

INTERVIEW WITH MR. NELSON LEE MANAGING DIRECTOR

Week 23 (05-11 June, 2017)

EDITORIAL

It is Thursday again and time for our newsletter. We have seen some dramatic developments this week which will impact shipping. The current diplomatic crisis between a bunch of mainly Arab countries and Qatar. Meaning that ports in Saudi Arabia, United Arab Emirates and other GCC countries will be closed for Qatari flagged ships and vice versa. Diplomats are being expelled and no fly zones are enforced. It remains to be seen what will happen to UASC, which is partly owned by Qatar, U.A.E, etc.



We have 3 weekly issues remaining before taking a summer break during the month of July. Kindly note the next three issue dates: 15/6, 22/6 and 29/6. In August we will return to the weekly schedule.

In today's newsletter we have:

- We interview a project freight forwarder based in Taiwan, an island that is seldom in the news but has an important relationship with China
 - We speak with a project freight forwarder based in another, albeit bigger, island called Sri Lanka, formerly known as Ceylon
 - We also have some shipping news for you, including the latest on the farce taking place in Gothenburg. The biggest container port of Scandinavia, where a labour dispute has gone on for almost a year, disrupting traffic and causing huge extra costs for shipowners, cargo owners and society as a whole
- Shipment, video, photo and quote of the week followed by legal news

Wishing you a good read and until next week...

Yours sincerely,

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Nelson, tell us about when you started your freight forwarding company in Taiwan and about your main business focus. I understand that you also provide shipping agency besides project freight forwarding?

Uni-Freight Logistics Co.,Ltd. (UFL) was registered in 2002. I have been working in the shipping industry since 1993. UFL has branch offices in Kaohsiung, Hong Kong, Qingdao and Shanghai.

Our general cargo (cy-cy) team has two main trades, USA to Asia and Asia (China) to Europe.

Our project cargo team has been focusing on oil & gas and energy projects.

UFL is also a licensed shipping / port agency in Taiwan.



Taiwan has a special location and relationship to both China and Hong Kong. Tell us about the current business climate between Taiwan and P.R. China.

Nowadays, there are 2.5 million (an unofficial record) Taiwanese people living and working in China. There are also countless enterprises, factories and companies there. It goes without saying that China and Taiwan are closely linked and inseparable. Politics is another matter.



When I first met you years ago I recall that you could NOT fly direct from Taiwan to P.R. China. Tell us about the situation back then and now.

1949 - 1986: Military confrontation. No flights between China and Taiwan.

1987 - 2009: All flights were required to stop over in Hong Kong, Macau, Japan or Korea. No direct flights.

2009 - now: There are hundreds of direct flights per day from Taiwan to more than 50 cities in China.



Are you a member of any networks these days? do you have offices outside Taiwan?

Uni-Freight Logistics is a member of CLC Projects Network.

UFL Shipping Agency is a member of Bimco.



Evergreen and Yangming Line are both Taiwanese shipowners, what can you tell us about them from a freight forwarders point of view?

Evergreen is a privately owned company. Yangming Line's majority shareholder is the Taiwanese government. Basically their style is a bit different.

Do you need a licence to operate a freight forwarding company in Taiwan?

In Taiwan, a freight forwarding company is not a common enterprise. We are requested by law to register our bill of lading and buy a bond & liability insurance with a certain amount. There are also specific regulations for the capital investment and the background of the owner (Chairman).



Tell us about your own career in freight forwarding. When did you start and why?

I joined this industry in 1993. One of the reasons is that I like the ocean.

Who should readers contact for inquiries at Uni-Freight Logistics in Taiwan and overseas?

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TRANSPORTATION TO / FROM THE MALDIVES AND SRI LANKA – FPS (PVT) LTD

**MR. GIHAN NANAYAKKARA
CHAIRMAN / MANAGING DIRECTOR**

When was FPS Sri Lanka established and who are the owners of the company currently? Are you also established with a branch in the Maldives? What does FPS stand for?

