

EDITION
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2020

 GERMAN PORTS

LOGISTICS PILOT

Magazine for Ports, Shipping and Logistics



China – Partner and investor or a “voracious dragon”?

A solution without any losers

This way intercultural misunderstandings can be avoided well in advance

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China makes its way to Wilhelmshaven

A hub for goods from the Middle Kingdom is being established at JadeWeserPort

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“Breakbulk Europe”

After 2020, Bremen will also host the trade fair in 2021

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“The future lies in the East”

Andreas Heyer, Chairman of the economic development company WFB Wirtschaftsförderung Bremen GmbH



Dear readers,

Bremen and China have been connected by a trade relationship rich in tradition for a long time. In the Middle Kingdom, our Hanseatic city is especially known as an important port location. However, Bremen is also of great interest to Chinese companies as a scientific and industrial location. This is why we have

been promoting our federal state in China under the banner of “Bremen invest” since 2003 in an attempt to attract new companies and investments. This proves effective: More than 150 Chinese companies have already chosen to establish themselves here, and on average one new company joins us every month. Conversely, China's gigantic sales market is also becoming increasingly attractive for local companies and exporters. This is attributable to the fact that China has been pursuing a more open economic path, and that world trade in the past 20 years has consequently experienced a significant turnaround from west to east. In 2001, when China joined the World Trade Organization, 80 percent of all countries still had a larger trade volume with the USA than with the Middle Kingdom. Today, that figure is only slightly over 30 percent. And so it becomes clear: The future lies in the East.

As quickly as the trade structure has evolved so far – we are still nowhere near the end. The New Silk Road, a gigantic infrastructure project launched by the Chinese government, is changing trade routes all around the world. New trans-Asian railway connections and a strengthening of Mediterranean ports could be interpreted as a risk for port locations in northern Germany, or it could be seen as an opportunity to further strengthen hinterland connections and thereby benefit from the trading boom. Even though trade disputes or the coronavirus may temporarily cause considerable economic disruption and cool down the investment climate, the long-term trend indicates a further strengthening of China as the “Giant in the East”. Bremen is also well positioned to continue expanding its role as the strongest exporting state in Germany and to further develop economic relations between China and Bremen.

Yours sincerely, Andreas Heyer

COVER PHOTO MONTAGE: HEIKE MAY; RETO, STÖCKLI/NASA EARTH OBSERVATORY, PIXABAY (3); SHUTTERSTOCK/BEBAOKE EDITORIAL, WWW.GENUSSFRAND.DE; PHOTO PAGE 3: CASPAR SESSLER

We must keep the engine running!

China is regarded as one of the most important engines of the global economy. Even if the Chinese economy recorded its lowest growth rate for three decades in 2019 at 6.1 percent and the coronavirus is creating further problems in the short term, the Middle Kingdom is still ranked as the world's second largest economy behind the USA, but well ahead of Japan and Germany.

When measured by purchasing power parity (PPP), which measures economic power independent of currencies and exchange rates, several statistics actually identify China as the largest economic area in the world. In Germany, no one in the maritime economy and logistics would like to see this driving force weaken. This is also in line with the assessment of the German Federal Ministry for Economic Affairs and Energy (BMWi), which sees China as a long-term “target market for German companies” and expects “an increase in demand over the coming years not only in the traditional manufacturing industries, but especially in the areas of transport, energy production, environmental technology and health economy”.

| People's Republic of China | |
|--|-------------------------------------|
| Area: | 9.6 million km ² |
| Population: | 1.43 billion (2019) |
| Capital city: | Beijing |
| Business languages: | Chinese, English |
| Currency: | Renminbi Yuan (RMB) |
| GDP (per capita in US dollars): | 14,140* (2019) |
| GDP economic growth 2019: | 6.1 %* |
| Road network: | 4.34 million km (2017) |
| Railway network: | 131,000 km, all track widths (2018) |

*Estimation or forecast
SOURCE: GERMANY TRADE & INVEST 2019

General economic data

| The largest national economies | |
|---|------------------|
| Countries with the largest GDP in billions of US dollars (2018) | |
| 1. USA | 20,580.25 |
| 2. China | 13,368.07 |
| 3. Japan | 4,971.77 |
| 4. Germany | 3,951.34 |

SOURCE: STATISTA 2020

| The largest importing countries | |
|----------------------------------|-----------------|
| in billions of US dollars (2018) | |
| 1. USA | 2,614.33 |
| 2. China | 2,135.91 |
| 3. Germany | 1,285.64 |

SOURCE: STATISTA 2020

| The largest exporting countries | |
|----------------------------------|-----------------|
| in billions of US dollars (2018) | |
| 1. USA | 2,487.05 |
| 2. China | 1,664.09 |
| 3. Germany | 1,560.82 |

SOURCE: STATISTA 2020

China's main exports

according to the SITC as a % of the total imports (2018)

| | |
|------------------------|------|
| Electronics | 26.5 |
| Textiles/Clothing | 11.1 |
| Machinery | 8.7 |
| Electrical engineering | 8.7 |
| Chemical products | 6.7 |

SOURCE: GERMANY TRADE & INVEST 2019

China's main imports

according to the SITC as a % of the total imports (2018)

| | |
|-------------------|------|
| Electronics | 20.1 |
| Raw materials | 12.7 |
| Oil | 11.2 |
| Chemical products | 10.5 |
| Machinery | 7.1 |

SOURCE: GERMANY TRADE & INVEST 2019

Bilateral trade volume Germany/China

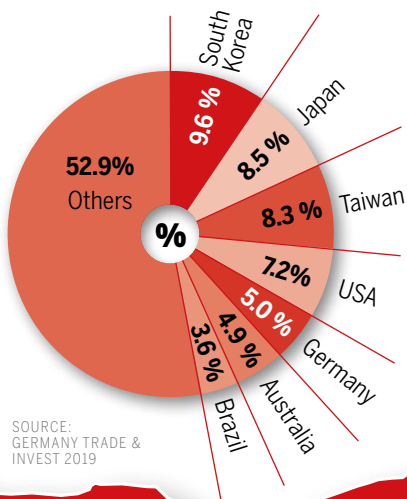
in billion euros (2018)

| | |
|--|--------------------|
| Germany – China | approx. 200 |
| of which German exports to China | approx. 93 |
| and Chinese exports to Germany | approx. 106 |

SOURCE: GERMANY TRADE & INVEST 2019

China's main suppliers

Share in % (2018)



SOURCE: GERMANY TRADE & INVEST 2019

Foreign trade Germany/China

in billion euros

| | 2016 |
|------------------|-------|
| ↓ German imports | 94.2 |
| ↑ German exports | 76.0 |
| | -18.1 |
| | 2017 |
| ↓ German imports | 101.8 |
| ↑ German exports | 86.1 |
| | -15.7 |
| | 2018 |
| ↓ German imports | 106.3 |
| ↑ German exports | 93.0 |
| | -13.2 |

SOURCE: GERMANY TRADE & INVEST 2019

The largest ports in China

according to the volume of containers handled in million TEU (2018)

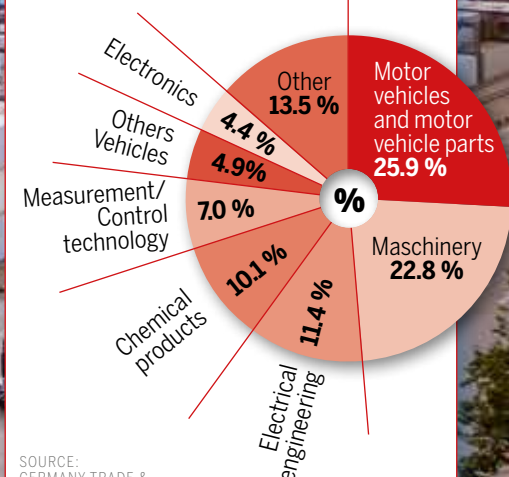
| | | | |
|--------------------|-------|-------------|-------|
| 1. Shanghai | 42 | 6. Qingdao | 19.32 |
| 2. Ningbo-Zhoushan | 26.35 | 7. Tianjin | 15.97 |
| 3. Shenzhen | 25.74 | 8. Xiamen | 10.7 |
| 4. Guangzhou | 21.92 | 9. Dalian | 9.77 |
| 5. Hong Kong | 19.6 | 10. Yingkou | 6.49 |

Note: If we include Hong Kong as a Special Administrative Region of the People's Republic of China, then seven of the ten largest container ports in the world are located in China.

SOURCE: STATISTA 2020

German exports to China

according to the SITC as a % of the total exports (2018)



SOURCE: GERMANY TRADE & INVEST 2019

IN BRIEF

CUXHAVEN. The roundabout on the A27 / B73 / Neufelder Straße is being adapted so that **transports with excess length can literally get around corners better** in Cuxhaven (see page 14). To achieve this, a passageway will be created through the middle and a traffic light system will be installed around the roundabout. "Our aim is **to ensure good hinterland connections** for the ports of Lower Saxony that can keep pace with the growing demands," says Lower Saxony's Minister of Economics, Dr. Bernd Althusmann. The project costs 535,000 euros. Alongside the Lower Saxon Federal State Authority for Road Engineering and Traffic Development (NLStBV) and NPorts, the city of Cuxhaven and companies in the port industry are also contributing to the costs.

