TIEFGANG#14

DEEP-WATER PORT

Holistic management approach: German Association of SMEs calls for new port strategy for German container ports. **Page 3**

CARRIER LINES

Hapag-Lloyd is thinking about joining Container Terminal Wilhelmshaven. Better cooperation between the German port locations would be a good thing. **Page 6**

LOCATION

Imperial Logistics has successfully established itself at ContainerTerminal Wilhelmshaven as a parts hub forAudi, Volkswagenand Volkswagen commercial vehicles.Page 7



PHOTO: JADEWESERPORT

Container Terminal Wilhelmshaven not only "does" large container ships and feeder services, but has always operated rail services too. Numerous container trains connect the port to the most important destinations domestically and in neighbouring countries several times a week – and now with China too.

A grand entrance for a very special train: In mid-July 2021, after a journey that covered 10,000 kilometres in 18-days, the first ever container block train arrived at Container Terminal Wilhelmshaven from the Chinese province of Anhui. On board were around 100 standard containers with household appliances, textiles and electrical goods that were eagerly awaited by the recipients. The train's welcoming committee included Minister President of Lower Saxony Stephan Weil, Mayor of Wilhelmshaven Carsten Feist, and Consul General of the People's Republic of China in Hamburg, Xiaohui DU. "The connection is of interest for goods that need to be transported quickly and are urgently needed," Andreas Bullwinkel, Managing Director of Container Terminal Wilhelmshaven JadeWeserPort-Marketing GmbH & CO KG (JWPM) explains. "This is more than just a train, it is an initiative to bring large amounts of cargo here." Not in competition with ships though – they take a lot longer, but can carry a lot more – but as an alternative to the sea route.

The first train will now be followed by two more: The Chinese state-run seaport operating company Hefei

International Land Port has agreed to continue to develop a regular container train service with Container Terminal Wilhelmshaven. Corresponding contracts have already been concluded for the establishment of regular traffic.

YOU CAN READ MORE ABOUT THE NEW RAILWAY CONNECTION ON PAGES 4 AND 5.



"The Container Terminal Wilhelmshaven has become a bridgehead for freight traffic along the New Silk Road as well as a door opener for Lower Saxony into the Yangtze Delta. For Wilhelmshaven and Anhui Province, the connection offers a real opportunity for brisk trade and the further deepening of relations between the two regions."

Xiaohui DU, Consul General of the People's Republic of China in Hamburg





PHOTO: RHENUS

Matthias Schrell is Managing Director of Rhenus Midgard in Wilhelmshaven. The logistics provider has had its own container warehouse at the Freight Village Wilhelmshaven for many years – and is one of the first businesses to move into the new "Atlantic One".

Mr Schrell, welcome to "Atlantic One"! What are your first impressions?

Now that we have been able to test the premises for a few days, I can say that our first impressions are positive all round. The office and social spaces are functional, modern and open, and the ramp-accessible warehouse is exactly what we had in mind. As a harbour logistics company with a variety of different activities on site, ramps that can be used flexibly and large ground-level access points, for example, are very important to us. Both options are covered here – and much more besides.

What made you decide to move into "Atlantic One"?

We already have our own port facilities and a container store here, where we keep hazardous substance containers and water-polluting materials, amongst other things. We strip and stuff containers, with bulk cargo and any large or heavy goods too. We also provide other services such as warehousing logistics, forwarding services and customs clearance. Moving into "Atlantic One" was an excellent way to ensure we keep the distances between operating sites as short as possible for staff and equipment. It also offers us the option to implement activities that go beyond pure logistics, such as an internal technical service. The combination of office and warehouse space was also a huge plus for us.

What makes Container Terminal Wilhelmshaven so interesting for your business and your customers?

As an existing local logistics company, Container Terminal Wilhelmshaven opens up complementary fields of operation to us. This is advantageous for both sides. For example, as part of the Rhenus Group, we can generate added value for the site in terms of container logistics – and vice versa. A further big plus is that, at Container Terminal Wilhelmshaven, there are practically no restrictions on space when it comes to organising logistics projects and sites. There is plenty of room here, unlike many other logistics hotspots in Germany and Europe. Therefore, we can adjust our capacities flexibly in line with the needs of our customers – another hands-down win where we are concerned, especially when looking to the future.