FPS, Famous Pacific Shipping Lanka (Pvt) Ltd, a leader in the Freight Logistics Industry in Sri Lanka was incorporated and operational in 1999. FPS is a founding share holder and member of the FPS Group head quartered in Hong Kong. FPS' network covers over two thousand Ports and destinations globally.



FPS is a member of SAS Holdings Group of companies specialized in:

- Shipping
- Maritime Security
- Freight Logistics
- Project Cargo Handling
- Customs Brokerage
- Warehousing and Inland Transportation.

SAS Holdings Group consist of 5 companies namely:

- FPS Sri Lanka
- Projects FPS (Pvt) Ltd
- Freightplan (Pvt) Ltd
- Shipping Agency Services (Pvt) Ltd
- Meridian Shipping Services Lanka (Pvt) Ltd.

Yes, FPS has a branch office in the Maldives.

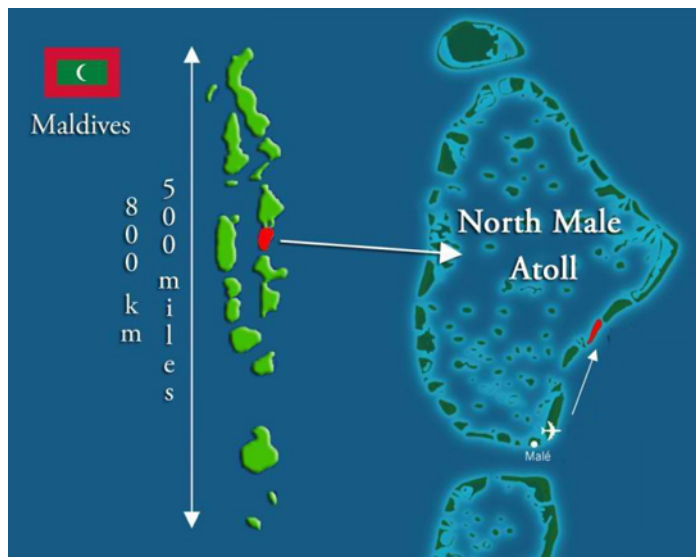


The Maldives is famous as a tourist destination, what about cargo? How is cargo in fact shipped into the Maldives? Is there a port available there? Is it done via transshipment? Give us some detailed information about how to get cargo to and from the island nation.

Maldives is a leading tourist resort cluster of Islands.

The development of tourism fostered the overall growth of the Maldivian Economy. It created direct and indirect employment and income generation opportunities in other related industries such as logistics, transportation and tourism related businesses.

Maldives is comprised of many groups of islands, known as atolls where the capitol Male (also the main Port) is situated 400 miles Southwest of Sri Lanka.



The main sea Port is in the Male Island, the capital city. The International Airport is on a separate island adjacent to the capital. Most of the cargo to Male is transshipped via the Port of Colombo. The subsequent transportation to the respective islands are effected on local boats mainly in break bulk form. In a limited scale SOC boxes are carried to the final point of delivery by barges.

Male is a heavily import dependent, with only fish as a main export product.

The Maldives offers a challenging opportunity to the logistics providers who dare to venture! We are one of those few.



How is the political relationship between Sri Lanka and the Maldives?

The government and people of Sri Lanka have continued to maintain excellent relationships in all areas where many Sri Lankan companies have established resorts and other businesses in the Maldives.

Sri Lanka and Maldives are also members of the SAARC group of nations with bi-lateral trade agreements between the two Countries.

The Maldives established formal ties with Sri Lanka on the very first day the Maldives gaining independence, 26 July 1965. Prior to which the Maldives had her first representative office in Colombo on 11 March 1906.



In Sri Lanka where your head office is located we understand that the government currently is developing a hub for shipping & logistics. Can you elaborate on that and give us details about the current situation in Sri Lanka and what ports are active.

At present in Sri Lanka we have 4 main ports which are actively operating.

