

MONTHLY NEWSLETTER VOLUME 1



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Logistics Industry News :

Ship speed has a big impact, not only on fuel consumption - some more arguments to explain long transit times:

<https://mobile.worldmaritimenews.com/archives/286210/reducing-ship-speeds-has-multiple-benefits-new-study-shows/>

Hapag invests in Tangier med:

https://www.hapag-lloyd.com/zh/news-insights/insights/2019/11/Hapag-Lloyd-acquires_stake_in_Moroccan_terminal.html

Container shipping volume slips in Q3, average freight rates decline: Maersk

The third quarter of 2019 saw growth in the global container volumes slip to 1.5% while freight rates declined an average of 3.6% according to AP Moller – Maersk in its Q3 earnings statement. The Danish shipping company said that in the third quarter global container volume growth softened to around 1.5%. “The slowdown is in line with our revised expected full year growth of 1-2% in 2019 and reflects the broad-based weakening of the economic environment in all the main economies. Negative effects from escalating trade restrictions also

weighed on trade growth," Maersk said. In particular US container imports fell 0.5% in the quarter, with imports from Asia dropping by 0.9%, which it said reflected the US – China trade restrictions. On the supply side the growth in

the container shipping fleet capacity outstripped demand with a 3.9% increase in Q3 to 23.1m teu.

FFFAI meets shipping minister, other ministry officials to discuss issues and solutions

With a view to improve the Ease of Doing Business at grass root level enabling reduction in dwell time in exim trade, and to discuss strategic and operational issues currently faced by Customs Broking industry, the office bearers of FFFAI headed by its Chairman, Mr AV Vijaykumar met with Honourable Minister of State (Independent Charge) Ministry of Shipping Mr Mansukh Mandaviya and various other ministry officials in New Delhi on November 6 and 7. Earlier, FFFAI made visits to across 30 plus ports, airports, ICDs, land customs stations across the country and had collated several strategic and operational recommendations which would help to create robust working environment to facilitate faster movement of exim trade. There were very detailed discussions held with the honorable Shipping Minister at his office on required steps towards achieving Ease of Doing Business target set by Government of India and achieving transparency in working of the stakeholders.

Are carriers boosting low-sulphur fuel surcharges to make up for low rates?

Low-sulphur surcharges announced by ocean carriers on 1 December show "significant variations", even within alliances, according to Alphaliner analysis.

Abu Dhabi unveils \$1.08bn Khalifa Port expansion projects

Abu Dhabi Ports, the master developer of commercial and community ports, has announced plans to start Dh4-billion (\$1.08 billion) worth of expansion projects at the Khalifa Port mainly aimed at boost its handling capacity.

Over dimensional cargo movement is critical for completion of large infra projects

The fourth day of CII EXCON 2019 witnessed a session on Over Dimensional Cargo (ODC) and infrastructure for Armed Forces where the industry experts shared their insights on efficient project cargo movement and emerging requirements & smart technology solutions in defence. In his presentation, Ayush Agarwal, manufacturing & supply chain centre of competence, McKinsey & Company, said, "The transport infrastructure in India has seen a paradigm shift in recent times. The key driving factors to the shift are demand, delivery and cost. The introduction of large infrastructure initiatives has led to an increased demand which has resulted in improved infrastructure to facilitate the delivery of project cargos and ODCs. With multimillion projects being set in India and across the globe, making innovations to minimise the cost and searching out alternative routes has become the need of the hour.

Indian railways offers 25% discount on transport of empty containers

Giving a major boost to container movement to ports, the Indian on Friday announced its decision to provide 25 per cent discount on transport of empty as well empty flat container. The initiative of giving discounts in haulage of empty and flat is expected to increase more loading in both and domestic segments of A railway official said this would boost the finances of 18 private container train operators (CTO) and state-run Container Corporation (Concor), that are operating in the segment. The Indian handles around 47.35 million tonne of on an annual basis, bringing in a revenue of Rs 47.16 billion. Meanwhile, earnings from empty twenty feet equivalent units (TEU) and comes to around Rs 6.25 billion. "The get more traffic by reducing rate. It will help rail users to load their commodity at economical rate which will result in low price in the market giving benefit to the common man," the official said.

Jeena News :

Jeena & Company has won the 6th IDC Insights Awards 2019 for the category Excellence in Operations. The award was accepted by Mr. Meheriar Patel, Group CIO, on behalf of Jeena & Company. The IDC Insights Awards 2019 was held at Taj – Airport Hotel, Bangalore, India on Friday, 6 December 2019.





The Project category for this Award: **Excellence in Operations**

Project Brief: Implementation of JIT Operational Capability, This was a unique Project where we Implemented on SAP B1 as a software capability. This project was a challenge on its own as it was unique and also to be delivered in due time.

