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The global recovery has started, although there are still considerable problems with the economies of many countries. The transport sector has taken the temperature of the market and over the year has implemented a range of price rises, despite volumes not being all the way back to the levels we had before the crisis. The reason is that capacity has been limited in various ways, so that the capacity ceiling is reached at slightly lower volumes.

The question now is whether the continued growth in volumes will be higher than the additional transport capacity that is set to come on stream. Much of the volume growth in 2010 seems to be down to replenishing all the stocks that were run down during the crisis and so is not due to increased consumption.

However, there is an underlying rise in consumption, which probably means that we can look forward to stable or weak volume growth in 2011. In this case, it is highly likely that the transport capacity for shipping will grow faster than demand, while there may be a better balance for land-based freight.

The crisis has, in addition, changed the flows between different markets and caused significant currency fluctuations. Taken as a whole, these changes also mean that many players are now more open to considering new solutions and new collaborations. Many companies, ships and other things that, during the boom times, were far too overvalued have suddenly come down to levels that can make for interesting deals.

We are facing exciting times, with rather different opportunities and challenges than we saw during the boom and the crisis. Personally, I look forward to what this can offer us within SCA Transforest in terms of new opportunities to improve our business in 2011.

In this year’s final issue of New Ways I would like to take the opportunity to thank all of our customers for your support, and all of our employees and suppliers for your work in 2010. I hope you all have the opportunity for a little time off with your family during the Christmas and New Year holidays. Merry Christmas and Happy New Year.

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PRESIDENT, SCA TRANSFORNEST

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This year’s Baltic Shipping Days event, taking place for the eighth time, was once again a great success. On 17-18 November, around 160 representatives of transport companies, customers, authorities and other stakeholders from Northern Europe gathered at the Södra Berget hotel in Sundsvall, Sweden.

Baltic Shipping Days has developed into a superlative opportunity for experienced buyers and suppliers to network.

This year’s event saw the entire chain from freight forwarders, shipping companies, agents, forwarding agents, freighters and insurance brokers.

The theme for this year was ‘Future Challenges’ including the impact of environmental rules and laws on the logistics chain for the industry and shipping communities.

Feelings running high on the sulphur decision
Speakers on the first day included Boris Lukov, advisor to the Secretary General of the Coordinating Council on Trans-Siberian Transportation, who reported on the extensive Russian investment in the Trans-Siberian Railway (see separate article).

A large portion of both days at the conference was dedicated to the environment and particularly the requirement to reduce the sulphur content in vessel fuel in the Baltic Sea and the North Sea.

“This decision will bring increased costs for Swedish industry of SEK 28 billion a year,” declared Kenneth Eriksson, Chief Operating Officer (COO) at SCA and moderator of the conference.

The IMO’s decision to lower sulphur levels in bunker oil from 2015 may cost Swedish industry an incredible SEK 28 billion, as was revealed at the Baltic Shipping Days conference in Sundsvall on 17-18 November. “That money doesn’t exist. New investment will become unthinkable in northern Sweden, and will shift instead to other parts of the world, while several primary industries will simply disappear,” declared Kenneth Eriksson, Chief Operating Officer (COO) at SCA and moderator of the conference.

Criticism of the government at Baltic Shipping Days:

The decision of the IMO, a UN body, to reduce the limit for sulphur in bunker oil for shipping from 1.5 percent to 0.1 percent this year and then down to 0.01 percent from 2015 has surprised and shocked the Swedish mining, steel and forest industries.

The decision only applies within SECA (the Sulphur Emission Control Area), i.e. the English Channel, the North Sea and the Baltic Sea. Other marine transport areas in the EU and the rest of the world are allowed to keep a sulphur level of 4.5 percent until 2012, when it will be dropped to 3.5 percent and then in 2020 it will go down again to 0.5 percent.

“This considered decision will lead to a skewing of competition in the EU, something that the European Competition Authority surely cannot ignore,” stated Kenneth Eriksson.

Devastating consequences
Several of the speakers at the Baltic Shipping Days stressed that the consequences for Swedish industry, including primary industry, will be devastating. According to studies by the Swedish Maritime Administration, marine fuel will go up by 50-60 percent, and at the same time the cost of shipping by sea will rise by 30-45 percent, which is about 2-3 euro per tonne. Finnish and German studies have also produced similar results.

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“This represents an enormous increase in costs for Swedish industry,” commented Karolina Boholm, Deputy Director and Head of Transport Policy at the Swedish Forest Industries Federation, who also pointed out that the impact on the environment is likely to be higher rather than lower.

“It will become cheaper to ship paper and pulp from North or South America to Europe than from the north of Sweden to the Continent. The result will be that many goods will transfer from environmentally friendly shipping to lorries, since the railways do not have the capacity for increased volumes of goods. This will also be even greater traffic congestion in Europe with these extra landfall shipments. With such huge consequences, everyone who understands the issue realises that something has to be done. It affects the whole of Northern Europe, including Germany, France, the Netherlands, Belgium, Denmark, Finland, Sweden and the UK.”

Closure of Swedish mills
According to Karolina Boholm, the paper industry will have to earn a quarter more in order to meet the increased transport costs that will be caused by the new sulphur limit.

For a company like Bolden, the cost increase for one ship will be almost USD 1.4 million for a year. For a mill such as SCA Ortviken, the decision will mean that from 2014 costs will rise by SEK 100 million per year. According to the moderator of Baltic Shipping Days Kenneth Eriksson, COO of the SCA Group, Swedish companies will not be able to sustain these cost increases.

“That money doesn’t exist. New investment will suffer in the future, moving to other parts of the world, and several production units in the north will simply disappear,” he predicted.

Wrong environmental objective
The Swedish forest industry and Swedish shipping have long been global role models, excelling in environmentally aware shipments. The industry has already cut sulphur emissions dramatically. Ships run on low sulphur bunker oil, a great deal of investment over a long period has gone into catalytic converters, the quays are electrified and the ships operate at reduced speeds.

On several occasions SCA, Stora Enso and Sidra have also been praised by the EU for their marine environmental investment.

According to Karolina Boholm, the problem is that the IMO’s decision on the new sulphur levels will not reduce the impact on the environment. Transport flows may come to shift from SECA to road transport, which will bring greater carbon and sulphur emissions.
“We are also addressing the wrong environmental objective. The Baltic Sea is not currently suffering from acidification, but from eutrophication, algal blooms that arise from high phosphorus and nitrogen levels, caused primarily by agriculture,” said Karolina Boholm.