The Rhenus Group is a leading logistics company operating globally, with an annual turnover of 5.4 billion euros. It employs 33,500 people at 820 locations. Along the whole supply chain, the Rhenus Group offers solutions for a variety of industries, including multimodal transport, warehousing and customs clearance, as well as innovative value-added services. As a seaport service provider, Rhenus Midgard Wilhelmshaven, part of the Rhenus Group, operates a container warehouse with a total area of around 4,000 square metres in addition to transhipment services in the Freight Village of Germany's only deepwater port. It offers customers optimum facilities for storing, transhipment and weighing containers.



RECOGNISING WILHELMSHAVEN'S ADVANTAGES

More container ships at Container Terminal Wilhelmshaven equal more turnover – German Association of Small and Medium-Sized Businesses calls for new port strategy.



PHOTO: JADEWESERPORT

Even "old hands" from the shipping industry cannot remember a situation like this: Skyrocketing freight rates, especially on routes to and from Asia, a non-existent charter market, and severe delays on many scheduled services are currently shaking up the container shipping industry. The major shipping companies are complaining about slow turnaround times in German ports as well-and taking action.

Liner shipping companies Maersk and CMA CGM, for example, have diverted several vessels to Container Terminal Wilhelmshaven due to exceptionally long waiting times in competitor ports and have announced that they will continue to do so in the future. "We are very pleased that the shipping companies have chosen Wilhelmshaven as an alternative port," says Andreas Bullwinkel, Managing Director of JadeWeserPort Marketing. "They are aware of the flexibility that Container Terminal Wilhelmshaven offers them and can now see its advantages for themselves in day-to-day operations." This is because Germany's only deep-water port has sufficient capacity even for calls with little notice and the associated cargo peaks.

Meanwhile, in a recent position paper, the German Association of Small and Medium-Sized Businesses (BVMW) has called for a new strategy for German container ports. It states that a Chinese shipping company does not distinguish between Hamburg, Bremerhaven or Wilhelmshaven anyway. The association says Germany should move "to a holistic management approach in which ships are handled wherever offers the best logistical, technical, nautical and ecological possibilities." The paper also explicitly refers to the container terminal in Wilhelmshaven, a deep-water port that should be easily reachable for decades to come.

FREIGHT VILLAGE WILHELMSHAVEN OFFERS WHAT THE MARKET DEMANDS

The Freight Village Wilhelmshaven in Germany's only deep-water container port certainly cannot complain about lack of demand. The 150-hectare commercial and industrial space directly neighbouring the Eurogate Container Terminal Wilhelmshaven has everything the market for logistics facilities needs: it is trimodal, the availability of space and storage is flexible, there are connections to the hinterland, and it offers plenty of scope for development.

After only nine months of construction, the logistics facility of the Peper & Sons Group in the Freight Village Wilhelmshaven has been completed. The 12,000 square metre multi-user hall is called "Atlantic One". The halls and office space adhere to the most up to date industry building standards, and Rhenus is the first tenant.

But let's stick to the subject. A range of project developers have put the space offered at the Freight Village Wilhelmshaven at the centre of their planning for new logistics facilities. These include Europa Center Logistikimmobilien Projekte GmbH & Co. KG (EC), based in Hamburg, with more than 45 years' experience in building and operating logistics facilities. In total, EC has reserved a total of around 4 hectares in the Freight Village Wilhelmshaven, "for the chance to grow further," says Barbara M. Riewe, Managing Partner of EC.

In a first step, around 20,000 square metres of state-of-the-art logistics halls will be built at the site. The most recent developments in connecting Container Terminal Wilhelmshaven to the new Silk Road (see cover story) were a particular attraction for Riewe – she adds: "Surrounded by China Logistics, Nordfrost, Rhenus, Audi, and other big names, we feel very well positioned as a logistics facility property developer."

A statement that will give those in charge at the Freight Village Wilhelmshaven more wind in their sails. It is therefore no surprise that, with DFI Real Estate GmbH, the next property developer is already looking forward to a long and successful partnership.



PHOTO: PRIVATE

TIM-OLIVER FRISCHE

Editor-in-Chief of Ramp One



THE COMPLETE POSITION PAPER OF THE GERMAN ASSOCIATION OF SMALL AND MEDIUM-SIZED BUSINESSES (BVMW) IS AVAILABLE FOR DOWNLOAD HERE (GERMAN ONLY).

