

Week 39 (25 September - 01 October, 2017)

EDITORIAL

Week 39 has arrived and so has your new issue of Project Cargo Weekly. A current hot topic, at least in Europe, is the re-election of the German chancellor Ms. Merkel, but also the arrival of a newcomer in the parliament called AfD. It seems that any new party daring to upset the status quo



are branded populists by most of the mainstream news media. What does that mean? I tend to believe that they must be popular and have a message that seemingly 8 million people in Germany like to hear - that is ALSO democracy when someone gets voted in, that one may dislike.

Here at my home there is generally no democracy and I am not popular, but c'est la vie right? :-)

Now turning the attention to the shipping business, today we have an interview with a company in a former Soviet Republic, Lithuania. As they are now free, democratic and open for business since some years, it's good to learn more about the Baltic countries. Project Cargo can also be carried by air, thus for our second interview today we have a company with established expertise in the field of aircraft chartering. It's amazing what the giant Russian aircrafts can "eat". See the pictures for yourself.

Finally, before our usual sector news and other intel that we hope you will find useful, I wish to direct your attention to a talk on computer forensics in Singapore, organised by the Chartered Institute of Arbitrators (Singapore). Looking for a specific entry or a single email can be daunting but critical. An entire business dispute or multi-million-dollar claim/arbitration may hinge on the data - when it was generated, altered, deleted by whom and under what circumstances" unquote. Sounds interesting, doesn't it? On a personal level, just think of going to court with the ex-wife to be and you just cannot find that email needed to defend yourself or vice versa as the case may be. Whatever we do online is recorded somewhere for better or for worse, as we all know by now - and if we were in doubt about the surveillance state, Mr. Snowden certainly woke us up to it, didn't he?

Wishing you a pleasant read and, until next week,

Yours sincerely,

Bo H. Drewsen

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BALTIC FREIGHT SERVICES (BFS) - LITHUANIA

MR. LAURAS LUKOSIUS MANAGING DIRECTOR

Tell us about the main activities of BFS in Vilnius. When was the company established?

Since 1996 Baltic Freight Services has offered global logistics services including air, ocean and road transport, customs brokerage and distribution to/from Baltic & CIS countries. BFS is an IATA accredited agent. Our airfreight team has over 20 years of experience in handling different kinds of cargo including dangerous goods, AOG, live animals, heavy/outsized cargo and even charter flights.



Lithuania's geographical location in Eastern Europe

In ocean freight our main volumes consist of containerised cargo. What is important when it comes to delivery of special cargo to/from the port, especially heavy pieces, is that we do multimodal solutions and utilise rail facilities in the port area.

In road freight we have dedicated haulers, whom we subcontract to carry both full loads, as well as groupage. Using a distribution warehouse in Vilnius we deliver to door in Lithuania, Latvia, Estonia, Russia and Belarus.



Who owns the company?

There are two owners: me and Darius Varnas. Both Lithuanian citizens 😊

When people think of the Baltics they naturally think about Russia too. Can you organise transshipments to/from Russia? Elaborate if you will, a bit about how it's done. What ports are being used and how about customs clearance on transit cargoes to/from Russia?

Lithuania, as well as the rest of the Baltic countries, has always been a kind of gateway to the CIS markets. A very good geographical location and efficiency in handling transit cargoes enables us to service clients from Western Europe and Russia or Belarus. Excellent understanding of logistics specifics in Russia, a high level of customer service and even very good knowledge of the Russian language are other reasons why many Russian clients entrust their cargo to logistics providers from the Baltics. For ocean shipments we use either Klaipeda or Riga ports to go to Russia. Klaipeda is the best gateway to go to Belarus (which is landlocked country) for various breakbulk and project cargo. BFS is licensed customs broker. Our staff processes all paperwork needed to ensure the timely arrival of cargo to destinations in Russia.

Can you organise shipments on the Trans-Siberian railway to/from Asia and Central Asia via Lithuania?

We use rail services that run from inland China via Russia, Belarus towards Poland. Rail is a good option for those clients who want faster transit time than shipping, but not ready to pay as much as airfreight. There are several rail services on this route. The fastest reaches Brest at the Belarus/Poland border within 14 days.

We also utilise rail for delivery in the opposite direction. We provide solutions for cargo arriving by sea to Klaipeda or Riga port from origins such as the USA, and destined to Central Asian countries like Kazakhstan etc.



Tell us a bit about the most significant project or shipping job that you have handled.

We have not handled very large projects recently. What I would like to mention is that some time ago we organised the re-load of nearly 2000 tons of frozen meat from a breakbulk reefer vessel at Klaipeda port and then arranged delivery to cold store in Vilnius (300km away from the port). Some 75 truck trips were made. It was a non-stop operation as the critical thing was to do delivery the goods to cold store as quickly as possible.

Do you belong to any international project freight forwarding networks at the moment?

We are member of CLC Projects Network.

Tell us about the main ports of Lithuania. Is Lithuania a member of the EU, what languages do you speak generally and what kind of currency do you have in your country.

