



LATEST LOGISTICS AND FORWARDING NEWS – Monday 16th January 2012

FRANCE

- CMA CGM will reorganise its services on the Asia-North Europe trade
- Air France will increase the frequency of its flights from Toulouse and Nice airports
- Rail freight likely to suffer disruptions

INDIA

- 23% annual growth in the export of pharmaceutical products
- The port of Cochin freezes its tariffs for the next 3 years
- Hapag-Lloyd introduces a surcharge on the routes between India and the USA/ Canada

MADAGASCAR

- Madagascar will not benefit AGOA advantages this year
- Project of a hydroelectric plant at Antananarivo
- Project to extend the runway of Ivato international airport

MAURITIUS

- New Freight Rebate Scheme
- Velogic main shareholder of ITAS
- A second weekly flight between Mauritius and Shanghai as from October

MOZAMBIQUE

- A British company will invest in a coal factory
- Investments amounting to 450 million US dollars
- Two new planes to be purchased by company LAM

OTHER PARTS OF THE WORLD

- Evergreen strengthens its partnership with the Green Alliance
- The expansion of Panama Canal will negatively impact the ports of Los Angeles and Long Beach
- China will consider using the Seychelles as a resupply port



France

CMA CGM will reorganise its services on the Asia-North Europe trade

The French shipping line CMA CGM will reorganise its services on the Asia-North Europe trade as from early April 2012. The objective is to provide its customers with the best coverage of Asian and European ports.

A total of 28 vessels in the range between 9 500 and 14 000 TEU, will service these routes. These changes follow the alliance between companies CMA CGM and MSC. For example, the FAL 9 service will be operated jointly by 5 CMA CGM and 4 MSC vessels and will do the following port rotation: Shanghai, Ningbo, Hong Kong, Chiwan, Yantian, Singapore, Port Kelang, Gioia Tauro, Malta, Tangiers, Port Kelang, Singapore, Vung Tau, Shanghai.

Air France will increase the frequency of its flights from Toulouse and Nice airports

Air France will increase the frequency of its flights from Toulouse and Nice airports. As from the 1st April, Air France will be flying from Toulouse to 16 new places in Europe and the Mediterranean, in addition to its 12 existing destinations. Among the new places, Istanbul, Prague and Tunis.

Furthermore, as from the 3rd April, Air France will be flying to 6 new destinations (including Barcelona, Istanbul and Tel Aviv) from Nice airport.

Rail freight likely to suffer disruptions

Freight services by rail are likely to suffer disruptions due to the modernisation work on the rail network which starts this year and which is expected to be completed by 2016. 1 000 locations will be concerned by the €13 billion programme.

Since most of the modernisation work will take place during the night, rail freight will be negatively impacted.



INDIA

23% annual growth in the export of pharmaceutical products

Lufthansa airline opened in December, a new cold cargo facility in Frankfurt which will work in synergy with its pharmaceutical hub in Hyderabad, India.

The exports of pharmaceutical products from India are expected to grow by 23% each year up to 2015 especially with the increasing number of generic drugs manufactured in this country. India has already more than a hundred US-approved pharmaceutical manufacturing facilities.

The port of Cochin freezes its tariffs for the next 3 years

The port of Cochin will not increase during the next 3 years, its port and cargo tariffs as well as the vessel fees.

The port of Cochin wants to attract more cargo, especially after its management team found that Cochin charges are currently “on the higher side”.

Hapag-Lloyd introduces a surcharge on the routes between India and the USA/ Canada

The German shipping line Hapag-Lloyd introduces as from the 20th January, a surcharge on all containers moving from the Indian Subcontinent to the United States and Canada, US \$ 320 per 20 feet container and US \$400 per 40 feet container.

Furthermore, Hapag-Lloyd will apply as from the 1st February, a general increase on the westbound trade from the Indian Subcontinent to Europe and the Mediterranean.

The increase will be of US \$ 200 per TEU. The Indian Subcontinent comprises the ports of India, Pakistan, Sri Lanka and Bangladesh.



MADAGASCAR

Madagascar will not benefit the AGOA advantages this year

The United States Embassy in Antananarivo has informed the authorities as well as textile manufacturers that Madagascar has not been included in the African Growth and Opportunity Act (AGOA) list of the 40 African countries that in 2012 can benefit the advantages of a quota-free and duty-free access in the United States for their textile products.