EMDEN. In February, Lower Saxony's Minister of Economics **Bernd Althusmann** announced in Emden's town hall that the federal government will now begin work on the second **railway bridge at the old inland port**, which has been demanded for years. **Enak Ferlemann**, Parliamentary State Secretary in the Federal Ministry of Transport, instructed Deutsche Bahn to commence with the planning for the bridge. Construction of the bridge is made possible by increasing the railway's equity capital by one billion euros annually. **Manfred de Vries**, Managing Director of Autoport Emden GmbH, added: "I would have never expected this."



The Bremen port railway celebrates 160 years

BREMEN. On 1 February 1860, thus 160 years ago, the first points were laid for the successful development of the Bremen port railway. According to bremenports, statistically speaking, **no other port today accounts for a larger share of rail traffic than the ports of Bremen and Bremerhaven.** After all, every second container there is transported to the hinterland by rail. At the same time, four out of five cars arrive in Bremerhaven via rail, from where they are transported onward by ship. "Bremen's constant focus on the close interaction between railways and ports has ensured that today we are one

of the most dynamic railway ports with a high share of **hinterland railway traffic that is respected throughout Europe**," reported Bremen's Senator for Science and Ports, Dr. Claudia Schilling, on the occasion of the anniversary. And bremenports Managing Director Robert Howe added: "Especially in comparison to the competing ports in Western Europe, our port railway is a major asset that we can use to our advantage. For 160 years, we have systematically worked to strengthen the railways in Bremen and Bremerhaven. This will continue to pay off in the future."

The Alte Weser is transformed into a fish paradise



BREMEN. bremenports is currently implementing **compensation measures** in the two towns of **Ueterlande** and **Auf der Jührde** with the aim of improving the quality of the **Alte Weser** as a habitat for fish and other aquatic life. In Ueterlande, a ditch needs to be reinforced and the direction of flow of the drainage ditches must be reversed. In order to seal off the Alte Weser, two dams are being built in lateral ditches in Auf der Jührde. Construction work began in October last year and is scheduled to be completed by the end of this year.



GDP and GTP certification for Leschaco India

BREMEN/MUMBAI. Earlier this year **Leschaco India** was successfully certified according to GDP (Good Distribution Practice) and GTP (Good Trading Practice) in compliance with the World Health Organization (WHO) guidelines. Following the audit of the operational and management processes for the transport of pharmaceutical goods by sea and air, it has been confirmed that Leschaco India "provides services of the highest standard", as stated in the company's press release. The **audit was carried out at the Mumbai and Chennai sites**, which fall under the responsibility of the Managing Director of Leschaco India, **T. K. Ram**.



The job fair “Welt der Logistik” (The World of Logistics) opens its doors in September

BREMEN. The port authority of Bremen **Bremische Hafenvertretung (BHV)**, in cooperation with the port museum Hafenum Speicher XI, extends an invitation to the 9th edition of the job fair “**Welt der Logistik**” (**The World of Logistics**) at the BLG Forum in Bremen on 17 September 2020. Especially pupils and young people have taken advantage of the event in previous years to learn more about careers in logistics. Here companies can present themselves as exhibitors and/or sponsors. This year’s fair is sponsored by Dr. Claudia Schilling, Senator for Science and Ports in Bremen. **Closing date for registration is 12 June 2020.** More information available at www.bhv-bremen.de.



Building permit for new berths

CUXHAVEN. The **gap between Europe Quay and the offshore base port in Cuxhaven** can be closed. In March, Lower Saxony’s Construction Minister Olaf Lies handed over the corresponding building permit for the planned berths 5 to 7 to the Minister of Economic Affairs, Dr. Bernd Althusmann. The existing **quay facilities will now be extended by 1,257 metres**; three new ship berths and 28 hectares of additional space are to be constructed on them. After completion of the gap closure, the stream berths will have a continuous total length of approximately 3,600 metres.



Assistance for young people with disabilities

OLDENBURG. Diversity is lived at NPorts. In January, **Holger Banik**, Managing Director of NPorts, and **Sabine Nitschke**, Head of Personnel at NPorts, signed a **cooperation agreement with the vocational training centre Berufsbildungswerk Bremen (BBW)** to support young people with disabilities in their vocational training. “We believe this is a great concept and we would like to fulfil our social responsibility by offering these young people internships as part of their vocational training,” Banik emphasises. The objective is to help the persons in question to lead a more autonomous and independent life.



Tried and tested partnership extended

EMDEN. In January, **Anker Schifffahrts-Gesellschaft mbH** and **UPM-Kymmene**, a leading Finnish company in the bio and forest industry, renewed their cooperation that has been in place since 1983 regarding the handling of forest products. According to Anker Schifffahrt, it prevailed against extensive competition in the tender. Pulp is now mainly handled for UPM at the Ems Quay berth and terminal and transported to national and international customers as well as to UPM’s mill in Dörpen as required.



J. MÜLLER expands the storage capacity

BRAKE. J. MÜLLER is committed to **expanding the transshipment of pulp**. To this end, the company has invested **around 13.8 million euros in two new warehouses** in Brake. Following the NSK 3 hall with two hall segments, which has been in operation since January 2020, the second new hall with five segments at the Lower Saxony Quay has now been completed in March. The halls there are not only designed for pulp, but also have filler walls and can therefore be used in a flexible manner for storing general and bulk goods under cover. In 2019, J. MÜLLER handled more than one million tons of pulp.

IN BRIEF

BREMERHAVEN. The ships sailing to Bremen's ports generally comply with the air pollution control regulations. This is evidenced by data from the **air quality measurement station in Bremerhaven** that the Federal Maritime and Hydrographic Agency of Germany (BSH) installed with the support of bremenports. According to this, **3,697 waste gas plumes** were analysed at the station in 2019, of which nine – that is 0.24 percent – had a suspiciously high sulphur content. This is consistent with the data recorded at the BSH measuring stations in Wedel (>99 percent) and Kiel (98.7 percent).

MINDEN/BREMEN. Since February, the **new inland container terminal RegioPort** in Minden has been online at www.regioport-owl.de There, the user can learn all about the services and the concept of the terminal on the Mittelland Canal as well as its significance for hinterland traffic. Likewise in February, the **logistics company Röhlig** completely revamped its website www.rohlig.com. According to the company, "the relaunch introduced a dynamic communication platform where customers can intuitively find everything about Röhlig's range of services". The website is currently available in English and German, a Spanish version is to follow.



Royal Greenland expands production

CUXHAVEN. The fishing company **Royal Greenland Germany** has recently opened three production facilities in Cuxhaven. In late October, the company opened a **further plant at the site, where deepsea and cold-water shrimps and prawns are packaged** for the European retail sector. The first caviar processing plant was already established ten years ago, the second plant for frozen fish was put into operation in December 2013. According to the Cuxhaven Port Economic Association (HWG), this makes Royal Greenland one of the bigger fishing companies in Cuxhaven.

Two victors from the North

BREMEN/WILHELMSHAVEN. In March the Deutsche GVZ-Gesellschaft mbH (DGG) published its **current rankings of all European freight village (FV)** locations. For the first time, **FV Bremen tops the list** with 362 out of a possible 400 points, ahead of Interporto Quadrante Europa in Verona and FV Nuremberg. A further champion from a German point of view is FV JadeWeserPort Wilhelmshaven, which for the first time managed to jump into the top 20 at position 16. In order to calculate the ranking, 15 clusters were formed, which in turn included 38 evaluation criteria. In the process, great emphasis was placed on intermodality as well as on sustainability and digitisation aspects.



Weserport celebrates their 25th anniversary

BREMEN. On April 4, Weserport will mark a quarter of a century in company history. **Around 195 million tonnes of sea freight have passed through the quays of the port terminal operator** over the past 25 years. In 1995, the joint venture between the Rhenus Group and STUTE Logistics as well as the former Stahlwerke Bremen (now ArcelorMittal Bremen) began operations in Bremen's industrial port. In the early years, major investments were made in the upgrading of the port facilities, but the seaport service provider grew and in the record year of 2008 it achieved a goods turnover of almost ten million tons. An important milestone in the company's history was the deepening of the industrial dock gate and the port basins.





Start of updated data collection

BREMEN. For which hinterland are the containers and cars that are transhipped in the ports of Bremen destined? Which modes of transport are involved in the process? For the clarification of these and other questions, bremenports commissioned the **Institute of Shipping Economics and Logistics in Bremen (ISL)** in January to update the **study concerning seaport hinterland transport in Bremen's ports**, which was last compiled in 2015. The study is intended to provide as accurate a description as possible of the present and future spatial dimension of the hinterland.



Beginning of the lock renovation

EMDEN. Planning for the renovation of the aging **Large Sea Lock** in Emden is starting to take shape. According to the newspaper Ostfriesen-Zeitung, NPorts has already introduced concrete steps for the repair and is planning to invest around **70 to 100 million euros** for this purpose. That corresponds to about a quarter of what it would cost to construct a new lock. The Managing Director of NPorts, Holger Banik, hopes that he will be able to call for the corresponding tenders next year, so that renovation can get underway during ongoing operations at the end of 2021. The work is scheduled to take seven to ten years.



