

2021

Wishing you Happiness, Prosperity & Peace!!!

NEWSLINE

Cargosol is grateful for the partnership we shared through 2020!

We will continue to be driven by our values of consistent efficiency, commitment, compliance and business ethics to serve our loyal customers.



Cargosol Newslines presents to you the latest developments in the supply chain industry

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SEA FREIGHT



GREENER HAPAG-LLOYD : \$1BN INVESTMENT IN 6 LNG BOX SHIPS

- Hapag-Lloyd has finalized an order for 6 23,500+ TEU dual-fuel LNG-powered vessels, to be delivered between Apr & Dec 2023.
- These vessels which can also run on conventional bunkers will be constructed at South Korea's DSME shipyard at a cost of some \$1bn.
- Deployment on THE Alliance's Asia to Europe service.



'SLIDINGS' REPLACING BLANK VOYAGES AS OCEAN CARRIERS STRETCH TRANSIT TIMES

- Ocean carriers are looking to extend transit times in a bid to improve schedule reliability & cut costs by starting to add more buffer time into schedules to mitigate the impact of chronic global port congestion.
- This would allow carriers to cope with the delays, minimizing port cancellations & disruptions, hence providing customers a more reliable service.
- The "schedule sliding" was necessary due to severe congestion from the challenging operational conditions in Asia.



RELIEF FOR BANGLADESH SHIPPERS AS INDIA OFFERS ITS PORTS

- India has offered Bangladesh shippers the use of its seaports for export & import trade to third countries.
- During a virtual meeting last week between the PMs of the 2 countries, the offer was made, as the regional transshipment hub ports of Singapore, Colombo & Port Klang, with limited manpower during the pandemic, faced severe congestion, struggling to handle containers.
- Bangladesh and India have also reopened a rail link between Haldibari and Chilahati, for goods & passenger movement.



COSTS OF OCEAN FREIGHT OUT OF ASIA HITTING 'UNBELIEVABLE' HEIGHTS

- Shanghai Containerized Freight Index (SCFI) - comprehensive index reading of 2,411.82 is 167% higher than a year ago, reflecting huge spot rate increases across all export trades from Asia.
- Import orders remain strong, with retailers ordering spring & summer merchandise early avoiding delays.
- Ongoing congestion at ports, imbalance of equipment and a huge demand for space have led to an increase of freight levels to unbelievable heights.



FORWARDERS SLAM 'DIABOLICAL' SERVICE & 'SHAMELESS PROFITEERING'

- Asia-Europe rates have reached as high as \$14,000, including surcharges, according to some forwarders, while this week's SCFI set new records for spot rates on 6 deep sea trades.
- After another week of eye-watering freight rates breaking into new territory, forwarders have slammed shipping lines for "diabolical" service levels & accused them of "shameless profiteering".



CARRIERS MUST RETURN EMPTY BOXES TO AVOID SHORTAGE GOING INTO FEB

- Unless carriers continue to "aggressively" repatriate boxes to Asia, the equipment shortage crisis will last until Feb according to sources,
- Carriers are maximizing procurement of new containers, but the impact of new equipment into the supply chain will take some time.
- Carriers are expected to pursue the current strategy & there is a possibility of resolving the container shortage during Jan, or they reduce their aggressive repositioning strategy in order to serve backhaul shippers.



SEA FREIGHT



BOX SHORTAGE IN INDIA EASING , BUT TRADE IMBALANCE WIDENS

- With 14% quarter-on-quarter growth, India's containerized exports are helping the country's trade recovery along with the slow yet steady revival of imports further contributes towards an overall improvement.
- Overall, Q3 volumes in India were down 8% year on year - exports up 14% and imports down 28%, although up 30% on Q2.
- As well as the growing trade imbalance, another factor exacerbating India's lack of equipment has been the slow turnaround time for imports along with India's lockdown was bringing a lack of manpower.