**Shortage of oil in the future**

Sören Eriksson from Preem, which at its two plants on Sweden’s West Coast refines half of Sweden’s petroleum requirements, stated at the conference that it will soon become difficult to support marine oil with only 0.1 percent sulphur.

“It is already difficult to get below 0.5 percent without mixing heavy fuel oil with diesel. It also becomes much more expensive. To get below 0.5 percent, we would have to invest SEK 6-11 billion in the refinery and I don’t think we’ll be doing that. In other words, we will not be able to support the Swedish market for either 0.5 percent or 0.1 percent marine oil in the future.”

The result will be a shortage of marine oil, which in turn will lead to dramatic price rises.

**Power struggle between legislators**

A recurring question at the conference was how this counter-productive decision could ever have been made.

Johan Roos, Director of Sustainability at Stena Rederi, who has previously followed developments from inside the IMO, gave the following gloomy analysis: “It is basically about a power struggle between legislators. The EU was rightly tired of the IMO, which has always been a little slow in taking environmental decisions. The EU therefore chose not to wait for the IMO on the issue of sulphur, instead introducing its own directive on a cut to 1.5 percent. This move challenged the IMO, which responded by going even lower in its legislation.”

According to Johan Roos, the IMO had also made entirely inadequate analyses of the potential impact of the decision. They had not closely studied the actual consequences that this decision would have for consumption, which has deeply concerned the transport industry, for whom transport costs have always been an important issue.

“It doesn’t take a genius to understand that with cost increases of 60-80 per cent when going from a limit of 1.5 percent to 0.1 percent, we will end up with more lorries on our roads. Some of our own Swedish politicians didn’t bother to investigate this.”

An expensive U-turn

Before the actual IMO meeting, attended by government representatives from all the UN’s member states, everyone, including the Swedish government, announced that they would be recommending and voting for a limit of 0.5 percent.

“Good,” said the industries and shipping lines. “It will be very expensive, but we can live with that.” Suddenly, during the meeting, a suggestion of a limit of 0.1 percent found highly unexpected support from the USA delegation who recommended this for their own country and the peripheral SECA area. Nobody opposed it or really cared, since it only concerned 10 percent of global shipping. Not even the Swedish representative spoke up. Afterwards, the politicians presented the decision as a great success.

During the conference, Johan Roos said that we have to learn a lesson from this sulphur decision.

“Nothing in the future is going to be as costly as this sulphur reduction. None of the longer distance shipping routes within Europe will be able to continue business-as-usual.”

**Decision already made**

Can the decision be rectified?

“It is down to the IMO, which comprises all the different member states of the UN, to take the initiative and raise the issue again,” explained Karolina Boholm, who was not entirely convinced that this would actually happen.

“These decisions are taken at a high ministerial level and one move would be to get Sweden to actively lobby the EU and so get other IMO countries on board. The most important thing now is to get the decision of the government and the Riksadag. It seems that our new Infrastructure Minister shares our concerns and views. What we need is for her to obtain a mandate from the government and the Riksadag to convince ministers of other EU countries. Together with the other primary industry bodies the Swedish Mining Association, the Swedish Plastics and Chemicals Federation and the Swedish Steel Producers’ Association, we are lobbying hard to get other countries and other organisations to understand the issue, which unfortunately is complex and in fact has already been decided on.”

According to Karolina Boholm, the new Swedish Infrastructure Minister Catharina Elmsäter-Svärd is prepared to work on raising the limit from 0.1 to 0.5. Another way out of this dilemma – if the IMO considers its reputation to be at stake – is to postpone implementation of the decision from 2015 to 2020. However, this is an option that the forest industry and Kenneth Eriksson are not keen to accept:

“If our industry is unable to meet the limit without going under in 2015, the situation will be no different in 2020. It is not an acceptable solution,” said Kenneth Eriksson.

**Using Norwegian ports will weigh heavily on the environment**

A costly alternative mentioned during the conference is for Swedish primary industry to transport its goods by lorry to the Norwegian ports of Trondheim and Narvik instead, from where they can be shipped to Central Europe via Le Havre and Marseille. This option also has the backing of the EU.

“This is by no means a desirable alternative either for the environment or for companies in northern Sweden. It would require major infrastructure investment in new ports, terminals, quays and equipment, and would in fact increase sulphur and carbon emissions,” stated Kenneth Eriksson.

According to Karolina Boholm, the freight from Sundsvall alone would cause increased environmental pressure on Sweden’s motorways in the form of 184,500 extra 60-tonne lorries per year.

“Nothing in the future is going to be as costly as this sulphur reduction”, said Johan Roos, Director of Sustainability at Stena Rederi.

**No workable alternatives**

Two other options are for ships to switch to Liquefied Natural Gas (LNG) and at the same time to use scrubbers – filters that remove sulphur from the air. Switching to LNG is only of interest for newly built ships, while the investment and operational cost of scrubbers is estimated at around SEK 10-20 million per year per ship.

The problem with both these alternatives is also that there is currently no widespread infrastructure in place.

Peter Kleberg, Sales Director at DFDS Seaways Group, told the conference that they are currently testing the scrubber technology.

“We have to learn from our lack of success on sulphur when, in the future, we discuss other environmental objectives regarding emissions of NOx, CO2 and wastewater. Our neighbours are better than we are.

“In Denmark and Norway, the contact and collaboration is much closer between shippers and industry when it comes to informing and influencing politicians. My challenge to everyone here is therefore: Call your MP now!”

Sweden worst in the Nordic region

Johan Roos, Stena Rederi, concluded by saying: “We have to learn from our lack of success on sulphur when, in the future, we discuss other environmental objectives regarding emissions of NOx, CO2 and wastewater. Our neighbours are better than we are.

“In Denmark and Norway, the contact and collaboration is much closer between shippers and industry when it comes to informing and influencing politicians. My challenge to everyone here is therefore: Call your MP now!”
What will this decision cost Swedish industry?
“The Swedish Maritime Administration has shown that the cost to Swedish industry will be SEK 28 billion. That is an enormous expense. It's also such a stupid and absurd decision since it even makes things worse for the environment.”

