

# Fracht News

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Fracht News contains the same great ocean freight news, but now also includes **Air freight & Rail freight.**



## ◀ LOGISTICS MARKET REPORT ▶

### Global Market



AIR FREIGHT



## Global Air Cargo Capacity Increases Capacity and Demand Trending in Opposite Directions

**A**ccenture's Seabury provided an updated report on the current capacity changes in the market per trade lane. Despite global demand continuing to decline, the

report reveals that global capacity growth has increased by 2%. The report shows a further sign of why global air freight rates are being pushed down further by market conditions.

**TOTAL INTERNATIONAL AIR CARGO CAPACITY GROWTH, MAY 15-28, 2023 VS SAME WEEKS IN 2019<sup>1</sup>**

% GROWTH VS 2019

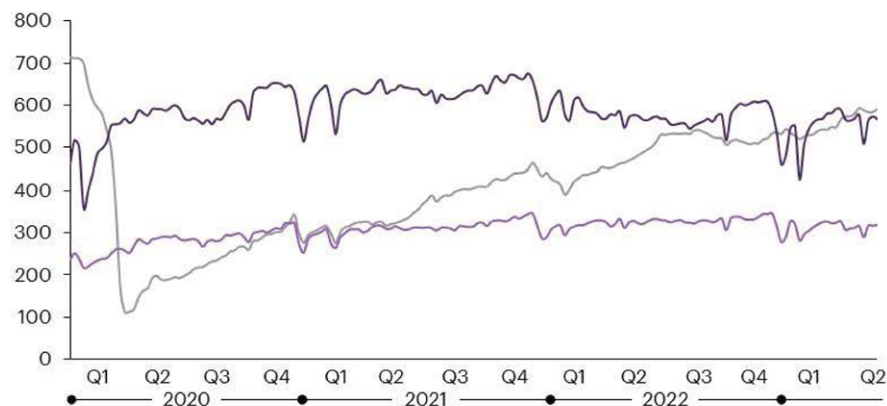


"May 15-28, 2023 compared to May 13-26, 2019; Direct international flights only; all flows indicate region-to-region

capacity; regions indicated by color; dates in UTC; 1) Total air cargo capacity includes widebody passenger and all freighter flights."

INTERNATIONAL AIR CARGO CAPACITY, JAN 2020 - MAY 2023

THOUSAND TONNES PER WEEK



	vs. 2019 <sup>1</sup>	vs. previous two weeks <sup>2</sup>
<b>Total capacity</b>	+2%	+3%
<b>Passenger Belly (40%)</b> Widebody aircraft only	-15%	0%
<b>Airlines freighters (38%)</b>	+11%	+6%
<b>Integrator freighters (22%)</b>	+32%	+5%

Source:

Accenture. (2023, June 8). *The current state of Air Cargo Capacity*. Accenture. <https://www.accenture.com/us-en/insights/travel/air-cargo-capacity>

"Direct international capacity only; All freighters and wide-body passenger aircraft only; 1) Comparing the weeks of May

15-26, 2023 to the same weeks in 2019; 2) Comparing the last two weeks available versus the previous two weeks."



## Air Cargo Market Yield Versus Weight Tracker

The Champ Market Analytics Air Cargo Market Tracker is a useful tool that provides insight into the monthly trends in demand and yields in the air freight industry. You can access the chart using the link below.



**Access Chart Here:**  
<https://www.aircargonews.net/data-hub/champ-cargo-systems-air-cargo-market-tracker/>

## North American Market



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### USA

## Joint PMA-ILWU Press Release on Tentative Contract

**ILWU, PMA announce West Coast waterfront contract acting secretary of labor played key role**

**"T**he Pacific Maritime Association and the International Longshore and Warehouse Union today announced a tentative agreement on a new six-year contract covering workers at all 29 West Coast ports. The deal was reached with assistance from Acting U.S. Secretary of Labor Julie Su. The parties will not be releasing details of the agreement at this time. The agreement is subject to ratification by both parties. "We are pleased to have reached an agreement that recognizes the heroic efforts and personal sacrifices of the ILWU workforce in keeping our ports operating," said PMA President James McKenna and ILWU President Willie Adams in a joint statement. "We are also pleased to turn our full attention back to the operation of the West Coast Ports."