A GRAND ENTRANCE FOR THE FREIGHT TRAIN FROM CHINA



Happy about the arrival of the first train from China (from left to right): Carsten Feist, Lord Mayor of Wilhelmshaven Stephan Weil, Prime Minister of Lower Saxony Xiaohui DU, Consul General of the People's Republic of China Andreas Bullwinkel, Managing Director of JWPM PHOTOS: JADEWESERPORT

A freight train from China has travelled directly to the deep-water port Wilhelmshaven for the first time. The wagons were packed with more than 100 containers of textiles, household articles and electrical goods. Further trains will follow soon.



HERE YOU CAN FOLLOW THE ARRIVAL OF THE TRAIN IN THE VIDEO.

"Our rail infrastructure can serve as part of the new Silk Road."

STEPHAN WEIL, MINISTER PRESIDENT OF LOWER SAXONY

Emotions ran high on 13 July as a seemingly endless train approached its final destination at Container Terminal Wilhelmshaven on time. Representatives from politics and business had already gathered at the deep-water container port, giddy with anticipation, to give the colossus a warm welcome. Amongst the guests was Minister President of Lower Saxony Stephan Weil: "The container train connection between Hefei and Germany's only deep-water port underlines the partnership between the province of Anhui and Lower Saxony. With this connection, our state is demonstrating that our rail infrastructure can serve as part of the New Silk Road". The Chinese Consul General Xiohui DU also couldn't miss the opportunity to witness the train's arrival.

The train departed from the Chinese city of Hefei in the Province of Anhui, which, incidentally, has been a partner of the state of Lower Saxony for over 35 years. On the journey to the Freight Village, the train passed through Kazakhstan, Russia, Belarus and Poland. The state port operator Hefei International Land Port (HILP) runs the new connection, and specialises in managing block train connections to central Europe. Their portfolio also includes intermodal transport by sea and rail between Hefei and the port of Ningbo, as well as customised transport and logistics concepts.

HILP is an important member of the "One Belt, One Road" initiative. Known in Germany as the "New Silk Road Initiative", this venture groups together projects aimed at establishing and developing intercontinental trade and infrastructure networks between the People's Republic of China and over 60 other countries in Africa, Asia and Europe, and has been underway since 2013.

"Establishing a direct train connection between the Chinese province of Ahnui and Container Terminal Wilhelmshaven proves that in Lower Saxony, with Germany's only deep-water container port, we have a globally competitive location," said Lower Saxony's Minister of Economic Affairs Dr Bernd Althusmann, who is also Chairman of the Board at Container Terminal Wilhelmshaven JadeWeserPort-Marketing GmbH & Co KG (JWPM). "Thanks to our optimal hinterland connections, we can offer national and international customers the perfect rail solutions too."

The most important partner on the German side is DB Cargo Eurasia. The subsidiary of Deutsche Bahn AG serves as operator and service provider on the Eurasian corridor and, together with DB Cargo Russia, DB Cargo Poland and DB Cargo Transasia – a rail operator that is currently in development – forms the rail network beyond the eastern border of the EU.

"This is more than just a train, it is an initiative to bring in a whole lot of cargo."

ANDREAS BULLWINKEL, MANAGING DIRECTOR OF JADEWESERPORT-MARKETING

The new route is particularly interesting for time-critical freight shipments.



"Thanks to its optimal hinterland connections, Container Terminal Wilhelmshaven offers ideal conditions for rail transport."

DR BERND ALTHUSMANN, LOWER SAXONY'S MINISTER FOR ECONOMIC AFFAIRS

The success of the first train connection shows that Container Terminal Wilhelmshaven not only "does" ships, but trains too. The new connection is of interest for time-sensitive freight deliveries in particular, according to Andreas Bullwinkel, Managing Director of JWPM. In comparison to the 20 or so days needed to cover the distance by train, a container ship needs up to 32 days. "The train connection isn't a direct competitor with shipping, as ships can transport a much higher volume with their 23,000 containers."

With Wilhelmshaven, Germany therefore now has a new destination for trains from China. It is also conceivable that express freight from Asia heading for Scandinavia could be transhipped onto a feeder service in the port.

China Logistics, one of the biggest Chinese companies in the industry, is moving into the Freight Village and will also benefit from the new train connection. The company aims to invest around 100 million euros in a logistics centre at Container Terminal Wilhelmshaven. "China Logistics is one part of the concept for the new rail connection," says Bullwinkel. Together, the Chinese partners and Container Terminal Wilhelmshaven now aim to welcome a train every month. And they already have the green light where this is concerned – within days of the train's arrival, a new strategic cooperation agreement between HILP and JWPM and a Memorandum of Understanding between LWPM, China Logistics and the Anhui Provincial Port & Shipping Group were signed. This should mean that nothing stands in the way of the rapid development of regular connections between Hefei and Container Terminal Wilhelmshaven.