In what way does the decision have a negative environmental impact?
“We already know that sulphur is not the big headache for the Baltic Sea. The biggest problem comes from nitrogen and phosphorus. There are those who suggest it could be good to have a lower pH in the Baltic, so the small amount of sulphur at issue here is nothing to worry about. What's more, this decision won't lead to lower sulphur emissions overall. The sulphur will simply end up in even larger quantities in other places instead or be dumped back into the Baltic via the scrubbers' wastewater. The decision will also have a negative impact on transport flows. We will have more lorries on the roads with rising carbon emissions as a result – contrary to all the proud and ambitious environmental goals of the IMO and the EU.”

What will the consequences be for industry?
“We've looked at what it means for our units in SCA. For SCA Ortviken, where transport is the single biggest cost, amounting to 17 percent of total expenditure, this will cost SEK 100 million a year. That money doesn't exist and this is not a cost we can absorb.

“Northern Sweden will suffer more than elsewhere. The further from the market you are, the more the costs are going to rise. We'll see an end to investment, which will instead be channelled to other locations unaffected by this terrible situation. In the long term, this will lead to several of SCA's units and much of Sweden's primary industry with all its jobs to disappear entirely.

“It's horrendous and it's a real tragedy that we've come to this point.”

Did they not seek the views of industry before the decision was taken?
“Of course we tried to lobby the politicians. For example I went with Olof Faxander from SSAB and Anders Ulfberg from Bohden to meet the former Infrastructure Minister Åsa Torsténsson and her team. They listened and we were then told that they'd see what they could do. When we then found out that the Finns seized an opportunity to say no and refer the decision to Parliament and that the EU had to decide on a directive jointly, we headed straight back to the Ministry of Enterprise. They told us that there was nothing that could be done about the law, since the IMO had already taken the decision. It's even more troubling when you realise that they haven't conducted an enquiry, haven't talked to anyone outside the Ministry about the consequences for consumers. They sent one person from the Maritime Administration to the IMO who was entirely incapable of going into any depth on this issue. They head off, sit down and decide on issues that they don't fully understand, then they come home and write articles in the paper about how they've solved the problem. They haven’t solved anything; instead they've created a huge problem for Swedish shipping and for Sweden as a whole.

“They have no idea what they've done and they've failed to grasp the complexities of the issue. It's ridiculous – a complete political meltdown. Those taking the decisions lack any competence whatsoever. The group of people who handled this matter haven't appreciated the consequences – that much is clear.

“What this means for employment and Northern Sweden is utterly incomprehensible.”

Could the decision by the IMO and the EU actually be referred to the EU's own Competition Authority?
“Absolutely! That's one way to go and they ought to be able to put a stop to this.”

There is a partly new government now. What hopes do you have about them?
“We have to hope that the new Infrastructure Minister has the competence and courage to put her foot down and say that Sweden is no longer going to go along with this. It is definitely still possible politically. The Russians aren't on board at all. The Finns will also manage to get out of this – they won't damage their industry in this way.

“Taxes on industry don't usually get the voters agitated. But this is so big and will have such a direct and forceful impact on employment across the primary industries.”

So you haven't given up all hope?
“No, I hope that everyone who understands the devastating consequences of this decision will become ambassadors for the primary industries and the municipalities of Norland so that we can influence the politicians and the legislators. We have to explain to our politicians that we know what's happening and that we won't accept it. LKAB, SSAB and the Swedish forest industries being forced to shut down is not an option – that would not be good for Sweden.

Might new transport flows via Norway be a future alternative?
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Swedish primary industries are now on the warpath with Swedish politicians. The background is the decision to cut sulphur levels in bunker oil from 2015, which in the short term will cost Swedish industry SEK 28 billion and in the longer term threatens the very survival of Sweden’s primary industries. “They haven’t a clue what to cut sulphur levels in bunker oil from 2015, which in the short term will cost Swedish industry SEK 28 billion.

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“WE HAVE TO CHANGE OUR WAY OF THINKING!”

“Capacity utilisation is far too low at Europe’s ports today. We have to become much more efficient and change our whole way of thinking,” says Wando P. G. H. Boevé, Director Marketing & Sales for ECT Rotterdam, a company of Hutchison Port Holdings, the world’s leading terminal operator. Above all, he and change our whole way of thinking,” says Wando P. G. H. Boevé, Director Marketing & Sales for ECT Rotterdam, a company of Hutchison Port Holdings, the world’s leading terminal operator.

Low capacity utilisation

At the Baltic Shipping Days, Wando Boevé stated that a great deal remains to be done when it comes to making logistics more efficient and reducing transport costs in Europe.

“Goods transport in Europe costs EUR 450 billion every year! And of this, only 44 percent is the cost of actually transporting the goods. The rest goes on moving empty containers, wagons, trailers, etc. The big challenge is to link up large global goods flows on large vessels between continents with short transport routes by sea, rail, barge and road. “We have to become more efficient. At the moment, a container stands in our port in Rotterdam for an average of six days. It then stands for 12 days at the inland terminal in Frankfurt, for example. This costs money, ties up resources and forces operators at every stage to run larger storage facilities than is necessary.”

Delayed ocean-going vessels

A major problem that the European terminals have to wrestle with is that the ocean-going vessels that come into Rotterdam do not manage to keep to their schedules, missing their window three out of four times.

“And that is a difficult problem to address. Considering that they have a 70-day roundtrip from China and during that time they dock at ten ports, pass through the Suez Canal and encounter several storms, they actually do a fantastic job. It’s not possible for them to be more efficient with their time. But for a terminal with a seven-day schedule, just a day’s delay is problematic.

The difficulty is that their delays have a major impact on all the other feeders and barge traffic to and from Rotterdam. If you wander through the forest and see an anthill, you know there is a system there, but if God were to look down on our logistics in Europe, he would say: What a mess!”

Greater cooperation needed

The only way to solve this, according to Wando Boevé, is better cooperation between all the parties – the terminals, ocean freight shippers and feeder operators.

“We have to change our whole way of thinking. At the ECT terminal in Rotterdam, 9,000 containers stand waiting for transport every day. With better information and greater cooperation, we can move these around the system more quickly.”

The pattern of logistics is also set to change over time.

“In the future, we will have even larger ocean-going vessels with an even larger call-size in the port. The feeder ships too will grow in size. Ships that can transport 1,400-2,000 TEU are no longer really feeders. But if, as a terminal operator, you want to keep up, you need to be able to handle and the large ocean-going vessels and the feeders. The pressure will come from the market,” comments Wando Boevé.

