



Challenges abound for shortsea container shipping

**Hotel Atlantic Kempinski, Hamburg
Tuesday 19th and Wednesday 20th April 2011**

Coastlink conferences cover a wide range of subjects, both technically and geographically, and so provide the association's members and friends with expanded opportunities for networking. Coastlink Hamburg 2011 will be no exception.

Since 2004, Coastlink has held conferences in the UK, France, Belgium, Sweden and Estonia but never in Germany. This omission will be corrected with the Hamburg conference where the focus will be not only on Hamburg but also other German ports.

Competition between Hamburg and Bremen has always been lively but the recent dramatic growth in containership sizes is proving difficult to accommodate. The new Wilhelmshaven container terminal, which is due to receive its first ships in mid 2012, will alter the dynamics of the German port industry as it will enable ships with a draft of 16.5m to berth at any time of the day. Coastlink will be asking whether any special provisions are being made to avoid delays to feeder vessels if, as expected, the new terminal turns out to be a big success.

Traditionally Hamburg has always been a major hub port for the Baltic trades but 2010 saw a temporary shift of some feeders to Rotterdam. Is this a short term reprieve or does the Elbe port have what it takes to hold on to this business for years to come? The jury is still out, but the changing ways in which the deepsea lines are choosing to serve the Baltic Sea ports, and especially the Russian market, will undoubtedly have an impact.

Maersk surprised observers when it added Gdansk to one of its main China schedules, so establishing the Polish port as its Baltic hub. Its decision to extend its Ecubex South

America service right through to St Petersburg was further proof that the world was changing.

However, while Russian ports are expanding, how quickly the country's trade volumes will increase to fill this new capacity is still open for debate. In the light of these various developments, our speakers will discuss what might come next for the Baltic trades.

Going south

Recently, Coastlink has come under pressure to expand its geographic coverage southwards and the Hamburg conference will be taking time out to look at the evolution of those trades between Northern Europe and the Mediterranean/North Africa. In 2012, we hope to hold our first conference in the Mediterranean.

Designing and building tomorrow's ships

Responding to delegate requests at the Antwerp conference, we will also be debating new design concepts and solutions that will keep shortsea shipping competitive despite forthcoming draconian emission regulations in the North Sea and Baltic.

This in turn leads on to the question "Who will build the ships of the future?". German owners, and Hamburg owners in particular, have long been the main suppliers of shortsea container vessels to both deepsea feeder specialists like Team Lines and Unifeeder and to multimodal door/door operators such as Containerships and Samskip. Our Hamburg conference is therefore a perfect place to discuss the future supply of shortsea containerships, especially now that the KG partnership system seems dead and buried.

Registration and coffee commences at 08.15

19 April

09.00 Chairman's opening remarks

Speaker: David Cheslin, Chairman, Coastlink Network

19 April - Session One

Chairman: David Cheslin, Chairman, Coastlink Network

09.10 Hamburg plans its future in a changing world

The Port of Hamburg is 120km from the open sea and upgrading the Elbe to permit the passage of ever larger container ships has presented numerous challenges. Meanwhile Maersk's decision to feed the Baltic over Gdansk, followed soon afterwards by a short-lived switch of Baltic feeder services to Rotterdam has created further uncertainty about the port's future as a major hub. Nevertheless, Hamburg is pressing on and amongst other things, it has set its heart on developing its shortsea door/door business.

Speaker: Wolfgang Hurtienne, Managing Director and Head of Strategy, Hamburg Port Authority

09.30 Hamburg exploits the potential of barge operations

While the Rhine is an established container highway, most people are unaware of the potential of the Elbe for inland container transport. The speaker will outline existing services and discuss future expansion plans.

Speaker: Dietmar Rehmann, Deutsche Binnenreederei AG

10.10 Eurogate Container Terminal Wilhelmshaven will be ready 2012

The advantages of the new deepsea container terminal in Wilhelmshaven and its impact on container terminal handling in North Europe will be discussed.

Speaker: Torsten Meyer, Director Sales, Eurogate

10.30 Duisport shows what can be achieved

From a humble river port on the Rhine, Duisport has risen to become a major container hub. Container handling on the three modes of transport - ship, train and truck – recovered to reach 2.25 million TEU in 2010, an increase of 25% on the previous year.

