stop us from preparing for it. It was in that spirit that I was pleased to attend the first Global Maritime Forum Summit in Hong Kong. The Annual Summit is an invitation-only event which brings together leaders from across the maritime industry to address global challenges that are particularly important to the maritime industry.

Amongst the issues on the agenda were climate change, digitisation, cyber-security, and the global economic outlook. There is more certainty about some of these topics than others. Very few people question the reality of climate change anymore and, during the Summit, 34 of us pledged our support for the IMO's strategy to reduce the total amount of greenhouse gas emissions from international shipping by at least 50% by 2050 and signed a call for action to lead the maritime industry in a transition towards a new decarbonised future.

Similarly, there is no question about the rise of digitisation and the increasing importance of cyber-security that comes with it. The shipping industry still relies on a myriad of processes, many of them paper-based, and there are various initiatives exploring how blockchain technology could improve their efficiency. The challenge many developers have is that, for obvious reasons, users do not want to be tied to a single supplier's proprietary system.

To address this concern Hutchison Ports is one of nine leading ocean carriers and terminal operators to sign a formal statement of intent for a Memorandum of Understanding (MOU) to form a consortium to develop the Global Shipping Business Network (GSBN), an open digital platform based on distributed ledger technology.

While there may be a general consensus on climate change and digitisation, there is much less agreement on some of the broader economic headwinds including the rise in global protectionism and Brexit. It is not clear where the current trade stand-off between China and the USA will take global trade. Both have imposed tariffs on the other and the danger of a full-blown trade war, which would have wider potential repercussions, has not yet abated.

At the time of writing it is also unclear what type of Brexit we will get and what the impact on ports and supply chains will be. Prudent retailers and manufacturers are planning now to ensure the resilience of their supply chains whatever the outcome. Many of them are talking to us at Hutchison Ports about how we can play a role in that regard. Please see the feature on page 12 to see how we might be able to help you too.

CLEMENCE CHENG
Chief Executive Officer

NEWS UPDATES

A NEW LINK IN THE CHAIN

Hutchison Ports is one of nine leading ocean carriers and terminal operators to agree a formal statement of intent for a Memorandum of Understanding (MOU) to form a consortium to develop the Global Shipping Business Network (GSBN), an open digital platform based on distributed ledger technology.

The new platform will establish a digital baseline that aims to connect all stakeholders, including carriers, terminal operators, customs agencies, shippers, and logistics service providers to enable collaborative innovation and digital transformation in the supply chain.

The Declaration of Intent was launched during a signing ceremony at the China International Import Expo in Shanghai on 6 November 2018. Commenting on behalf of Hutchison Ports, Ivor Chow, Director – Corporate Finance & Business Development, said:

“As a founding member of the GSBN consortium, Hutchison Ports recognises the potential of blockchain technology to be the key game changer with far-reaching impact on global supply chains, bringing immense benefits to all aspects of operations and end-to-end visibility throughout the entire supply chain. This collaboration brings together major industry players who strive to develop an open digital platform that will deliver efficiency gains and reduce costs of transactions.”

The container shipping industry is often characterised by disparate processes that take place across both physical and digital



domains. Companies are increasingly looking towards digital technologies to resolve siloed shipment management procedures and disruptive information gaps. The consortium will offer a forum to address these challenges, explore cross-industry opportunities, and empower future innovation and insights. The consortium’s leading members intend to collaboratively develop the platform and establish standards to facilitate the seamless sharing of documents and data across all stages of the shipping lifecycle.

The GSBN provides the foundation for new applications that can transform documentation flow for shipment management including

dangerous goods documents, invoices, and cargo release. The first planned application will allow shippers to digitise and organise their dangerous goods documents and automatically connect with relevant parties to streamline the approval process. The application is scheduled to be available in December 2018.

The other participants include ocean carriers CMA CGM, COSCO Shipping Lines, Evergreen Marine, OOCL, and Yang Ming; terminal operators DP World, PSA International Pte Ltd, and Shanghai International Port; and software solutions provider CargoSmart.

RAIL WORKS ON-TRACK

Works on the Felixstowe Branch Line, which will increase rail capacity from the Port of Felixstowe, are progressing apace.

When complete, the upgraded branch line will have capacity for a minimum of 45 freight trains per day in each direction. At the moment there are 33 scheduled daily services at the UK's largest intermodal rail facility connecting Felixstowe with 15 inland destinations.

Robert Ashton, Operations Director at the port, said:

"Rail is a vitally important component of operations at the Port of Felixstowe. The development of our latest rail terminal, the North Terminal, helped us pass the 1 million TEU milestone by rail in 2017 helping to cut road congestion and emissions. The range and frequency of services from Felixstowe are unmatched anywhere else and are an important factor for shippers looking for reliable and sustainable distribution solutions.

"We continue to see increasing demand for rail, a trend we expect to continue well into the



future. It is great to see the new track already laid as part of the upgrade and we look forward to it opening in 2019."

The core embankment routes have been

completed and 1,200 metres of new track laid. Further work to upgrade signalling is underway and a new Bridleway Bridge will be installed before the works are formally commissioned in May 2019.



BEACHWATCH 2018

Port of Felixstowe staff, their families and friends took part in the Marine Conservation Society (MCS) national beach survey, Beachwatch. In Suffolk the scheme is coordinated by the Suffolk Coast & Heaths Area of Outstanding Natural Beauty (AONB) which annually organises the Great British Beach

Clean (GBBC). Volunteers from all over Suffolk are galvanised to tackle the problem of litter on the beaches around the UK coast.

Data on the different types of litter collected feeds into the MCS national beach litter survey, and results

are published on an annual basis. Port of Felixstowe volunteers annually gather to clean an area of beach adjacent to the port at the Landguard Viewing Area. Since participating in this initiative over 10 years ago, a marked improvement in the type and quantity of litter collected has been recorded.



EVERGREEN VISIT

The Evergreen Marine Corp Chairman, Anchor Chang, has visited the Port of Felixstowe for discussions with port executives.

Mr Chang (fourth from left in picture) took over at Evergreen after the death of the group's founder, Dr Yung-Fa Chang, in early 2016 – though the two are not related - and runs the marine business, which includes

the world's sixth-largest container line.

