

Grimaldi terminal set to boost capacity at Lagos

Facility linked to Tin Can Island heralds West African expansion

GRIMALDI Naples will begin operations at a new satellite terminal in the Nigerian port of Lagos in the coming weeks as a prelude to an expansion of its West African services in 2010.

Company managing director Gianluca Grimaldi said its Tin Can Island ro-ro terminal in Lagos, which last year handled 90,000 units of rolling cargo, 35,000 teu and 25,000 cu m of general cargo, had struggled with congestion at peak periods.

The new satellite facility, connected to the main terminal by road and canal, will add 10 ha of space to the 20 ha at Tin Can Island, with 6 ha due online this month and the remainder next year.

Grimaldi operates Tin Can Island under a rolling 25-year concession and recently added a second 200 m berth at the facility.

Total investment in both sites is now running at \$80m, Mr Grimaldi said, adding that the company had also bought two barges, with capacity for 15 trucks or 50 cars to act as a link between the two.

The company serves 14 ports in West Africa, with Dakar the other major hub. It is connected to northern Europe via the northern, central and southern express services and links with ACL's transatlantic service to the US via Antwerp.

Grimaldi also runs three ships between South America and West Africa, each with capacity for 500 containers and 1,000 lane metres of rolling cargo, and added a third ship to its direct service between the US and West Africa at the start of the year.

Further expansion is on the cards. The company will take delivery of six more Grande-class ships from Croatia's Uljanik shipyard next year, and Mr Grimaldi said they would go into service on the Atlantic network, adding capacity and efficiency.

"They will replace chartered vessels and three of the vessels that we have taken from Finnlines," he said. "We will remove five ships and put in six."

The extra vessel will go into the US-West Africa trade, where Grimaldi has one ship calling every 14 days. "We would like to go to 10 days," Mr Grimaldi said.

"The new vessels are superior to those in the service now, with an average speed of 20 knots compared with 16 knots. We are aiming for 800 containers, 1,800 cars and vans, and 250 trucks or buses."

Mr Grimaldi said volumes were holding up, with project cargo and used cars particularly strong southbound and cocoa moving in the opposite direction.

“But there are too many desperate owners operating vessels that can be chartered cheaply, and so margins are under pressure.”

Nevertheless, the company would continue to expand its presence in West Africa, Mr Grimaldi said. Further terminal expansion was on the cards in Senegal and Angola though Nigeria remained the stronghold, accounting for 40% of its volume through the region.

Grimaldi strengthens its hand

Latest deliveries will help reduce fleet age and boost efficiency

THE Naples-based Grimaldi Group has further strengthened its ro-ro fleet in recent weeks, taking delivery of two new ships from the Pula shipyard operated by Uljanik in Croatia.

In late August, the multi-purpose ro-ro vessel *Grande Benin* was handed over to Grimaldi and will be used to boost liner services between northern Europe and West Africa, serving a range of ports between Benin and Angola.

With a length of around 210 m and a speed of 21 knots, the 47,300 gt *Grande Benin* has an ideal loading capacity of 2,000 cars, 2,000 lane m of rolling cargo and 800 teu of containers.

The vessel has been designed to transport heavy and out-of-gauge rolling equipment such as trucks, tractors and buses. It has a sophisticated system of fixed and hoistable internal ramps and the company says its quarter stern ramp allows for the loading of units up to 250 tonnes, while the two cranes on the weather deck can lift up to 40 tonnes.

In mid-September, the same yard delivered a sister vessel, *Grande Senegal*, to Grimaldi. This will also be used to upgrade services between North Europe and Central/West Africa. Three further ships of this type remain to be delivered by the yard in 2010 and 2011.

Despite the recession, Grimaldi reports a strong first half of the year. In the first six months, its Motorways of the Seas network achieved an 11% growth in the volume of freight units carried, while there was solid growth for its Atlantic network.

Grimaldi's EuroMed operation between northern Europe and the Mediterranean has suffered as a result of the slump in regional car markets. However, the company claims diversification has helped balance out the effect of this decline.

Its Finnlines division suffered significant losses in the first half of the year. Changes including a management shake-up have been overseen by Grimaldi managing director Emmanuele Grimaldi in recent months. It is anticipated that the Finnish operator will be better integrated with the rest of the group in future.

Press review

A number of service initiatives have been undertaken to ensure Finnlines' ships are operating on the optimum routes, and some chartered vessels have been redelivered to their owners.

A new link to Poland has been established, frequency between Helsinki and Travemunde has been improved and the Baltic EuroMed service, connecting the Mediterranean to Finland and Russia, has been launched.

Grimaldi says the results for Finnlines are steadily improving and vessel utilisation levels are increasing. The arrival of four 3,250 linear m, ice class newbuildings, in progress at the Jinling yard in China, is expected to have a positive impact next year.

Overall, Grimaldi has a total of 26 ro-ro ships still on order world-wide for delivery up to 2012. However, this is expected to be offset by the retirement or redelivery of up to 30 vessels currently operated by the company.

While the investment programme will increase capacity, the main impact will be to significantly reduce the age of the group's fleet, thereby reducing costs and increasing operational efficiency.