- Colombo
- Galle
- Hambantota
- Trincomalee

As mentioned, the main Port in Colombo is the key hub to the Indian Subcontinent.

Colombo presently averages 5 million units per year. The new terminals that will be operational in the end 2018 will add a further 4 million units of handling capacity.

Galle is a traditional break bulk port, while Hambantota is the newest Port situated closest to the East/West shipping route, presently handling vehicle transshipment operations.

Trincomalee is the 3rd largest natural port in the world and is yet to reach its full potential as a break bulk hub of the region with her unlimited along side draft.



Can you give us some examples of cargo that you have handled into the Maldives, and/or into Sri Lanka recently?

Maldives Projects:

Project: Water project in Maldives in Hithadhoo Island. A British funded project.

Scope: Exclusive logistics provider for the projects. Packing loading, lashing, freight to Male, custom clearance in Male port & transport to Hithadhoo Island by Dhoni's. We have moved equipments vehicles & pipes etc.

Volume: over 1250 mt containerized cargo & flat trucks.

Project: Miriandhoo Maldives resort (on going).

Scope: packing /storing lashing / forwarding & handling freight.

Volume: 875 mt containerized 20 40 & flat trucks.

Project: Orivaru resort Maldives (on going).

Scope: packing /storing lashing / forwarding & handling freight

Volume: 2500 mt containerized 20 40 & Flat trucks.

Project: Maldives Airport expansion project.

Scope: packing /storing lashing / forwarding & handling freight

Volume: 1250 mt containerized 20 40 & flat trucks.

In addition, we provide weekly fixed day sailings to Male for LCL cargo. Our service includes clearing at Male port and delivery to respective final destinations.

We also provide multi-country consolidation (MCC) from Colombo to Male, Mumbai, Chennai, Tuticorin, Kolkata, Harachchi and Chittagong on a weekly basis.



Sri Lanka (current projects):

Shipment of 1500 LTL Transformers (Pvt) Ltd transformer containers to Ethiopia for the Ethiopian Electric Power Corporation (EPCO).

Scope: Forwarding, export freight, customs clearance, transportation and offloading at 2 sites by telescopic forklift.

Cargo: Electric Transformers.

Wind Power Project in Puttalam.

Scope: Vessel chartering, loading operation at Chennai Port, local port handling, custom clearance, unloading operations, transportation and handling at site.

Cargo: Wind turbines and blades comprised of 41 pieces, with a total weight of 784 tones and volume of 5656 cbm.

Colombo Lotus Tower Project - The tallest tower in the South Asia region.

Scope: Supervision of offloading at Colombo Port, customs clearance and delivery to site.

Cargo: Heavy machinery, heavy vehicles, steel coils and rods.

Olivil Port Project.

Scope: Total logistics from ship to the Eastern Coast by road.

Cargo: Heavy lift equipment and machinery.



Tell us a bit about yourself - when did you start your career in shipping?

I started my shipping career in the early 80's with American President Lines and reached up to the position of Shipping Manager in Sri Lanka. During my tenure at APL, I was an executive committee member of the Ceylon Association of Ships Agents.

I ventured into my own business in the early 90's. I was a founding member of the FPS Global group, served as an advisory board member, and subsequently held the Chairman position of the FPS group.

As of today, I work as the Group Chairman/Managing Director of SAS Holdings Group.

Interviewee:

Gihan Nanayakkara

Chairman / Managing Director

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SAS Holdings Group

<http://sasholdings.com/>



RENEWABLES

VESTAS SECURES 50 MW ORDER IN ARGENTINA

Vestas has received a firm and unconditional order from the only aluminium smelter in Argentina, Aluar Aluminio Argentino S.A.I.C., to supply 14 V126-3.45 delivered in 3.6 MW Power Optimised Mode for the 50 MW El Llano wind park in Chubut. [Read more...](#)