Evergreen was founded by Dr Chang on 1 September 1968 with a single second-hand general cargo vessel. It launched its first full container service in 1975 connecting the Far East and the US East Coast. A period of rapid growth followed and by 1985 it was the world's largest container line.

Although no longer the world number one, Evergreen still provides a comprehensive service network and calls at Felixstowe as a member of the Ocean Alliance, alongside Cosco Shipping, CMA CGM, and OOCL.

Also in the picture are, from left to right, Robert Ashton, Operations Director Port of Felixstowe, Andy Huang, Evergreen UK Operations Head, Jeffrey Chang, Evergreen UK Chairman, Clemence Cheng, Hutchison Ports Executive Director and CEO Port of Felixstowe, Richard Spalding, General Manager Commercial, Iain Johnston, Senior Commercial Manager and Glenn Tomaszko, Evergreen UK Deputy Manager.



NEW CONTAINER STORAGE AT PORT OF FELIXSTOWE

The first phase of approximately 13 hectares of new paved container yard has been completed at the Port of Felixstowe. Located directly behind Berth 9 at the UK's largest container port, the new area will provide 18,000 TEU of additional storage when fully open.

Commenting on the latest development, Clemence Cheng, CEO of the Port of Felixstowe and Executive Director, Hutchison Ports, said:

"This latest expansion of facilities will increase

the efficiency of operations across the port and at Berths 8&9 in particular. The largest container ships in the world use these berths and our ongoing commitment to investing for the future will ensure that Felixstowe remains best placed to service their requirements.

"Increased yard capacity also improves the service to road and rail operators of the port and, coupled with our strategic location and unrivalled hinterland connections, reinforces the Port of Felixstowe's ability to offer a first-class service to all port users."

The first phase of the development covers 2.5 hectares and provides 3,300 TEU of new storage capability. The second phase is due to open later this year and the final phases opening at the beginning of 2019.

The works have included the reclamation of 3.2 hectares of seabed and will comprise ten container storage blocks. The additional 18,000 TEU of storage capacity is in addition to the 130,000 TEU already available at the UK's largest container port.

NEW OFFSHORE WIND BASE AT HARWICH INTERNATIONAL

Hutchison Ports Harwich International has hosted a ground-breaking ceremony to mark the official start of construction of the £10 million state-of-the-art operations & maintenance (O&M) base for Galloper Offshore Wind Farm.

Works on the new base, which will be home to the team of 60 who operate and maintain the 353 megawatt (MW) wind farm, are planned to take around 12 months to complete and create 120 direct and indirect local jobs.

Commenting on the start of works, Mark Seaman, Finance Director of Hutchison Ports (UK), owner of Harwich International, said:

“The O&M base represents the next logical step in the development of Harwich International as a major centre for the offshore sector. Our strategic location, providing sheltered, lock-free, facilities close to the North Sea is ideal for offshore support activities. Having already acted as the construction base for a number of wind farm developments, the new base will provide a purpose-built facility around which further opportunities in the offshore energy sector can be progressed over the next few years.”

Galloper General Manager Guy Middleton said:

“The ground-breaking is a symbolic but significant milestone as it has been quite a journey for us to first select the location of the base and then take it

through the onshore and offshore planning consent to now be at the stage where construction is underway.

“We are extremely grateful for the active support we have had throughout our process, from individuals including local Members of Parliament and Councillors, as well as organisations including the Port, Tendring District Council, Marine Management Organisation, Harwich Haven Authority and The Haven Gateway Partnership. I would also like to thank local businesses that were early to recognise the potential for the base to help regenerate the area.”

The Galloper O&M Base will comprise a 24/7 control room to monitor and manage all wind farm activity; a purpose built pontoon for the crew transfer vessels that take workers offshore daily; a fully-equipped gym; plus warehousing, office facilities and a new access road off the A120.

The Galloper team operating and maintaining the wind farm has been working out of temporary facilities in Harwich International since early 2017.



MORE SHORT SEA OPTIONS AT LONDON THAMESPORT

Hutchison Ports London Thamesport's growing reputation as a short-sea container hub has been further enhanced by Helsinki-based Containerships

plc's introduction of a second weekly service from Gdynia, Poland.

Containerships has chosen the Kent based port for its second direct service to and from the southern part of the UK. The service offers regular and fast connections with Poland, with improved service and transit times from Gdynia of 4-3 days and 4-6 days for the return journey.

Mark Taylor, on behalf of London Thamesport, said:

“We are delighted to welcome Containerships' second weekly service to London Thamesport. Containerships' port of choice reflects the growing interest we are seeing for short sea container services into London Thamesport. This additional direct service from Gdynia provides a reliable, cost effective short sea alternative to road transport from Poland. This will provide a welcome option for UK importers struggling with driver shortages and higher haulage rates on the continent.

“As Brexit draws nearer, an increasing number of importers and exporters are reviewing their supply chain strategies, looking for routes that offer high resilience whatever the Brexit outcome. Working with our partners at Hutchison Logistics, and utilising London Thamesport's locational advantages, we are ideally placed to help in that process.”

GO GREEN

How much do we care about the environment? A great deal, it seems, if a recent YouGov survey is anything to go by. With a rating of 87%, the naturalist and television presenter Sir David Attenborough was named as the most popular person with the British public.

It was Sir David's *Blue Planet II* series that hammered home the disastrous impact of plastics in our seas, laying bare the brutal reality of death, injury and harm for wildlife and the ecosystem.

In October, the International Maritime Organization's Marine Environment Protection Committee adopted an action plan to reduce marine plastic litter from ships. However, it also noted that plastic litter – from large items such as plastic bags, water bottles and fishing gear, to small particles of 5mm or less in size – enters the marine environment as a result of a wide range of land and sea-based activities. In short, we must all take responsibility.

Green initiatives are, of course, nothing new at the Port of Felixstowe. A determined campaign to improve air quality has delivered a 33% reduction to the port's carbon footprint in the past ten years; the port achieves a remarkable recycling rate of 70%; a Travel Plan has encouraged more employees to cycle to work; and natural areas or plants and trees have been created within the port.