Maritime emergency preparedness in discourse

OLDENBURG. Is the German coast well equipped to deal with large ships sustaining damage, and are the necessary framework conditions in place to safely accommodate large container ships? These questions were addressed at the specialist damage management event **"Havariemanagement 2.0"** in February, which was organised by the **Maritime Cluster Northern Germany (MCN)** together with the Oldenburg Chamber of Industry and Commerce, the German Society for Transport Science (DVWG) and KMR Marine Surveyors. The participants also exchanged views on how to further improve damage management on the German coast.



Extended partnership for Waste & Recycling

BREMEN. Earlier this year, the **Dettmer Group** strengthened its position in the business segment Waste & Recycling through an **extended partnership with the Geiger Group**. In autumn, the latter acquired a 24.9 percent share in the waste management company Remineral Rohstoffverwertung und Entsorgung GmbH & Co. KG with headquarters in Duisburg. According to the Dettmer Group, which has also been active in shipping since 1947, this step is a logical continuation of the long-standing joint activities of both companies in the environmental sector.



The ports of Lower Saxony are expanding

OLDENBURG. With a **cargo handling of around 53.5 million tons** (2018: 49.8 million tons), the nine seaports in Lower Saxony not only managed to assert themselves in a generally difficult market environment last year, but they also recorded **the best results in the past ten years**. The persons responsible (see page 29) reported these figures at the annual press conference of the ports of Lower Saxony in mid-February. Increased volumes were for example enjoyed in Brake with a total of 6.6 million tonnes (increase of five percent), in Cuxhaven with around 2.7 million tonnes (increase of 33 percent) and in Wilhelmshaven (photo) with around 29.3 million tonnes (increase of seven percent). The picture is also multifaceted if we look at the different types of goods: The segment of liquid cargo improved by a good 16 percent to 24.3 million tonnes. Breakbulk handling recorded a slight increase of three percent to just over seven million tonnes, while new vehicle transhipment fell by two percent to 1.74 million units.



Partner and investor or a “voracious dragon”?

Opinions on China are divided Whereas some want to jump on the bandwagon of economic success by collaborating with the People's Republic, others are cautioning against the promises offered by the Far East.



On the one hand, one end of the spectrum, the Middle Kingdom has emerged as the world's second largest economy, Germany's largest trading partner and a highly active investor in Europe. On the other hand, many experts highlight the dwindling domestic demand in China and the fact that the country announced that it would make extensive commitments to open its own market when it joined the World Trade Organization (WTO) in 2001, but that these promises were not followed by the necessary action. They particularly criticise the lack of fair competition and the absence of reliable framework conditions. Against this backdrop, numerous players – not only in the maritime economy and logistics – are undertaking a true balancing act: They want to seize the opportunities presented by China's economic development for their own benefit – but at the same time they cannot ignore the fact that there may also be dangers lurking in this cooperation. After all, so far it is not yet clear whether an ambitious partner and solvent investor has been brought on board or whether it is in fact a rival, which in some places is already being called the “voracious Chinese dragon”.

Cooperation with a potential for conflict

“It is especially the German export sector's core business in the fields of mechanical engineering, motor vehicles and motor vehicle parts, electrical engineering and chemicals that can benefit from cooperation with China,” comments Katharina Viklenko, China expert at Germany Trade & Invest (GTAI), the foreign trade and inward investment agency of the Federal Republic of Germany. The intensive bilateral economic relations in particular would provide companies with numerous sales and investment opportunities. For instance, companies from both countries have worked together in future-oriented fields such as robotics, autonomous driving or Industry 4.0. “But these areas of cooperation also present potential for conflict, as is illustrated, for example, by the

current debate surrounding Huawei's participation in the expansion of the 5G network,” Viklenko said.

For her, the Middle Kingdom is increasingly developing into a competitor for the EU and for Germany, especially with regard to third markets. Viklenko elaborates that “since the activities of Chinese companies are supported politically and financially by the Chinese government not only domestically, but also abroad, German and European companies can hardly keep up.” She cites Africa as an example, where China is increasingly taking over the EU's role as a major supplier. “Since 2000 the EU has lost 18.6 percentage points of its share of African imports, while the People's Republic has gained 17.3 percentage points. A similar situation can be seen in Latin America, where both the EU and Germany felt the pinch,” warns Viklenko.

Another crucial point: While foreign investors in Germany are treated like domestic companies as soon as they have established themselves, German companies in China are subject to numerous restrictions. “These obstacles include joint venture constraints, more difficult access to public procurement, interference in foreign companies by party officials as well as unequal treatment of domestic and foreign companies, for example through subsidies and preferential treatment of Chinese state-owned companies,” explains Viklenko. She therefore identifies a considerable need for action to establish a level playing field. She outlines her stance ■■■

“In order for successful cooperation to take place, the People's Republic needs to further open its markets.”



Katharina Viklenko,
China expert at Germany Trade & Invest (GTAI)

PHOTOS: SHUTTERSTOCK/MAXX-STUDIO, GTAIRHEINFOTO



An important element of the New Silk Road is the transport of goods via rail. As a result, the number of container trains between China and Europe is steadily increasing.

■ on this as follows: “In order for bilateral cooperation to successfully develop any further, the People’s Republic needs to open its markets wider and introduce systematic reforms. Only genuine competition leads to fruitful results and high-quality products from which both sides can benefit equally.” She believes that the new foreign investment law adopted in March 2019 could have an important signalling effect, as long as expectations for increased legal certainty are not disappointed.

New Silk Road with or without a final destination

In the coming years, one of the greatest challenges in the economic interaction with China is expected to be the in-

frastructure programme for the New Silk Road initiated by the Middle Kingdom in 2013, which bears the official project name “Belt & Road Initiative”. For this purpose, the routes following the historic Silk Road are to be revived with numerous measures on land and water in order to advance the expansion of international trade relations with a new network between the Far East and Western Europe. This is a project that does not, however, meet with unrestrained enthusiasm.

“For one, the New Silk Road has the potential to build urgently needed infrastructure and also to promote economic development in the relevant countries by means of investments in various sectors. At the same time, however, some projects lack profitability and sustainability,” explains Lisa Flatten, coordinator of the New Silk Road at GTAI, in summarising the situation. She also believes that the loans granted by Chinese financial institutions will increase the debt burden for countries that in most cases already have a high risk of incurring debt. As a result, China’s economy will ultimately be the main beneficiary of the initiative, while German companies will be more likely to record successes indirectly than through direct participation. “China will seek to extend the initiative to as many countries as possible. Therefore, the New Silk Road is unlikely to have a genuine regional end destination,” she assessed. With this she contradicts all those who are already trying to establish their location as the definite end destination of the project.

Flatten’s opinion is also supported by Christoph Bruns, Managing Director of the port authority of Bremen Bremische Hafenvertretung (BHV) and Managing Partner of the



“The New Silk Road is unlikely to have a genuine regional end destination.”

Lisa Flatten, coordinator of the New Silk Road at GTAI

PHOTOS: SHUTTERSTOCK/BEBAOKE, REDAKTIONELL, GTAI, RHEINFOTO, PIXABAY/QUANZI/86410527, BREMENPORTS

Mund + Bruns firm of consultants. Bruns says: “The very fact that individual states, cities and ports are claiming to be the final destination of the Silk Road shows me that they have not yet grasped the concept of logistics. Nevertheless, I believe it is to be welcomed when politics and industry reflect on new transport routes and infrastructures across country borders out of economic, political and above all environmental considerations.”

Respectful interaction represents the biggest challenge

In recent years, Bruns has identified considerable improvements with regard to cooperation with China. Some years ago, it was for instance much more difficult and complicated for European companies to establish a direct branch in China. “Before, you had to take a detour via a company in Hong Kong; today it is much easier and more transparent to become active in China,” comments the BHV Managing Director. In this context, it is always important to accept that different values and ideas of economic and cultural cooperation exist in China than those we have here: “Regardless of whether we demonise globalisation or see it as a bearer of salvation for our global economy – it is important that we always treat each other with respect. And it is exactly this respectful interaction that poses the greatest challenge we have to face.” He considers communication to be the most important tool for achieving this – knowing full well that using the English language as an indirect route is helpful, but it also represents a way of going about the process in which a lot of information is lost.

But from his experience, he also knows that Chinese people generally tend to think on a larger scale and plan for the long term compared to Germany and Europe. “We should not expect processes to develop in China that would allow for major changes within a matter of months or within European legislative periods. Nor should we believe that aggressive and provocative political interference in Chinese reasons of state

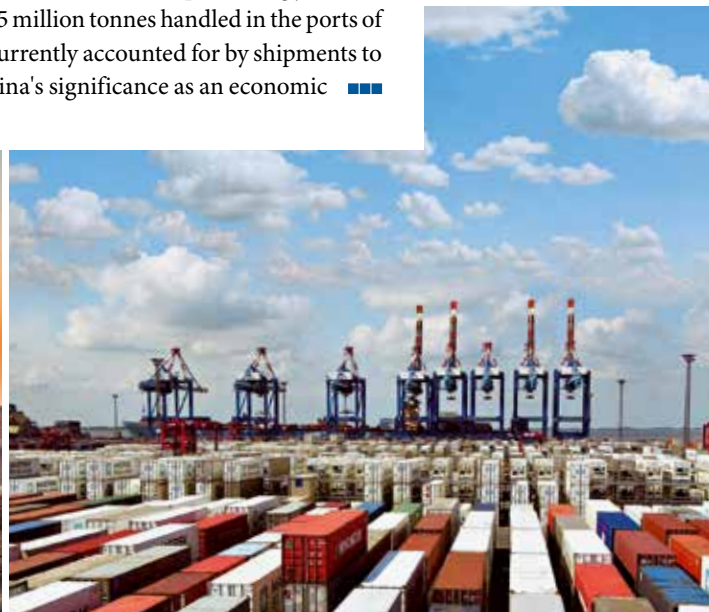
and daily politics would have an immediate effect. Experience has shown that an honest and open approach to partnership without communicating in a highly public or party-political way is far more effective and healthier,” he says, pointing out one possible path to success.