Overcapacity in the Baltic

Hutchison believes in greater trade and increased shipments in the Baltic Sea and is now focusing on building up an efficient logistics system for the future. “Scanbaltic is one of the most important growth areas in Europe today,” says Boevé.

But one of the major problems for the Baltic region is the large array of far too many small ports competing with each other. “There are about 50 container ports along Baltic coast and they are using less than 30 percent of their capacity on average. You can’t invest in a terminal that is using under 60 percent of its capacity. We need to see a concerted shift to fewer but larger container ports with fully developed infrastructures and the ability to handle larger ships than they can at the moment.”

Stockholm an important Baltic port

Alongside Rotterdam, Hutchison Port Holdings believes that the ports of Gdynia, Hamburg, St Petersburg, Helsinki and Stockholm are most likely to survive.

Hutchison’s commitment to Stockholm is long-term and this is Scandinavia’s most important centre for imports, with more than a third of Sweden’s population (three million people) within easy reach. What is more, the whole stretch of coastline from central to northern Sweden is accessible via the shipping routes. The competing alternative is to import goods to enter Sweden via the Port of Gothenburg and then be transported up by road or rail to central Sweden, which is not so environmentally friendly when compared to the all-water vessel mode of transport.

Major investment planned in Norvik

In Stockholm, Hutchison Port Holdings has high hopes for the large container terminal in Nynäshamn, south-east of Stockholm. The company is currently waiting for the go-ahead from the environmental authorities to invest in the new terminal, called Stockholm-Nynäshamn Norviksudden, as a centre for goods flows to the Stockholm-Mälaren region and the rest of central Sweden. Here, Hutchison intends to set up an environmentally friendly facility with a final capacity to handle around 450,000 TEU using the very latest technology. The new terminal will measure a total of 30,000 m² and the quay will be 300 metres long, with 4-5 ship-to-shore container cranes.

“We’re aiming to be able to handle around 100,000 TEUs in the first phase of the development,” says Wando Boevé. If all goes according to plan, the Ports of Stockholm will start the construction work on the new terminal in 2011, with completion of Phase 1 sometime in 2014.

“We think the container terminal in Nynäshamn has fantastic potential. We need this new terminal, based on the growth in volume that we have forecasted. We are confident that Stockholm can be linked up with the large container transshipment hubs in Rotterdam and Hamburg.”

Superb partnership with SCA

Hutchison Port Holdings, which has long been a partner and neighbour of Interforest Terminal Rotterdam, is tremendously positive about its future collaboration with SCA Transforest in Stockholm. This year, SCA Transforest has also launched a transport partnership with Hutchison Port Holdings where SCA’s system vessels take containers and cargoes from Stockholm to Rotterdam.

“The success of this collaboration is crucial for the region. It brings synergies in terms of import cargoes to Stockholm and export cargoes from the north of the country,” says Wando Boevé.

“I met the people from SCA for the first time a year ago. Things clicked immediately and the partnership has so far been superb. They’re both a customer and a partner. Hutchison Port Holdings and ECT neither can nor want to do everything ourselves, we are dependent on developing a new development forward together with those partners who can make a difference. SCA is one such company.”
BRIGHT FUTURE FOR RAIL TRANSPORT BETWEEN EUROPE AND CHINA

Huge investment is being poured in by Russia and China to upgrade and extend the rail networks in both countries. The intention is naturally to increase traffic and take market share from both air freight and shipping. “We predict a large number of trains running between Europe and China in the future. This is very much a product of tomorrow,” Daniel Wieland, Vice President Rail Logistics & Forwarding at DB Schenker, confidently declared at the Baltic Shipping Days conference in Sundsvall in November.

Russia is enormous and entirely dependent on its railways. According to Boris Lukov, Advisor to the Secretary General of the Coordinating Council on Trans Siberian Transportation, Russia’s railways are one of the most important components of the Russian economy.

The rail network, which covers a total of 85,600 km, accounts for 80 percent of all domestic freight movement and 40 percent of passenger traffic.

The most important part of this rail network is the Trans-Siberian Railway, which is 9,282 km long, passes through five states and stretches from Moscow to Vladivostok and Port Vostochny on the Pacific coast.

“130 million TEU are transported every year in 700,000 containers. Together with the Baikal-Amur Railway, the Trans-Siberian Railway has the capacity to handle over 1 million TEU per year,” explained Boris Lukov in a speech at Baltic Shipping Days in Sundsvall in November.

New initiatives in Russia

Huge progress has been made over the period 2001-2015. Today many of the lines are double track and electrified, and over 1,500 private logistics providers have been invited to both collaborate and compete. The political vision has always been to integrate the Russian rail network with European and Asian countries in order to increase traffic between Europe and the countries on the Pacific Ocean.

The Coordinating Council on Trans-Siberian Transportation (CCCT) was set up specially as a partnership with railways, shipping lines and forwarders.

The goal was to attract goods and freight to the Trans-Siberian Railway and coordinate the collaboration between the various stakeholders.

Incredible investment

Now it is time for the next two phases of development. The total investment plan for the period 2008-2030 is a staggering USD 458.3 billion.

The most important part of this rail network is to link Helsinki, Bratislava/Vienna and Kosice/Warsaw with the Russian network.

The second phase from 2016-2030 will focus strongly on extending the rail network. The aim is to increase freight volumes by 70 percent and passenger traffic by 30 percent. 20,000 km of new track will be laid, including 1,228 km for high-speed trains. In Europe the plan is to link Helsinki, Bratislava/Vienna and Kosice/Warsaw with the Russian network.

The goal is for a regular link of one block train every month – and eventually every week – to Port Vostochny on the Pacific coast. In the future, the Russian railway will form an important transport link between Europe and Asia with considerably shorter transport times than by sea, according to Boris Lukov.

Another link that will receive heavy investment is the North-South corridor from St Petersburg via the Caspian Sea down to Iran and the countries on the Persian Gulf. In the future, this line will also run via Azerbaijan to Iran and down to Port Bandar-Abbas.

DB Schenker believes in Russia

One major player who has seized on the potential for increased freight via Russia to China is DB Schenker.

“We are currently looking into the investment potential for setting up a rail service between Europe and China,” announced Daniel Wieland, DB Schenker. In partnership with TEL (TransEurasia Logistics), DB Schenker has built up a successful structure for transporting freight to China through Russia.

The project, which started in 2008 but was temporarily suspended during the financial crisis, has now received renewed impetus in 2010 with pilot services for interested customers.