FRANCE REOPENS UK BORDER TO TRUCKERS WITH NEGATIVE COVID TEST

- France has agreed to reopen its borders, with air, rail, and sea resuming operations.
- Under the agreement between governments on both sides of the Channel, anyone entering France from the UK will be required to provide proof of a negative coronavirus test taken within the preceding 72 hours.
- Approx 4000 trucks are expected to cross the border and new road blocks are expected ,

CAREER OPPORTUNITIES



- [CUSTOMER SERVICE EXECUTIVE- CORPORATE KEY ACCOUNTS - MUMBAI](#)
- [CUSTOMER SERVICE EXECUTIVE- PUNE](#)
- [EXPORT - DOCUMENTATION & OPERATION EXECUTIVE - NVOCC DIVISION](#)
- [ACCOUNTS EXECUTIVE - KALAMBOLI](#)
- [EXPORT DOCUMENTATION - MUMBAI](#)
- [GENERAL MANAGER: ACCOUNTS & FINANCE](#)
- [HR GENERALIST INTERN](#)

SUMMARY OF CIRCULARS

You can read the summary of various supply chain circulars here



- [SEA IMPORT](#)
- [SEA EXPORT](#)
- [AIR FREIGHT](#)
- [TRANSPORT](#)
- [PUBLIC NOTICE FOR REVALIDATION OF SELF SEALING PERMISSION](#)



AIR FREIGHT



AIRBRIDGECARGO DEPLOYS FIRST B777F ON TRANS-SIBERIAN ROUTE

- AirBridgeCargo (ABC) has deployed its first 777 freighter, putting it on the Trans-Siberian route with a payload of 106 tonnes.
- 2020 has put air cargo at the front for the Airline - delivering much-needed medical cargo - PPE, vaccines, medicines, medical equipment & other items to combat Covid-19 spread.
- The new freighter type within AirBridgeCargo's fleet will open new opportunities for other carriers operating to/from Domodedovo.



AIR CARGO CARRIERS GET TEMPORARY SEVENTH FREEDOM RIGHTS ACROSS LATIN AMERICA

- Air cargo carriers will enjoy temporary seventh freedom rights across 10 Latin American nations following the signing of an MoU.
- The move will be replicated in other regions, is an attempt to make vaccine distribution more efficient & to bolster economies through e-commerce.
- The Latin-American Civil Aviation Commission (LACAC) has established, on a temporary basis, seventh freedom traffic rights for all-cargo flights by airlines from the subscribing countries. It lasts until the end of 2021, but is extendable for a further year.



AIR CARGO MOVING TOWARDS CARBON-NEUTRAL FLYING- SLOWLY BUT SURELY

- The cargo industry is moving slowly but surely toward carbon-neutral operations by using sustainable aviation fuel (SAF)
- To achieve zero emission by 2050 & make services green & sustainable, fight against climate change, Freighter services will need to reduce carbon emissions & leverage the sustainable fuel solutions available today which can play a critical role.
- Although, SAF costs 2 to 3 times more than jet fuel, there have been moves recently to promote the use of SAF, which can reduce greenhouse gas emissions by up to 80% compared with jet fuel.



CANADIAN VACCINE DISTRIBUTION UNDERWAY, BUT WITH MANY QUESTION MARKS

- Distribution of Covid-19 vaccines have commenced in Canada, with the first doses of the Pfizer-BioNTech vaccine arriving by Freighters
- The Canadian govt. has ordered 194 million doses of vaccine from 7 different producers & signed options for 220m more.
- Of the firm orders, 20m are from Pfizer.
- This still leaves a lot of vaccines for commercial carriers to move, starting with Moderna's, which is expected to be cleared for Canada shortly.



Supply chains Resilience

Studies state that 72% of companies experienced external disruptions to their manufacturing supply chain, due to Covid-19. 96% said measures should be taken to avert future supply chain disruptions, yet only 52% have done so.

There is also the financial impact on risk cover. A study commissioned by a leading insurance firm estimates that additional global premiums could total \$53bn over the next 5 years. To avoid disruptions, 37% of US companies regarded diversification of suppliers outside their home region as a top priority, while 59% of respondents considered geographic diversification.

Some US companies are looking to shift some production back to North America, however, in many sectors, this is not viable. There is also a desire to shift sourcing & production out of China to other locations in Asia, due to rising production costs in China, but has been reinforced by a sense of over-reliance on the Asian superpower.

Low production cost in China has been supplemented by incentives from government, skilled labour & well-developed infrastructure. This has created efficiencies & capacities on a scale unmatched by the likes of Indonesia or Vietnam. While production costs in Vietnam were 30% cheaper than in China, productivity was almost 20% lower & there were more quality issues

All this suggests supply chains may be becoming more resilient, but they are not going to be dramatically simpler. Companies will still be juggling complexities, requiring agile and versatile supply chain providers.

FOOD FOR THOUGHT

Does diversity bring resilience to global supply chains?