We partnered with an SAP B1 Service Provider, Embee who customized this as per our working. Operationally also three separate locations were consolidated to One.

Value for Operations: a) Every Process is Automated from Gate entry => Invoice to Customers, b) MRP run as per Group classification of spares, c) Dashboard and Reporting for complete operations, d) Handheld Operations. e) Operationally scalable as per our requirements.

Value of Digital Tech: a) Cloud Infrastructure b) SAP Hana Platform, c) SAS offering to other requirements and business. e) Fully Wifi Connected Infrastructure f) Handheld Operations.

When we look back to reflect on the task given to deliver, it was planning and organizing various service providers. Key people involved were from the IT department and of-course the Unit Head, and the team Instrumental in making this possible was under the Project Leadership of Mr. Roopesh Adinarayan.

Any Other Related News :

A great one from HBR on the change of tech for the decade to come: "Over the coming decades, however, agility will take on a new meaning: the ability to explore multiple domains at once and combine them **into something that produces value**." "This new era, on the other hand, will be one of mass collaboration". Sounds like back to reality!

<https://hbr.org/2019/12/why-move-fast-and-break-things-doesnt-work-anymore>

Exporters slam govt move to 'disable' incentive scheme under MEIS

Warning of a possible decline in exports and forex earnings, exporters have raised concerns over an abrupt disabling of rewards for them under the Merchandise Exports from India Scheme (MEIS) that was introduced to offset infrastructural inefficiencies, associated costs and encourage export of notified goods. At a joint press meet, All India Spices Exporters Forum (AISEF) and Federation of Indian Coir Exporters Association (FICEA) expressed anxiety over the disappearance of benefits' section from the Directorate General of Foreign Trade's (DGFT) website since August. Introduced in 2015 under the Foreign Trade Policy (FTP), the MEIS was created out of a merger of five existing reward schemes. It incentivises merchandise exports of more than 8,000 items and is the biggest of its kind. Exporters earn duty credits at fixed rates of 2%, 3% and 5%, depending upon the product and the country to which they export.

India's goods in low demand globally; exports contract in first seven months

While India aimed at substituting China's role in exporting to major destinations, the country's merchandise exports, on the contrary, shrank in the first seven months of the current fiscal year. India's exports contracted by 2.2 per cent in the seven months to October 2019, according to the Ministry of Commerce & Industry. Among the top destinations in H1 FY20, exports contracted for UAE, UK, Hong Kong, Germany, Bangladesh, and Nepal. Among the principal commodities, India's largest export is petroleum, crude and its products, plunged more than 9 per cent in the half-year. Exports in October 2019 were USD 26.38 billion, as compared to USD 26.67 billion in October 2018, showing a contraction of 1.1 per cent, while imports in October 2019 were USD 37.39 billion, which was 16.31 per cent lower over imports of USD 44.68 billion. Low demand and investment in the country have kept the imports low since June 2019.

Withdrawal of additional export benefit to hit shipments of farm, marine, leather products

A DGFT notification has said the additional 2 per cent incentive under MEIS would lapse on December 31

The government's decision to withdraw by the year-end the additional 2 per cent incentive given to exporters under the popular Merchandise Export from India Scheme, is likely to hit shipments of agricultural goods, marine products, carpets, leather, handicrafts, electronics, as well as engineering goods.

No decline in exports under GSP tariffs after benefits withdrawn: Piyush Goyal

Commerce and industry minister Piyush Goyal on Wednesday told Parliament on that so far the cumulative exports under the Generalised System of Preference (GSP) tariff lines have not declined in the post GSP withdrawal period (June – Oct 2019) as compared to the corresponding period of the previous year.

Exports fall marginally to \$25.98 billion in November

The decline in India's goods exports continued for the fourth consecutive month with outbound shipments in November falling 0.34 per cent (year-on-year) to \$25.98 billion. Major sectors such as petroleum products, garments, gems & jewellery, leather and carpets, many of them labour-intensive, have taken a hit. Imports were down 12.7 per cent in November at \$38.11 billion as all major items, with the exception of gold and pearls and precious stones, witnessed a decline, as per figures released by the Commerce & Industry Ministry on Friday. The sharper decline in imports helped bridge the trade deficit to \$12.12 billion, compared to \$17.58 billion in November 2018. While export of items such as engineering goods, electronics, chemicals and pharmaceuticals increased in November 2019, exporters say that the global outlook remains challenging.

US / China trade sinks further in November:

<https://www-foxbusiness-com.cdn.ampproject.org/c/s/www.foxbusiness.com/markets/china-trade-us-sinks-november-tariffs.amp>