Weekly departures

DBS timings

According to both Boris Lukov and Daniel Wieland, the key benefits of a rail link to China via Russia are the substantial environmental and time savings. CCTT estimates that freight will take 11.5 days to travel between Russia and China also investing

These are currently being assessed by DB Schenker and TEL before a planned official launch of the public service in 2011.

“We have tested a few routes. We’ll be testing the southern route through Kazakhstan, which is a good alternative. We are currently conducting in-depth discussions with customers before deciding to move forward. We believe there will be a large number of trains between Europe and China in the future, but only if our customers want the same thing. We feel that this is a product of tomorrow,” stated Daniel Wieland, who is planning two offers for customers:

- Block Train, where companies charter a wagon or the whole train.
- Public Train, where DB Schenker takes over operation of the train service.

China is also currently investing heavily in upgrading its railways. For example, the Chinese government is investing CNY 3 billion in double track, electrification and expansion of the Chinese rail network from 9,000 to 12,000 km, not least to improve links between China and Russia and between China and Mongolia.

The project, which started in 2008 but was temporarily suspended during the financial crisis, has now received renewed impetus in 2010 with pilot services for interested customers.
Increased demand in the UK for office paper has presented additional challenges for Interforest Terminal London.

Its normal visitation by two SCA vessels per week – on Tuesdays and Saturdays – presents a regular challenge for the Tilbury workforce. But recently, a hike in demand for exports of office paper to Britain, has resulted in a third ship, supplementary to the SCA vessels, docking at the Interforest Terminal London at the Port of Tilbury, some 40 km from London. The Ahtela, carrying a large volume of fine paper from M-Real in Husum, Sweden – a load of 4,000 tonnes – first arrived at the south east UK port on Tuesday, 30 November, at the height of the worst cold snap on record for a British November. Heavy snowfalls shut down much of the British east coast business sector, but not Interforest at Tilbury. Despite the double challenge of handling increased cargo and working in extreme weather conditions, the Tilbury team was able to cope admirably with two vessels arriving on the same day.

The Ahtela's second visit was scheduled for Monday 13 December and the Tilbury terminal is anticipating continued growth.

SCA packaging chooses Transforest to ship testliner to Sweden

Early in the new year, SCA Packaging and SCA Transforest will be entering into a partnership where testliner will regularly be transported from factories in Germany and the Netherlands via the ports of Rotterdam and Helsingborg to board customers in southern Sweden.

Testliner from the mills in Wittenhausen and Aschaffenburg, both of which lie in the heart of Germany, and from the Dutch De Hoop mill in Eerbeek will regularly be transported by lorry to Interforest Terminal Rotterdam. From Rotterdam, the testliner will then be shipped on once a week to Helsingborg on SCA's system vessels.

Point of shipment in Helsingborg

At the Port of Helsingborg, SCA Packaging is in the process of creating a Point of Shipment.

“We are currently setting up our own warehousing operation for onward distribution to customers in southern and central Sweden,” explains Dirk Mommaerts, Containerboard Supply Chain Manager, SCA Packaging. From the warehouse in Helsingborg, customers can then submit their suborders for delivery within no more than 24 hours. Lorries will also be used at this end of the deliveries. Initially, Dirk Mommaerts estimates that this will involve shipping around 27,000 tonnes of testliner per year from Continental Europe up to Sweden.

“And this may increase in the future,” says Dirk.

Numerous benefits

Previously, these shipments have been taken by road all the way from the mills in Germany and the Netherlands to Sweden. “With this new system, we’re creating a much better service and more efficient logistics, benefiting us, customers and the environment. We gain shorter transport and lead times to our customers in Sweden between call of the paper and delivery to the factories,” says Dirk Mommaerts.

“We are trying to make optimum use of our resources and the capacity of SCA Transforest. We’ll be using the system vessels’ capacity on the northbound journeys back from Rotterdam to Sweden.” Peter Eriksson, Logistics and Environmental Manager at SCA Transforest, adds: “The environmental impact of transporting the goods by lorry and ship via Rotterdam is 40 percent lower, for all emissions, than taking the goods directly from the factory to the customer in Sweden by road.”

Warehouse systems now installed in Helsingborg

SCA Transforest has now integrated its Warehouse Systems into the Port of Helsingborg.

“All the IT services that are available in our other terminals are now also in place in Helsingborg,” explains Roger Salgh, head of IT at SCA Transforest.

The Warehouse Systems largely comprise two integrated elements – the planning system Scoop and the warehousing system VMS. On top of that are the truck computers and the scanners for reading barcodes. Every movement monitored

“The Warehouse Systems allow us to read and monitor all warehouse transactions. Staff in Helsingborg will be able to monitor stock at individual level, following the reels in and out with the different statuses that these may have,” says Roger Salgh.

“Each movement in and out of the warehouse is reported to the customer. For example, if we have had a delivery to one of our terminals, we send a confirmation in the form of a status update that we have received the goods and we detail which individual items we have received. Customers will now be able to have the same control over the goods, wherever they may be – in Umeå, Sundsvall, Helsingborg, Tilbury or Rotterdam.”

SCA Packaging first

Initially, SCA Packaging will be using the systems in Helsingborg.

“We are extremely integrated with SCA Packaging. Our next step is to train the necessary personnel at the port and within SCA Packaging,” ends Roger Salgh.
The city of Umeå in northern Sweden has ambitious plans for its port, with major intermodal investments currently being made in new infrastructure. “The new Botniabanan rail line along the coast of northern Sweden, a new combiterminal, a new logistics park, a new ring road and an expanded port will consolidate Umeå’s role as a key node in the Nordic transport system,” states Curt Kristoffersson, Managing Director of the Port of Umeå.

Open all year round, the Port of Umeå is located in the country’s most expansive area in northernmost Sweden. The 92 hectare port facility is managed by Umeå Hamn AB, which is owned by Umeå Municipality. 26 companies operate out of the port, including its leading player Interforest Terminal Umeå, which also runs the port’s agency and stevedoring activities.

“The Port of Umeå is Sweden’s most northerly container port and of all the northern ports the largest number of ships dock here. The growing scheduled traffic currently takes unisized freight to and from Continental Europe, the UK and Finland. We have regular departures to Sweden, Finland, Continental Europe, the UK and the Mediterranean” says Curt Kristoffersson.