#### Source:

For immediate release Ilwu, PMA announce West Coast Waterfront Contract. (2023, June 14). <https://www.pmanet.org/wp-content/uploads/2023/06/06-14-23-Joint-Press-Release.pdf>

## Port of Savannah Expansion Plans Moving Full Speed Ahead

**Georgia Ports authority puts state's five facilities in position to capture growth shifting from West Coast Ports**

**"W**hile cargo volume at ports on the Atlantic and Pacific coasts is down, officials at the Georgia Ports Authority and the sprawling Port of Savannah say now is the perfect time to ramp up their nearly \$2 billion expansion plan. Officials told Transport Topics during a tour of the port for the Transportation Marketing & Sales Association's Elevate Conference on June 13 that the investments they're making now are forward-looking to 2035, when the port will have the capacity to process more than 10 million twenty-foot-equivalent containers annually, a nearly 75% increase over the record-setting 5.8 million it moved in 2022."

#### Source:

Ronan, D. (2023, June 15). Port of Savannah expansion plans moving full speed ahead. Transport Topics. <https://www.ttnews.com/articles/port-savannah-expansion>





## Latin American Market



OCEAN FREIGHT



# Panama Canal Takes Water Saving Measures in Face of 'Unprecedented Drought'

**Panama Canal Authority (ACP) is implementing water saving procedures as it battles one of the worst droughts the waterway has seen**

**"T**he arrival of the 'El Nino' phenomenon could worsen the drought making economic impact unavoidable based on current estimates. The last period of intense drought in the Canal took place in 2019 – 2020. This is an issue that the Panama Canal has been warning and preparing for; however, we could not have predicted exactly when the water shortage would occur to the degree that we are experiencing now," Under normal conditions, the canal operates with a draught of 15.24 meters. However, in early May, the ACP adjusted the draught limits for neo-Panamax locks, to a draught of up to 13.56 meters, with a

further reduction to 13.4 meters on 30 May. The drought restrictions reduce the volume of cargo that vessels can carry through the key waterway. It requires 200m liters of water to allow the passage of a single vessel along the canal, water that is largely generated from Lake Gatun in the center of the waterway, which is drying up fast."

**Source:**

Labrut, M. (2023, June 7). *Panama Canal takes water saving measures in face of "unprecedented drought."* Seatrade Maritime. <https://www.seatrade-maritime.com/panama/panama-canal-takes-water-saving-measures-face-unprecedented-drought>

## MEXICO

# Mexico Surpasses China as The Leading Exporter of Manufactures to the United States

**"I**n Q1 of 2023, Mexico shipped to the United States the equivalent of US\$101.168 million, according to figures from the U.S. Department of Commerce, with these activities Mexico is positioned as the largest exporter of manufactured goods to the United States. China currently shipped US \$98.812 million worth of manufactured goods to the United States & Canada, US \$66.520 million. In the last four years, Mexico increased around US\$100 million."

**Source:**

*México sobrepasa a China Como Líder exportador de manufacturas a Estados Unidos.* Diario La República. (2023, June 13). <https://www.larepublica.co/globoeconomia/mexico-sobrepasa-a-china-como-lider-exportador-de-manufacturas-a-estados-unidos-3634412>





## European Market



OCEAN FREIGHT



# CMA CGM Takes Stakes in Spanish Terminals

**"F**rench carrier CMA CGM is strengthening its foothold in Spain with stakes in two COSCO-operated terminals. The Marseille-based shipping giant has sealed a deal to acquire 49% of Cosco Shipping Ports (CSP) Valencia and 38% of CSP Bilbao from TPIH Iberia for an undisclosed sum. CSP Bilbao links Spain with the main ports of northern Europe and has a capacity of 950,000 teu, while CSP Valencia handles around 3.5m teu and is one of Spain's largest

container terminals and the main gateway to Madrid. The move is expected to see the Rodolphe Saadé-led liner with stakes in more than 50 port terminals and projects, offer end-to-end shipping and logistics inland solutions in the country, given the existing assets in Algeciras and Seville."