China holds the number two position in Bremen's ports

The exchange of goods with China is of great strategic importance with regard to trade in Bremen's ports. “Although USA shipping traditionally forms the dominant basis for cargo handling in Bremen and Bremerhaven, trade with China is already in second place,” explains bremenports Managing Director Robert Howe. In numerical terms, that means: Out of the approximately 74.4 million tonnes that were transshipped by sea in Bremen's ports in 2018, about 18.4 million tonnes (25 per cent) went to or came from the United States. In China's case, the figure was around 6.1 million tonnes (nine per cent). Even in the smallest federal state in Germany, the USA ranks ahead of China in terms of container transports. There, the United States accounted for roughly 15.9 million tonnes (28 per cent) in 2018, while the East Asian country accounted for approximately six million tonnes (eleven per cent). “Especially with regard to container traffic with China, there is still a lot of growth potential for the future. In this respect, our port infrastructure offers the best conditions for the latest generation of container ships,” Howe stated in identifying potential opportunities for further growth.

Timo A. Schön, Managing Director of the Seaports of Niedersachsen, has a similar view of the current situation. Schön states that in Cuxhaven, Wilhelmshaven, Brake and Emden, around 2.68 million tonnes – representing just over five per cent of the 53.5 million tonnes handled in the ports of Lower Saxony – are currently accounted for by shipments to and from China. “China's significance as an economic

Shanghai (left) is the largest city in China and is considered a global financial centre. From its port there, the largest container port in the world, numerous boxes are also transported to the Bremen ports, such as here (right) to Bremerhaven. In terms of the exchange of goods with Bremen's ports, China is second only to the USA.



■■■ partner for Lower Saxony's maritime industry is not only evident from the high proportion of containers being handled at the JadeWeserPort. Its importance is also emphasised by Chinese investments in Lower Saxony's port locations, such as Titan Wind Energy in Cuxhaven or China Logistics in Wilhelmshaven. On top of this, China also remains an important sales market for our Lower Saxony companies such as Volkswagen, for example."

From Bremerhaven to Chongqing in 20 days

One example of efficient cooperation with China is illustrated by the BLG LOGISTICS GROUP in its automotive division. The facility handles and processes 6.3 million vehicles a year and transports them all over the world by train, truck or ship – including to China. There has also been a regular rail connection in the Middle Kingdom between Bremerhaven and Chongqing since April 2019, which forms part of the "One Belt, One Road" initiative. A train with up to 44 wagons departs twice a week from the seaside city on the shore-based Silk Road and 20 days later arrives with its cargo at the metropolis with a population of 32 million in central China. Stefan Nousch, Sales Manager at BLG Automobile Logistics explains that "whereas the majority of trade goods to and from China are shipped on the water-side Silk Road, goods transported by rail are particularly suitable for high-quality and seasonally critical goods." A renowned automotive client of BLG also makes use of this shore-based option. His sports cars are delivered by rail and truck and are sorted and stored in Bremerhaven. Although many customers then opt to take their cargo over the quay and onto the ship bound for China, the exclusive cars in question make their way via the container packing station, where they are prepared for container shipment and securely packed before their train journey to Chongqing begins. "In 2019, 8,000 vehicles were brought to China using this approach," Nousch reports.

Consequently, the BLG terminal in Bremerhaven is considered an important hub for vehicle exports to China. Here, manufacturers can still decide whether their cars should travel to Asia by roll-on/roll-off ships or by rail. "Having a start and end point in Bremerhaven, this automobile terminal has a unique selling point in terms of logistics for the automobile industry's trade with China," says Nousch. Therefore, he believes the following to be certain: "From the point of view of finished vehicle logistics, the New Silk Road offers additional logistics and transport solutions for import as well as export."

Cuxhaven proves to be attractive for China

The Chinese market is becoming increasingly important in Cuxhaven as well. For instance, through its European subsidiary, the Chinese group Titan Wind Energy has taken over the operations of the insolvent Ambau GmbH, a manufacturer of towers and foundation structures for offshore and onshore wind turbines. In this way, the Chinese are looking to expand their European business operations out of Cuxhaven. Furthermore, in order to enable long and heavy cargo (such as those shipments that come from China to Cuxhaven by seagoing vessels on behalf of the wind turbine manufacturer Vestas Wind Systems) to be transported on the road without any problems, the roundabout at the end of the A27 motorway was recently modified so that unrestricted passage is now possible. At present, several globally operating logistics companies are already making use of Cuxhaven as a transshipment centre for containers from China, which arrive at the mouth of the Elbe by rail or truck and are then shipped on to Immingham in Great Britain on the daily ferries operated by the DFDS shipping company. "There are also current efforts to put English-made cars into containers and to transport them to China via rail in the opposite direction," says Oliver Fuhljahn, Cuxhaven Site Manager of the Seaports of Niedersachsen. (br)

With over 2.3 million vehicles, the Bremerhaven automobile terminal (left) is one of the largest automobile hubs in the world – also for trade with China. Wind turbine components manufactured by Vestas Wind Systems and coming from China are regularly transhipped in Cuxhaven (right).



PHOTOS: BLG, BLUE WATER BREB

Made in Germany meets Chinese diligence

LOGISTICS PILOT interviewed experts in Bremen and Lower Saxony independently of each other in order to obtain a current market evaluation. Both

Dr. Sandra Heep, Professor of Chinese Economy and Society and Head of the China Competence Centre at the City University of Applied Sciences in Bremen, and **Professor Michael Zhengmeng Hou**, China Representative and Head of the Competence Centre at the Clausthal University of Technology, emphasised the importance of mutual understanding.



LOGISTICS PILOT: To what extent can German companies benefit from the cooperation with China? Or do you believe that China's global influence will have a negative impact on Germany?

PROF. HEEP: Owing to its considerable economic weight and its persistently high growth rates, China remains an important sales market for German companies. The latter can also benefit from collaborating with financially strong Chinese investors. Additionally, given the increasing internationalisation of Chinese companies, opportunities for cooperation between German and Chinese companies also exist on third markets.

PROF. HOU: Numerous large companies in Germany especially benefit from China being the largest market worldwide. One example can be seen at Volkswagen Group China, which in 2018 delivered 4.21 million vehicles to Chinese customers, a record result in the passenger car market. Yet another example is Sympatec GmbH, a company based in Clausthal-Zellerfeld, Germany, that develops instruments for the analysis of particle size and shape and has thus successfully been serving the Chinese market for over 25 years. In any case, I do not think that China's global influence will have a negative impact on Germany, since Germany itself always has and will continue to have a decisive position in world politics and economy.

In recent times, there has been a rapid increase in Chinese investments in Germany, especially in the area of company takeovers. How do you interpret this development?

PROF. HEEP: Fundamentally, Chinese investments in Germany are to be welcomed. At the same time, however, they should go hand in hand with a reduction of investment barriers for German companies in China. Politicians and business in Germany should also not turn a blind eye to the fact that Chinese company takeovers in the high-tech sector often take place in the context of government subsidised programmes aimed at acquiring cutting-edge technology abroad, which could very well damage the international competitiveness of the German industry in the medium term.

PROF. HOU: Although this statement holds true, it has to be put into perspective because German investments in China are still larger than Chinese investments in Germany. The rapid development of China means that especially private companies there have taken note of the investment opportunities in Europe and especially in Germany thanks to the excellent quality and the reputation "made in Germany". That is why I consider this development to be a logical consequence of China's rapid growth over the last 40 years. Having said this, the investment conditions of both countries should be aligned and barriers should be eliminated on the one hand. While, on the other hand, investment regulations in the form of state controls must be put in place to safeguard, for example, against the complete takeover of sensitive high-tech companies by investors from the respective country.

Do you perceive the New Silk Road to be more of a curse or a blessing?

PROF. HEEP: The planned expansion of infrastructure as part of the Silk Road initiative holds the potential to improve global networking and to thereby provide the world economy with new stimuli for growth. Nonetheless, many planned projects are confronted with technical, financial or political obstacles during implementation. Consequently, the success of this initiative will depend on whether the Chinese government will succeed in overcoming these obstacles in cooperation with its international partners, for example by finding a mutual agreement on viable financing models.

PROF. HOU: I believe the New Silk Road to be a blessing: This will enable Germany and China to jointly implement further large-scale projects, especially in third countries, whereby both countries have to regard each other as partners and not as rivals. China is highly interested in taking further steps, particularly alongside Germany, but it must not end up being a one-way street either. In my view, this combination of German craftsmanship and engineering skills and the label "made in Germany", coupled with the diligence and high flexibility of the Chinese, represents a win-win situation, especially for third countries along the New Silk Road.

