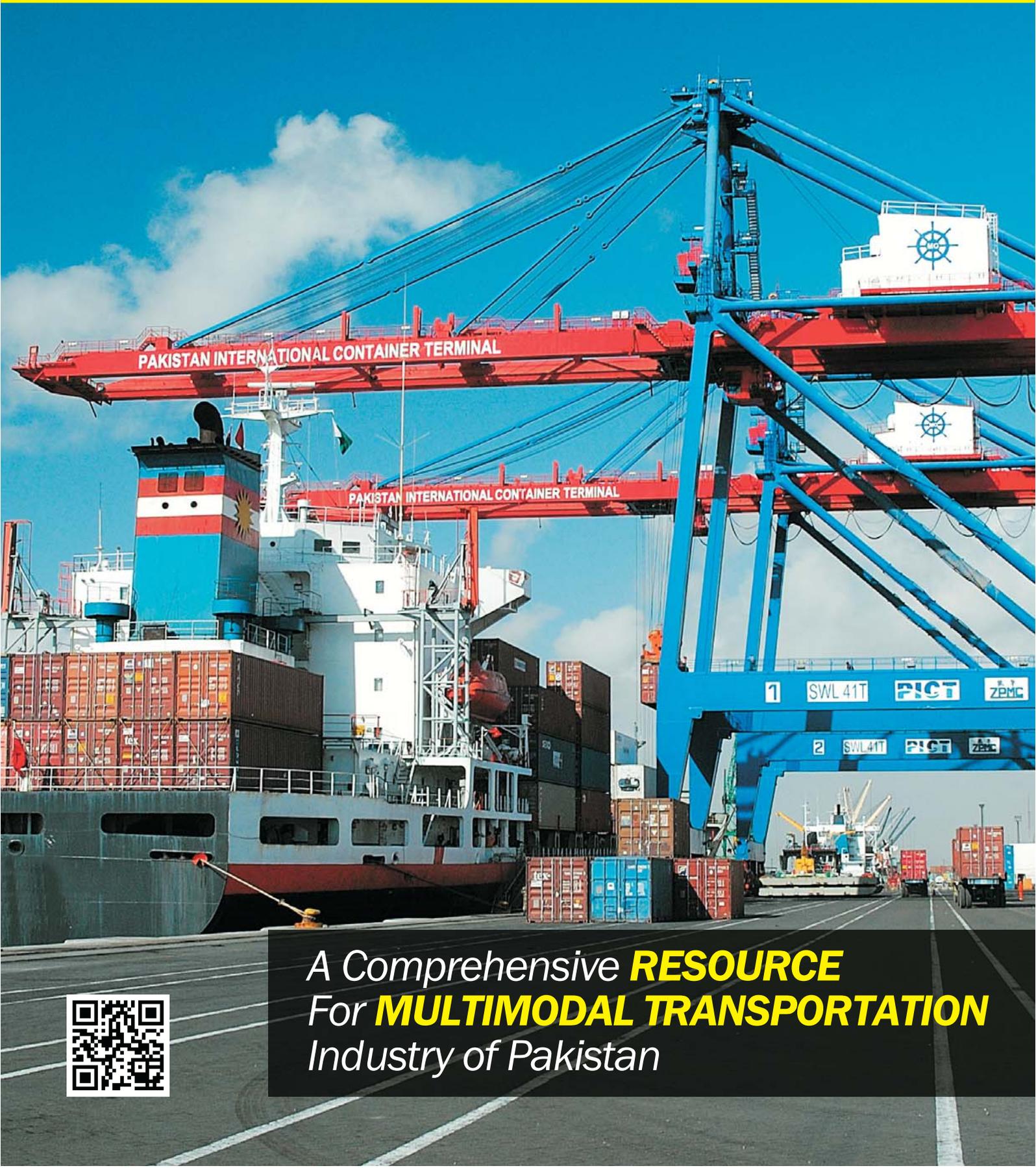




Volume 1 - Issue 1
January 2014

The Voyage

Pakistan's First Quarterly Intermodal Industry Newsletter



A Comprehensive **RESOURCE**
For **MULTIMODAL TRANSPORTATION**
Industry of Pakistan





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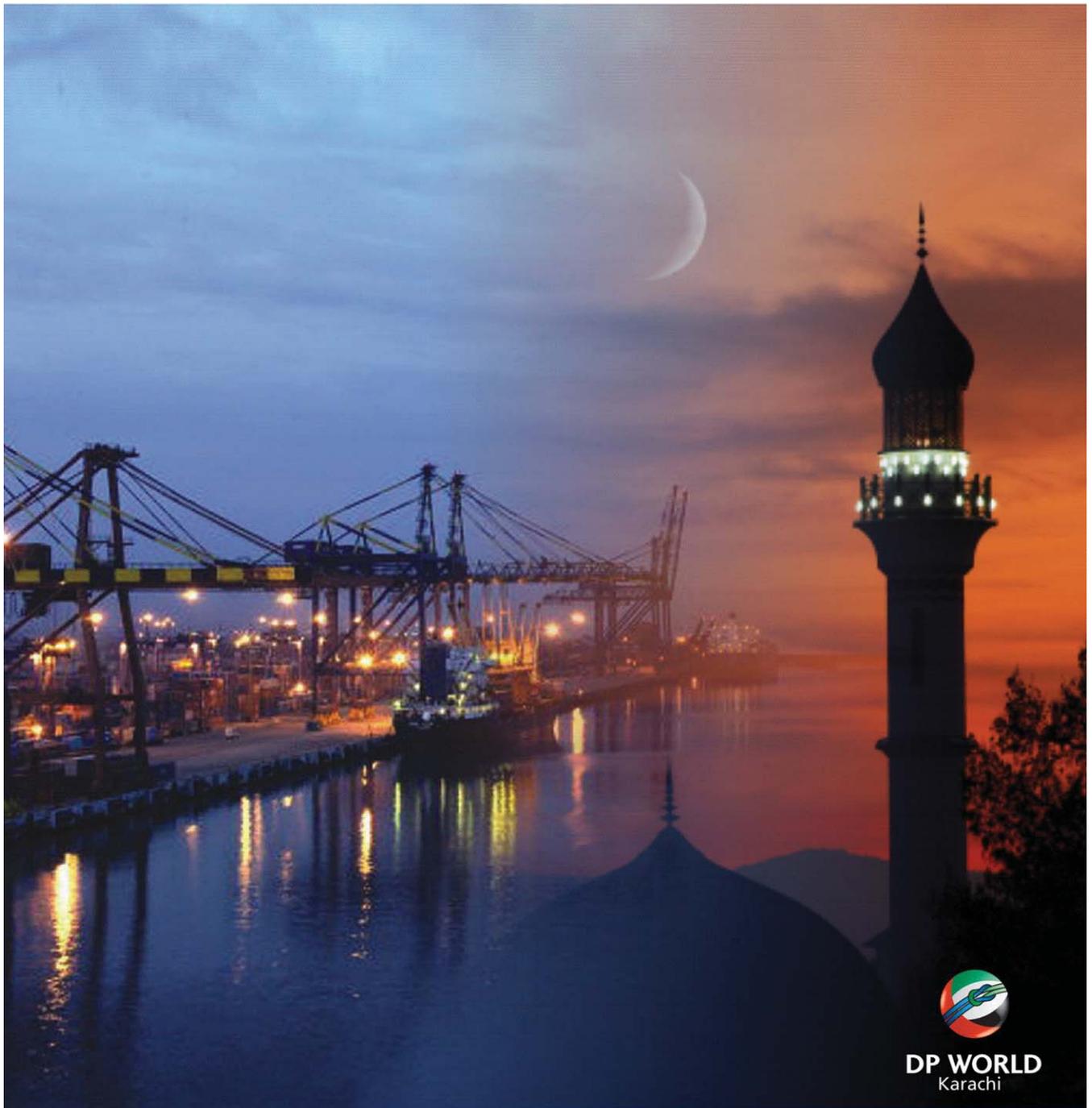
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Email: info@qict.com.pk Website: www.dpworld.com

Message from Ministry of Ports & Shipping



*Mr. Kamran Michael
Federal Minister for Ports & Shipping*

We would like to congratulate All Pakistan Shipping Association (APSA) and its members for publishing the first issue of their quarterly newsletter 'The Voyage' to cover various activities related to growth and development of port and shipping industry of Pakistan.