Speaker: Heiko Rumfeld, Director, Duisport Agency GmbH

10.50 Q&A

11.10 Coffee

19 April - Session Two:

The changing face of Baltic feeder networks

Chairman: David Cheslin, Chairman, Coastlink Network

11.30 **The growth of direct calls**

Maersk Line started the ball rolling by adding Gdansk to one of its Far East strings, the AE10 service, that employed ships in excess of 8000TEU. It has now confirmed that in April, this China – Baltic link will be upgraded to using 15,500TEU ships. Gdansk is now firmly established as its main feeder hub for the Baltic region. Maersk also now operates a direct South America – Russia link by including St Petersburg in its ECUBEX schedule. Will other lines follow Maersk's lead and hub from Poland whose ports main ports are classed as ice-free.

Speaker: David Cheslin, Chairman, Coastlink Network

11.40 **St Petersburg still to achieve its full potential**

The Russian market is key to strength of the Baltic trades and the National Container Company's new Ust-Luga terminal will make it possible for the largest vessels to make direct calls in Russia.

NCC will provide an overview of the current market situation and outline its ambitious plans for the future.

Speaker: Olga Denschikova, Head of Marketing, National Container Company, Russia

12.00 **Russia the key driver for Baltic feeder networks**

Baltic feeder networks have seen a lot of change in recent months. Economic factors saw a switch to hubbing in Rotterdam rather than Hamburg, only to move back to Hamburg some months later. The weather this winter has been severe too, leading to cancellations, port switches and surcharges as heavy ice disrupted operations, particularly in St Petersburg. One of the leading Baltic feeder operators compares terminals in St Petersburg and considers how the Russian trade might develop.

Speaker: Hans-Christian Mordhorst, Chief Commercial Officer, Team Lines

12.20 Q&A

12.45 Lunch

19 April - Session Three

Designing ships for the future

Chairman: Alexander Saverys, Managing Director, Delphis NV

14.00 **The bunker industry outlines the difficulties in meeting the new IMO emission levels**

Shortsea shipping is already having to live with sulphur limits of 1.00 per cent but this is set to drop to 0.10 per cent in 2015. For those operating solely in the Baltic Sea and the North Sea, the prospect of having to run their ships on diesel fuel is very real. What are the implications of this, both in terms of cost and supply?

Speaker: Ian Adams, Chief Executive, International Bunker Industry Association

14.20 **Shipowners and naval architects face up to the challenges**

In September 2010, speaking at Coastlink's Antwerp conference, Alexander Saverys of Delphis/Team Lines captured the audience's attention with a call for more innovative thinking in terms of ship design. A shipbuilder and a shipbroker look at the current shortsea container fleet and consider whether 'more of the same' will satisfy the market much longer.

Speakers: Roel van Eijle, product director, Damen Shipyards, Rotterdam and Mathias Reimann, Walther Möller & Co, Hamburg

14.50 **Will LNG powered vessels be economic in the longterm?**

LNG is an extremely clean fuel and using it in main engines is relatively new but well proven technology. On the other hand, the bunker logistics needs to be developed and ship owners tend to be quite conservative. What would an LNG-powered shortsea ship look like? What is the feasibility of operating on LNG compared to the other fuel options?

Speaker: Oskar Levander, Director Concept Design, Marine Lifecycle Solutions, Wärtsilä

15.20 Q&A

15.50 Coffee Break

16.15 **Future ship design – a shipowner and shortsea operator perspective**

Shortsea container shipping faces severe competition from road and rail transport. The ships of tomorrow will need to offer the lowest possible slot cost while meeting strict emission limits. What are the options? Bigger ships but less frequent sailings? The use of new fuel and/or new technologies? Guaranteed berthing times? Faster handling to enable greater ship productivity? A leading owner and operator reviews the options.

Speaker: Alexander Saverys, Managing Director, Delphis NV

16.35 **Who will provide the new containerships?**

Buss Capital is a leading German KG house for closed-end funds in shipping, transport logistics and real estate. It has over 25,000 investors who have helped it raise approximately €590 million in equity and generated some €1.7 billion in investment volume. Buss Capital belongs to Buss Group (Hamburg), a diversified service provider in worldwide logistics.

In the shortsea container trades, most of the vessels currently operating were built by KG partnership companies. With the collapse of the KG market, who will step in to fund new vessels and what are the likely implications?