Felixstowe is also a proactive partner in the Go Green campaign, which is a global environmental initiative led by Hutchison Ports and involves members of other international ports and the wider maritime community.

For this year's Go Green week in mid-September, Hutchison Ports focused on the issue of waste management and recycling, emphasising that support for both of these depends on individuals.

The Port of Felixstowe chose to focus on old mobile phones. "Mobiles contain very valuable metals and other materials, some finite – and yet people leave them languishing in a drawer, or dispose of them wrongly, rather than recycling what can be a valuable resource," says Jessica Briggs, Hutchison Ports (UK) Environment and Energy Manager. "We asked employees to donate any old phones and we collected a total of 57, including some from our own internal Information Systems Department." ▶▶▶





// // *Mobiles contain very valuable metals and other materials, some finite – and yet people leave them languishing in a drawer, or dispose of them wrongly, rather than recycling what can be a valuable resource”*



At the end of the week, the phones were formally presented to a relatively new – but rapidly growing – organisation, Plastic-Free Felixstowe. It's a neat tie-in for the port, which is focusing on reducing single-use plastics onsite and eliminating waste wherever possible, says Jessica. "For example, our PPE used to arrive individually wrapped in plastic bags. We have stopped that, and saved on a lot of packaging waste. We are also looking at ways to reuse PPE that has been issued and not used, such as replacing only equipment inners, rather than the whole item."

"We have switched to Vegware, a plant-based compostable product, for all takeaway cups and food packaging in our canteen, and we will be switching to Vegware for our single-use cutlery too. And this year we have started capturing hard plastics such as the IBC drums used for liquid bulks, crates and plastic covers from vehicles, sending these to TerraCycle, for specialist recycling."

The port was also early to seek out natural alternatives to the microbeads used in handwashes; drinking water is provided in canteens and elsewhere to discourage the use of single-use bottles of water; and work continues with suppliers

in the drive to push out unnecessary plastics in packaging and elsewhere.

Plastics have been demonised but it's important to remember that they can be recovered or recycled, says Jessica. "The problem is when they are not disposed of properly. People drop them as litter, don't recycle, or they slide through the sluices at surface water treatment plants, and end up in the sea."

Plastic-Free Felixstowe creates a direct link between the plastic problem and the local community, says Jessica. The port helped with the Plastic-Free Felixstowe event held in the summer, and is happy to work with the organisation, she adds.

Debbie Bartlett, a director of Plastic-Free Felixstowe, which is a community interest company (CIC), says: "Local businesses, from restaurants to small independent businesses, are happy to embrace the concept of going single-use plastic-free. Yes, they are based in a seaside town. But Felixstowe is not just a seaside town looking to attract visitors – it is the UK's largest port, and therefore looking after the seas is even more relevant. Felixstowe's special relationship with the sea is obvious and we have a responsibility to act."



Debbie has worked for many years in the ports and shipping sector herself; she says Plastic-Free Felixstowe is keen to work with the Port of Felixstowe to establish a town and port community response and she hopes that companies across the ports, shipping and haulage communities will make contact and join the campaign to tackle this global crisis: "It needs a joined-up, collaborative approach," she says. "We want our town to lead the way in taking action."

In a recent beach litter-pick, she came across a gannet completely entangled in green nylon cord. Unfortunately, the bird was already dead – the plastic rope was clearly encasing the gannet when it dived into the sea and it almost certainly drowned because it was unable to escape. This, says Debbie, was a really powerful wake-up call. "This issue is happening in Felixstowe, not just on remote beaches in Indonesia."

Plastic-Free Felixstowe has been named as a finalist in the Groundwork Community Awards 2018 and has been in direct contact with Sir David Attenborough, who has made phone calls and sent hand-written notes to express his support.

Debbie says: "Everyone you speak to is in favour of keeping plastics out of the sea. For us, that starts on the land – how do we stop using so much of it in the first place, and how do we stop it getting into the sea?"

Plastic-Free Felixstowe is aiming to raise awareness among local residents of the issues of plastic waste and explain the alternatives; to eliminate single-use plastic across the town; to maximise the opportunities for effective recycling; to engage with businesses to share best practice; and to work with key stakeholders, including the town and district councils, shipping lines and hauliers, schools, restaurants and shops, as well as the port.

Jessica Briggs says education is indeed a vital part of the campaign. "Vegware is made from plant protein so even in a hedge it will naturally break down and compost, whereas a crisp packet might take 100 years. That's a really strong message for children on educational visits to the port, and makes them more mindful of their own behaviour."

The port has also just bought its first Seabin, a floating litter bin which will be suspended from the pilot pontoon between Landguard and Trinity terminals. The Seabin automatically captures litter as surface water is pumped through a mesh filter. The litter collected can then be emptied into special bins on the quayside and recorded as part of Seabin's Global Ambassador programme, which is measuring and analysing the litter collected worldwide in its systems.





READY, STEADY

**BUSINESS GETS READY
FOR BREXIT**



“The Government has estimated that the annual number of Customs entries could increase from 50 million to 250 million as a result of Brexit”

There is no contest for the title of *Most Covered Story* of 2018 amongst the British media. Despite the best attempts of various Z-list celebrities, Brexit and its impacts have dominated the print and broadcast media for months.

The main challenge for business has been the uncertainty around what type of Brexit will emerge - Deal, No Deal, something else entirely - and what the implications are of each for them and their supply chains.

Nowhere has the debate been keener than around future Customs arrangements and whether the Government will achieve its goal of frictionless trade. If not, the consequences could be serious for many companies that trade with the EU. The Port

of Dover has predicted that a two-minute delay in Dover would lead to a 17-mile queue of lorries on the M20.

The worst-case scenario for many businesses is a No Deal Brexit with all EU trade done under WTO terms. That immediately raises the spectre of tariffs and the implementation of Customs controls at the border.

As a result, forward thinking manufacturers and retailers are looking at ways to mitigate the risk and ensure that their supply chains will remain both efficient and robust in the post-Brexit world. The first challenge many will face will be the need to make Customs declarations for all goods they are either importing or exporting.