APSA has been very actively working to represent the shipping fraternity of Pakistan at various platforms and we appreciate the association in facilitating and guiding its members including shipping lines, container terminals and dry ports in various matters to harness a congenial and efficient business environment in the shipping industry.

In order to support the economy a country needs to rely on a modern and an efficient port infrastructure. Ports and Shipping facilities of Pakistan are exceptionally well not only from the trade and shipping point of view but also from the investment point both local and foreign. The strategic location of our ports with enhanced capacity of cargo handling and their intermodal-connectivity with rail-road networks provides an excellent opportunity of growth to further cater the regional freight movement.

We hope that 'The Voyage' will embark a new journey for Pakistan's Port & Shipping Industry in the global maritime business and will be a very useful publication to represent Pakistan at both local and international level. I encourage the industry to regularly refer APSA newsletter to gain insight about the current challenges of public and private sector, latest developments and future trends of the industry.

We are immensely delighted with APSA and its members to publish this valuable newsletter 'The Voyage' for Port & Shipping Industry of Pakistan.

Chairman's Messages

We would like to take this opportunity to apprise you about the new initiative of All Pakistan Shipping Association (APSA) and its members to keep you well informed about various activities that are shaping the future of shipping and logistics industry of Pakistan. In this regard, APSA has decided to bring out "Voyage" - the quarterly newsletter of APSA to highlight the role of APSA and endeavors of its members for the development of the shipping, cargo and transport business in the country.

The Port and Shipping industry of Pakistan trails back to centuries; however, its real progress and development started in last few decades. The industry has gone through many eras of ups and downs yet the experienced professionals of port and shipping fraternity have contributed greatly in its progress and success together with the indispensable support of government of Pakistan.

All Pakistan Shipping Association (APSA) has been actively participating with various facets of the industry both in public and private sectors to develop efficient and congenial solutions to better serve the needs of shippers/consignees and remove any obstacle that may hamper the growth and investment in Pakistan.

We hope you may enjoy reading the newsletter with reviews and updates about the recent happenings in the industry and would be glad if both our members and non-members would like to contribute any news, update or write-up about the industry in the next edition of the newsletter "The Voyage".

Capt. Mushtaq Ali Shah
Chairman

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Chairman
Capt. Mushtaq Ali Shah



Senior Vice Chairman
Mr. Abdullah Farrukh



Vice Chairman
Syed Raza Kazmi



General Secretary
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CURRENT MEMBERS

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Al-Hamd International Container Terminal
ANL Singapore
APL Pakistan
ARCAN Shipping Line
EMKAY Shipping Line
Bay Lines
CMA CGM Pakistan
CSAV Norasia Liner Services
Dynamic Logistics International LLC
Friends Corporation Stevedores
GAC Pakistan
HDS Lines
Ignazio Messina & C.
Indus Container Line

Interocean Cargo Services
Maersk Line
Safmarine
Marine International Container Terminal (MICT)
Mitsui O.S.K Lines Pakistan
Mediterranean Shipping Company
Muskan Container Lines
OOCL Pakistan
Pak Shaheen Container Services
Pak Shaheen Freighters
Pakistan International Container Terminal (PICT)
Qasim International Container Terminal (QICT)
Sharaf Shipping Agency
Transworld Cargo Despatch
Yang Ming Marine Transport

NEWS IN MEDIA

From the Monitoring Desk

Motorway project: Pak-China Trade Corridor Underway

The tentative alignment for the Gwadar-Kashgar Motorway has been cleared subject to feasibility studies containing commercial, technical and hydraulic aspects of the project. According to an official of the Communications Ministry the project would not only facilitate transit trade in the country but will also help in establishing regional connectivity.

The project is expected to affect fast track development of backward areas and would include industrial parks and economic zones along the proposed Kashgar-Gwadar trade corridor that would connect China's western autonomous regions with Baluchistan. As per the alignment of Pak-China Motorway, this trade corridor will be around 2,000 kilometres long.

The official said that this trade corridor would provide Chinese traders a link to deliver their goods to the international markets through the Gwadar Port. He said that this port if compared with other Chinese ports, would be the shortest possible route to the western provinces of China.

Manual of Ports, Shipping And Admiralty Law Launched

Pakistan's trade with different countries could be enhanced further if international laws of trade, Customs and shipping could be fully understood and practiced at local level by traders and businessmen or lawyers on their behalf. This was stated by Judge of Supreme Court of Pakistan Justice Mohammad Ather Saeed, while speaking as a chief guest at the launch ceremony of book "Manual of Ports, Shipping and Admiralty Law" by AMCO Enterprise at Karachi Club.

Author of the book, Mohammad Ahsan Ghani Siddiqui, who is an ex-engineer of merchant shipping and a practicing admiralty and international trade lawyer, said that the book has been written on high demand at local level to create convenience for legal fraternity and businessmen. He expressed the hope that the book will serve as a comprehensive guide to the legal fraternity and traders in understanding issues of local and international trade by port and Customs. The book has been compiled in a way that traders and professionals of maritime sector could understand various subjects of their fields and follow international trade laws in their business and duties.

Road and Rails: Businessmen gather to review logistics network

Federal Minister for Ports and Shipping, Kamran Michael, has said that the government is going to place an advanced information technology database and container tracking system in one month to avoid incidents of stealing from Afghan and NATO containers' supply. "This new tracking system will certainly discourage stealing of containers and smuggling under the Afghan Transit Trade as it would be linked with the department of customs," he said.

The present government intends to give all possible support to ports and their allied industries, said Michael, adding that his government gives the utmost importance to the development of country's ports. The Federal Minister also said that the government has planned to complete different infrastructural works on Gwadar Port in next five months. The port is being linked with other parts of the country and the construction work on these link roads have progressed significantly. Gwadar port is important for both Pakistan and China, which is why both countries are looking forward for its development and success, he added.

Carriage Train Operations To Turkey To Be Revived By December

The Federal Railways Minister Khawaja Saad Rafique said Pakistan was looking to revive the old train links between Islamabad and Istanbul including the carriage operations, and upgrade the Quetta-Taftan track for the purpose. According to a release, the decision was made in a meeting between Rafique and the Turkish Ambassador Babur Girgin in Islamabad. It was decided that the carriage operations will be restored by December 2013.