#### Source:

Ajdin, A. (2023, June 8). *CMA CGM Takes Stakes in Spanish terminals*. Splash247. <https://splash247.com/cma-cgm-takes-stakes-in-spanish-terminals/>

# Felixstowe Readies for Autonomous Trucks

## Hutchison Ports introduces Shanghai Westwell Technology's autonomous trucks as key element of Felixstowe's net zero strategy

**"U**K's top container port Felixstowe, operated by Hong Kong's Hutchison Ports, is set to launch 100 battery-powered autonomous trucks, with the first units to enter service in September. The trucks will be built by Shanghai Westwell Technology following a "thorough testing and evaluation process". Last December, Felixstowe rolled out a pair of Westwell's autonomous terminal tractor units into mixed traffic container terminal operations to transport containers between the port's Trinity and North Rail terminals. Hutchison Ports first introduced Westwell's autonomous trucks in Thailand's Laem Chabang Port in 2020. Fifteen of the so-called Q-Trucks run in mixed mode with no separation from other traffic and have handled over 334,000 teu moves since their introduction. The new equipment is seen as an essential

element of Felixstowe's decarbonization strategy, where Hutchison Ports announced plans to achieve Scope 1 and Scope 2 net zero by 2035. In addition to the autonomous trucks and battery-powered conventional tractor units, the port is also replacing and re-engineering its yard cranes and purchasing electricity only from certified renewable sources. "The new trucks will increase the efficiency and operational consistency of our container handling as well as making a significant contribution to decarbonizing operations at the port," said Clemence Cheng, CEO of the Port of Felixstowe and executive director of Hutchison Ports."

#### Source:

Ajdin, A. (2023a, June 5). *Felixstowe Readies for Autonomous Trucks*. Splash247. <https://splash247.com/felixstowe-readies-for-autonomous-trucks/>





AIR FREIGHT

# Airbus Increases New A350F Payload Specification

## New feature to make “bigger difference” in comparison to competitors

**A**irbus has hiked the payload capability of the A350 freighter, bringing it up to 111 tonnes from the initial level of 109 tonnes. Senior vice-president for widebody programmes Florent Massou disclosed the higher figure during a briefing on June 14. The aircraft emerged towards the end of 2021 and has so far secured 39 firm orders. It will enter service in 2026.

“We’ve progressed so well on the design we can add already two tonnes more, for more revenues with the airlines, and more efficiency overall with the platform,” says Massou. He adds that the payload rise will enable the aircraft to make a “bigger difference” when compared with competing models.

Massou says the A350F will offer an alternative to Boeing’s monopoly in the newbuild freighter sector. He says Airbus is co-designing the aircraft with customers to address “more than 75 pain points” with which freighter operators have had to deal. “The A350 freighter will fix the reality they’ve been facing for years,” insists Massou.

Among the features of the aircraft will be a 175in (4.44m) wide maindeck cargo door, larger than the 146in door on the Boeing 777F and the Israel Aerospace Industries 777 conversion, as well as the 160in of Mammoth Freighters’ modified 777.”

### Source:

Jeffrey, R. (2023, June 15). *Airbus hikes payload specification for A350 freighter*. Air Cargo News. <https://www.aircargonews.net/airlines/freighter-operator/airbus-hikes-payload-specification-for-a350-freighter/>



## Oceania Market



OCEAN FREIGHT



# Port of Melbourne Targets Net-Zero by 2030

## Achieve net-zero through scope 1, 2, and 3

**"T**he port said it would source 100% of the electricity needed for its business operations from renewables. It will also transition its corporate vehicle fleet and marine survey vessel to electric or zero-emissions fuel technologies.

Port of Melbourne CEO Saul Cannon said Port of Melbourne is supportive of Victoria and Australia's transition to net zero emissions. "Port of Melbourne is committed to managing the risks and opportunities arising from climate change to ensure the long-term sustainability of the port and the ongoing resilience of our assets," Mr. Cannon said.

Scope 1 refers to emissions generated from things a company owns or controls. Scope 2 refers to indirect emissions from the creation of energy used in a company's operations. And scope 3 emissions are those produced by a company's customers, or those produced by suppliers."

### Excerpts from:

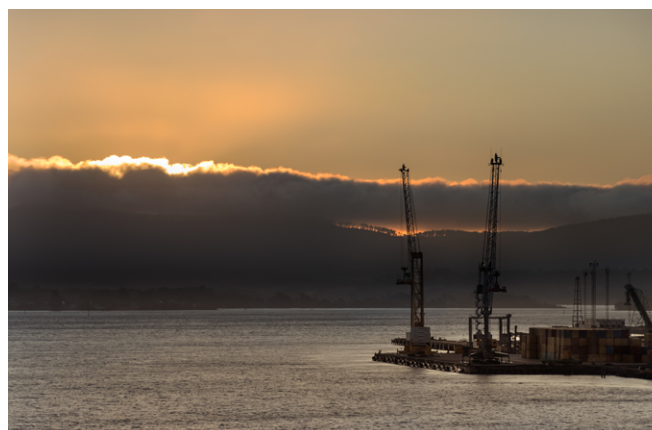
Ackerman, I. (2023, June 15). *Port of Melbourne targets net-zero by 2030 - Daily cargo news*. The DCN. [https://www.thedcn.com.au/news/ports/port-of-melbourne-targets-net-zero-by-2030/?utm\\_source=DCN+Daily+Newswire&utm\\_campaign=ce5ddcab8e%E2%80%A6](https://www.thedcn.com.au/news/ports/port-of-melbourne-targets-net-zero-by-2030/?utm_source=DCN+Daily+Newswire&utm_campaign=ce5ddcab8e%E2%80%A6)

