

## >> Air - New TSA Security Declaration

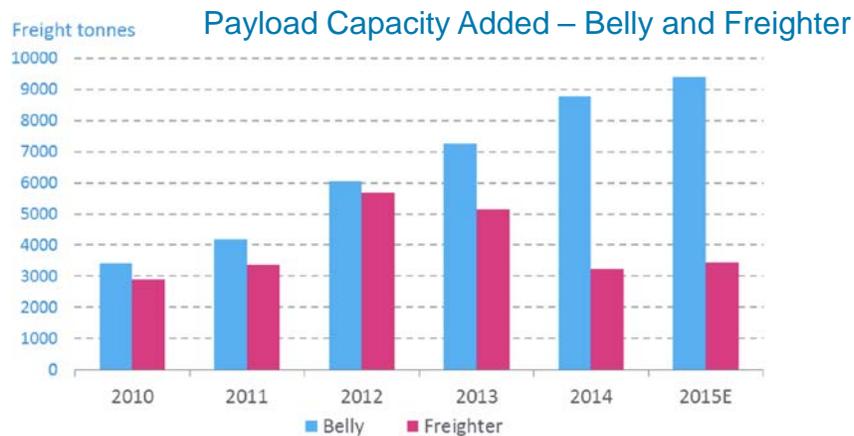
- Effective January 25, 2016
- Under this Security Directive, the **air carrier is responsible for making the determination**, based on available documentation, that the cargo did not originate or transit through specific regions
- This directive falls under [49 CFR 1542.303 Security Directives](#) which state that information contained in Security Directives must be restricted to persons with an operational need to know



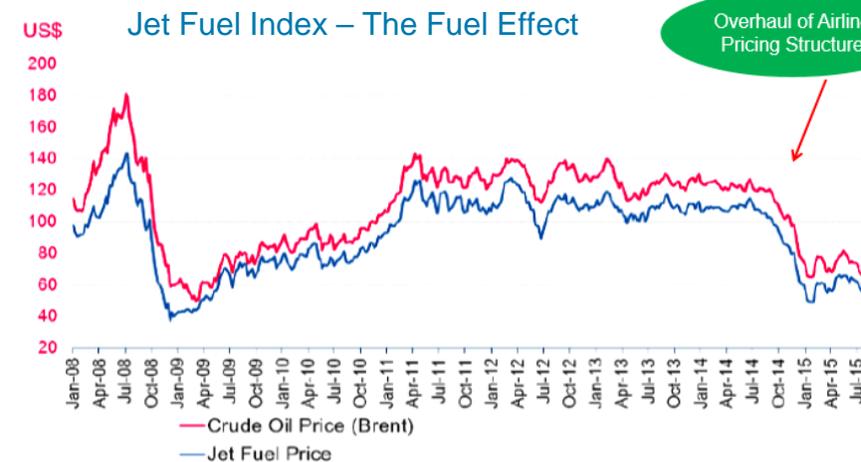
# >> Air – Fuel Methodology and Belly Freight Utilizations



- Market indicates that capacity will exceed demand in 2016
  - Cargo demand projections in 2016 are projected to grow by 3%
  - Belly Capacity expected to grow
  - Passenger demand expected to grow by almost 7%
- Because Jet Fuel continues to remain stagnant, carriers are changing their surcharge methodology
- Challenging environment for freighter operators
  - Addition of new belly space absorbing existing demand – limited growth
  - Most markets are now at rate levels where freighter operations can not afford to operate – fuel has helped off-set this situation slightly



Source: Ascend, IATA



Source: Platts, Oanda, DigitalLook

## SOLAS = Safety Of Life At Sea

- July 1, 2016
- Verified weight document to load on vessel
- Details are uncertain
- Options on the table
  - Weigh container as it passes through weight station
  - Weight of cargo + dunnage
- If information is not available and provided = it will not load
- Potential exposure is demurrage, detention, fines

### How to meet the container weight mandate

As a shipper, what are your options?

**OPTION A.**  
Take a loaded container over a **weighbridge**, subtract the weight of the truck, chassis, and fuel to get the weight of the packed container.

**OPTION B.**  
Weigh each item – including its **packaging, palleting, dunnage and other packing and securing materials** – going into the box. Add that sum to the weight of the container to find the weight of the packed container.

**TOTAL WEIGHT**  
- TRUCK, FUEL, etc.  
= **LOADED WEIGHT**

**GOODS**  
+ PACKING, etc.  
+ **CONTAINER**  
= **LOADED WEIGHT**

Scales must be certified and calibrated in line with the national standards of the country where the weighing occurred.

**What are you required to do?**

Provide a document signed by the shipper to the shipping line and terminal declaring that the **shipper verified** the weight and that it was weighed properly.

The SOLAS amendment will be enforced by the coast guard or other agency responsible for SOLAS regulations in a given country and punishments for violations will vary by country.

**What happens in the case of noncompliance?**

There are all kind of possibilities for what could happen to the box that failed to provide the certified weight document but none are settled.

Terminals may choose to hold a container or send it back, but whatever happens, the ship will leave and the container will not.

The infographic illustrates two methods for weighing containers. Option A shows a truck on a weighbridge with a calculation: Total Weight minus Truck, Fuel, etc. equals Loaded Weight. Option B shows a forklift loading a container with a calculation: Goods plus Packing, etc. plus Container equals Loaded Weight. A central section shows a shipper providing a document to a terminal, which is then loaded onto a ship. A bottom section shows a container being held back from a ship, indicating non-compliance. The JOC logo is in the bottom right corner.

Source: The Journal of Commerce

# >> Ocean - Potential impact of the Panama Canal expansion

Lowest cost coast for key cities with and without PC expansion<sup>1</sup>