Rafique said for the link to work, Pakistan Railways plans to upgrade the Quetta-Taftan Railway track. However, Pakistan will require the cooperation and investment of Turkish rail companies for this purpose. The two discussed Pakistan's vision of a modern, advanced and well-equipped railway in the hour long meeting. They also discussed issues of regional connectivity and how the rail link will help facilitate regional economic connectivity and save considerable time in exporting goods from one country to another.

Lack Of Required Capacity: Customs Directive To Scan Each Container May Create Deadlock

According to sources, instead of evaluating scanners capacity installed at terminals - Pakistan International Containers Terminal (PICT), Qasim International Containers Terminal (QICT), Karachi International Containers Terminal (KICT) - Customs department has directed all terminals to ensure 100 per cent scanning before the release of consignments; this directive may however, create deadlock at terminals.

Terminal sources said that customs department without taking terminal operators on board had made 100 per cent containers' scanning mandatory for the release of consignments is creating hardships for stakeholders - terminals and trade. They said that scanners installed at all terminals had maximum capacity to examine 100 containers in a day and 3000 containers in a month. However, the accumulated volume of both (imports and exports) containers is around 15000 containers per month.

Cargo Transporters Strike Claims US\$36 Million A Day

The economy may suffer loss of billions in foreign exchange as consequences of the strike called by the cargo transporters at Karachi & Port Qasim Ports.

All Pakistan Textile Mills Association (APTMA) has urged the government to hold negotiations with the representatives of goods' transporters as an indefinite strike by them has resulted into losses of \$36 Million per day approx of foreign exchange. The Central Chairman APTMA Yasin Siddik in a statement asked why the government is sitting idle as the strike has entered into fifth day causing total halt in transporting export bound cargoes for shipment.

He said that this inaction on the part of the relevant authority is causing irreparable loss to the national economy and Pakistan is losing precious export orders.

Yasin said that the manufactured goods are piling up in the factories and there is no more space left to store further cargo and if the goods are not transported for shipment the production of the industry would come to a total halt and factories would start closing in a day or two. He called upon the government to act quickly and resolve this matter, before it would be too late.

"We make untiring efforts to fetch export orders and cannot let these orders go away to our competitors due to such strikes. The INDUSTRY urge the decision makers to take notice of the situation and ask the goods' carriers to immediately call off their strike," he added.

APSA asks govt to resolve transport strike issue

All Pakistan Shipping Association (APSA) has sent SOS to government to resolve the issue of ongoing strike by the goods transporters otherwise the vessels calling Karachi ports would be diverted by the shipping lines to other destinations.

In a statement the APSA has intimated the government to immediately resolve this issue and clear the ports congestion otherwise the shipping lines have threatened the stakeholders to divert their vessels calling Karachi ports to other destinations in the region. The APSA while showing great concern over the situation warned the government to seriously take up the issue as the country is facing irreparable loss of internal and external trade. Goods transporters' strike has entered into 7th day and shipping industry is incurring big losses due to vessels calling Pakistani ports, paying heavy port and other dues as there is no loading/discharging due to this strike besides creating heavy congestion in container terminals, as no outflow, is taking place.

All the shipping companies, shipping agents, cargo handling firms and all concerned along with APSA, appealed to the authorities concerned for early resolving this issue in order to avoid disrepute abroad.

Demurrage On Cargo Stuck During Strike Waived

The Ministry of Ports and Shipping has waived the demurrage imposed on cargo during the recent 11-day strike staged by goods transporters in an attempt to ease the hardships faced by the business community. Federal Minister for Ports and Shipping Kamran Michael announced this at the Karachi Chamber of Commerce and Industry (KCCI).

Speaking to the KCCI members, the minister said businessmen would not pay any demurrage on the cargo stuck at ports during the strike and the charges that had already been paid would have this payment used for future consignments. Replying to a question about detention charges imposed by container terminals, Michael said he would immediately take up the issue with all container terminal operators and it would be resolved in the next few days.

Chinese Firms Offer Gwadar-Khunjrab Rail Link

Consortium of two leading Chinese construction companies, CREC (China Railway Engineering Corporation) and Sinotec, has offered to construct strategic Gwadar-Khunjrab Rail Link at an estimated cost of Rs.250 billion including Rs.160 billion for infrastructure and Rs90 billion for locomotives on electric traction basis in four years on soft term loan.

The offer was made on behalf of the Chinese companies Consortium by Mr. Song Shuan Ping in a presentation before Railways Minister Khawaja Saad Rafique in Islamabad. The loan so offered can be professional loan, commercial loan or as a grant and will be payable in seven years period.

Pointing out strategic importance of Gwadar-Khunjrab Rail Link, Mr Song Shuang Song listed a number of benefits which would accrue both to Pakistan and China as well as other countries of the region once the project is implemented and it becomes operational. He said the rail link

will enhance the security of Pakistan and stabilize the region due to its strategic importance, main aim of the link is to connect the Central Asian Republics with Pakistan Railways network, the link will boost to a great extent trade relations between China and Pakistan. China will be able to receive cargo to and from Gwadar along the shortest route from Gwadar to Khunjrab.

He further pointed out that this rail link can also be used to supply oil from Persian Gulf to all Pakistan and Xianjiang China, can also provide access to China to Iran, enhance tourism in Northern Areas and Balochistan besides generating employment opportunities in the Northern Areas of Pakistan.

He said electric traction also has substantial financial benefits estimated to be around Rs32 billion per annum through saving on account of fuel and lube oil, maintenance and overhauling, less staff required, elimination of power vans, non-transportation of diesel oil, long life and short turn around time.

Global Freight Firm To Invest In Logistics

Geodis Wilson, one of the largest freight management companies with a global network, has indicated to expand its operation through its local strategic partner in emerging and unexplored Pakistan's market of logistics and allied sectors. According to the details, the expansion of operation will likely imply huge foreign investment in infrastructure and assets of its partner company e2e - which has been the fastest growing company in its sector with more than 1,500 clients.

In 2008, the Geodis group became part of the French rail and freight group SNCF. With presence in 120 countries, 'SNCF GEODIS' ranks among the top half dozen companies in its field in the world, 4th in Europe and no. 1 in France. The potential is valued at \$13 billion per annum, roughly around six percent of the country's GDP, by Global Monitoring Report published in 2011.

In order to gain foreign investors' confidence, the government is keen to extend its full cooperation and carrying out all possible efforts to attract foreign exchange, advance technology and human capital in various sectors, including logistics and shipping - which has been projected to be expanded with the development of Gwadar and different seaports at Karachi.

Govt Urged To Regulate Transport Business Prudently

Industrialists have appealed to the government to regulate the transport business prudently and revive goods trains by Railways that will bring down cost of transport appreciably.

The cost of transporting a 20-foot container from Karachi to Lahore by truck costs Rs80,000 to Rs100,000, while the cost of 40-foot container varies from Rs110,000 to Rs125,000, they said.

The transportation charges are reduced to half when goods are sent from Lahore to Karachi by the same transportation mode, they added. "The cost is punitive for the industries importing raw materials in Punjab and exporting goods through Karachi," Nabeel Hashmi, chairman of the All Pakistan Business Forum, said.