For large firms used to trading around the world this

may not be the biggest obstacle. They will have the expertise already in-house or arrangements with logistics suppliers in place. However, due to its proximity, trade with the EU is done in smaller but more frequent consignments than is typical for non-EU trade. The Government has estimated that the annual number of Customs entries could increase from 50 million to 250 million as a result of Brexit. Even where expertise in submitting entries exists, additional resources will be needed to facilitate a five-fold increase in the number of declarations.

The challenge will be even greater for businesses in the UK that only trade within the EU. Most will have never made a Customs declaration before and will need to procure both the resource and expertise to do so.



Hutchison Logistics, part of the Hutchison Ports group, already has a wealth of experience working with shippers to help them make informed decisions across their end-to-end supply chains. Mark Taylor, Hutchison Logistics Director, explains: "There is widespread concern about the scale of delays that could occur at Dover and the Channel Tunnel under any of the harder-Brexit scenarios. Modern supply chains are heavily reliant on just-in-time deliveries and any disruption to the efficient scheduling of goods can have serious upstream and downstream impacts for businesses.

"Simply increasing the levels of stock holdings at various points along the supply chain may not be possible for perishable goods and the extra costs involved do not make it particularly attractive for any kind of goods. It is better to avoid the delays altogether."

The challenges posed by Brexit are exacerbated by the existing HGV driver shortages. The Freight Transport Association has estimated that the UK sector is already short of around 50,000 drivers. And the shortages are not unique to the UK. Many North European countries are seeing the same trends with an aging workforce and difficulties attracting younger people to take up driving as a career.

Continental haulage firms will see their margins reduced if drivers are held up at the border and they might seek to redeploy resources to mainland-only routes further cutting supply on the cross-channel routes.

The combination is leading more companies to look at alternatives to the usual driver-accompanied crossings. Mark Taylor adds: "By moving away from a more driver-dependent logistics strategy importers can not only protect their supply chains but can also reduce costs and cut carbon."

Hutchison Ports can offer a number of alternatives to the potentially most congested routes post-Brexit. DFDS offers three sailings per day from the

// // If it is decided to go for a hard Brexit more volume is expected to be routed from Moerdijk to London Thamesport"

Port of Felixstowe to Vlaardingen in the Netherlands and Stena Line have two sailings per day between Harwich International and the Hook of Holland and two to Europoort. Both lines offer a combination of accompanied and unaccompanied capacity.

The alternatives are not restricted to looking at rerouting Ro/Ro traffic. A number of companies are looking to change mode altogether and make greater use of short sea container services. Mark Taylor again: "We have seen a marked increase in enquiries for short sea container services and, in November, Containerships introduced a second weekly connection between London Thamesport and Gdynia. More and more Polish exporters are looking to move cargo by direct container services rather than drive for nearly a thousand miles to the channel ports. The same option is available in the opposite direction for UK exporters."

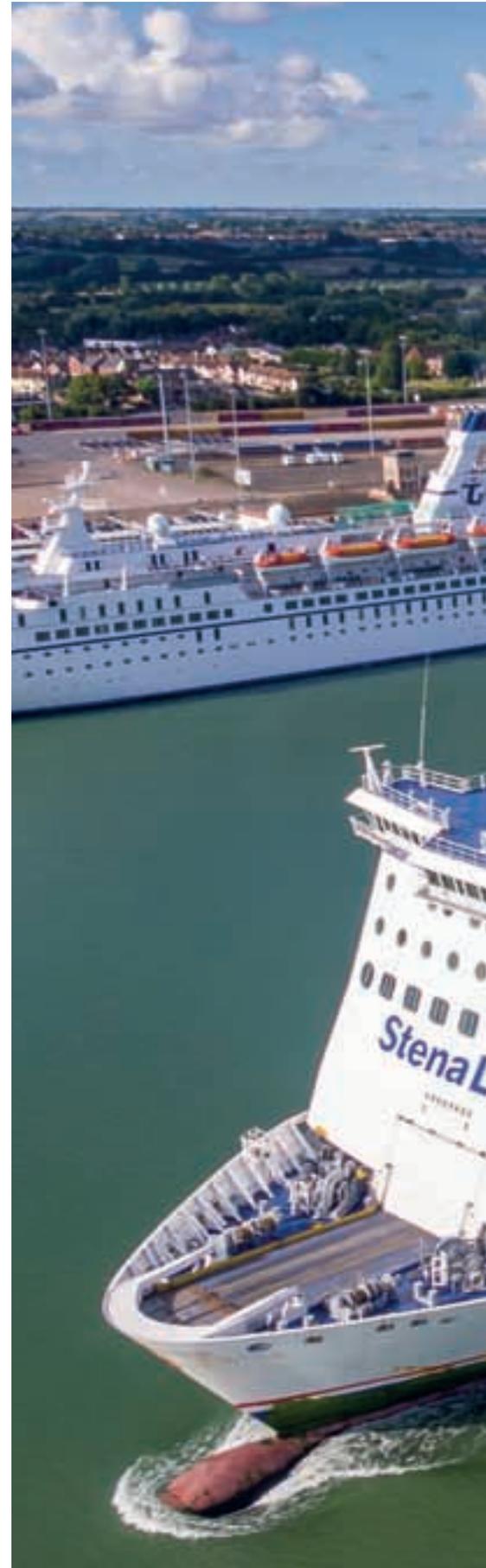
A2B-online offers three short sea container sailings per week between London Thamesport and Moerdijk. Bart van 't Hof, Group Sales Director at A2B-online, shares the same view: "If it is decided to go for a hard Brexit more volume is expected to be routed from Moerdijk to London Thamesport. This because of customs procedures that may apply that will have a considerably (negative) effect on the supply chain for goods arriving the UK accompanied by either Channel Tunnel and/or Dover by ferry."

Short sea containers and unaccompanied Ro/Ro have other advantages at the border as Liang Fang, Commercial Director at the Port of Felixstowe, explains: "Accompanied Ro/Ro depends upon the smooth flow of trucks straight out of the port. If a vehicle is stopped by Customs it can delay not only that vehicle but all those behind it in the queue as well. Both unaccompanied Ro/Ro and short sea containers are stored at the port for a short while before collection, giving ample time for Customs formalities to be completed.