A communicative solution without any losers

Because of their direct manner, Europeans often cause intercultural misunderstandings during business appointments in China. But even handling the business card incorrectly or giving inappropriate presents can take the wind out of the sails of possible business success at an early stage.

Another person who knows this all too well is Andreas Bullwinkel, who in his function as Managing Director of Container Terminal Wilhelmshaven JadeWeserPort-Marketing GmbH & Co. KG. has flown to China around 20 times in the past six years. In the process, he presented, for instance, the range of services offered by Germany's only deep water port for containers or paved the way for economic cooperation. He was also instrumental in the leasehold contract for the China Logistics-Wilhelmshaven Hub in the JadeWeserPort freight village, which was signed on 20 February 2020 (see page 18). "China is a country that places great value on tradition and that expects respect from its guests. With this in mind, it is not always easy when our direct way of communication meets the indirect way of expression used by the Chinese," Bullwinkel says to outline the point of departure.

The first troubles can already occur with the choice of clothing. Unlike the current European trend of doing away with ties more and more often, in China

there is no alternative to a suit and tie for business appointments. "Red ties are especially well received in the Middle Kingdom," Bullwinkel notes. It is equally as important to pronounce your business partner's name correctly. It is also good to note the following: When it comes to greetings, the Chinese have long since adopted the shaking of hands that is customary in Europe. But also a short bow is still highly appreciated. "An integral part of my lectures there is to take a bow and start with a Chinese proverb that warns against foreigners who try to speak Chinese," the manager remarks with a wink. "But after that I immediately continue in English, so as not to startle my hosts too much."

Diplomacy and patience are a must

Even exchanging business cards can pose challenges. In this case it is essential to always use both hands, study the accepted card intensively and to mention the title printed on the card at the next possible opportunity. In the same breath, men should ideally take their own card out of their breast pocket instead of their trouser pocket, while women are allowed to "magically" conjure it out of their handbag. "Close to the heart is always good," Bullwinkel puts it in a nutshell. If you are then able to fit in a comment to briefly praise the host's successes afterwards – in the sense of "I have heard that your company recently opened a branch in so-and-so" – then you have succeeded in building an elegant bridge to discussing business-related topics.

Further hurdles await you during the actual business talk. "The first thing I had to learn here was that in China I need to ban the word 'no' from my vocabulary as far as possible," Bullwinkel admits. On top of that, one should "bring an infinite amount of diplomacy and patience" to negotiations,

because in our experience, discussions tend to drag on for a very long time until concrete results are reached. "And these are then oftentimes not final. Quite frequently the contents are discussed and modified

天不怕，地不怕，就怕老外说中国话

"The Chinese do not fear heaven, they do not fear the earth, but they fear foreigners who speak Chinese."

Chinese proverb

More information:
www.jadeweserport.de

Andreas Bullwinkel (right) explained his proposed solutions during the visit of a Chinese delegation to Wilhelmshaven on the occasion of the 15th round of consultations regarding German-Chinese cooperation in the areas of inland navigation and waterways.



yet again at the second or third meeting,” Bullwinkel points out. However, at no point is it appropriate to openly show annoyance with this approach or even criticise it. “The worst thing for a Chinese person is to lose face. Therefore, when confronted with unpleasant situations and obvious differences of opinion, he or she should quickly withdraw,” Bullwinkel goes on to explain. If this has happened even once, a successful business deal is a long way off. Therefore the manager recommends the following: “The top priority should always be a communicative solution where there are no losers.”

“Warm words” are well received

During business meals, toasts about health, happiness and friendship are highly rated. Naturally, the guest is expected to say something positive about China. “This comes quite easily for me as I am enthusiastic about the New Silk Road and believe it to be a successful infrastructure project,” Bullwinkel adds. Meanwhile, private and political matters are rarely discussed. If the Chinese nevertheless require him to make political statements, the marketing expert will hold back: “I leave this to others. In case of doubt, I declare that I know

too little to be able to form an opinion.” Instead, he prefers to divert the topic to sports such as table tennis, badminton and basketball, which are highly valued in China.

“When it comes to topics like these, it becomes evident that the Chinese are not only enthusiastic, but they also have a greater sense of humour than many people think,” says Bullwinkel. Experience has taught him that: Shared laughter builds trust. And after three or four meetings, this trust often allows for the coming together of something that is by no means negative for joint projects. Negative, in the sense of “absolutely inappropriate”, however, are presents for the hosts, such as watches, umbrellas and knives. These symbolise a lifetime that is coming to an end, suggest that we never want to see the other person again, or can be seen as a bad omen, as they essentially cut the friendship and thus the negotiations. On the other hand, gifts that create a direct link to Germany are extremely appreciated. Such as a good bottle of Riesling, a city coat of arms made of brass or manufactured porcelain from Lower Saxony. As Bullwinkel reports, high-quality fountain pens and nautical equipment such as sextants, which provide a direct link to the port, are also well received. (bre)

Numerous coordination discussions are necessary before all processes, such as here in the port of Shanghai, will function smoothly. So knowing how to specifically circumvent intercultural “blunders” can do no harm.





China makes its way to Wilhelmshaven

The new China Logistics-Wilhelmshaven hub is being constructed on an area of around 20 hectares to the north of the JadeWeserPort freight village. In the long term, this would not only result in up to 100,000 TEU more cargo handling for the site, but could also create up to 250 new jobs.

In the best case scenario, you would have at least one compelling argument to convince customers to do business with you. During negotiations for the China Logistics-Wilhelmshaven Hub, there were as many as three. “We could especially score points with the size of our space, the expansion potential and the immediate availability,” Andreas Bullwinkler reports. In February of this year, the Managing Directors of Container Terminal Wilhelmshaven JadeWeserPort Marketing (JWPM) and China Logistics signed the leasehold contract for the new hub. As of 2021, an area of 20 hectares will be used to transship Chinese goods.

But one thing at a time. Bullwinkler reports that “five and a half years ago, our representative Zhang Hui in China first made contact with representatives of China Logistics at a trade fair as part of his acquisition tours.” As further discussions and negotiations took place, which also involved



As the volumes from China increase, another service could be added to the existing Asian services “AE5” and “AEU1” in the future.



The China Logistics-Wilhelmshaven hub is scheduled to start operations in spring 2021.

about 20 on-site appointments, it became clear that China Logistics wants to direct itself towards Europe and therefore needs its own FV. “In the beginning, the biggest challenge was to be able to hold our own against the established port in Antwerp with our then still small location,” recalls the JWPM Managing Director. “However, contrary to the Belgians, we have the advantage of having unoccupied, available and ready to build areas in the immediate vicinity of the terminal.” Additionally, Wilhelmshaven is the only German location to offer a deep water port. In the end, it was these unique selling propositions that convinced China Logistics, which has its headquarters in Beijing and is one of the largest logistics companies in China, operating 58 logistics centres with an area of around eight million square metres.

First operations are scheduled for spring 2021

However, before things can really get going, there are still a few administrative hurdles that need to be overcome. “We trust that the building application for the basic configuration of the 40,000 square metre hall will be processed quickly,” Bullwinkel comments. “So far we have had very good experiences in Wilhelmshaven.” The first phase will

also include 110,000 square metres of uncovered storage space. The connecting track has already been laid; all that remains to be done by China Logistics is to lay the points and three or four parallel tracks with a length of about 250 metres. No time delays are to be expected here: “Construction companies are happy to take on such large-scale projects,” the managing director emphasises. Overall, the construction work is expected to take about nine months. “Our aim is that China Logistics will be able to launch its first operations in April or May 2021.” For this purpose, 100 million euros will be invested in the final expansion stage. In the first phase, costs amounting to 25 million euros are estimated for the hall and the uncovered storage area.

Supporting the Chinese in the acquisition

With regard to cargo segments, it is safe to assume that the Chinese will be the first to approach those that function the quickest. Bullwinkel expects that “automotives, for ■■■

■■■ example, could be implemented relatively quickly.” In this case, the rail connection from Wilhelmshaven could also become a source of interest for China Rail. “Stone goods and DIY goods could also be added for transport via ship, as the Chinese are already well connected in this market.” When it comes to food, on the other hand, he believes it could take a little longer. The same applies to chilled goods, for which the Chinese have yet to establish themselves on the European market. China Logistics can rely on the assistance of JadeWeserPort for its sales activities there and in Germany, such as through joint visits to customers. “The Chinese are very grateful for our knowledge of the market,” according to Bullwinkel. The extent to which the JadeWeserPort is involved here, however, also depends on who will become the operator of the hall. “Should it be a German or European company, we assume that the responsibility for distribution will fall into their hands, but we are happy to get involved if necessary.”

Enough qualified employees

At present it is difficult to estimate when and how much additional cargo will be transhipped with the commissioning of the new hub in Wilhelmshaven. It is often not very transparent in the case of sea freight which end customers and forwarding agents are assigned to the respective cargo. However, one thing is certain: “Redistribution of existing cargo tends to be low at 2.5 to 3 percent,” says Bullwinkel.