Our home port is Klaipeda at the Baltic sea, handling 40 million tons annually. It is one of the fastest growing ports on the eastern cost of the Baltics. Klaipeda is very much diversified, handling different types of cargo, including ro-ro, containers, break-bulk, agricultural products, oil etc.. It also has very good access to motorways and railways.

Lithuania has been a member of the EU since 2004. The Euro has been our national currency since 2015. Many people, especially those working in the logistics industry, speak a minimum of 3 languages. Lithuanian is our native language which we speak in our daily lives, we also know Russian well and we speak English or some other foreign language. Knowledge of these languages enables us to connect East and West in logistics \bigcirc

What is your background Lauras? What made you start working in a shipping company?

Originally I came from the airline business, so airfreight was the first business that BFS started from. Shipping has always been my passion. I had a possibility to work on a project in Belarus for Mediterranean Shipping Company. I gained very interesting experience on how shipping lines operate, what are the challenges and how great the opportunities are.

Tell us about tourism in your country. What places would you recommend people to visit?

My most favorite places are the old town in Vilnius and the Curonean Spit on the sea coast - especially the town of Nida in the summer time.

There are a lot interesting things to see in Lithuania. Come visit our beautiful country!

Interviewee: Lauras Lukosius Managing Director Iauras.lukosius@bfs.lt Baltic Freight Services (BFS) http://www.bfs.lt



CHAPMAN FREEBORN AIRCHARTERING - DENMARK

MR. KIM BORGAARD REGIONAL SALES MANAGER SCANDINAVIA

Tell our readers where the name Chapman Freeborn comes from. Does it refer to the owners, or is it a name taken for the business as such? What is the main activity of Chapman Freeborn?

Chapman Freeborn was established in 1973 by Chris Chapman and Mike Freeborn. They are not actively involved in the business today but the name remains and is very well known in the industry. The company was originally formed to market Alaska International Air's fleet of Hercules freighters. At its peak the airline

operated five Hercules aircraft, but with business down in the local oil and gas industry they needed help finding ad hoc charter contracts elsewhere.

After the early success of marketing the Hercules fleet for charter projects, the company grew significantly and branched out into new cargo and passenger charter markets.

We understand that you are aircraft charter specialists. Several companies seem to claim that they are experts in this field especially. In your opinion what makes Chapman Freeborn stand out?

As a company we're very much focused on the value-added side of our services. For most clients, chartering an aircraft is an occasional requirement rather than an everyday need. We're always happy to provide expert loading advice and assist with documentation, as well as taking care of the complex contractual elements.

Our global office coverage is also a big plus. Clients expect a continuity of service and local market knowledge that smaller brokers can't generally provide from a single office location.

We also have specialist subsidiary companies - including Intradco Global which transports animals by air, and Chapman Freeborn On Board Courier (OBC) which specialises in hand-carry shipments.



Tell us a bit about the different kinds of aircraft that you can offer. Can you offer aircraft charters on a global scale? Have you specialised yourself in a certain type of aircraft?

We work with aircraft of all shapes and sizes. One of our areas of expertise is with Soviet-era heavy-lift freighters, including IL-76 and AN-124 aircraft, as well as western-built freighters such as the B747-400F.

Would you be able to give us some examples of big deliveries that you have made on behalf of customers worldwide?

There is no typical job when it comes to moving project cargo – but time is usually one of the key factors. Sea freight is a cheaper option for moving outsize cargo around the world, but the airlift solution is necessary when the situation is more urgent – for example to avert a costly plant shutdown or to allow a contractor to meet a deadline.

A good example of this is a four-flight charter operation we did recently to deliver 200 tons of infrastructure cargo to Gabon. The time-critical consignments from Europe and India were required for the opening of a new port terminal. The cargo was originally scheduled to be shipped to Africa as sea freight but Chapman Freeborn was called in at short notice to ensure the project deadline was met.



What kind of information do you generally require in order to give a quick quotation or estimate?

Give us a departure and arrival point, a description of the cargo and an approximate payload and we can give an estimate within minutes. Obviously the more information we're provided the more accurate the figure will be. We can then get to work and ensure you're offered the most economical charter option. We also offer part-charters, backloads and other cargo solutions such as on board courier (OBC) shipments.

How long have you been working at Chapman Freeborn? What made you choose a career in airfreight and airfreight chartering?

I have been with Chapman Freeborn since 2011. I initially encountered them as a customer when I was involved with a large scale project including four AN-124 charters out of Gothenburg, Sweden. The whole project was incredibly well organised by Chapman Freeborn and I became curious about the air charter industry - so one thing led to another.

Today the Nordic market is strong for Chapman Freeborn and we're the market leader in the region. In addition to cargo charters, we're seeing positive development in the passenger charter market and with our OBC business.



I have no doubt that some of our readers would like to contact you for a quote. Could you provide us with your contact details?