"Even for accompanied Ro/Ro the longer crossing gives Customs more time to assess declarations before the vessel arrives which could reduce time taken in port selecting trailers for examination."

As the UK's largest container port, Felixstowe already has excellent inland road and rail links to all parts of the country. 80% of its container trade is non-EU meaning the port has first-class examination facilities including a Border Inspection Post (BIP) for certain foodstuffs and products of animal origin as well as a wide-range of Customs agents located in the vicinity.

It already has 10 UK-EU container services, more than any other UK port. Coupled with the busiest rail freight terminal in the UK, a switch from Ro/Ro to short sea containers also opens up rail freight to many shippers for whom it was not previously an option.





NEW CHIEF IN TOWN

There's a new CHIEF in town – the Customs Declaration Service. It will, says HM Revenue and Customs, meet the requirements of the Union Customs Code, support the expected growth in UK imports and exports, and provide businesses with access to more of their Customs information in one place; and it's getting started now.

The new Customs Declaration Service (CDS) is being introduced in phases by HMRC, which expects that all traders will be using the system by early 2019.

CDS is replacing CHIEF, the Customs Handling of Import and Export Freight system, which is now nearly 25 years old, relies on ageing technology and will not support the UK's future needs to align systems with the Union Customs Code, says HMRC.

And while it's important to emphasise that Brexit is not the reason behind the new system, the UK's departure from the European Union is certainly an added ingredient in the mix.

In fact, the CDS programme pre-dates the EU referendum and is required irrespective of the UK's decision to leave the European Union,

says HMRC, which has been working with trade representatives since 2015 to develop the system.

"The CDS will help the UK meet our future trade ambitions by providing state-of-the-art Customs processes," says an HMRC spokesman. "Once CDS is fully implemented, traders will be able to take advantage of an enhanced system providing improved trade facilitation. Traders will also benefit from having access to more of their information in one place."

Organisations such as the United Nations Conference on Trade and Development (UNCTAD) and the World Trade Organization (WTO) constantly highlight the role of digitalisation in facilitating trade. HMRC says it aims to be 'one of the most digitally advanced tax authorities in the world'.

Who will use CDS? Well, the first answer is traders and intermediaries, as with CHIEF. However, depending on the outcome of the EU-exit negotiations, importers/exporters who only trade within the EU may also be required to use the system.

HMRC describes CDS as a 'new, modern and flexible Customs service' which will use ▶▶▶



The CDS will help the UK meet our future trade ambitions"



the latest digital technology to enable importers and exporters to trade goods efficiently and legitimately, support the collection and payment of duties and taxes (CHIEF was responsible for collecting £34bn in tax and duties last year), bolster data collection (for example, gathering accurate trade statistics) and provide a risk assessment mechanism so that all goods can be easily certified/verified, especially those that are restricted or prohibited.

CDS will provide the capacity and capability for the declaration system to grow in line with the Government's growth agenda and its plans to increase the volume of international trade, says HMRC.

What does all this mean for those at the sharp end and what can the trade do to prepare for CDS? In a recent presentation to the Felixstowe Port Users' Association, an HMRC representative told attendees that it was important to stay informed, inform their clients of the coming changes, engage with their Customs software supplier, review their existing software, and estimate (and act on) their training needs.

CHIEF users need to make sure they have an Economic Registration and Identification scheme (EORI) number, or register for a new one; make

sure their company has a Government Gateway account and has access to it; register for CDS and authorise their software developer; and understand the changes to the Import and Export Tariff (available via GOV.UK).

HMRC is delivering a phased implementation of CDS alongside CHIEF, to manage any potential increase in Customs declarations following the UK's exit from the EU. However, the plan was always to deliver CDS through three 'releases of functionality'. The first release was made in August this year, and the first traders began migrating to CDS in September. The second release, planned for November, is to provide full import functionality. Finally, HMRC says it expects exporters to be able to start migration from CHIEF in March 2019.

From the outset, says HMRC, the CDS team has made it a priority that the new system is introduced without impacting imports or exports. It has promised online help, to include self-service tools, guides and checklists.

The system will offer several new and existing services in one place – for example, traders will be able to view previous import and export data on pre-defined reports, check the tariff, apply for new authorisations and simplifications, and check their duty deferment statement.

A CDS bonus is that traders will be able to include more items in each declaration, so the number of declarations they must submit may decrease.

Maritime Cargo Processing (MCP), the Felixstowe-based port community systems specialist, has a major role to play in the switch to CDS. "The MCP team has been heavily involved from the outset at local and national level, and continues to liaise closely with HMRC, software vendors and trade associations, in order to deliver a smooth, facilitated transition from CHIEF to CDS," says MCP General Manager Steve Lamb.

"From a technical perspective, we are developing contingency plans for D1ND [Day One No Deal] in order to ensure Destin8 is capable of handling and processing the projected increases in declarations and messaging for EU-origin imports and exports."

How does all this fit in with Brexit? Although CDS is not a direct requirement for 'Day 1', HMRC says it remains on track to implement all CDS functionality before the UK leaves the EU. The plan to deploy CDS alongside a scaled CHIEF service means that the UK will have a functioning Customs system capable of managing any potential volume of Customs declarations after March 2019, including taking heed of specific business scenarios driven by Brexit, says HMRC. Robust plans are in place, it says, to ensure that the border continues to operate after the UK leaves the EU.



// // traders will be able to take advantage of an enhanced system providing improved trade facilitation."



**HM Revenue
& Customs**

HUTCHISON PORTS TANZANIA



Hutchison Ports Tanzania, located at Dar es Salaam, is the country's largest container terminal. The Port of Dar es Salaam handles more than 75 per cent of Tanzania's trade and is a vital gateway to Tanzania, and also to Eastern, Central and Southern Africa.

Although already a major gateway, the port continues to strengthen its role as the country's maritime hub, investing in modern IT systems and mobile equipment while constantly improving its productivity levels, efficiency and customer service.