Railways is the main transportation vehicle of goods to sea ports around the world. The transportation cost through Railways is very low, he said, adding that one engine pulls 16 to 20 bogies of 80 tons capacity each on the Railway track. After activating Railways, the shipping lines should be asked to establish their offices in important cities having dry ports to ensure efficient imports and exports and eliminate delays and pilferages that do occur when the goods are shipped through roads on bonded carriers.

Another entrepreneur Aftab Ahmad Vohra said that if the importer wants the goods to be cleared in Lahore then he has to arrange transshipment through bonded container. The freight charged by the bonded container from Karachi to Lahore is 50 percent for a 20-foot container than normal non-bonded transport. Moreover, he said, the importer has to pay port handling charges in Karachi and then at the Lahore dry port.

Since bonded containers are limited, the importer has to wait for a few days to arrange bonded transport and pay storage charges to port handler, he said. Currently, there is a huge pilferage of goods on 1,250km journey of the bonded carriers from ports to Lahore, whereas it could be avoided.

Islamabad Ready To Offer Its Road, Rail Routes To All Regional Countries

Federal Railways Minister Khawaja Saad Rafique said on Tuesday that Islamabad was ready to offer its road and rail routes to all regional countries including China, India, Iran, Afghanistan, Turkey, Bangladesh and up to Central Asia.

He was talking to the media after addressing the "Regional Conference on Strengthening Transport Connectivity and Trade Facilitation in South and South-West Asia" jointly organized by United Nations Economic and Social Commission for Asia and Pacific (UNESCAP) and Ministry of Commerce, Government of Pakistan, at a local hotel.

In his address at the conference, the Federal Minister said that South, South-West Asia (SSWA) consisted of about half of the world population and rich with huge mineral deposits besides, having importance as a bridge between the North and South but its intra-regional trade was negligible. During fiscal year 2008-9, the intra-regional trade in South Asia was mere 5 percent of the global trade, which was far below its potential, he cited.

Khawaja Saad Rafique stressed the need for exploring and taking optimal benefits of the regional trade potential and SAARC, ECO and UNESCAP would have to play a more effective role in this regard. The Pakistan government, Khawaja added, was focusing and working on national and regional connectivity to connect China, India, Central Asia, Middle East and Europe while work on Gwadar Port was in progress expeditiously.

Trading In PIBTL Stocks From Tomorrow

Pakistan International Bulk Terminal Limited (PIBTL) is set to appear on the ready board of the Karachi Stock Exchange from Monday.

PIBTL, the country's sole dedicated bulk terminal with annual capacity to handle 12 million tonnes of cargo, mainly coal, clinker and cement, would start commercial operations by mid-2015. Currently under construction the Bulk Terminal would require estimated capital outlay of \$185 million, which would be financed through a mix of debt and equity in the ratio of 49 to 51 percent.

The company has Build Operate Transfer (BOT) contract with Port Qasim Authority for construction, development, operations and management of coal and clinker/cement terminal at Port Qasim, Karachi. The PIBTL is expected to benefit from bulk handling of increasing imports of coal to be used in construction of coal-fired power plants; proposed conversion of four independent power producers (IPPs) to convert from furnace oil to coal. "With these developments, we estimate coal demand in the country to climb by 28 million tonnes per annum going forward," says Mohammad Tahir Saeed, analyst at Topline Securities.

KESC has also signed MoU with PIBTL to handle 4 million tonnes of coal per annum from 2015 onwards for its upcoming 1200MW coal conversion plant. Coal is also a basic raw material for manufacture of cement; the current demand at 5 to 5.5 million tonnes. Handling of import coal by PIBTL would be of benefit to both the cement companies as well as the bulk terminal.

Top Management Of ANL - A Group Company Of CMA-CGM Visited PICT

A lunch was hosted at Pakistan International Container Terminal (PICT) in honor of Mr. John E. Line, Managing Director ANL Container Line a company of CMA-CGM which is one of the top 3 shipping lines of the world. Mr. John E. Line is accompanied with Mr. Saddi Al Rais, Chairman of RHS Group (Dubai) here in Karachi. ANL Container Line is represented in Pakistan by PortLink which is one of the members of All Pakistan Shipping Association (APSA). Chairman APSA, Capt. Mushtaq Ali Shah was also invited with other dignitaries at the occasion and discussed various opportunities related to expansion of shipping business in Pakistan.

SRO in Spotlight

SRO Reference: C.No.S1/MISC/Office-129/2012-TG

Date: 17 December 2013

Subject: Public Notice No.4/2013(DTT, Karachi)

Issued By: Directorate General of Transit Trade, Custom House (Karachi)

1. Under Instructions from Federal Board of Revenue it is circulated for the information of all concerned, including the Afghan Transit Trade Importers, Customs Clearing Agents, Border Agents, Terminal Operators, Shipping Agents, Bonded Carriers/Transport Operators and other stakeholders that the processing and clearance of all types of Transit Trade Cargo (Commercial & Non-Commercial), to and from Afghanistan, shall be carried out under the Web Based Customs Computerized System (WeBOC) with effect from 0001 hrs on 31.12.2013 and all Afghan Transit Goods Declarations (AT-GDs)

in respect thereof shall be filed under the Customs Computerized System by the Afghan Importers or their Authorized Customs Clearing Agents through the User IDs allotted to the respective users.

2. The shipping line shall mention the via Port i.e. Torkham/Chaman/Wahga in Bill of Lading and the same shall be distinctly manifested in the carriers declaration uploaded electronically in the Customs Computerized System.
3. The Transit GDs already filed in One Customs but not cleared in the System at the time of activation of the WeBOC system shall be cleared under the One Customs.

APSA HIGHLIGHTS

APSA Hosted a Lunch in Honor of Director General Customs



25th April 2013 (Karachi): (from left to right) Mr. Wajid Ali (Asstt. Director Customs Valuation), Mr. Aasim A. Siddiqui, Mr. Amir Muhammad Marwat (Director General Customs Valuation), Mr. Shoaib Siddiqui (APSA EC Member - MICT), Capt. Mushtaq Ali Shah (APSA EC Member - CSAV Norasia)



25th April 2013 (Karachi): (from left to right) Capt. Mushtaq Ali Shah (CSAV Norasia), Mr. Qamar ul Haq (AICT), Mr. Morten M. Jensen (Maersk Line Pakistan)



25th April 2013 (Karachi): (from left to right) Mr. Cyrus R. Khursigara (DP World - QICT), Capt. Syed Akram Ali (MSC Pakistan), Mr. Farooq Tareen (CMA CGM)



25th April 2013 (Karachi): (from left to right) Mr. Cyrus R. Khursigara (DP World - QICT), Mr. Morten M. Jensen (Maersk Line Pakistan), Mr. Shoaib Siddiqui (MICT)

APSA Annual General Meeting



18th September 2013 (Karachi): (from left to right) Capt. Khalid Rizvi of Sharaf Shipping Agency, Mr. Bashir Ahmed, Senior APSA Lawyer, Mr. Cyrus R. Khursigara (DP World - QICT), Mr. Morten M. Jensen (Maersk Line Pakistan), Mr. Aasim A. Siddiqui (Chairman-APSA), Mr. Choo Joon Thaddeus of OOCL