Meanwhile, the development of the rail connection from Oldenburg to Wilhelmshaven is in the home stretch. Following the refurbishment and double-track expansion, electrification is now underway. The work is scheduled to be completed in the summer of 2022, and operations can then begin after a trial run when the timetable is changed at the end of next year. It is not only freight trains to and from Container Terminal Wilhelmshaven that will benefit from the construction work – it will also offer advantages for passenger services too. The total cost is around 1.1 billion euros. Hapag-Lloyd, one of the world's largest shipping companies, is thinking about joining Container Terminal Wilhelmshaven.



"WE ARE CONSIDERING IT"

It was a just brief statement that Rolf Habben Jansen, CEO of Hapag-Lloyd, let slip at an online press conference: "We're considering it." This confirmed that the Group is thinking about joining Germany's only deep-water container port at Wilhelmshaven.

The move would give the shipping company the option to operate a container service from the Far East to Europe destined for Germany first, for example, rather than the Netherlands or Belgium. "This would have the potential to strengthen the position of German ports in relation to Rotterdam and Antwerp," Habben Jansen told daily newspaper "Die Welt". "I have often said that it would be good if the German ports cooperated more closely – we should make the most of our own strengths!"

The state of Lower Saxony is open to the Hamburg shipping company getting on board. "If Germany's leading shipping company is considering an operation in Wilhelmshaven, that obviously confirms the advantages of our terminal," says Minister for Economic Affairs Bernd Althusmann. "As the only deep-water port on Germany's North Sea coast, Container Terminal Wilhelmshaven has a unique selling point that has particular value for the container business."

Background: Hapag-Lloyd has around 250 modern container ships – and at least a further dozen are on their way. Two orders of six vessels each have been placed, so the shipping company will have mega container ships with a capacity of 23,500 standard containers (TEU) in the coming years. This makes them one of the largest box carriers in the world. "With this investment in additional new stock, we hope to make a further step in continuing to modernise our fleet," says Habben Jansen. The size of the ships on order is also a likely reason that Hapag-Lloyd is looking at the possibility of relocating some ship calls from other German ports to Container Terminal Wilhelmshaven.

Rolf Habben Jansen is CEO of Hapag-Lloyd.

Hapag-Lloyd operates around 250 modern container ships – and will soon be adding at least another dozen.





And the shipping company is also on a growth curve in other respects: Due to booming world trade, Hapag-Lloyd has enjoyed a leap in profits. In the first half of 2021, their operating income before interest and taxes (EBIT) rose to 3.5 billion US dollars (around 2.9 billion euros), compared with around 0.6 billion US dollars the year before.

In March 2021, Hapag-Lloyd also completed the acquisition of Nile Dutch, a shipping company specialising in shipping to and from Africa. The Dutch container shipping company based in Rotterdam is considered one of the leading operators for transports along the West African coast and thus a good complement to Hapag-Lloyd's network. On ten routes and with a transport capacity of around 35,000 TEU, Nile Dutch connects Europe, Asia and Latin America with West and Southern Africa.

PHOTOS: HAPAG-LLOYD

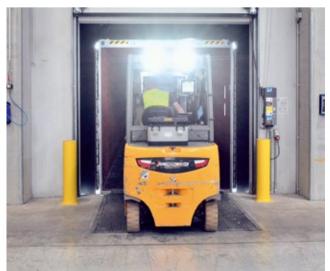
A **HUB** WITH THE BEST CONDITIONS

With 30 automotive plants on four continents on one side, and the world's shipping routes, and the European rail and road network on the other, Imperial Logistics International is now successfully established at Freight Village Wilhelmshaven as a parts hub for Audi, Volkswagen, and Volkswagen Commercial Vehicles.

Since 2019, Imperial Logistics International has been supplying from Wilhelmshaven 30 automotive production sites on four continents.







PHOTOS: AXEL BIEWER

Even against the backdrop of the gigantic gantry cranes, the hall directly behind the container terminal at Wilhelmshaven seems huge. The complex comprises 39,500 m² of warehouse space, a 6,500 m² unloading tunnel for the incoming semitrailers, 5,500 m² of space for empties, and a big parking area for waiting trucks. Since 2019, Imperial Logistics International has been supplying parts from this logistics centre to 30 Audi, Volkswagen and Volkswagen Commercial Vehicles production sites in 13 countries on four continents. On average, 350 semitrailers are unloaded each week, and deliveries are sorted and repacked according to the recipients' requirements. "We are a professional team," says operations manager Jason Opsahl, paying tribute to the 250 employees.