Hutchison Ports Tanzania is comprised of four berths, 725 metres of continuous quay and depth

of 12.2m alongside. Access to the open sea is provided by a 140 metre wide channel with a depth of 10.7 metres. The quayside is equipped with six ship-to-shore gantry cranes (SSGs), each with a capacity of 45 metric tonnes and can accommodate three vessels at any one time. With 18.75 hectares for container stacking, the area is designed to hold 11,500 TEU with an annual capacity of 500,000 TEU.

A number of major changes have been undertaken in recent years to boost the port's performance. These include the installation of nGen, Hutchison's award-winning, sophisticated terminal operating system. nGen is a proprietary system developed in-house, it is a modular, scalable terminal-management platform that controls the entire scope

the port is continuing to strengthen its role as the country's maritime hub"



Prince William, Duke of Cambridge visited the Port of Dar-es-salaam."

of operations including, ship and yard planning, gate operations, vessel operations and interactions, yard configuration and performance, overall operations monitoring, equipment utilisation, productivity and cost optimisation. Using powerful algorithms, nGen is able to offer the most precise and efficient operating solution to the customer.

Radio Data System (RDS) forms part of nGen, it provides staff and equipment (SSG, RTGs and Reach Stackers) with a means to communicate and interact with nGen/RDS in real-time so that container information can be updated instantly at the point of loading or unloading. nGen is designed to help terminal operators to utilise the RDS to increase overall productivity.

Manpower training and development forms an integral part of Hutchison Ports Tanzania's package for IT Projects, with continuous external and in-house training undertaken to ensure a highly efficient and effective workforce. The port continues to invest in information communication and technology (ICT) focusing on achieving unparalleled development of terminal operations to match the rapid evolution in the ICT sector.

Customers are offered a number of services, Kurasini Inland Container Depot, some 1.6 kilometers from the terminal, is a specialised CFS station with a warehouse with yard and handling equipment which provides reliable services for a range of LCL (groupage) cargo.

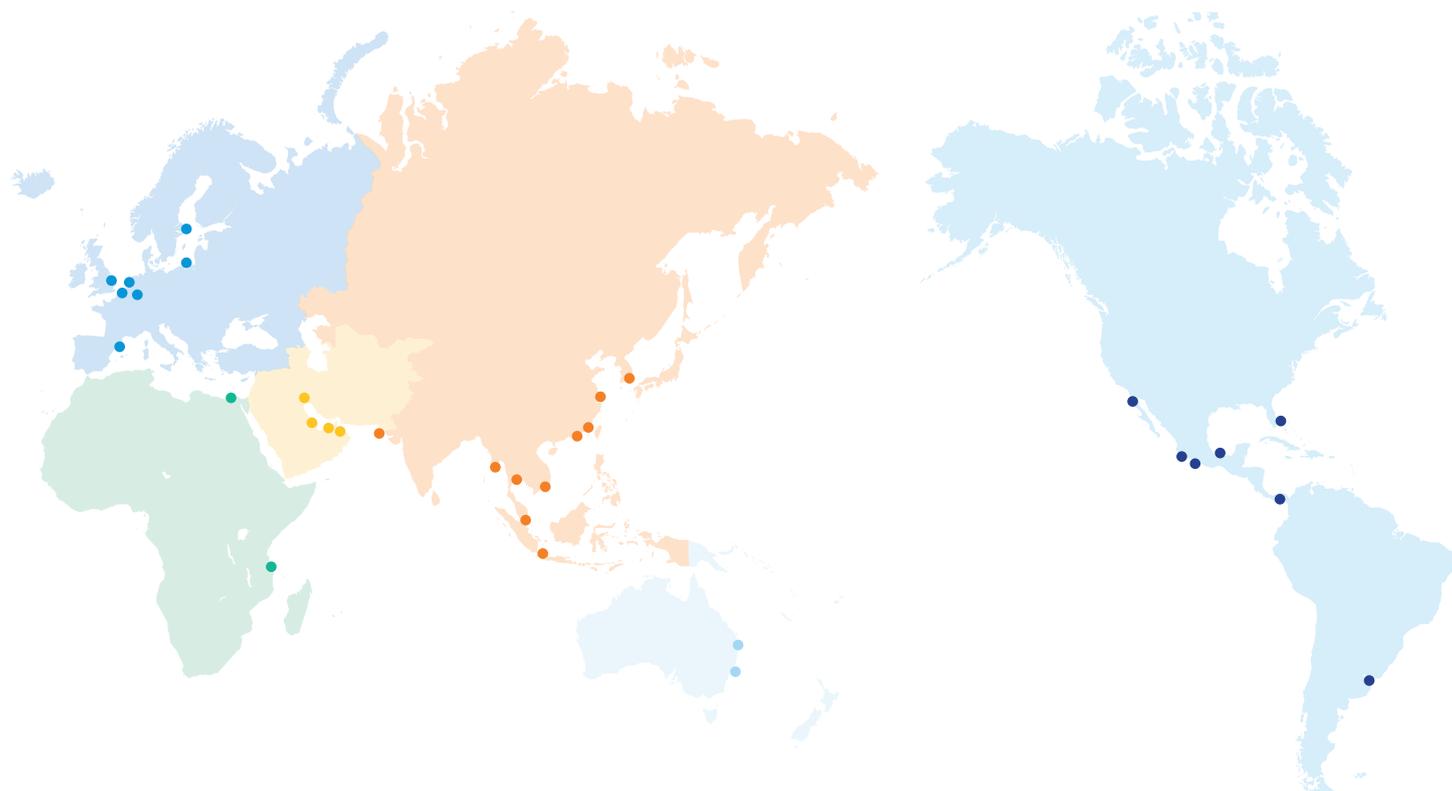
Rail services are available at two terminals within the port through TRL and Tazara Lines.

In September 2018 Prince William, Duke of Cambridge visited the Port of Dar es Salaam. On his visit, Prince William was given an insight into how Hutchison Ports Tanzania in conjunction with the Port Authority (TPA) conducts export container scanning and inspection/verification before loading. This is crucial in the fight against the illegal wildlife trade in Tanzania and is supported by the UK Government.