We would love to hear from you! Write to us at care@cargosol.com

CARGOSOL LOGISTICS PVT. LTD.



in

MUMBAI

for

CUSTOMER SERVICE

EXECUTIVE -

CORPORATE KEY ACCOUNTS

<https://www.cargosol.com/>

Send profiles to : resume@cargosol.com

Candidates preferred from logistic & forwarding industries

TRANSPORTATION

**RAILWAYS AIMS TO INCREASE FREIGHT SHARE TO
45% BY 2030**

- Preparing for the demand in future as part of its National Rail Plan, the Indian railways is planning to increase its share in freight movement from 27 per cent now to 45 per cent by 2030, officials said on Friday.
- The railways also plans to introduce demand based passenger trains and doing away with the wait list tickets by 2024.
- Railway Board said, "We have been working to prepare the National Rail Plan for last two years and we are ready with our plan that will be shared with everyone.

INDUSTRY SPECIAL



WB GOVT CALLS FOR EOI TO SET UP DEEP SEA PORT IN TAJPUR

- The Ministry of Ports, Shipping & Waterways (MoPSW) intends to create product-specific warehouses at various ports, multi-modal logistics parks near port area & alongside the national waterways.
- The product-specific warehouses will be cement silos, liquid tanks, chemicals tanks, cold/refrigerated storage, electronics product storage, pharmaceutical storage, auto spares parts and components storage or any other products, it added.



JNPT BOARD PRIVATIZES SELF-OPERATED CONTAINER TERMINALS

- Project to be taken on PPP mode at an estimated cost of over INR800 Crore.
- The proposal was cleared by the board of India's biggest state-run Container gateway with Voting by the Trustees.



JNPT SEEKS REFUND OF 'EXTRA MONEY' MADE BY DCI

- Jawaharlal Nehru Port Trust (JNPT) has asked Dredging Corporation of India Ltd (DCI) to refund the more than 30 crore it made in "extra money" by sub-contracting the channel maintenance work given to it in 2019, at a value lower than what was agreed between them.



INDIA ANNOUNCES SWEEPING PORTS SECTOR REFORMS

- The legislation draft "will bolster structured growth & sustained development of ports & ensure achieving this objective on fast track basis. It will result in revolutionary maritime reforms transmuting the Indian maritime set-up entirely"
- The draft legislation will repeal & replace the obsolete, century-old Indian Ports Act of 1908, which was enacted when India was under British rule. Once the new law is approved by Parliament, it will be called the Indian Ports Act, 2020.



DEDICATED FREIGHT CORRIDOR CAPEX SET TO SCALE UP TO ₹14,000 CRORE THIS FISCAL

- In terms of capital expenditure spent on contracts, Dedicated Freight Corridor Corporation of India Ltd (DFCCIL) spent ₹ 12,263 crore in fiscal 2020, ₹ 10,034 crore in fiscal 2019.
- In the first 8 months this fiscal, DFCCIL had spent ₹ 6.062 crore, higher than the ₹ 5,075 crore spend in the corresponding time last year.
- The Kanpur-Khurja section, which is one of the busiest sections & handles 115 trains will be inaugurated by the PM.
- Of those 115 trains, 60 are freight trains and 55 are passenger trains.



SPICEJET SIGNS MOU WITH GMR HYDERABAD AIR CARGO FOR VACCINE STORAGE

- Budget airline SpiceJet signed a Memorandum of Understanding (MoU) with GMR Hyderabad Air Cargo (GHAC), the cargo division of GMR Air Cargo & Aerospace Engineering (GACAEL), for extending a seamless service to all vaccine manufacturers in the region.
- GHAC will provide available required space on priority for SpiceJet's vaccine shipments besides training its personnel along with the airline for specific customer requirements.
- SpiceJet on its part will keep a dedicated fleet of freighters including wide-body aircraft at Hyderabad airport to handle all domestic & international consignments.



INDO-CHINA BORDER TENSION: JITTER OVER ORDERING CHINESE CRANES

- Public private partnership (PPP) projects for cargo terminals, are in a dilemma over ordering Chinese cranes after the government placed restrictions in Jul on vendors & service providers in China for public procurement tenders.
- PPP operators have taken the stand, backed by legal advice, that they are exempt from the new rule. Yet, there are instances where Chinese cranes were denied security clearances even before the new rules were imposed.

Our new warehouse
at Taloja
has commenced
operations



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