“Nevertheless, the players change frequently, and additional quantities are also possible,” Bullwinkel continues. This could especially impact the automotive industry, for instance in the case of electromobility suppliers, through whom additional cargo is brought to the market. Bullwinkel likes to keep a positive outlook:

“Should the two existing Asian services AE5 and AEU1 be joined by a third one with around 100,000 TEU per year, this would be a good incentive for EUROGATE to commence work on the final expansion stage of the terminal.”

There is no doubt that the China Logistics hub will create new jobs for the Wilhelmshaven location. “We estimate 50 to 80 industrial employees following completion of the first hall,” Bullwinkel reports. “Once the hub is fully expanded, up to 250 additional jobs could be created.” Given the fact that Wilhelmshaven has an unemployment rate of around ten percent, which is significantly above the national average, there is no locational disadvantage in this case: “We have enough qualified employees,” stresses Bullwinkel. In this case, the long-term planning also presents an advantage: “We are able to notify the employment agency at a very early stage as to which needs with which qualifications are required for the new hub, so that the job centre can start training and further education programmes well in advance.” Since the new jobs and the increased cargo handling in Wilhelmshaven are more than just desired, his conclusion comes across as slightly more emotional than usual for a managing director: “We feel proud that everything worked out.”

More information:
www.jadeweserport.de

PHOTO: JADEWESERPORT



Both parties rejoice – shortly after the signing of the Memorandum of Understanding (MoU) in June 2019; front row: Li Xiangyang (CL General Manager) and Andreas Bullwinkel (JWPM); second row: Zhang Shuangyan (EUROGATE), Zhang Hui (JWPM), Wang Jingsong (CCT) and Tong, Laiming (Vice President CCT) as well as Fu Zixuan (CL) and Shi Stephanie (Weifang Centre Germany); third row: Jörn Kamrad (EUROGATE) and Ingo Meidinger (JWPM)

“I wish for much more exchange and convergence”



Britta Heidemann is not only an Olympic, World and European champion in fencing. She has also successfully completed a degree in regional studies with a focus on China and works as a management consultant in the areas of China, sports and management. With her vast wealth of knowledge she recently assisted the LOGISTICS PILOT by answering some of their questions.

What typically European behaviour should people avoid in China so that they do not quickly become unpopular?

People from China are not quite as direct as we are, so it is better to refrain from a direct “no” and to rather reformulate things a bit. You can also make yourself liked by throwing in a few Chinese words or by adding a tale from Chinese imperial history. Chinese people appreciate it very much when a Westerner takes an interest in their culture.

From a business point of view, do you perceive China to be more of a partner or a competitor of Germany, and how do you assess the New Silk Road project?

Both of these elements hold true. The Chinese are of course Germany's competitors. They have long since developed from being the world's workbench to becoming the world's innovation hotspot. At the same time they are also a long-standing partner of the Germans, who are the largest trading partner in the EU. It is no accident that Beijing is holding government consultations with Germany. The New Silk Road is an expression of China's long-term strategy. An impressive project.

Many experts are insisting that China's announcements regarding opening up its markets should be followed by concrete action, so that stable and reliable framework conditions may be established that lead to the equal treatment of foreign companies as compared to domestic companies in China. How realistic do you consider this demand to be?

It is a matter of fact that while we can complain about the way certain things are handled in China, in reality we are still dependent on them. Consequently, the leverage effect has long since shifted. In my opinion, it is not teachings but rather ongoing dialogue that will have the best chance of success.

In which ways can we Germans learn from the Chinese, and which German products enjoy great popularity in China?

All high-tech products, German cars as well as German technology enjoy a very high reputation in China. In return, we can learn something from the Chinese with their pragmatism, their flexibility and their dynamism. They also live a different, healthier kind of balance: Each Chinese, no matter how dedicated and hardworking, makes time to enjoy their food and to spend time with their family. We can learn something from this.

What are your personal aspirations for the relations between Germany and China?

I wish for much more exchange and convergence from an early age. We should accept that China will play a major role now and in the future. The more children and young people learn about China, its culture, politics, economy and people and the more personal exchange there is, the better prepared we are for the challenges of the future. Chinese as a language taught at school, the integration of China in history lessons – that would be a start. (bre)

FACTS

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PHOTOS: XAVIER MAREST, HARTMANN



On the piste, Britta Heidemann (right) was among the world's best. The absolute highlight was the gold medal at the 2008 Olympic Games in Beijing.



A “thick line on the nautical chart”

In 2021, the world's largest trade fair for project and breakbulk cargo will take place in Bremen for the fourth time in a row. However, before that, the third edition is scheduled for May.

As the German saying goes: “Three times is Bremen law.” In this spirit, the Hanseatic city has long looked forward to hosting “Breakbulk Europe” from 26 to 28 May 2020 for the third time in a row. This joy has grown even more since mid-February and from the point of view of the local port industry at least, the proverb mentioned above can safely be filed away. All because since then it has been firmly established: The city on the Weser will again be the host of “Breakbulk Europe” in 2021 – then for the fourth time in a row.

“We are delighted that our application has convinced the organiser, Hyve Group, to once again be a guest of Bremen in 2021,” said Bremen’s Senator for Science and Ports, Dr. Claudia Schilling, after the decision was announced. “The Neustadt port is one of the most important transshipment ports for project and breakbulk cargo in Europe. Bremen thus represents a thick line on the European nautical chart.” Robert Howe, Managing Director of bremenports, adds: “Bremen knows ports, and Bremen knows fairs. That makes Bremen the ideal twin city to host this event. At the same time, the event offers excellent opportunities for Bremen’s port industry to demonstrate its efficiency, diversity and competence.”

For this year’s “Breakbulk Europe” to take place in May, Bremen once again expects more than 600 exhibitors and 10,000 experts from over 120 countries. “Following the excellent testimonials we received for the first two editions, I am confident that we will once again prove ourselves a good host to the international port industry,” enthuses Michael Skiba, Head of Marketing at bremenports. The most important arrangements for this have already been made. For instance, all co-exhibitor modules on the Bremen joint booth have been allocated, the booth construction plan-

ning has been completed, and the social component has also been prepared: On the evening of the 27th of May, there will again be an event in Markthalle 8 on the Domshof, which will provide an ideal platform for continued networking. 26 companies from Bremen’s port and logistics sector will be inviting the maritime industry to a get-together there. There will also once again be a conference as well as education and training workshops with industry experts.

At “Breakbulk Europe”, bremenports, along with the Seaports of Niedersachsen, will take the opportunity to present the range of services offered by its ports to oil and gas companies, plant constructors, ports, logistics companies and special transporters from all over the world. To this end, the port management company will be using a 192-square-metre joint booth at which 30 other partners from the region will also be presenting themselves. “Here the entire range of services offered by our local experts is readily available within a few quick steps,” says Skiba in promotion of the 2020 fair. He also points out that the support of Messe Bremen and Bremer Touristik-Zentrale (BTZ) will once again be on hand this year.

And how does he believe things will proceed in 2021? “On the one hand, the Hyve Group has emphasised how positively ‘Breakbulk Europe’ has developed in Bremen in the past few years. At the same time, the persons in charge have pointed out that in order to be able to cater to other European markets, from the year 2022 the trade fair will be awarded to another European city outside Germany also for a period of three to four years – but with explicit reference to the fact that it will thereafter be possible to return to Bremen at any time,” said Skiba. Maybe someday the saying will go: “More than four times is Bremen-Breakbulk law...” (bre)

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“New wind beneath the wings”

The opening of Kühne + Nagel's German headquarters will strengthen the Bremen location and at the same time continue the tradition of the seaport freight forwarding company founded there in 1890. Sustainability and the reinvention of the globally active logistics service provider are now the main focus.



As of recently, the fates and fortunes of Kühne + Nagel Germany has been directed from its headquarters in the newly built August-Kühne-Haus in Bremen.

The premises at the Wilhelm-Kaisen-Bridge in Bremen are prominent – and historical: “This site holds great significance for Kühne + Nagel, as it was the original company headquarters of the seaport forwarding company founded in 1890 by my grandfather August Kühne and his partner Friedrich Nagel,” explains Klaus-Michael Kühne, majority shareholder and honorary president of Kühne + Nagel International. “Now that German operations are once again being conducted from the banks of the Weser River, Bremen's economic and logistics location is clearly being strengthened.” Ralf Miehe, head of the main branch, adds: “Bremen stands for logistics: The branch directly and indirectly employs about 70,000 people here, which is approximately 25 percent of the jobs in the federal state.”

Shipping is especially important for the location boasting Germany's second largest port – and in particular for Kühne + Nagel's sea freight division. This can also be seen in the wave-shaped façade of the new building, which is intended to reflect this maritime tradition. This architectural design not only inspires the honorary president and the head of the main branch office: “Be it customers, politics or associations: the building and its architecture are well received and serve as a new gateway for our city,” reports Miehe.

By contrast, the interior of the three building sections with their ten floors and a gross floor area of 13,500 square metres was conceived in an elegant but simple manner: Miehe points out that they “have consciously decided on a puristic design of the rooms – not out of cost considerations, but rather in keeping with Hanseatic sentiment.” For instance, no pictures are hanging on the office walls of the 725 employees, and personal decoration has also been kept to a minimum. Instead, there is now a chic bistro and a coffee

PHOTOS: GABRIELE TINSCHER

The relocation of Kühne + Nagel's Bremen-based staff to the new German headquarters has not only provided them with modern office space, but also a chic bistro.



lounge. When the weather is nice, employees can also enjoy the large roof terrace.