With RG Line’s daily ferries to Vaasa in Finland, the port welcomes around 4,000 ships per year. Exports are dominated by forest products, sawn timber and kraftliner and on the import side the port is a centre for the distribution of oil products, as well as importing cement, recovered fibre, animal feed and input goods. Many of the input goods are transported on SCA Transforest’s system vessels.

“At the moment, we handle around 16,000 TEU per year. With the completion of the Botniabanan rail line and the new combiterminal in Umeå, volumes are expected to increase by at least 10 percent per year,” comments Curt Kristoffersson.

Port modernisation

Expansion and modernisation of the port has started and is set to be completed by around 2014. There will be a new rail link and the existing stretch of track from the port down to the railway will be electrified. The nearby E12 motorway will also be resorted and upgraded. The estimated cost of the project is SEK 160 million.

“Investing in the rail link to the port is essential and something we have long lobbied for. It is the final piece of the jigsaw, allowing for the development of efficient transport solutions for road-rail-sea beyond Umeå. It also makes it possible to run electric trains from southern Sweden all the way up to the Port of Umeå,” explains Curt Kristoffersson.

“The railway and the E12 terminate in a rail yard and a goods terminal, which allows for efficient handling of containers, trailers and other goods directly between rail wagons and ships without the need to reload,” says Curt Kristoffersson, who doesn’t see any competition with the Port of Sundsvall almost 300 km south.

“Sundsvall is a complement to Umeå. The idea is to have viable ports at a distance of 250-300 km along the northern coast of Sweden. Without the close partnership with SCA Transforest and Sundsvall, we would not have been able to attract the system traffic up here. Umeå and Sundsvall complement each other well, SCA accounts for approximately 50 percent of volumes in Umeå.”

Linking Norway with Finland

As well as investing heavily in the port, the Swedish government and the municipality are also improving the infrastructure around Umeå. The rail line across from Storuman in the west to the Botniabanan line and the port is being upgraded.

“With a new terminal also being built in Storuman, the region will gain an efficient transport network from Norway’s Mo i Rana in the west to Finland’s Vaasa in the east,” says Curt Kristoffersson.

Finland is also focused on an east-west link, with well advanced plans for a modern logistics centre in Vaasa and improved infrastructure leading to the Port of Vaasa.

“This investment will have a positive impact on the Port of Umeå as a bridge across to Vaasa and Finland.”

New combiterminal

In addition, Umeå’s new Nordic Logistic Centre (NLC) Terminal opened in autumn 2010. The intention is for the 5.6 hectare NLC Terminal to take care of the anticipated increase in traffic that is expected when the new Botniabanan rail line is completed.

The government has invested a total of SEK 900 million in the new terminal site, which has the capacity to handle detachable load carriers and the loading/unloading of goods wagons, as well as a host of service functions. Next to the goods yard is a service area for maintaining vehicles and track. There is also space for external businesses to set up.

“The capacity for goods on the rail line to and from the Very north of Sweden has now more than doubled,” states Curt Kristoffersson.

Next to the terminal site, Umeå Municipality has also built a new logistics centre, NLC Park, as a business park for companies with a focus on logistics and transport-intensive activities.

Huge ambitions

The visions and the plans for the future of the port are ambitious.

“We’re in a phase of real expansion, with the government, the Country Administrative Board and our owners all driving the developments forward. We have a long-term aim of increasing transport volumes by 3 percent per year. In the future, we are going to be one of the biggest ports on the north Swedish coast,” concludes Curt Kristoffersson.

SCA BEST AT CARBON DIOXIDE REPORTING

SCA has been named the best company in Sweden – and the third best in the Nordic region – when it comes to carbon dioxide reporting in the global Carbon Disclosure Project survey. Behind the CDP are 534 institutional investors, including Merrill Lynch, Goldman Sachs and HSBC, who use the survey as an evaluation tool.

“We have long had the issue of carbon dioxide on the agenda and know that systematic reporting and monitoring is necessary in order to be effective in cutting emissions and saving energy,” says Kersti Strandqvist, Senior Vice President Sustainability at SCA. Alongside its placing in the overall report, SCA also qualifies for the Nordic Carbon Disclosure Leadership Index 2010, which presents the 10 Nordic listed companies with the most professional and committed attitude to corporate governance on the issue of carbon dioxide reporting.

The CDP’s Annual Nordic 200 Report is a sub-report on 200 Nordic listed companies, including SCA. The 534 institutional investors behind the global CDP survey manage assets worth a total of USD 64 trillion.
NEW BOSS WITH
A FOCUS ON THE SOFTER ISSUES

Collective intelligence, getting everyone to work towards the same objectives and the potential inherent in people’s commitment are issues that interest Margaretha Gustafsson, new head of Interforest Terminal Umeå. “I am very positive about the future at the port. We are the northernmost container port in Sweden and we forecast rising container deliveries, which will be good for our terminal in Holmsund,” she states.

Export has been a key part of Margaretha Gustafsson’s whole working life. In one way or another, she has always come into contact with export issues, ports and shipping lines in her various jobs. When her first employer, Sofiehem Pulp (formerly Bowater), decided to shut down its operations in 1989, she applied for an advertised position at SCA Timber and the Holmsund sawmill. Naturally, she got the job.

“I’ve progressed the long way through SCA, where I’ve now worked for 20 years. Over that time, I’ve had all sorts of different work to do. I’ve set up a planning line, I’ve worked on production planning, for 10 years I worked on the sale of sawn timber and for the past four years I’ve also combined that work with being head of Holmsund sawmill. As a salesperson and sawmill manager, issues of logistics have always interested her.

“I find transportation interesting and for many years I have had close and positive contact with SCA Transforest,” she explains.

It was therefore no great leap for her when she was asked to succeed Urban Haggqvist as the new head of Interforest Terminal Umeå. Since the middle of the year, she has also been responsible for Interforest’s terminals in Vasa and Skövde, both of which have close links with the terminal in Umeå.

Large organisation

Interforest Terminal Umeå in Holmsund focuses on transport by sea, rail and road of sawn timber, kraftliner and other goods from SCA Transforest’s customers. The terminal, with its 650 metres of quayside and 70,000 square metres of indoor warehousing, handles 1,250,000 tonnes of goods every year.

“However, the majority of that is forest industry products from our own units. We are a full service terminal, with an agency business that also works for other customers. This is a much bigger and broader organisation than I have dealt with before. There are 85 of us, as well as a system that we call ‘extraring’. These are personnel who come in and work when we need more manpower,” says Margaretha Gustafsson.