18th September 2013 (Karachi): (from left to right) Mr. Choo Joon Thaddeus (OOCL), Mr. Francis D'Lima (APL Pakistan), Mr. Terence L Lobes (MOL Pakistan), Capt. Syed Maroof Ahmed (Interocean Cargo Services), Mr. Farooq Tareen (CMA CGM), Mr., Mahmood Ghaznavi (Ignazio Messina), Mrs. Imrana Butt (Muskan Container Line), Mr. Pervez Butt (Muskan Container Line)

APSA Meeting with President FPCCI held at Federation House



4th December 2013 (Karachi): (from left to right) Mr. Shakil Ahmed Dhingra (Standing Committee Chairman - FPCCI), Mr. Zubair Ahmed Malik (President - FPCCI), Capt. Mushtaq Ali Shah (Chairman - APSA), Mr. Azher Mehmood Alam (APSA EC Member, MSC Pakistan)

APSA & KCCI Members Meeting



5th December 2013 (Karachi): Mr. A. Abdullah Zaki, President KCCI presented Shield to Capt. Mushtaq Ali Shah, Chairman - APSA at KCCI President Office

APSA Represented Pakistan at International Forums



10th December 2013 (Dubai, UAE): Mr. Aasim Siddiqui (Ex-Chairman of APSA) presented his paper about the progressive development of Shipping & Logistics industry of Pakistan, in an international conference of Terminal Operating Companies at TOC Middle East Conference 2013



8th October 2013 (Hamburg, Germany): Mr. Jawaid Siddiqui on behalf of ex-chairman APSA, Mr. Aasim Siddiqui; presented paper on "Creating Value in Multimodal Trade Through Rail Linked Inland Depots" at INTERMODAL EUROPE 2013 Exhibition & Conference

Meeting of the CEOs of APSA Member Shipping Lines



22 January 2014 (Karachi): (from Left to right): Syed Raza Kazmi (Vice Chairman APSA, Maersk Line Pakistan), Mr. Imtiaz Ali (Safmarine), Capt. Khalid Rizvi (Sharaf Shipping Agency), Mr. AB. A. Aziz Toha (APL Pakistan)



22 January 2014 (Karachi): (from Left to right) Mr. Abdullah Farrukh (Sr. Vice Chairman APSA, Director Pak Shaheen Group) with Mr. Jeffrey Lee (OOCL)



22 January 2014 (Karachi): (from Left to right) Mr. AB. A. Aziz Toha (APL Pakistan), Mr. Nasir Pasha (ANL Singapore), Mr. Abdullah Farrukh (Sr. Vice Chairman APSA, Director Pak Shaheen Group), Mr. Riaz Ahmed (Secretary General - APSA)

MEMBERS UPDATE



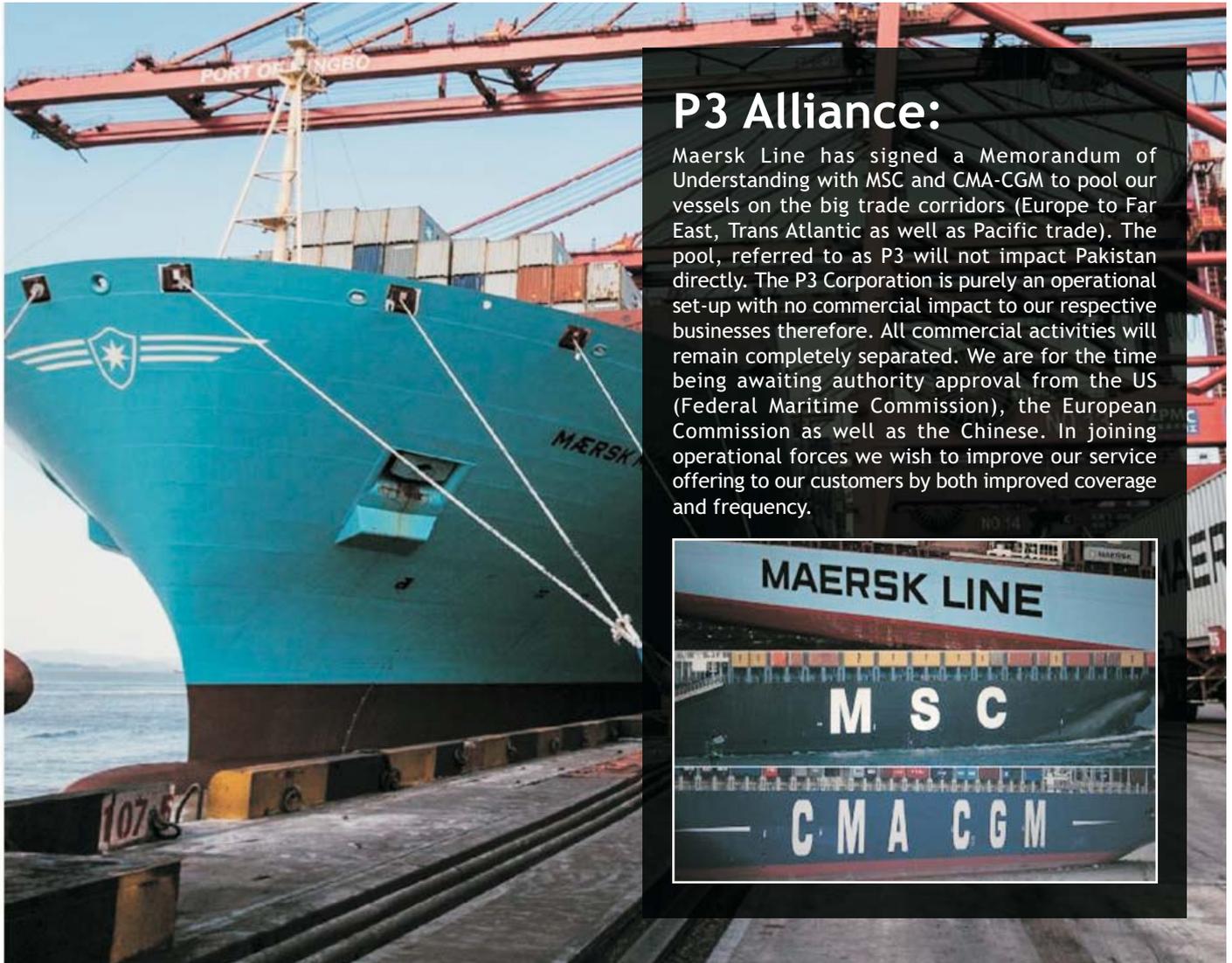
The first vessel of the EPIC service Rio Bravo v.345 called QICT on 6th December 2013. This EPIC service comprises of 2 partners Hamburg Sud (HSD) and Hapag Lloyd (HLL). The vessel berthed at 9:10 hrs and vessel operation commenced at 09:40 hrs on 6th December 2013. The vessel handled 1280 units and completed operation at 06:30 hrs on the 7th of December 2013 managing a healthy productivity of over 60 moves per hour. The vessel sailed for Nava Sheva at 10:20 hrs on 7th December 2013. We at DP World Karachi (QICT) are highly appreciative of HSD and HLL principals and their local agents for putting their trust in DP World Karachi (QICT) and we assure both of delivering the highest quality of service to make a success of this EPIC service.

Capt. Arif Sayeed COO of DP World Karachi (QICT) presented plaque to Master of Rio Bravo in the presence of Capt. Syed Nazir Ali General Manager Operations UMA (local agent of HSD) on her maiden voyage to QICT on 6th of December 2013 under the EPIC service.