PORTS & HARBOURS

INDONESIAN PORT OPERATOR PLACES ORDER FOR EIGHT KONECRANES GOTTFWALD MOBILE HARBOR CRANES

Konecranes has won its hitherto biggest order for Konecranes Gottwald Mobile Harbor Cranes in the Asia-Pacific region. In the course of 2017 and at the beginning of 2018, Java-based port operator PT Berlian Jasa Terminal Indonesia (PT BJTI) will add eight more cranes to its existing fleet of eight Konecranes Gottwald machines. [Read more...](#)

RAILWAYS & PUBLIC TRANSPORT

HIGH SPEED GRINDING EXPANDS IN CHINA

The five-vehicle unit is one of two prototypes being developed under an agreement with CRCC High-Tech Equipment Corp signed at InnoTrans 2016 in Berlin. The other is a similar unit designated HSG-S, aimed at the main line market; this is currently under construction and due to begin test running later this year. [Read more...](#)

PLANTS & PROCESSING

RCMA GROUP TO BUILD \$32M RAPESEED PROCESSING PLANT IN UK

Commodities trading and supply chain firm RCMA Group is investing £25 million, or about \$32 million USD, to construct a new rapeseed processing plant in Atherstone on Stour, England capable of processing 100,000 tn of seed crush per year. [Read more...](#)

OIL & GAS

NEW AUSTRALIAN AND UK CONTRACTS WORTH OVER £150M TO ENERGY FIRM CAPE PLC

Energy services company Cape plc has secured strategic contracts in Australia and the UK, worth a combined estimated value in excess of £150m. [Read more....](#)

YOKOGAWA TO SUPPLY ANALYZER PACKAGE SOLUTION FOR PETROCHEMICAL COMPLEX IN OMAN

Yokogawa Electric Korea has secured a contract to provide an analyzer package solution for the petrochemical complex in Oman. [Read more...](#)

CONSTRUCTION

BALFOUR BEATTY IN FOR US\$257 MILLION 'WATER WORLD'

Gammon Construction, comprising Balfour Beatty and Asia-based construction and engineering group, Jardine Matheson, will undertake the construction of the main building structure at Ocean Park Water World, as well as the fit-out and installation of various indoor and outdoor attractions. [Read more...](#)

GREECE APPROVES \$8BN CHINESE-BACKED RESORT PROJECT OUTSIDE ATHENS

Construction work on a \$7.9bn project to develop a sprawling coastal Olympics complex and Athens's former airport will begin in six months, the Greek government has said. [Read more...](#)

SHIPPING NEWS

GOTHENBURG LOCKOUT 'DESCENDS INTO FARCE' AS MEDIATORS SAY THEY'VE HAD ENOUGH

Sammy Blom, national products director ocean freight & intermodal services at Geodis Wilson, which controls around 12% of Swedish ocean container movements, said: "Describing the general situation for anyone relying on container transports to and from Sweden as a meltdown is an understatement."

Responding to blockades by a dockers' union seeking collective bargaining rights, APM Terminals Gothenburg first imposed partial lockouts mid-May, and they are now set to last until the end of June. [Read more...](#)

HORN OF AFRICA: PORTS IN PUNTLAND & SOMALILAND TO COMPETE

Investment of \$336m has been mooted, which would include the construction of a 450m quay, an unspecified number of berths, container storage capacity and container handling equipment. In common with other similar projects on the continent, the state will retain ownership of the port but it will be operated under a 30 year concession. [Read more...](#)

53' CAKEBOX APPROVED BY ASSOCIATION OF AMERICAN RAILROADS (AAR)

The Intermodal Operations Committee of the Association of American Railroads (AAR) recently approved CakeBoxx Technologies' newest 53' intermodal container, Model 732, for use on the freight rail networks throughout North America. [Read more...](#)



NEW FERRY LINKS NORTH KOREA TO RUSSIA DESPITE US CALLS TO PUNISH PYONGYANG ON MISSILE PROGRAMME

A new ferry between isolated North Korea and Russia docked for the first time at the Pacific port of Vladivostok on Thursday, inspite of US calls for countries to curtail relations with Pyongyang over its nuclear and missile programmes. [Read more...](#)

COSCO HAS NOW PROVEN IN THE PORT OF HAMBURG THAT THEY TOO ARE A CARRIER TO SPEAK TO WHEN IT COMES TO HANDLING BREAKBULK CARGO BY CONTAINERSHIP.