THE WORLD OF HUTCHISON PORTS

51 PORTS IN 26 COUNTRIES



EUROPE

BELGIUM

Willebroek

GERMANY

Duisburg

POLAND

Gdynia

SPAIN

Barcelona

SWEDEN

Stockholm

THE NETHERLANDS

Amsterdam¹
Moerdijk
Rotterdam
Venlo

UNITED KINGDOM

Felixstowe
Harwich
London Thamesport

MIDDLE EAST

IRAQ

Basra

OMAN

Sohar

AFRICA

EGYPT

Alexandria
El Dekheila

AUSTRALASIA

AUSTRALIA

Brisbane
Sydney

SAUDI ARABIA

Dammam

UNITED ARAB EMIRATES

Ajman
Ras Al Khaimah
Umm Al Quwain

TANZANIA

Dar es Salaam

ASIA

CHINA

Huizhou
Jiangmen
Nanhai
Ningbo
Shanghai²
Shenzhen
Xiamen

HONG KONG

Kwai Tsing
Tuen Mun

INDONESIA

Jakarta

MALAYSIA

Port Klang

MYANMAR

Thilawa

PAKISTAN

Karachi³

SOUTH KOREA

Busan
Gwangyang

THAILAND

Laem Chabang

VIETNAM

Ba Ria Vung Tau

THE AMERICAS

ARGENTINA

Buenos Aires

BAHAMAS

Freeport

MEXICO

Ensenada
Lazaro Cardenas
Manzanillo
Veracruz

PANAMA

Balboa
Cristobal

¹Ruigoord & Velsen-Noord ²Baoshan, Mingdong & Pudong ³West Wharf & Keamari Groyne

OPINION

By Patrick Verhoeven: Managing Director
of the International Association of Ports and Harbors
and Coordinator of The World Ports Sustainability Program

In a recent edition of this publication in this very same section the Secretary General of the International Maritime Organisation (IMO) Kitack Lim wrote of the significant role maritime transport plays in helping to create conditions for increased employment, prosperity and stability – key objectives in the context of the seventeen United Nations Sustainable Development Goals (SDGs).

By developing a global regulatory regime, the IMO aims to achieve the highest practicable standards of maritime safety and security, efficiency of navigation, prevention and control of pollution, both marine and atmospheric, from ships.

Success in sustainability in our industry can only be achieved in practice, in the Secretary General's own words, by connecting ships, ports and people.

To help ports prepare for that future, earlier this year the International Association of Ports and Harbors (IAPH) established the World Ports Sustainability Program to lead the way in contributing to these Sustainable Development Goals. Representing some 170 ports in over ninety countries, IAPH member ports handle about 80 percent of world container traffic and more than 60 percent of all international maritime trade.

The World Ports Sustainability Program is a platform for leadership and collaboration in such diverse areas as resilient infrastructure, energy transition, safety and security, community outreach and governance. With this programme, we hope to firmly establish the leadership of ports to deliver value to their communities in the years and decades to come.

Aiming at achieving such ambitious Sustainable Development Goals is, in many respects, a challenging task, given the rapid pace of evolution in our society. A complex mixture of geopolitical changes, changing world trade patterns, digitisation and automation, decarbonisation and transformation of the workplace is shaping the future of the port sector. Ports will have to become much more adaptable to embrace rapid change.

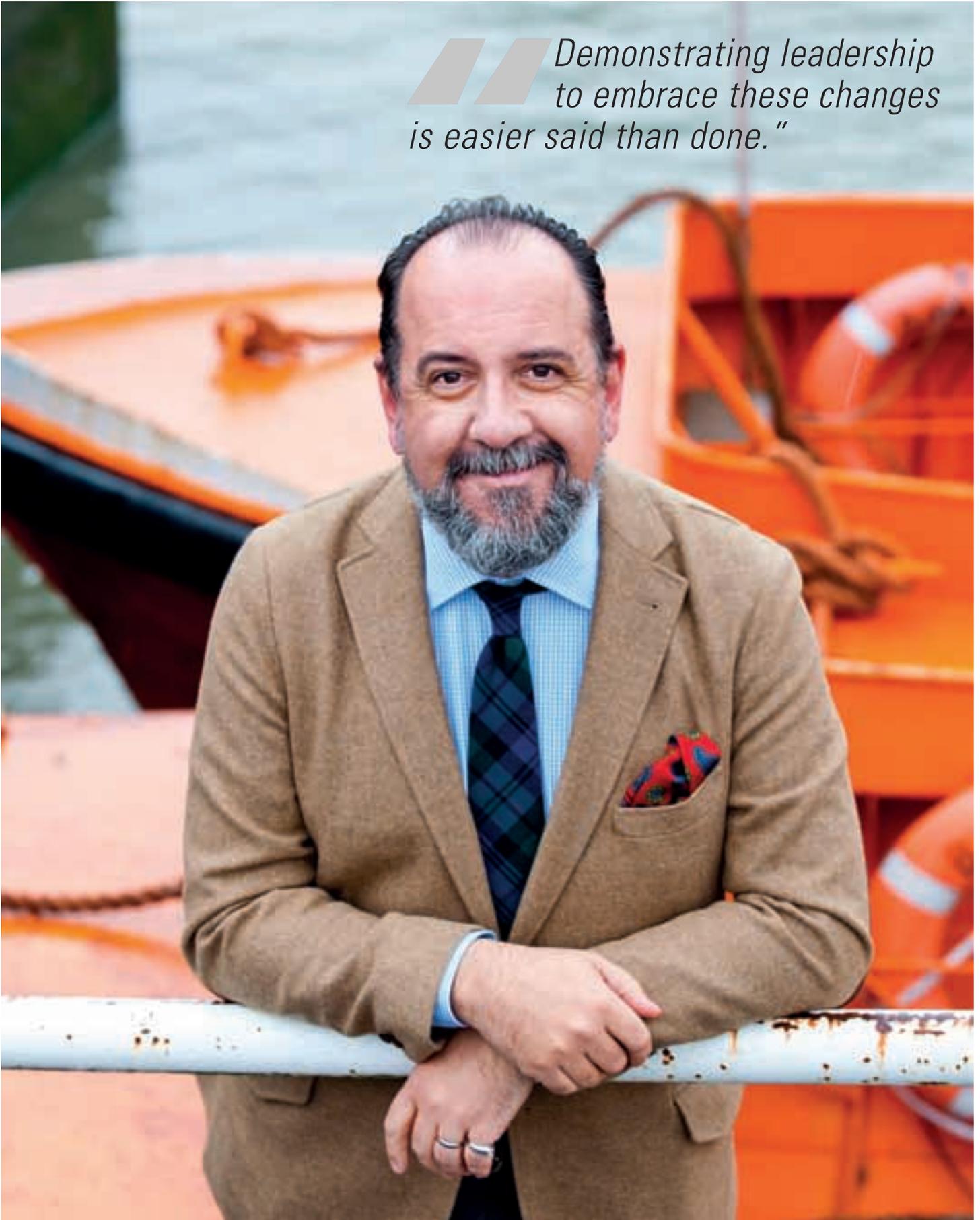
Demonstrating leadership to embrace these changes is easier said than done. Nonetheless ports around the world can make a significant impact on the SDGs as is clearly demonstrated by many good initiatives that already exist, including those developed by the Port of Felixstowe.