Close partnership with Sundsvall

Collaboration with central office and the shipping department at SCA Transforest in Sundsvall is solid.

“With the way that business is going at the moment, with more container traffic and more intermodal solutions, it is vital to maintain a closer exchange and partnership between these two ports in northern Sweden. It’s important to get all sections working in the same direction so that we build up strong competitiveness and good results for SCA and all the external customers we work with,” comments Margaretha.

Considerable investment in infrastructure

Politicians in Umeå decided long ago to invest in the port and logistics in the city. One investment is an electrified railway line that will run through the whole port site. The main E12 road is also being upgraded and a brand new combiterminal is being built in the city.

“In the long term, this will benefit our business by creating better facilities for transport to the port.

“I am very positive about the future at the port. Every year we handle large flows of sawn timber from SCA’s nearby sawmill as well as kraftliner from the expanding SCA Packaging in Obbola and in Munksund outside Piteå. We are the northernmost container port in Sweden and we forecast rising container deliveries, which will be good for the port,” states Margaretha.

Challenges

One of the terminal’s biggest challenges for the future is to create even more customer benefit.

“The key to our success will be making sure that we are efficient, that we are able to offer competitive prices and that we do our utmost to provide customers with a good product.

“We’re already working on various processes to improve our product quality in the form of skills development, new IT support and more modern machinery.”

Leadership issues and skills development have always interested Margaretha Gustafsson.

“There is huge potential in developing the commitment of our employees. How can we make each other improve? What is it that prevents us from doing what we want to and how do we get employees to feel more involved, to feel important and to work towards the same goals? I find working on these issues incredibly interesting,” she says, singing the praises of collective intelligence.

About Margaretha

Margaretha Gustafsson was born in Ångermanland, but grew up in Holmsund.

Having spent 35 years in Umeå, with the exception of a few years in Mälardalen in central Sweden, she has lived in Holmsund for a few years now.

When not working, she likes to spend time with her family – husband and 10 year-old son – and good friends at their summer cottage on Risön outside Umeå.

“I also love to read and spend time outdoors. I really enjoy sport, skiing in the winter and fishing out at the summer cottage,” she concludes.

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TILBURY TEAM BEATS BRITISH FREEZE

The Tilbury team of Interforest Terminal London refused to allow the coldest UK November on record to stop its upward trend in cargo volumes. While many thousands of British businesses were closed and unprecedented snowfalls wreaked havoc across the eastern regions of the UK, the Interforest Terminal London continued to operate with minimal effect on its service, despite levels of ice and snow unseen in living memory at the Port of Tilbury.

“It has to be said that the UK was caught out by a sudden cold snap that our Scandinavian colleagues might regard as normal,” says Hugo Heij, Managing Director of Interforest Terminal London. “We used every device at our disposal – including an ancient farm tractor – to shovel away ice and snow and were able to keep going when surrounding terminals closed.”

Up-to-date services
The Tilbury terminal maintained an up-to-date communiqué to customers, issuing regular News Bulletins and up-to-date communiqué to customers, reviewing the weather conditions every hour, as blizzards hit the vast open eastern regions of the UK, the Interforest Terminal London continued to operate with minimal effect on its service, despite levels of ice and snow unseen in living memory at the Port of Tilbury. “In the same region at the Port of Tilbury.

Restrictions on the roads
Simply delivering the turbines by lorry from southern Denmark to northern Sweden is also not a viable solution, since the Swedish Transport Agency has introduced limits on how far you can drive with such a long load.

“Year this you are permitted to drive maximum 350 km, next year the limit is 400 km and in 2012 you will only be permitted to drive 350 km,” says Nils-Johan.

“So we started looking into the possibility of using our own system vessels. With RoRo ships (Roll on, Roll off) we can drive on the whole trailer carrying the parts of the wind turbine and deliver it to ports along the coast of northern Sweden.”

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“We’ve very proud of the extraordinary effort and determination of the workforce to overcome difficulties that closed other terminals for a full three days. At Interforest we stopped incoming traffic for only 24 hours. And, on top of that, in order to clear the backlog, the team pulled out all the stops and worked throughout the weekend loading lorries and unloading cassettes so that by Monday, 6th December, we were back to normal,” adds Hugo.

Learned a great deal
Interforest Terminal London is now preparing a set of contingency plans to anticipate, prepare for and minimise the effects of future weather conditions.

“We’ve learned a great deal from this experience and will be even better prepared to cope with whatever the weather throws at the UK next time.”

WIND POWER AT SEA

Since last summer, SCA Transforest has been delivering wind turbines to northern Sweden on its system vessels. Since more wind farms are set to be built over the coming years, this business has huge potential.

Delivering wind turbines by ship is nothing new in itself, but so far the deliveries have used conventional LoLo ships (Lift on, Lift off).

“But that takes more time and requires more staff at the port, because you need special cranes to lift the turbine sections off the boats and then load them onto lorries,” explains Nils-Johan Haraldsson, Vice President Marketing and Business Development.

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Two turbines at a time
After a field trip to Denmark, SCA Transforest visited several manufacturers of wind turbines, and a transport concept was developed. Northbound from SCA’s terminals in Tilbury and Rotterdam, the system vessels call in at Frederikshavn in northern Jutland to take on board wind turbines.

“We loaded up our first shipment in July. Thanks to the height and length of our cargo bay, we can easily drive in the ready-loaded trailer that is waiting for us on the quay. Each ship can take two complete turbines at a time. The loading is carefully planned to make sure there is space for the various parts and it takes no more than about two hours to complete the whole process,” comments Henrik Fälldin, salesman at SCA Transforest.

Many advantages
There are many advantages to using SCA’s system vessels for the wind turbines.

“It is a cost-effective and eco-friendly method that benefits us and the customer. For one thing it reduces road transport, and through good planning we utilise our northbound capacity better. Also, our system vessels run to a fixed schedule, which means that the wind turbine manufacturers can plan exactly when the turbines need to be produced and ready for delivery. The wind turbines also avoid getting damaged, because we don’t need to handle the actual cargo during loading and unloading,” says Nils-Johan.

In Skåne, senior advisor Lars Peterson is SCA Transforest’s man on the ground with regard to delivering the wind turbines.

“Lars has many years of experience in shipping and knows our vessels well. He takes care of the load planning, checks that the loading is done properly and takes care of contact with our customers,” says Nils-Johan.