The total throughput for the year 2013 is 775000 teus which is the highest that QICT has ever achieved. With the year ending 2013 we expect to cross the 900,000 TEUs mark in 2014.



Month	IMPORT				EXPORT				Vessels
	20	40	Units	Teus	20	40	Units	Teus	
Oct-13	9,858	9,330	19,324	28,892	12,247	8,092	20,339	28,431	40
Nov-13	11,714	9,636	21,642	31,822	11,838	7,186	19,024	26,210	39
Dec-13	15,485	11,758	27,691	40,300	17,346	12,694	30,040	42,734	44



P3 Alliance:

Maersk Line has signed a Memorandum of Understanding with MSC and CMA-CGM to pool our vessels on the big trade corridors (Europe to Far East, Trans Atlantic as well as Pacific trade). The pool, referred to as P3 will not impact Pakistan directly. The P3 Corporation is purely an operational set-up with no commercial impact to our respective businesses therefore. All commercial activities will remain completely separated. We are for the time being awaiting authority approval from the US (Federal Maritime Commission), the European Commission as well as the Chinese. In joining operational forces we wish to improve our service offering to our customers by both improved coverage and frequency.

Maersk Line tops the Drewry Schedule Reliability Ranking -Q3 2013:

We are again proud that we in the third quarter of 2013 remain on top of schedule reliability at 98.8pct of all sailing being 100pct on time. Maersk Line achieved its position by recording an on-time performance across all trades covered of 79.3% in the third quarter. We know how important it is for our customers' cargo to be delivered on-time and in good condition and in doing so it has only been natural for us to build our brand around our reliability performance. We have therefore launched our new brand strategy around: **YOUR PROMISE - DELIVERED**. We hope the tag line will become a "natural extension" of company name when you hear about us.

**Your promise.
Delivered.**
More than just **three** words.

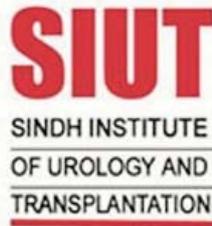
Captain Phillips:

In November, the Hollywood motion picture Captain Phillips was released across Pakistan. Directed by Paul Greengrass and starring Tom Hanks, the film tells the true story of Captain Richard Phillips who was taken hostage by Somali Pirates during the failed hijacking of Maersk Alabama in 2009. In making the movie, A.P. Moller - Maersk acted as consultants and assisted Sony pictures and Paul Greengrass in depicting everyday life onboard a vessel and understanding the technical aspects of the vessel.

The piracy issue in the Gulf of Aden may have declined in scope but remains a threat to the shipping industry at large in certain areas of the West African coast and something we - at Maersk Line are taking extremely seriously. The movie highlights the real problem international shipping faces today and we recommend you see this movie.



Maersk Line CSR Engagements:



In recent years, the A.P. Moller Maersk Group has worked to implement formalized principles and forge partnerships that integrate social responsibility more tightly into our business and our operations. Maerskline Pakistan recently paved way for such partnership and contributed to the sector of education and healthcare.

Maersk Pakistan has supported the CARE Foundation by reaching out to the Govt. Girls Secondary School located in Akhtar Colony. It was pleasant to see the number of children attending classes despite the fact there was neither any water supply available nor sufficient books in the library. Funds which could be better utilized were being spent on a weekly tanker service. Our first step was donating books for use in the school library and then making arrangements for burrowing thereby creating a constant supply of water. CARE Foundation is a charitable trust which was founded in 1988 with an objective to adopt government schools, revamp the facilities and then place their own administration to ensure that the highest quality of education is maintained. As of today CARE is managing 225 schools in the country.

Education must indeed be spread in the masses over generations if we are to bring our country out of the vicious poverty cycle. We all need to play our part and hope that our contributions take the journey to prosperity forward. In the effort to further uphold this vision, Maersk Pakistan has also partnered with Nixor College by sponsoring finances required to arrange transportation, stationary and notebooks for the orphans at Sirat-ul-Jannah. These children are taught four days a week at the Nixor College campus with the curriculum including courses as diverse from Languages to Art and Science.

Apart from the CARE Foundation and Nixor College we have also contributed to the free-healthcare cause under the umbrella of SIUT and Indus Hospital, by providing them with much needed funds for medical equipment in an effort to reach out to the thousands of patients being extended treatment on a daily basis.



Together We Go Places

For many years you have known Safmarine as the company where people make the difference. That will never change, but what has changed is the tagline.

“Together we go places” expresses Safmarine’s desire and commitment to bring more value to customers. By focusing on and understanding the needs of customer’s business, passionate and dedicated Safmariners provide a personal touch to shipping. The new tagline reflects the ambition to continue delivering the highest level of care for its customers and their business.



Safmarine Pakistan Team celebrating the Tag line Internal Launch

Safmarine CSR Engagements 2013

Safmarine Pakistan teamed up with Teach for Pakistan (TFP) to address educational inequity; thereby contributing to the issue of poverty and socio economic immobility in Pakistan. We chose to focus on education as our area of concern keeping the gravity of education problem in Pakistan.

Majority of children in Pakistan do not have access to educational opportunities that would enable them to improve their life prospects. Access to quality education is primarily confined to the privileged class. One-third of the 20 million primary school age children in Pakistan are

out of school. At and before the age of 16, 65% of Pakistani children cannot read a simple story in any language. TFP is a nationwide movement of recent graduates and young professionals who commit two years to teach in under-resourced schools and go on to become lifelong leaders working from across all fields to expand educational opportunity.

TFP is part of Teach For All, an international network of 19 independent social enterprises including Teach For America (US) and Teach First (UK) that are working to expand educational opportunity in their nations by enlisting their most promising future leaders in the effort.

Safmarine Pakistan extended support to TFP by sponsoring the expenditure of one teaching Fellow to become part of the TFP Fellowship program. The program helps university graduates teach at lower income schools in the country. The Corporate Social Responsibility (CSR) team of Safmarine Pakistan paid a visit to the Government Girls Secondary School (GGSS) Intelligence at Sultanabad, Karachi where TFP has three Fellows teaching various grades. The team closely observed live class room sessions conducted by the Fellows. An interactive session followed wherein the Fellows shared the developments made in various teaching methodologies introduced to uplift the educational standard of the school.



From L to R: Omer Khan, Account Manager for Sales, Danish Hassan, Export Sales Manager, Intiaz Ali, Customer Service Manager, Minal Khan, Communication Analyst, Amber Zuberi, Teach for Pakistan Program Coordinator, Khadija Bakhtiar, Teach for Pakistan CEO

VIEWS & REVIEWS

WeBOC For The Development Of EDI

The present era is of Technology that has brought productivity at various levels of shipping industry; however, adapting to technology is yet another challenge to cope with. WeBOC (Web Based One Custom) is a shining example of technology that provides real time updates to port authorities and shippers/consignees. However, due to lack of well trained professionals mal-practices are rampant. Recently, the shipping lines/agents representatives are concerned that the curbing illegal removal of goods from ODT cannot be achieved by establishing EDI with shipping agents, as the delivery orders (D.O.) are issued by the shipping agents much prior to the custom clearance.



According to shipping lines / agents , the line can neither release nor hold delivery orders on customs instructions. As per international trade practices all lines are bound to release goods to merchant or his nominated agent upon completion of all documentary requirements and due payments to line / NVOCC's by them.