This is not the only place from where the view of the city is magnificent. The view from the conference room on the ninth floor, called Skylounge, is particularly impressive. Care was also taken to ensure that the offices receive plenty of natural light: Altogether there are 900 large windows that can also be opened.

Focusing on sustainability

The protection of resources was also an important factor: As part of its “Net Zero Carbon” programme, the logistics service provider has been climate-neutral since the beginning of the year in terms of Scope 1 and 2, which are factors that can be directly influenced such as buildings, warehouses and own vehicles.

“The new building complies with the highest requirements in terms of sustainability,” explains Miehe. “For instance, the building features high-performance ventilation, and the windows have thermal insulation glazing, which enables us to achieve maximum energy efficiency. We can reduce CO₂ emissions for heating by around a third with the help of heat pumps.” Consideration was also given to employees who come to work in an environmentally friendly manner: As a result, there are 154 parking spaces for bicycles, but only 17 for cars. There are also showers provided for cyclists and those who like to exercise during their lunch break. Additionally, the August-Kühne-Haus is equipped with charging stations for electric cars.

Moving to the new building has also brought with it another important change: In view of the fact that Bremen is now the location of the German headquarters, the management functions of the German ocean shipping business, among others, are now concentrated here. With a total of 600 employees, of whom about two thirds work in export and one third in import, this is the most important business area here and accounts for about 50 percent of sales. In comparison: Some 150 people work in land transport, 150 in contract logistics and 30 in air freight. Altogether, Kühne + Nagel em-

ploys about 1,100 people in Bremen, which is 375 more than the new building can accommodate. “We realised from the outset that we would not be able to accommodate everyone here due to the size of the building area,” Miehe points out.

This move also involves a transformation for all offices at the Bremen location. “The good old days of handshakes are a thing of the past. Instead, we now find ourselves in a completely new era, both technically and culturally,” the head of the main branch office reports. Consequently, a change is inevitable, from which the employees at all locations will certainly benefit. “It is precisely because we are 130 years old that we have to reinvent ourselves.” This does not, however, refer to reviewing business processes – which takes place continuously in any case. And even the practice of a virtually paperless office has long been part of everyday life. “We are talking about a new world of productivity in which everything is characterised by technology,” explains Miehe. Therefore, any process that still has mechanical components must be digitised or outsourced. “This is the only way to ensure positive qualitative and quantitative results for our customers.”

Even the method of operation has changed considerably. Miehe notes that this includes, for example, the independent organisation of working hours between the hours of 06:00 and 20:00, with a core working time. “In the end, in the world of key figures, the only thing that matters is that the targets are reached.” This flexibility is particularly appreciated by employees living outside Bremen and by single parents. The building also offers ten partially flexible workstations and four parent-child offices.

“We also have a project that deals with agile working methods,” reports Miehe. However, the focus is not on the decrease in hierarchical levels that goes along with this: “We already work with very flat hierarchies.” In any event, the door to the head of the house’s office on the ninth floor is always open to employees. There, Miehe not only likes to share his view of the Schlachte, but together with the employees he also takes pleasure in looking forward to the future in the new headquarters: “I wish for us to have plenty of fresh wind beneath our wings here.” (cb)

FACTS

Kühne + Nagel

Established:
1890

Main areas of business:

Sea freight, air freight, land transport, contract logistics and integrated logistics

German headquarters:
Bremen

Employees:
close to 82,000 worldwide at 13,000 locations in over 100 countries, 1,100 of whom work at the Bremen branch

Total net sales:
nearly 21.1 billion Swiss francs, of which 7.5 billion Swiss francs are sea freight (2019)

Sea freight transport volume:
4.9 million TEU (2019)

More information:
www.kuehne-nagel.com

IN BRIEF



BREMEN.

Effective as of January 1, **Ole Dammann**

was appointed as an additional Managing Director of LS International Cargo GmbH and has since represented the company together with the two Managing Directors Bernd Oltmann and Dirk Röthig. At the same time, Lothar Schuster resigned as managing director and shareholder. By taking over the remaining shares of LS International Cargo GmbH, which is active in project logistics, the Dettmer Group now owns 100 percent of the company. The latter operates in the areas of shipping, logistics, warehousing and cargo handling as well as waste disposal and personnel services.

EMDEN. With the start of the new year, **Helmut Weermann**, member of the Executive Board of Emden Seaport Promotionsgesellschaft (Emden Seaport Promotion Society) and Site Manager of Seaports of Niedersachsen for the Emden port, retired. His primary responsibilities included the representation of the seaport and the networking of logistics hubs in the region. His successor is **Claas Mauritz Brons**. The lawyer with a Master's degree in Transport and Maritime Management has been part of the Brons Group management team in Emden since 2018.



Nicole Tödter's inauguration ceremony

BREMEN. On 11 February, the President of the General Directorate of Customs, Colette Hercher, officially inaugurated **Nicole Tödter** (left) as the new Head of the central customs office Hauptzollamt Bremen. Alongside members of the administration, numerous representatives of the Bremen

authorities and associations also took part in the ceremony. Hercher congratulated Tödter on her new appointment and wished her every success in this important task: "I am confident that you will rise to the challenge of directing one of the most important central customs offices involved in the international movement of goods in Germany and that you shall do so with vigour and expertise," Hercher declared. Tödter is responsible for almost 1,000 employees at the Hauptzollamt Bremen. Among the tasks there are the monitoring of goods traffic across borders, the fight against drug smuggling as well as the fight against illegal employment.



Thomas Voigt heads the Weserbund

BREMEN. Since January, **Thomas Voigt** has been the new Managing Director of the Weserbund and the Weser Wirtschaftsverband. He is considered a pioneer for cross-border cooperation and a network liaison between business and politics. Voigt studied in Germany as well as in the USA and gained professional experience as a salesman in the mineral oil trade, as a management consultant and as an executive in chambers of commerce. He was the Chief Executive Officer of the German-Colombian Chamber of Commerce in Bogotá from 2010 to 2019.

Habdank in charge of NON-STOP

EMDEN. Since February, **Janis Habdank** has been running the pilot project "New smart digital Operations Needed for a Sustainable Transition Of Ports", or "NON-STOP" for short, as Manager at NPorts. As part of this Interreg project, an intelligent sediment and water management concept and a digital dashboard will be developed for the Emden inland port by the end of 2022. The aim is to prevent any further siltation of the inland port and at the same time to reduce maintenance expenditure.



Horst Bartels passed away

SCHORTENS. **Horst Bartels**, founder and the heart and head of the Nordfrost Group right up to the end, passed away in February as a result of a serious illness. A native of Wilhelmshaven, he was a visionary and strategist driven by passion, who also made a name for himself beyond the region. He not only managed the affairs of Nordfrost, but was also the first and largest private investor in JadeWeserPort. In 2019, he had announced the introduction of a ferry route from Wilhelmshaven to Scandinavia.

Suhr is now in command of the DNV bridge



HAMBURG. Since February, the German Nautical Association (DNV) has been working with a new bridge crew and a new chairman, **Captain Christian Suhr**. He is also chairman of the Nautical Association (NV) of Hamburg. At the annual general meeting of the DNV, Suhr was elected head of the traditional maritime institution. He thus succeeds Frank Wessels, a shipping owner from Emden and also chairman of the NV there. Since February 2011, this business school graduate has been at the helm of DNV, which was founded in 1868. The position of Deputy Chairman in DNV continues to be held by Hans-Hermann Lückert, a former long-standing captain and pilot from Kiel. Dr. Iven Krämer, who has been head of the Port Economics and Shipping Department in Bremen since 2009, serves as Second Deputy.



BLG automotive painter declared state winner

BREMEN. In February, the Bremen Chamber of Crafts awarded **Alicia Oster** (left), an automotive painter at BLG AutoTec, the title of chamber and state winner in the German Confederation of Skilled Crafts Competition 2019. Upon the invitation of the Senator for Social Affairs, Youth, Integration and Sport, Anja Stahmann, Oster accepted the title for this special training performance from the President of the Chamber of Crafts, Thomas Kurzke, in the Bremen City Hall. Oster successfully completed her three-year training as an automotive painter at BLG AutoTec in the technical centre of the Bremerhaven automobile terminal. She especially values the creativity that accompanies her profession. "We paint the vehicles in accordance with the customer's wishes using very individual specifications," says the 20-year-old.

Mourning for Carl H. Büttner

BREMEN. The Bremen-based shipping company Carl Büttner mourns the death of its senior partner **Carl Habbo Büttner**, who passed away in January shortly after his 91st birthday. Immediately following the Second World War, Büttner had started as an apprentice with Büttner. Later he was active as managing partner in the fourth generation until 2001, before he held the position of Chairman of the Advisory Board in the shipping company until 2007. Among his life principles belonged statements like "Grow organically – in other words, reinvest profits".