Here is one of several photos that were released by the port of Hamburg evidencing a COSCO vessel being loaded with heavy lift cargo. [Read more...](#)



FOR FURTHER INFORMATION, CONTACT COSCO SHIPPING LINES DIRECTLY: COSCO SHIPPING LINES

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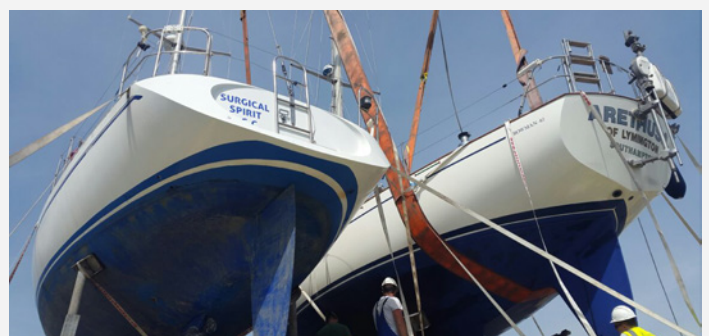
SHIPMENT OF THE WEEK

OCEANUS YACHT TRANSPORTATION HAS COMPLETED LOADING OF EIGHT BOATS ON TO M/V NORJAN IN FETHIYE AND YILPORT, GEBZE WITH PETERS & MAY LTD.

The boats were a combination of new builds and second-hand boats. Most interestingly five of these boats belonged to private individuals, who spent remarkable time in Turkish waters cruising around the Aegean Sea. One of the owners was taken ill and her sister flew from London to ship the boat, it was an emotional moment for everyone involved as the owner was so happy in southern Turkey.

Another owner met his wife whilst cruising around Northern Cyprus and moved back to the UK leaving his beloved boat in a shipyard in Fethiye. After 2 years the couple decided the boat is simply too precious to leave behind for them, so they decided to ship it back the UK for a refit... All operations were completed successfully and the vessel left Fethiye on time for her journey back to North Europe. In other words, it was a normal day for both Oceanus and P&M.

<http://www.oceanusyacht.com/>



VIDEO OF THE WEEK



An impressive video about 2 well known brands in shipping: CMA CGM & APL who recently joined forces.

PHOTO OF THE WEEK



Cruise season is upon us here in Stockholm, Sweden. Just pulling into the harbor is a German owned cruise liner filled to the brim with passengers. The blue sky however doesn't seem to be arriving on time.

QUOTE OF THE WEEK

**"RECESSION IS WHEN A NEIGHBOR LOSES HIS JOB.
DEPRESSION IS WHEN YOU LOSE YOURS"**

- Ronald Reagan -

LEGAL NEWS

THOMAS COOPER SHIPPING FOCUS - SUMMER 2017

Welcome to the Summer 2017 edition of Shipping Focus, the e-update from Thomas Cooper's Shipping Group, in which you can review the latest legal developments in your area of Shipping and keep up to date with Thomas Cooper's news and events.

[Read more...](#)

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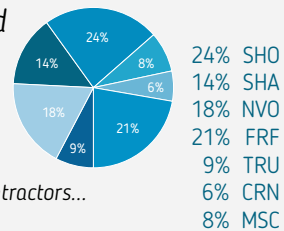
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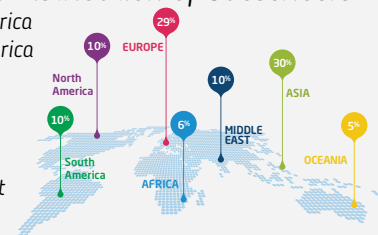
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