

## Cargo transshipment

## offshore operations solve conundrum of port congestion and lack of facilities



## Coeclerici continues to thrive in a difficult market

The current period will be remembered for the collapse of the commodity market and dry shipping market, writes Capt. Giordano Scotto d'Aniello, Head of Commercial Department at Coeclerici Logistics S.p.A., Milan, Italy.

Prices have been plummeting throughout the year and no sector and geographical region have been untouched by this turmoil

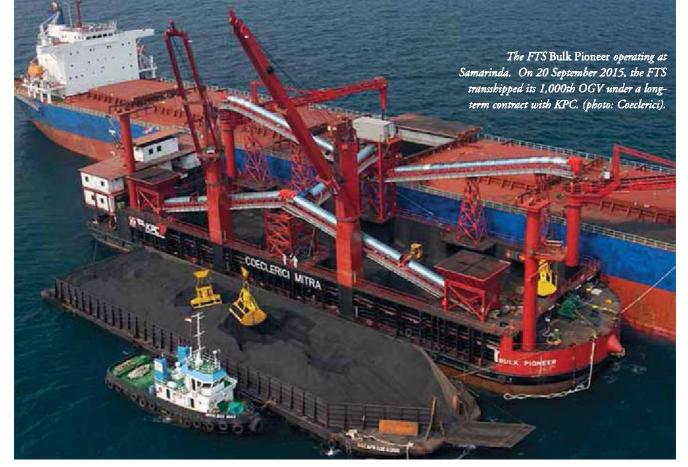
Inside this market trend, Coeclerici Logistics (CCL) the logistics division of Coeclerici Group (CC), one of the world's leading bulk commodities transshipment companies with a history of more than 40 years in this specific field, has proven to be once again a point of reference among all the transshipment operators, proving the ability to firmly handle the market overturning and maintain its commitment to customers, offering tailor-made solutions.

In terms of operations, 2015's Indonesian downward market trends forced CCL to re-deploy the self propelled Floating

Transfer Station (FTS) *Bulk Celebes* from Muara Pantai Area, where the unit operates under a long-term contract with PT Berau Coal, to Samarinda Area in order to carry out blending operations in the spot market. Blending of coal is requested from some players, especially traders, in the Indonesian coal market, giving them the possibility to mix low with high grade of coal, offering a more suitable product to final users. For this purpose the *Bulk Celebes*, already armed with two 30t cranes of 38m outreach and a telescopic shiploader with a range of 25—40m, has been improved with additional equipment able to perform blending operations, which make it possible to mix two different grades of coal homogeneously.

The blending percentage can vary from 20–80% to 50–50%. Once the desired percentage is set, the blend is monitored and automatically adjusted by a PLC unit which can vary the belt extractors speed and flow rate. This is controlled by three-belt scale installed on the conveyor system, one on each extractor





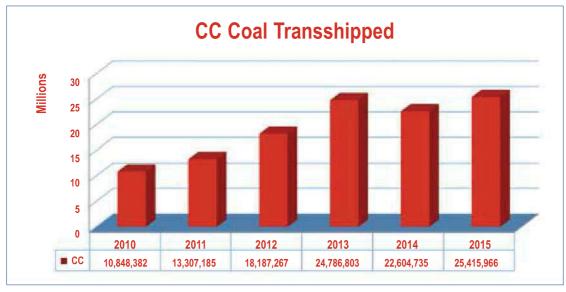
belt measuring each grade flow rate and on the transversal conveyor measuring the total flow. The homogeneous blending of coal is also enhanced by the transfer points of the conveyor system and the revamped system is able to guarantee reliable loading rate from 1,500tph (tonnes per hour) up to 2,000tph. The system is also supported by a sophisticated online sampling device and a metal detector.

Despite the Indonesian 'dog-eat-dog' market heavily affected by an oversupply of transshipment capacity (currently there are more than 130 floating cranes operating in Indonesia), the FTS Bulk Celebes stood out for its multiple versatility serving different operators and reaching the remarkable amount of about 3.2mt (million tonnes) of coal transshipped in less than one year.

Given the great experience gained over the company's I20 years in business, CC's activities can be seen as actions carried out by a real pioneer. "To try where nobody else did" was the motto that drove CC's main heads when they decided to move to the uncharted Indonesian market in late 2005. The *Bulk Pioneer*, one of the first FTSs deployed in the East Kalimantan Area, was probably named after this talent — the ability to face the challenges and the unknown.

With the use of this new facility concept, CC brought to





Indonesia not just a modern and incisive facility for carrying out transshipment activities, allowing the country to maximize its potential coal industry, but also a new service more focused on customer's needs and requirements.

The *Bulk Pioneer* is equipped with: two grab cranes able to load up to 25 tonnes each; two specially designed hoppers with belt-feeders; a belt conveyor system designed to handle coal at 2,000tph; two shiploaders with swivelling trimming spouts; and buffer storage that ensures uninterrupted shiploading during the times of barge non-availability or changeover.

Since August 2005 when operations began in Tanjung Bara and Lubuk Tutung, the FTS *Bulk Pioneer* has transshipped almost 55mt of coal. Notably, on 20 September last year, the milestone of 1,000 vessels loaded was reached, all under a single contract stipulated with Kaltim Prima Coal (KPC), the major thermal coal producers in Indonesia.

Thanks to CCL solutions and efficiency, the amount of coal

transshipped for KPC has dramatically increased from the original 3mtpa (million tonnes per annum) to the current 6.5mtpa in 2015 with Bulk Pioneer only.

During 2015, CC also strengthened its presence in the Mozambique market with its cutting-edge twin transshippers, the Bulk Zambesi and the Bulk Limpopo. The 53.776dwt Transshipment Units (TUs)

operational offshore Beira Port since 2011 and 2012 respectively, serving the mining giant Vale and enabling the export of coal by taking advantages of scale economy in ocean trade market.

have been

Despite the underdevelopment of the area characterized by logistical constraints and

bottlenecks, which heavily compromise the supply and the provision of coal, the two TU's still provide an outstanding performance with a total amount of almost 3.5mt of coal transshipped during 2015.

It is likely that this will go downhill from here, since 2016 is expecting to bring a double of railway capacity, which is currently managed by CFM, and which will is anticipated to exceed a capacity of 10mtpa. As always, when it comes to maintaining market position and striving for the best results, CCL is looking forward to this expansion to exponentially increase the amount of commodity transshipped.

In spite of a challenging market characterized by weak prices and low global demand, CC's performance is constantly improving and, after the maintenance of the current market shares, CC is also focusing on new market developments with talks already at an advanced stage with clients in Australia, India and South East Asian countries.