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2020



GERMAN PORTS

Save the Date

In the coming weeks, there will be numerous trade fairs that are of particular importance for the maritime industry and logistics. Particular focus will be on "Breakbulk Europe" to be held in Bremen in May. We will also have the opportunity to get to know one another better and to discuss the latest developments with industry experts. The best opportunities for this are provided by the event series "Port meets mainland" and "logistics talk" as well as the "30th Lower Saxony Port Day" in Emden and the "Captain's Day" in Bremen.

- Trade fairs** ■
- Customer events** ■
- Other highlights** ■



Joint trade fair appearance under the umbrella brand of 'German Ports'

May

- 19.5.2020** ■ **Port meets mainland**
www.seaports.de, www.jadeweserport.de
Osnabrück, Germany
- 26. – 28.5.2020** ■ **Breakbulk Europe**
www.europe.breakbulk.com
Bremen, Germany
- 3. – 5.6.2020** ■ **ESPO Conference**
www.espo.be/events
Oslo, Norway

June

- 14.6.2020** ■ **Luneplate Cycling Day**
www.bremenports.de/veranstaltungen
Bremerhaven, Germany
- 16. – 18.6.2020** ■ **transport logistic China**
www.transportlogistic-china.com
Shanghai, China
- 25.6.2020** ■ **logistics talk**
www.bremenports.de/veranstaltungen
Neuss, Germany

July

- 5. – 10.7.2020** ■ **14th International Coral Reef Symposium**
www.icrs2020.de
Bremen, Germany

August

- 19. – 23.8.2020** ■ **Sail Bremerhaven**
www.bremerhaven.de
Bremerhaven, Germany
- 20.8.2020** ■ **SAIL Bremerhaven customer reception**
www.bremerhaven.de
Bremerhaven, Germany
- 27.8.2020** ■ **Port meets mainland**
www.seaports.de, www.jadeweserport.de
Frankfurt am Main, Germany

September

- 4.9.2020** ■ **30. Niedersachsen Ports Day**
www.seaports.de
Emden, Germany
- 4.9.2020** ■ **Captain's Day**
www.bhv-bremen.de
Bremen, Germany
- 16.9.2020** ■ **logistics talk**
www.bremenports.de/veranstaltungen
Leipzig, Germany
- 17.9.2020** ■ **Welt der Logistik (The World of Logistics)**
www.bhv-bremen.de/welt-der-logistik-2020
Bremen, Germany
- 22. – 25.9.2020** ■ **WindEnergy Hamburg**
www.windenergyhamburg.com
Hamburg, Germany

This information is without guarantee, because at the time of going to press it was not yet clear whether events would be cancelled due to the coronavirus.

Review

Annual press conference of the seaports of Lower Saxony

OLDENBURG. On February 12th, the Ministry for Economic Affairs, Labour, Transport and Digitalisation of Lower Saxony, Seaports of Niedersachsen and Niedersachsen Ports held a joint press conference to take stock of 2019 and to report on upcoming investments in the nine seaports in Lower Saxony. On this occasion (from left to right) Timo A. Schön, Managing Director of Seaports of Niedersachsen, Dr. Bernd Althusmann, Lower Saxony's Minister of Economic Affairs, Labour, Transport and Digitalisation, and Holger Banik, Managing Director of Niedersachsen Ports and the JadeWeserPort Realisierungsgesellschaft, announced to the numerous journalists who had travelled to the event that cargo handling for the past year amounted to 53.5 million tonnes – the best result since the outbreak of the financial crisis in 2008 (see also News page 9).



FRUIT LOGISTICA

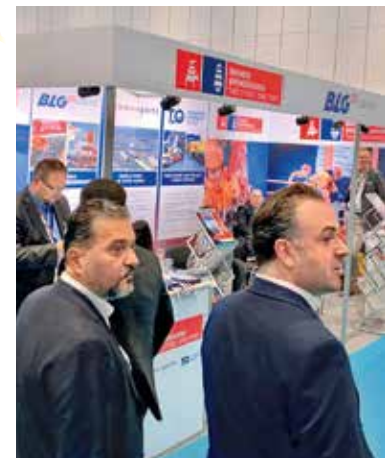
BERLIN. The leading trade fair within the global fruit trade, which took place in the German capital from 5 to 7 February, has set a new record this year with over 3,300 exhibitors and more than 72,000 trade visitors – despite the fact that numerous exhibitors from China were unable to attend at short notice due to the coronavirus outbreak. Apart from current developments in the logistics chain, sustainability and Brexit were the main topics of discussion. bremenports also exhibited in Berlin, specifically at a joint booth that was shared with the three co-exhibitors DAL Deutsche Afrika-Linien, Fruit Insurance and Heuer Logistics. Not only did the participants enjoy a large number of successful expert discussions, but they were also pleased to welcome Steffen Bilger, Parliamentary State Secretary at the Federal Ministry of Transport and Digital Infrastructure as well as the Federal Government Coordinator for Freight Transport and Logistics.

Port meets mainland

OLDENBURG. On 10 March, "Port meets mainland" made a guest appearance in the EWE Arena in Oldenburg, thereby scoring a three-pointer in both senses of the word. On the one hand, the experts from Wilhelmshaven delivered three exciting lectures on the topics "Aktuelle Entwicklungen in Niedersachsens Seehäfen" ("Current developments in the seaports of Lower Saxony"), "Mee(h)r geht immer" ("Ocean and abundance are always a good idea") and "Überblick über die Perspektiven für Unternehmen aus der Wirtschaftsregion Oldenburg-Land" ("An overview of the prospects for companies from the Oldenburg-Land economic region") On the other hand, a tour of the EWE Arena, the home of EWE Baskets Oldenburg, was on the agenda under the tagline "Challenge at the basketball hoop".

Breakbulk Middle East

DUBAI. On 25 and 26 February, 103 exhibitors from 72 countries representing the entire industrial supply chain and more than 3,400 visitors took part in the fifth edition of "Breakbulk Middle East" at the Dubai World Trade Centre. In the run-up to "Breakbulk Europe", which will take place in Bremen in May, bremenports was also represented there with its own stand. A number of heavy-lift and project cargo experts from BLG Cargo Logistics and Transport Overseas Shipping provided the port management company with dynamic support.



PHOTOS: ANDREAS BURMANN, BREMENPORTS (2)

EDITION
JUNE
2020

Main topic Scandinavia

The next stop on our logistics world tour is Scandinavia. This region in northern Europe is particularly successful at an international level because of its stable political and economic conditions and its rapid access to new technologies.



Point of View

Sven Riekers, Managing Director of BLG Cargo Logistics
on the topic of Scandinavia

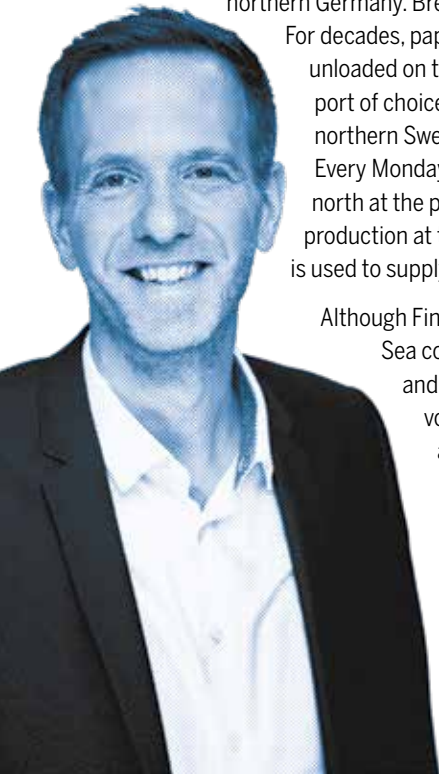


When taking a look at the “Facts about German foreign trade” published by the Federal Ministry for Economic Affairs and Energy, it becomes clear that Sweden, Norway, Denmark and Finland are among Germany’s 30 most important trading partners in terms of both exports and imports. This picture becomes even clearer when we take a closer look at the cargo handling activities in the ports of northern Germany. Bremen’s ports also have many years of successful partnership with Scandinavia.

For decades, paper and pulp products from densely wooded Sweden, for example, have been unloaded on the Weser and distributed from here throughout Europe. Bremen has been the port of choice for Smurfit Kappa for more than 50 years. The company based in Piteå in northern Sweden operates the largest paper mill for so-called kraftliner paper in Europe. Every Monday, BLG Logistics handles a roll-on/roll-off ship with paper rolls arriving from the north at the port of Neustadt for this purpose. Additionally, parts of the ore required for production at the steelworks in Bremen are shipped in from Norway, while the reverse route is used to supply oil and gas projects in Norway with pipe products from the Neustadt port.

Although Finland does not form part of the geographical Scandinavian region, as a Baltic Sea country it is nevertheless part of this trading area from the point of view of ports and shipping companies. Also in this case, forest products as well as significant volumes of project cargo or new vehicles manufactured in northeastern Europe are shipped between the various destinations. In addition to classic coastal cargo liners, the roll-on/roll-off ship plays a significant role here: Since only a few overseas ships depart directly from Finland, the BLG AutoTerminal in Bremerhaven functions as a hub for exports to and imports from this country in equal measure. The regular Short Sea Connections between Finland and Bremerhaven are used by project forwarders to reload high and heavy Finnish cargo from Bremerhaven to worldwide routes.

And so it becomes clear: Scandinavia is so much more than a midnight sun, moose and DIY furniture.



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