The £60.4m scheme, jointly funded by Network Rail and Hutchison Ports to facilitate up to 47 freight trains to run per day in each direction

between Ipswich and Felixstowe is an example of increasing resilience in port infrastructure and reducing emissions by switching cargo from road to rail. Converting the fleet of Rubber Tyre Gantry Cranes at the port from diesel to electric power as well as a pilot scheme to generate energy reuse using an onboard storage system, are great examples of energy transition and innovation. The recent Hutchison Ports Port of Felixstowe award presented to the team behind the Glove Use Reduction Project is a fine example of waste management reduction. In terms of community outreach, by co-founding the Port Community Fund with eight other leading port community players, the Port of Felixstowe supports grass roots charities delivering vital services within the community.

Such actions with a positive impact need to be shared. Knowledge needs to be pooled and best practices taken onto the global stage as there are so many ports throughout the world in emerging economies that will surely benefit from learning from and emulating such initiatives. This is the fundamental aim of the IAPH's World Ports Sustainability Program – to demonstrate global leadership of ports in contributing to the Sustainable Development Goals of the United Nations.

// // *Demonstrating leadership
to embrace these changes
is easier said than done."*



OSCAR EHRlich

DIRECTOR CRANE UPGRADES, ZPMC NETHERLANDS BV



- 2014: Moved to **ZPMC Netherlands BV** with responsibilities for Sales and Execution of Crane Upgrades projects in Europe and Contracts & Conditions, HSE and Procurement.
- 2012: Joined **Cargotec Corporation** as **Director Operations Process**. As an active interface between Frontline and other stakeholders, I worked on a review of the management process in ongoing projects; the improvement of the "One way of Working" in the regions and the tracking and monitoring of projects in operation.
- 2011: Responsible for the development, procurement, delivery, installation and commissioning of all equipment on the **Rotterdam World Gateway BV** where I was **Manager Equipment**. From overall project management, to being the principal contact to all equipment suppliers, I was responsible for the quality level of the installed equipment.
- 2008: Set up a Dutch Branch of **Gottwald Port Technology Netherlands BV**, where I was **Managing Director**. With the main emphasis on Sales and Service for Dutch customers, I transferred customer service from the Belgium to the Dutch branch and set up working relationships with local contractors.
- 2005: I joined **EUROMAX Container Terminal** as **Site Manager Equipment**, where I was responsible for all site contacts with suppliers of container handling equipment and civil contractors. As well as Quality inspection of all equipment and contacts with local authorities, I was HSE coordinator. Project management of the AGV project and multiple smaller projects.

Q&A

Q Describe your Role at ZPMC Netherlands BV

A I am responsible, as part of the Crane Upgrades team, for the Sales and execution of Crane Upgrades projects in Europe.

Q What is the Biggest Challenge of your job?

A Getting my emails answered after their initial delivery.

Q What do you find Most Satisfying about your role?

A Seeing that the people actually executing the Works are motivated and happy. For me this results in a successful project result for the customer.

Q What do you like Best about working at ZPMC Netherlands BV?

A Getting the possibilities and support to get to the next level in general.

Q Describe your Best Day at work:

A I hope the best day at work lies in the future and not in the past.

Q Favourite film?
A Casablanca

Q Ideal dinner guest?
A My Daughter

Q Favourite book?
A The Millennium Trilogy by Stieg Larsson

Q Favourite meal?
A Nasi Goreng

Q Ideal holiday destination?
A South Africa

Q First record bought?
A Ladies night by Kool & the Gang

Q Last record bought/downloaded?
A Rammstein

A DAY IN THE LIFE...

08.00

In the car driving to work. As it is a 30 minutes drive it gives me some time to make the first important phonecalls. 9 out of 10 are with the local site managers responsible for projects at hand. The wash up of the day before must be handled.

09.00

Checking Email and sorting them by priority. Taking first actions and instructing the responsible people. Pending on the day of the week and the availability of my team members we catch up on current affairs.

10.00

Prepare offers. Read progress reports of projects and act if required. Prepare Method Statements. Continuous contact with major suppliers on progress and available capacity.

11.00

Supplier coming in to explain offer. Offer was previously discussed with colleagues and questions/comments were prepared.

13.00

Internal Technical review meeting on proposed solutions or modifications. Viewing some work related sites on internet to catch up on international business.

14.00

On the phone with site managers and discussing status. Resending a large amount of emails asking for a response (again). Calling customers and partners checking on status of offers made. Prepare possible modifications.

16.00

Realising the day is almost over and you have managed to do only half of what you planned. Contact site managers to check on progress and discuss mitigating actions if required.

17.00

Prepare to drive home. Take contract proposals home for review. Call some people from the car who have not responded to my email.

HUTCHISON PORTS STOCKHOLM

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Sweden's new east coast container terminal opens May 2020.

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- Nearest east coast port to fairway
- Large vessel capacity
- Unrivalled infrastructure
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