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FEATURED TALK

COMPUTER FORENSICS - BY DAVID C. RULE

Technology plays an essential part in almost all disputes in building a solid case and in complying with discovery rules. Getting it right the first time and understanding the ways in which information can be stored and retrieved is essential. *Read more...*



FEATURED PROJECT SHIPMENT









HIJACKED 'LANDSHUT' AIRPLANE RETURNS TO GERMANY WITH HELP FROM LOGISTICS PLUS

Logistics Plus, working with its global partner Salco Logistics, has played a crucial role in helping the hijacked 'Landshut' airplane return home to Germany. The German airplane, that a Palestinian militant group hijacked and flew to Somalia in 1977, is returning home to Germany to be restored. The plane's hijacking was a key moment of the so-called "German Autumn" Read more...

INSURANCE AND PREVENTION MATTERS UPDATE

CARGO THEFT ANALYSIS

Cargo theft remains one of the most significant causes of disruption in the supply chain and claims cost to TT Club members, accounting for around 10% by volume and cost of all reported claims in the last ten years. Read more...

SHIPPING NEWS

GUIDANCE FOR CARRYING CARGO IN NON-OPERATING REFRIGERATED CONTAINERS ISSUED

In order to minimise empty repositioning costs, container operators frequently use reefer containers in a 'non-operating' mode to carry approved dry cargo – either on a return leg or to re-position the equipment without operating the refrigeration machinery. Because of the differences between General Purpose and Refrigerated containers (both the design and the materials), additional considerations are necessary in relation to approval of cargo to be carried in this way and the packing requirements that need to be taken into account. *Read more...*



CONSTRUCTION

IKEA INDUSTRY INVESTS IN KAZLų Rūda Furniture production

IKEA Industry has decided to invest in furniture production in Kazlų Rūda and advanced technology will offer an opportunity to double the production capacity. Construction is scheduled to start this autumn. Read more...

PORT NEWS AND INFORMATION

EUROPORTS LOADS THE MV SALTA, GMB MARITIME LINER Services Gmbh at its Terminal 1207 at Left Bank

Euroports, a leading maritime supply-chain provider, has just completed a major job for a number of its key customers in Antwerp, loading to capacity the MV Salta, GMB Maritime Liner Services GmbH, at its Terminal 1207 at the Left Bank in Antwerp. This vessel has the largest draft of any that Euroports has ever loaded at this terminal. *Read more...*

CEMENT

CEMTEC BALL MILL ORDER FOR SALAM CEMENT

The low-cost project with a steel structure-based design comprises a CEMTEC slide shoe ball mill of 3.2 x 9.5m with a1250kW motor in closed circuit with a latest-generation separator CTC-045. It is capable of producing 35tph of CEM II-32.5. The plant is expected to start production in 2018 and deliver a major contribution to the infrastructure development of the area. Read more...



PLANTS & PROCESSING

NEW \$300M OMAN COTTON FACTORY SET TO CREATE 1,500 JOBS

The plant will import 100,000 metric tons of cotton fibre annually through Sohar Port, with around 50 percent coming from the United States and the remainder split between Australia and India. The plant will produce around 75,000 tons of finished yarn each year, which will be exported back through the Port to China and other global markets including Bangladesh, Pakistan, Vietnam, Portugal and Turkey. *Read more...*

POWER GENERATION & DISTRIBUTION

MAN DIESEL & TURBO SUPPLIES 264 MW TO INDONESIA

Indonesia's state-run electricity supplier, Perusahaan Listrik

Negara (PLN), has contracted MAN Diesel & Turbo to deliver a total of 20 MAN 51/60DF en-gines. Ten of these engines will be installed in three power plants for which the company will take on EPC (engineering, procurement, construction) re-sponsibilities. Read more...

WÄRTSILÄ TO GENERATE POWER FOR EXPANDED PAKISTANI **CEMENT PLANT**

The technology group Wärtsilä is to supply the generating equipment to provide the electrical power for an extension to a major Pakistani cement manufacturing facility. Cherat Cement Ltd has contracted Wärtsilä to supply three Wärtsilä 34DF dual-fuel engines capable of operating on both natural gas and heavy fuel oil (HFO). The total electrical output will be approximately 29 MW. Wärtsilä will also provide advisors to oversee the installation and commissioning of the engines. Read more...

ABB WINS CONTRACT FROM CSTS JOINT OPERATION IN INDONESIA

ABB has been selected by the CSTS Joint Operation to supply prefabricated electric substations for the Tangguh liquefied natural gas (LNG) expansion project. Read more...

VIDEO OF THE WEEK



PHOTO OF THE WEEK



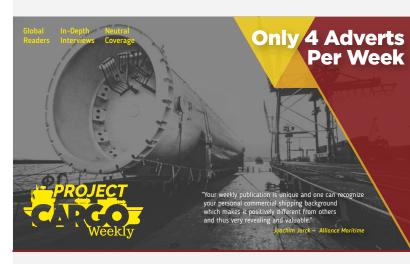
QUOTE AND PROVERB OF THE WEEK

"VICTORY HAS A THOUSAND FATHERS, BUT DEFEAT IS AN ORPHAN"

- John F. Kennedy -

"FLEE AND SHE FOLLOWS, FOLLOW AND SHE FLEES"

- Ancient Indonesian Proverb -



AD PRICING

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