This year, SCA Transforest will have delivered 17 turbines by the time the season for these deliveries takes a break over the winter.

“The deliveries will start up again in spring,” states Henrik. “We have noticed increased interest in our ships, so we have high hopes that we can fully expand this operation next year. There is huge potential, considering all the wind farms that are set to be built in northern Sweden over the coming years. It would also be great, eventually, to get to deliver the 500 planned wind turbines for Statkraft SCA Vind AB.”
SCA ENERGY INVESTS IN THE FUTURE

SCA Forest Products is creating a new business unit to handle its renewable energy work. The new unit, SCA Energy, will cover existing activities such as wind power, forest fuels and fuel pellets, as well as taking on responsibility for developing new business opportunities in the energy arena. “We already sell renewable energy worth around SEK 800 million a year,” says Åke Westberg, who will be heading SCA Energy.

The new business unit comprises SCA Nordbränden, SCA’s forest fuel operation supplying logging residues, peat and other unrefined fuels, SCA BioNorr, which produces fuel pellets from sawdust and other waste products from sawmills at the plants in Härnösand and Stugun, and SCA’s growing commitments in wind power.

“We’ll be one unit among all the others in SCA Forest Products. SCA Energy concentrates our energy activities and also provides synergies. When SCA Energy’s management team meets, the focus of its discussions is on energy issues, raising their profile within the Group,” says Åke.

“Energy issues are becoming increasingly important. We’re seeing a growing interest in renewable energy production and the appearance of new players and business opportunities in Sweden and abroad. SCA has huge unexploited resources in terms of both biofuels and wind power. We therefore want to gather up our resources in this area to make us an attractive partner for larger customers and energy producers.”

Significant potential

According to Åke Westberg, SCA Energy also has great potential for future development: “The EU’s tough stance on environmental energy is putting pressure on Sweden and other governments. This will create new opportunities and challenges for renewable energy. We are already a leading supplier of biofuels in Northern Europe. And as Europe’s biggest private owner of forests, we have huge potential to expand the revenue from our land. As an example, we have the possibility of extracting much more peat than we currently do.”

SCA Energy will become operational in the new year. Once the ongoing recruitment drive is completed, the unit will have 22-25 people working at head office in Sundsvall. Initially, the operation will employ a total of around 40 people.

Pellets market slow to take off

SCA Energy includes subsidiary SCA BioNorr, which employs nearly 20 people and is the leading manufacturer of pellets in Sweden. SCA BioNorr produces around 300,000 tonnes of fuel pellets a year using sawdust from SCA’s sawmills at plants in Härnösand and Stugun. The customers are energy producers, industries and district heating plants, as well as householders.

Åke Westberg explains that the market for fuel pellets has not yet taken off in the way that many expected: “For a long time now, it has been said that pellets are needed in the coal-fired power stations. However the countries dependent on energy from coal, such as Germany, Poland and the UK, have still not put in the investment and their power stations have not started replacing coal to any great extent. At the moment the market just isn’t there, but this could change very quickly. In the UK, for instance, subsidies and huge investment are required at a time when the government is cutting back on child benefit. Will the country make the investment? It hasn’t so far. The political instruments just aren’t in place for these countries to meet their environmental goals.”

Utilisation of capacity in the pellet industry is generally extremely low at the moment. “In Europe the figure is around 60 percent, with a considerable amount of new capacity also coming on stream. This means that profitability and pricing are not what they should be. There is a great deal of efficiency work to be done in this area and our immediate focus is on becoming more cost-effective,” says Åke.

Research in new projects

Another benefit of SCA Energy is that SCA will be able to coordinate its development initiatives in the energy arena. This may involve new moves into refined biofuels and in the longer term perhaps even vehicle fuels. “We are constantly receiving invitations to take part in research and development collaborations,” says Åke. “We never really had a natural home for these, but now we will. We want our development initiatives to be closely linked with our business activities in order to achieve the best possible effect.”

Initially, SCA Energy will not run any of its own active research. “It might in the longer term, but to start with, we’ll be monitoring research developments in the energy arena carefully and choosing to participate in the most promising projects.”

Major investment in wind power

SCA and Statkraft’s powerful joint wind power venture, investing SEK 16 billion in building almost 500 wind turbines on SCA land, is another operational area that will come under SCA Energy in the new year.

“We already have just under a hundred wind turbines generating electricity on SCA land, facilities where we lease the wind power sites to third parties. The major collaboration with Statkraft to put up almost 500 wind turbines is currently being examined by the Swedish Environmental Court. However, we have great potential to take this activity further.”

“If we get the permit approved early in the New Year, we hope to be able to have the first 50 wind turbines up and running by late 2012. Then it’s our intention to bring online 100-150 turbines per year over the following three years.”

SCA’s experience of wind power investment has been so good that the company now wants to continue expanding wind power on its land. “We have the capacity on SCA land to double or triple this project. I should think that we could produce somewhere between seven and eight TWh from wind power on SCA land,” states Åke.

SCA Transforest has entered partnership and in-depth discussions with suppliers to use SCA’s ships to transport wind turbines. “I understand that this has been a good and productive collaboration, with the large blades and tower sections placed directly on lorries in Denmark and then shipped up to Iggesund. They aren’t unloaded until they reach their final destination. “SCA Transforest’s ships run like clockwork, departing at precise times, and the deliveries are direct, without any intermediate storage. They have also shown themselves to be competitive on pricing. It is clear that SCA Transforest is an interesting option as we evaluate the transport of the 500 or so wind turbines that we will be erecting in Norrland in 2013-2015.”

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“We’re awaiting the measurement results and if they are satisfactory, we could install another 40 or so turbines here.”

Increasing transport of wind turbines

Transport is and will continue to be incredibly important for SCA Energy. “In Norrland we’re talking about huge distances and we have to transport the fuels a long way. They can’t support high costs, so we really have to be more efficient in terms of transport, both of refined and unrefined fuels.”

The main issue is setting up more efficient rail transport of biofuels to the Stockholm-Malaren region. “We don’t currently have any regular ship deliveries, but that is possibly something we should look at in the future. It all depends on our ability to pay. It is easy to waste a lot of money on transporting too little too far.”

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HOLIDAY RUSH

The ocean seems infinite. A single giant highway, with no traffic congestion and road tolls. We ensure that your goods are delivered to the agreed location. On time and at the right price. To all corners of the globe. Even on holidays. SCA Transforest wishes you a Happy New Year 2011.