Further there is a difference in customs manifestation procedure between Port Qasim Collectorate & Port Karachi Collectorate. As per Port Qasim Collectorate no on-line amendment is allowed by shipping lines / agents, whereas amendments are being done on-line for vessels calling Karachi port. Though there is no difference in WeBOC system functionality between these two ports, but shipping lines are not allowed on-line amendments as per customs circular #: S9/05/2011/PQ-IMP dated: 7th Dec, 2011. It is suggested to withdraw such notice to lines for smooth processing of routine procedures.

It is also observed that 50 to 55% of the business of LCL consignments is being handled by freight forwarders, who also act as consolidators and file their own IGM in some cases. In this regard, the role of freight forwarders association is very vital to show its real concerns in understanding the gravity of such matters and resolve these issues in national interest.

Another bottleneck that needs dire attention is with the held up of export full container entry into port / terminal due to missing clearance update in WeBOC system for container import cycle. This is either a system bug in WeBOC application or some procedure lapse from customs officials causing this issue of pending import goods declaration (GD) even after container(s) at port / terminal with export cargo.

It is also noticed that some Bonded Warehouse Keepers and Inland Container Dry Ports are not acknowledging the receipt of containers in the WeBOC, as a result the gate out event of the containers is not performed in the system, and later at the stage of passing-in of these containers at the terminal as export, the system does not allow the pass-in of the containers in the terminal. Due to this import cycle has not been completed earlier. This results in shutting out of export containers and eventually leads to cancellation of orders for exporters.

Logistics Service Providers Regulatory Authority Bill (LSPRA)

Secretary Commerce informed that Logistics Service Providers Regulatory Authority Bill (LSPRA) Bill formulation had arisen because of the large number of complaints received against the service providers like the freight forwarders and shipping lines/agents. Many meetings on the subject had already taken place to obtain consensus regarding the bill but the cabinet division returned for re-consideration after further review with the stakeholders to reach a consensus. To finalize the bill for submission to the Cabinet, he asked the participants to express their point of view on the proposed bill. All the foreign shipping lines have expressed their concern on making the business environment for them difficult to operate. The foreign shipping lines have expressed their concern on making the business environment for them difficult to operate.



Many foreign carriers showed their reservations on LSPRA Bill with regard to increased cost of doing business in Pakistan. Further, imposition of various taxes and levies is already burdening Foreign Carriers whose pull out will result in loss for the overall trade and economy of the country. It is highlighted that all commercial tariff and pricing are formulated as per international practices and are intimidated by the shipping lines and therefore it should be explicitly excluded from the draft of the Bill as it will contradict with the interest of foreign investors in Pakistan. Moreover, there is a need to include a broader spectrum of stake holders in the review committee, like clearing & forwarding agents, Bonded Carriers, NLC, truckers, airlines etc. The plight of Exporters & Importers is already being resourced through related government agencies.

The industry also holds a strong reservation on the composition of the LSPRA authority where service receivers are proposed to be included as regulators of service providers. According to Customs Act which requires shipping lines/Ports/Terminals/Clearing Agents/Bonded carriers to obtain license from Pakistan Customs to operate and is currently regulated by them except freight forwarders. It is also noticed that certain points proposed in the bill contravenes Customs Act 1969.

Taxation Of Principal Payments In The Hands Of The Agency

FBR have allegedly compared the details of payments given in Statement under section 165 of the Ordinance filed by the shipping agents and then compared it with the total expenses of agents profit and loss account/annual tax return/financial statements. The difference between the two numbers is to be treated as

unexplained income of the shipping agents under section 111(1)(c) of the Ordinance.

The section 165 of the Ordinance requires every person who has collected tax from payments made to furnish a monthly statement in the prescribed form. The payment can be on account of expenditure incurred, payment on account of capital expenditure or any other payment from which tax is required to be deducted. These payments must not comprise only of expenditure incurred.



Accordingly the shipping agents filed statement under section 165 of the Ordinance in respect of payment made during the year which inter alia contains details of the payments made by the company during the year on which tax has been deducted and deposited. These payments included payment of expenditure by the company, payments on behalf of the principals, payments on account of dividend, and purchases of fixed assets etc which do not become part of profit and loss account.

The tax department attempted to levy or recovers FED on the freight income of the shipping lines also. The levy of FED @16% on freight income of shipping lines on one hand will increase the cost of Imports and Export, which would be a major deterrent for ailing economy of the country, and on the other hand would cause serious hardship for shipping industry as a whole. As a consequence, the foreign shipping lines will be constrained to revise the pricing mechanism for Pakistan and opting to restrict to and from voyages. This action may result in shipping line not calling Pakistan Ports.

Further, the allocation of sales tax being paid by shipping agents to the respective provinces has not yet been finalized. Currently, whole sales tax applicable on the Shipping Agents' Services is being demanded by SRB.

However, the Punjab Revenue Authority (PRA) requires the Shipping Agents to pay Punjab Sales Tax (PST) on the services provided or rendered in relation to the cargo imported for Punjab and/or exported from Punjab through the ships-or-port handled/customs-cleared anywhere in Pakistan, whether in Punjab or outside Punjab.

The requirements of the PRA will cause problems and may result in double taxation because the services of the shipping agents in the Sindh are also liable to Sindh Sales Tax (SST) on the principles of origin while the Punjab Government appears to be interpreting eventual consumption of the service as the taxation principle.



No matter where you're trading, we'll put the right people by your side

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www.safmarine.com

 *Safmarine*
Together we go places



Europe/UK/Ireland/Baltic Sea/Russia/Med/Black Sea/N. Africa

EXPORTS

Vessel	Voy	Service	T-P	Terminal	ETA	CUT OFF	ETD	EGM
COSCO KAWASAKI	019	AGI	MUN	KICT	12-02-14	11-02-14	13-02-14	--
EVER PEARL	176	IBS	MUN	PICT	14-02-14	13-02-14	15-02-14	--
MSC NATALIA	407	RSS	MUN	QICT	15-02-14	14-02-14	16-02-14	--
NORTHERN PRELUDE	036	AGI	MUN	KICT	19-02-14	18-02-14	20-02-14	--

Schedules are subject to change with or without notice.

NIMX/NIMY SERVICE

Mundra, Jeddah, Gioao Tauro, Valencia, Rotterdam, Antwerp, Felixstowe, Hamburg.

TRANS-SHIPMENTS

Via Gioao Tauro: Genoa, Barcelona, Cuvio Italy, Fos.
Via Rotterdam: Aarhus, Copenhagen, Helsinki, Kotka, Bremen, Cork, Gdania, Gdansk, Bremerhaven, Austria, Czech Republic, Lisbon, Leixoes, St. Petersburg, Belfast, Dublin, Gothenburg, Helsingburg, Fridricia, Tallin, Hamina, Kemi, Turku, Alesund, Stockholm, Bergen, Halden, Larvik, Moss, Oslo, Malmo, Norkoping, Kristiansand, Tornio, Rauma, Sandnes.
Via Felixstowe: Runcorn, Laton, Vigo, Nelson, Bolton, Slough, Accrington, Dewsbury, Mirfield, Glasgow, Dukinfield, Bristall, Rochdale, Nottingham, Birmingham, Southhall, Liverpool, Manchester and all UK inland destinations, Chorley, Leeds, Claton Le Moors.