Speaker: Dr Johann Killinger, Managing Partner of Buss Capital and Buss Group

16.55 **Speaker and delegate discussion**

17.15 End of Day One of the conference

18.00 Harbour Tour on ‘mv Diplomat’ departing Kajen/Hohe Brücke Quay at 18.00hrs. Buses leave from Hotel Atlantic Kempinski at 17.30hrs. By kind invitation of:



20 April 2011

08.30 **Coffee**

20 April Session Four

Chairman: David Cheslin, Chairman, Coastlink Network

New and growing markets for shortsea shipping

Shortsea shipping and a growth in demand for environmentally sensitive logistics solutions is encouraging many small ports to reactivate or expand their capabilities while road congestion and rising trucking costs are enabling shortsea shipping companies to compete more effectively. Meanwhile, in other parts of the world, even the largest ports have still to make real shortsea headway despite the pressures of various environmental groups. In the North African trades, there is great potential to grow shortsea shipping business but it's far from easy – and recent events haven't helped.

09.10 **A New York Harbour Tale: The illustrated adventures of a harbour, historic vessels and vegetables, or How to encounter as many obstacles to shipping in as short a time as possible**

You may recognise some of the obstacles: the Longshoremen's Union, invisible subsidies to trucking, empty coffers in all corners of city, state and federal agencies, the Dept of Homeland Security, inaccessibility to the water, lack of infrastructure..... However, we found a few more! And, we will tell you why the Jones Act is not on that list for us. Who are we? We are the NYHarbor Shipping Cooperative. Or Uncooperative.

We are mariners, fishermen, farmers, students, concerned citizens, consumers who understand the urgency for water transportation of goods NOW— particularly the agricultural goods of regional growers.

What could help make change come about quicker? The pen is mightier than the sword. And to that, we would like to add another implement: the fork.

Speaker: Christina Sun, NY Harbor Shipping Cooperative

09.30 **Initiating a container service between the UK West Coast and the Benelux: It's not that easy!**

At the Coastlink Annual Conference in Dunkerque in 2009, Paul Dean of Iggesund described his plan for a new service linking the UK West Coast port of Workington with a deepsea hub in the Benelux. Despite his best efforts, this service has yet to start but those involved have not given up. In this conference, the story is brought up to date.

Speaker: Janet Fallon, Chairman, The Port of Workington Harbour Board

09.50 **North Africa is a cool market**

In recent years, Coastlink has been receiving an increasing number of requests for information re shipping lines able to offer 45ft reefer palletwides for northbound shipments out of Morocco and neighboring countries. So far, the lines have been reluctant to meet this demand as the trade in reefer produce is very imbalanced. Expensive new 45ft reefer containers need higher utilisation rates than are available today on these routes. Is this likely to change as trucking costs and road transit times increase. And what are the future growth patterns for general cargo in containers.

Speaker: Till Ole Barrelet,, Managing Director, OPDR .

10.10 **May you live in interesting times**

“May you live in interesting times” is an English saying, often claimed to be of Chinese origin - although there is no documentary proof of this. The Bremen shipping company Sloman Neptun is quite sure of one thing though; 2011 will go down in history as a most interesting year.

Sloman Neptun operates four sailings a month connecting Scandinavia, the UK and North Continent with Algeria, Tunisia, Malta and Libya. It also has a TransMed service linking Mediterranean Spain to Algeria; the Italian Adriatic, Slovenia and Croatia with Malta, Tunisia and Libya; and Western Italy with Libya. The recent turmoil, especially the ongoing civil war in Libya, has tested the company’s operations department to the limit. Sloman Neptun is however optimistic, believing that prosperity will come to North Africa and that shipping will benefit as a result.

Speaker: Ralf Kaptein, Managing Director, Sloman Neptun Shipping and Transport GmbH

10.30 **Q&A**

11.00 **Coffee**

20 April - Session Five

Chairman: Gavin W Roser, Deputy Chairman, Coastlink Network

11.30 **The Coastlink debate**

In Antwerp in 2010, the Coastlink conference featured a spontaneous debate where the remaining delegates discussed what changes they would like to see happening in the shortsea shipping industry. Ideas were proposed for subjects for future conference programmes. Proceedings were only ended as we ran out of time and people had to leave to catch rail and air connections.

Gavin Roser, Coastlink’s Deputy Chairman, chairs this session and will be looking to the audience to help him put together the programmes for our Liverpool and Bilbao conferences.

13.00 **Lunch**

20 April – Conclusion

14.30 **A summary of the two-day event**

As has become customary at Coastlink conferences, our Deputy Chairman Gavin Roser will summarise the two days and encourage delegates to give their own reviews too.

Speaker/Moderator: Gavin W Roser, Deputy Chairman, Coastlink Network.

15.30 **Conference ends**

Delegate fees

Euro 350 + 19% VAT – members

Euro 550 + 19% VAT – non members

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NB: This conference programme is subject to change.