The list of countries is reviewed on an annual basis and among the new beneficiaries for this year are Ivory Coast, Niger and Guinea.

Project of a hydroelectric plant at Antananarivo

The Government of Madagascar plans to build a hydroelectric plant in the south of the capital city, Antananarivo, with a capacity of 300 megawatts.

The first phase of the project will enable the production of 105 megawatts of electricity towards 2015 and will require investments of 200 million euros. An additional sum of 80 million euros will be needed to bring the output to 300 megawatts.

The funds will be provided by the Bank of Africa –Madagascar.

Project to extend the runway of Ivato international airport

Construction works may be initiated in the near future to extend the runway of Ivato international airport from 3.15 kilometres to 3.9 kilometres. This extension will give the opportunity to planes bigger than the Boeing 747 to land and take off from Ivato.



MAURITIUS

New Freight Rebate Scheme

So as to boost the export of agricultural products, the Government of Mauritius has agreed to introduce as from the beginning of this year, a new Freight Rebate Scheme.

Both exporters and producers who are registered with the Agricultural Marketing Board and the Small Planters Welfare Fund, will be refunded 12.5% of the freight costs for flowers and unprocessed or minimally processed fruits as well as vegetables, exported to countries which are members of the World Trade Organisation.

Velogic main shareholder of ITAS

Velogic has acquired 51% of the shares of the Singaporean company Island Trading and Shipping Pte Ltd (ITAS) which offers since 1989, bulk shipping services to Mauritius and the other islands of the Indian Ocean.

ITAS through Islands Bulk Carriers (IBC) in which it holds shares jointly with Island View Shipping Pte Ltd (IVS) which belongs to one of the leaders in transportation, the Grindrod Group, is now able to link Argentina, Australia and France to the South-African region as well as that of the Indian Ocean.

A second weekly flight between Mauritius and Shanghai as from October

Air Mauritius will cancel its stop-over at Kuala Lumpur as from the 26th March, converting its flight from Mauritius to Shanghai into a direct one.

Furthermore, as from October, a second weekly flight between Mauritius and Shanghai is scheduled.



MOZAMBIQUE

A British company will invest in a coal factory

The mining company Beacon Hill Resources located in London, has obtained from the Mozambican authorities, the approval to invest in exploration activities and the construction of a coal factory.

Company Beacon Hill Resources has been granted a concession covering a surface area of 184 square kilometers in the North West of Tete in Mozambique.

Investments amounting to 450 million US dollars

The company IFLOMA whose main shareholder is a South African operator, has been granted by the Mozambican government a forestry concession of 70 000 acres in the centre of the country.

IFLOMA will invest 450 million American dollars so as to produce wood and related products during a period of 30 years.

Two new planes to be purchased by company LAM

The Mozambican air carrier LAM will buy two new planes for a total amount estimated at 90 million US dollars, so as to be able once again to schedule flights between Mozambique and Portugal.

LAM's flights to Portugal had been interrupted last year due to technical problems.



OTHER PARTS OF THE WORLD

Evergreen strengthens its partnership with the Green Alliance

Following the alliance between MSC and CMA CGM, the Taiwanese shipping company Evergreen is going to strengthen its partnership with 4 other major Asian lines (Cosco Container Line, K Line, Yang Ming and Hanjin Shipping) which form the Green Alliance.

As from the second quarter of this year, the different companies will try to achieve the highest frequency of service loops in the Asia-Europe and Asia-Mediterranean trade lanes.

Evergreen is one of the few major shipping companies which has not ordered vessels of 12 000 TEU or more. The other shipping companies may be benefitting economies of scale when they will introduce in the near future 14 000 TEU vessels in the Asia-Europe trades.

The expansion of Panama Canal will negatively impact the ports of Los Angeles and Long Beach

The expansion of the Panama Canal expected to be completed by 2014, will negatively impact the ports of Los Angeles and Long Beach through which currently transit 40% of the goods the United States import from Asia.

The US \$ 5.25 billion Panama Canal project will allow bigger containerships, up to 12 000 TEU to move from Asia to the east coast of the United States and bypass the ports on the west coast.

China will consider using the Seychelles as a resupply port

China will consider using the Seychelles as a resupply port for its navy ships which take part in anti-piracy operations in the Indian Ocean. The Seychelles is a group of islands located in the 990 miles off the African coast.