The two years since they opened have confirmed that Wilhelmshaven is the ideal choice of location for VW parts logistics. "All routes are open to us," says Opsahl. "From here, we can send our containers on their way by sea, and we can also reach other destinations quickly by road and rail." Now that "New Silk Road" reaches as far as Wilhelmshaven, the logistical possibilities have increased once again.

The Imperial team have been specially trained on the VW Group's high quality standards and have internalised what they have learned. Each truck that arrives has been assigned the exact unloading time and its location in the tunnel in advance. On a large display in their vehicle's cockpit, the forklift drivers receive precise instructions on where each pallet should be placed. After an initial visual check, each delivery is recorded in detail with a handheld scanner and labelled with an in-house barcode for further processing. "We are integrated into our customers' SAP inventory control system at every step. These additional labels are used to control the processes here in-house," Opsahl explains.

Imperial Logistics International currently has around 4,500 parts for Audi, VW and Volkswagen commercial vehicles in its catalogue. Standardised deliveries to the individual production sites tend to be the exception. For most shipments, different types of parts are put together in varying quantities. "Such a complex service can only be provided by hand," says Opsahl.

There are also quality and cost aspects that mean many things have to be done manually. On one of the packaging lines, employees manually wrap fully assembled triangular windows for a car model series in shock-absorbing film. This serves to protect the parts and also has logistical advantages – the manufacturer delivers the windows to Imperial Logistics International in special Styrofoam boxes, but they would take up too much space in the container. "In addition, it would be far too expensive to return this reusable packaging from overseas to the manufacturer," says Opsahl.

In addition to compiling each shipment, which is checked several times, packing the containers is one of Imperial Logistics International's important services. In order to make optimal use of the space in the container, each one is, in a sense, packed twice. First, the team assembles the shipment in the hall, sorted according to size and weight, and only then are the pallets and packages loaded into the container.

The 13,000 m³ that arrive at the logistics centre on average each week become only 9,000 m³ by the time they are shipped. The service for major customers is almost unlimited. "If things are particularly urgent, we can of course also send parts by air freight," the operations manager stresses. Thanks to the excellent connections at Container Terminal Wilhelmshaven, it is not a long way to the nearest international cargo airport. "It would be hard for internationally operating companies to find a hub with better conditions for their logistics operations," says Opsahl.



PHOTO: JADEWESERPORT

Container Terminal Wilhelmshaven is pleased to welcome the largest and most modern container ships from the CMA CGM Group, a world leader in shipping and logistics, as part of the latter's efforts to find agile and alternative solutions for their customers in these times of tension in global supply chains.

The "CMA CGM MONTMARTRE" made its first call at Container Terminal Wilhelmshaven on 7 August. On 12 August, the "CMA CGM JACQUES SAADE", the Group's flagship, reached Wilhelmshaven, followed by the "CMA CGM LOUVRE" two days later. They are among the largest and most environmentally friendly ships currently sailing the world's oceans. At 400 metres long and 62 metres wide, they offer a capacity of 23,000 TEUs. They all sail under the French flag. Following these three calls, more of the Group's ships also stopped at CTW.

All three mega-carriers operate on the CMA CGM Group's emblematic FAL 1 liner service between Asia

and Europe. Their route runs from Tianjin (China) via Busan (South Korea), Shanghai (China), Singapore, Le Havre (France) via Container Terminal Wilhelmshaven to Hamburg - and back again.

The sister ships also share a special feature: they are all powered by liquefied natural gas (LNG). According to the shipping company, LNG propulsion reduces emissions of sulphur oxide and particulate matter by 99 percent, and nitrogen oxide emissions by up to 85 percent.

LNG propulsion is not the only solution CMA CGM have implemented to reduce the environmental impact of its

operations. The "CMA CGM JACQUES SAADE" and its sister ships have been equipped with state-of-the-art features such as intelligent systems for reefer container ventilation management, flow-optimised hulls and Becker Twisted Fins for increased energy efficiency.

The ships were built by the main shipyard of Shanghai Jiangnan Shipyard (Group) Co. Ltd. CMA CGM operates nine 23,000-TEU LNG-powered vessels. By the end of 2024, the Group will have 44 LNG-powered vessels in its fleet.

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