NIMX /ABS2 SERVICE

Via Jeddah: Istanbul, Hayderpase, Izmir, Gemlik, Mersin, Alexandria, Lattakia.

NIMX /ABS2 SERVICE

Poti, Piraeus, Limassol, Izmit, Thessaloniki, Constanza, Illychysk, Odessa, Novorossysk, Varna, Istanbul, Beirut.



ECSA/WCSA/Mexico/Caribbean/Central America

Vessel	Voy	Service	T-P	Terminal	ETA	CUT OFF	ETD	EGM
MOL DIGNITY	027	SPX	PKG	KICT	16-02-14	15-02-14	17-02-14	--
RIO CHARLESTON	1401	FIX	SHA	PICT	16-02-14	13-02-14	17-02-14	--

ASA1/ASA2 AJCS

ECSA: Santos, Montevideo, Buenos Aires, Rio Grande, Rio-de-Janiero, Pecem.
WCSA: *Manzanillo, Mexico (Panama), Cartagena, Kingston, Caucedo, San Juan, Peurto Cabello, Port Au Prince, Port of Spain, Havana, Georgetown, Paramarito, Colon Free Zone etc.

AGA 1 & AGA2

Manzanillo, Callao, San Antonio, Iquique, Lazoro, Cardenas, Buenaventura, Balbao, Guayquill.
Accepting reefer containers to all above ports

Karachi Sales/Marketing: Afzal 0300-8277905 Tariq 0300-8277906 Danish 0301-8280158 Shahbaz 0305-2223551 Ali Qasmi 0301-8465717	Documentations: Exports: Nasir Siddiqui 0301-8262477 Irfan 021-32424762 Imports: Direct No. 092-021-32433019 B/L Format: Munir: 0322-2665611 docs_exp@mrgc.com.pk	Operation/Logistics: Naveed Fazlani Kumail 021-32424761 0300-8278303 Customer Service Export: 32477651 Import: 32477651 msl-customerservice@mrgc.com.pk	Upcountry Sales/Booking Lahore Ehsan 0301-8465772 Faisalabad: Kaleem 0300-6682175
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For B/L Format: Fax No. 021-32414492

Customers service: Tel: 32477651

For Loading Program: Fax No. 021-32414492

Imports/Notice to Consignees

- MSC DIDEM V-406 ETA QICT: 08-02-14
 - SANTA ROSA V-0044 ETA PICT: 09-02-2014
 - EVER PEARL V-176 ETA PICT: 12-02-2014

- ❖ Consignees must check with MSL vessel and cargo arrival prior to submission of Bills of Entry or any other documents with Customs.
- ❖ Carrier and local authorities' rules and regulations are applicable on every import shipment.
- ❖ Import Shipments will be delivered from the same terminal at which shipments are discharged.
- ❖ CY containers will be destuffed in port as per KPT rules. Containers rent will be in consignees account till destuffing.



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 (A Marine Group Company)



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Why Maersk Line in Pakistan?

Unmatched reliability:

End-to-end on time delivery of your cargo is an integral part of our products to enable you to better plan your business and improve your profitability.

Commercial expertise:

Our dedicated sales & customer services team know your business and trends in your industry to facilitate your business requirements.

Ease of business:

Our robust e-commerce solutions including the new maerskline.com, Maersk SMS Info service, online chat assistance etc. ensure simplicity & ease of business so that your processes are as efficient as possible.

Port Qasim gate way:

Our vessels calling Port Qasim (QICT), strategically located 13 km away from the National Highway, allows you to avoid Karachi's heavy traffic congestion and enables swift connection to the hinterland markets in Pakistan.

The Maersk Line Express gate:

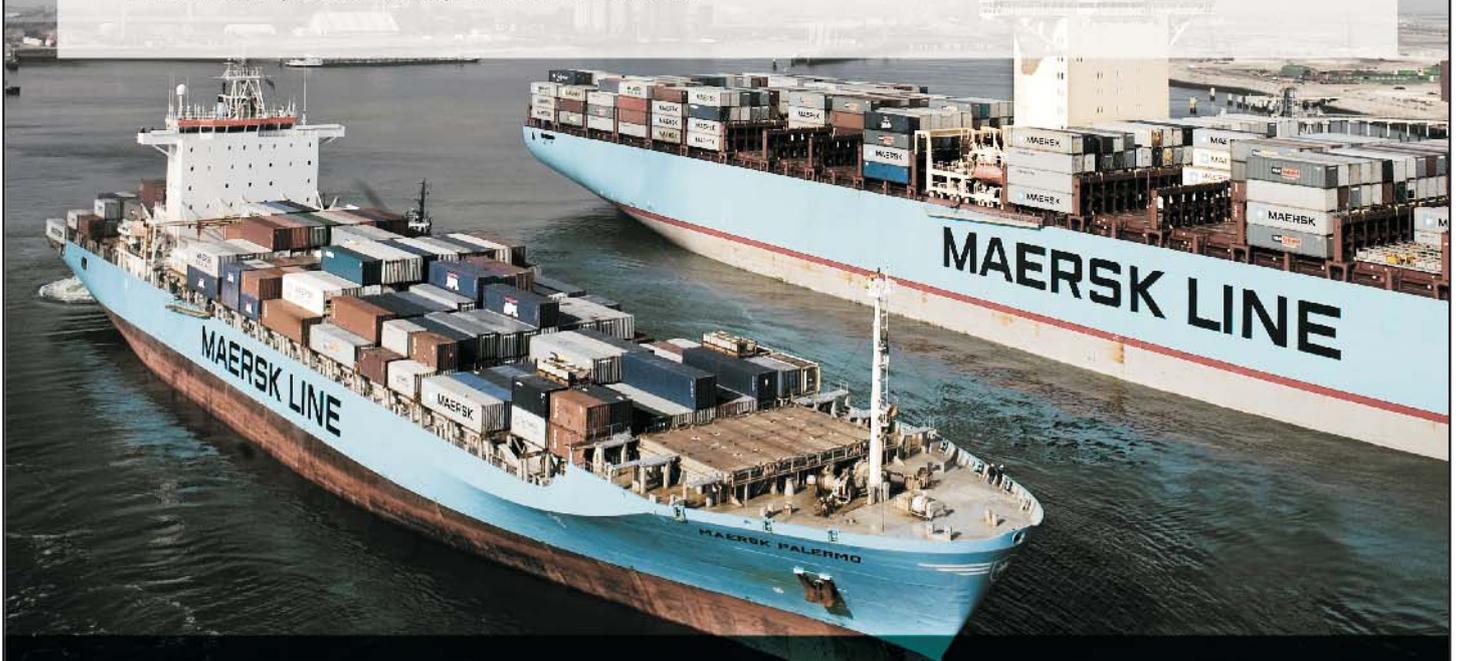
A dedicated gate for Maersk Line customers at Port Qasim which reduces your trucking costs by avoiding extensive waiting at the port.

The NLC product:

Free delivery service, for all imports from Port Qasim to NLC Karachi Yard & vice versa for all exports, adds more value to your business by reducing costs.

Abundant Equipment Availability:

You have unrivalled access to a consistent fleet of dry & reefer container supply with equipment depots at all major business locations including Karachi, Lahore, Faisalabad, Islamabad, Multan & Sialkot.



Your promise. Delivered.