# Proposal for \$1.2-Billion Hydrogen Development at Bell Bay Moves Forward

## Tasmania's Green Hydrogen Plant

**"T**he \$1.2-billion Bell Bay Powerfuels Project is currently under development by its Australian parent company Abel Energy, with financial and project support from Iberdrola Australia. Abel Energy aims to develop projects that use green hydrogen primarily for the production of green methanol. And Iberdrola Australia invests in renewable energy assets.

The selection of the site at Bell Bay accelerates project development, with front end engineering and design due to start in a few months' time, according to a statement from Abel Energy. Commercial operation is scheduled to commence in 2027. As proposed, the facility produces 300,000 tonnes per year of output. The project will also require the development of new power generation assets, to provide sufficient renewable power for the proposed 240-megawatt electrolyser unit. According to Abel Energy, the unit will generate the green hydrogen required for the onsite production of green methanol."



### Source:

Ian Ackerman (2023, June 5th). *Proposal for \$1.2-Billion Hydrogen Development at Bell Bay moves forward*. Thedcn.com.au. <https://www.thedcn.com.au/news/environment/proposal-for-1-2-billion-hydrogen-development-at-bell-bay-moves-forward/?utm>



## ESG MARKET UPDATES



AIR FREIGHT



# Cargolux Becomes First Foreign Carrier to Uplift SAF in China

## New milestone for use of Sustainable Aviation Fuel (SAF)

**"C**argolux, Europe's number one all-cargo airline, has become the first foreign carrier to uplift Sustainable Aviation Fuel (SAF) in China. The operation took place at Zhengzhou airport (CGO), the airline's main hub in China, with the full support of their local partners HNCA who are shareholders in the company.

"Cargolux is honored to break new ground in its operations in China with this very special flight. Marking 10 year of success of the Air Silk Road while paving the way for the future is a remarkable achievement. I would like to sincerely thank all our valued partners in CGO who have made this possible and extend my gratitude for their unwavering support over the past decade," says Richard Forson, Cargolux President & CEO.

The flight, bound for Luxembourg is part of a dedicated carbon neutral rotation Luxembourg-Zhengzhou-Luxembourg.

The rotation was organized in the framework of the 10<sup>th</sup> anniversary of the Air Silk Road and was also SAF-fueled on the inbound leg. Cargolux will also apply SAF certificates to fully compensate for the total emissions of this flight.

On this occasion, the symbolic threshold of 1 million tonnes of freight between Luxembourg and Zhengzhou was also crossed. This remarkable figure reflects both the importance of the Air Silk Road and the commitment of Cargolux and HNCA to develop this commercial axis. As a tribute to this achievement, one of the airline's 747-8F was adorned with special commemorative decals."

### Source:

Media releases. Cargolux. (n.d.). <https://www.cargolux.com/media/media-releases/2023/cargolux-becomes-first-foreign-airline-to-uplift-saf-in-china/>



# Germany Launches \$53 Billion Scheme to Help Companies Shift Toward Carbon Neutrality

**"G**ermany is launching a program to financially support its industrial sector in transitioning to carbon-neutral production methods and addressing high energy costs. With an estimated budget of 50 billion euros over 15 years, the program will be funded through a climate and transformations fund. Its objective is to counteract competing subsidy programs in other regions, such as the United States, that entice companies away from Europe.

The program is open to mid-sized companies in Germany emitting 10 kilotonnes of CO<sub>2</sub> or more annually. Its primary goal is to stimulate investment and provide support during an economically demanding period, while also fulfilling Germany's commitment to achieving carbon neutrality by 2045."

### Source:

ESG News. (2023, June 5). *Germany launches \$53 billion scheme to help companies shift toward carbon neutrality*. ESG News. <https://esgnews.com/germany-launches-53-billion-scheme-to-help-companies-shift-towards-carbon-neutrality/>

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