



# New Ways

Nº 3 2022

Continuing efforts to  
increase productivity

Efficient and  
sustainable transport

The Port  
of Shanghai

Sundsvall logistics park  
– a sustainable solution





# Exciting times ahead

We live in exciting times, with three major industrial projects on the starting blocks: SCA's new paper machine in Obbola, just outside Umeå, the pulp production line in Ortviken, Sundsvall, and Renewcell's newly established production line for dissolving pulp made from recycled cotton textiles, which is also based on the Ortviken Industrial Site. SCA Logistics is Renewcell's logistics partner for both raw materials and finished products. You can learn more about that on page 4.

All three of these projects are scheduled to start producing within the next six months and gradually increase production during 2023 and 2024. When the cargoes from all of these flows are added together, we will be making logistical arrangements for between 700,000 and 800,000 tonnes, from raw-material sources to factory and from factory to customer.

Preparations are in full swing at SCA Logistics; we are upgrading warehouses and port areas and investing in new machinery for the terminals in Umeå and Sundsvall.

Planning is also underway to design logistics and shipping systems for the various flows. In conjunction with this, we are also reorganising Sourcing and Sales to strengthen customer service. You can learn more about that on page 31.

We will be needing considerably more personnel in the form of both dockworkers and many other positions in freight forwarding and commercial services. In total, we are looking at expanding our organisation by approximately 50 new recruits, a process that has already begun and will continue in stages throughout 2023 as volumes increase.

We are delighted to be part of this enormous expansion that, while it will present many interesting challenges, will also give a new dynamic to existing flows and business.

We have invested a great deal of time and effort in preparations to ensure that we meet these challenges successfully. Undoubtedly, not everything will go completely according to plan, as is almost always the case when embarking on new industrial enterprises. That said, we have a wealth of highly competent employees who are used to managing change; so, I feel confident that we will succeed.

Together with our customers and suppliers, we will create a great team that is more than capable of meeting this challenge in the best possible way!

**Magnus Svensson**

President, SCA Sourcing & Logistics



## NEW WAYS N° 3 2022

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# SCA's sustainability work lauded by Carnegie

SCA has been awarded the Carnegie Sustainability Award 2022. The company's sustainability work in Swedish forests took home the award in the Large Cap category.

**Text:** Jennie Zetterqvist.

Carnegie is a leading private and investment bank in the Nordic market. The Carnegie Sustainability Award is presented annually to recognise good role models for sustainability work. The award is given to companies in three categories and SCA is this year's winner in the Large Cap category. In justifying the award, Carnegie underlines that 100% of SCA's forests are FSC and PEFC certified, thus promoting the long-term sustainability of forestry.

Carnegie also emphasises the fact that SCA is already CO<sub>2</sub> positive and has adopted ambitious targets to further increase its positive contribution. As one of Europe's largest private forest owners, SCA contributed climate benefits of 10.5 million tonnes CO<sub>2</sub>-eq in 2021. Future targets include further increasing climate benefits, reducing waste to zero, achieving a fossil-free value chain and increasing the production of electricity from wind power.

The award was accepted on behalf of SCA by Head of Sustainability at SCA Hans Djurberg.

"We have worked with purpose, perseverance and success to ensure that our forests grow continuously and that the forest is used to create the greatest possible climate benefit. It is this that ensures that raw materials can be sustainably harvested from the forest to make products or materials that replace those currently manufactured from fossil or other finite raw materials," he explained.

Hans also took the opportunity to pay special tribute to all of the employees whose day-to-day efforts make it possible to continuously strengthen the long-term sustainability of forestry and industry, something that is vital to the ongoing societal transition in which bio-based and fossil-free raw materials play such a crucial role.

## Carnegie Sustainability Award 2022

Carnegie established the Carnegie Sustainability Award in 2019. The winners in the three categories Large Cap, Small Cap and Best Newcomer are chosen from among the 400 listed companies that account for approximately 95 percent of the stock market value in the Nordics. The purpose of the award is to highlight good examples of sustainable companies and to inspire others.

# Efficient and sustainable transport

## as Renewcell gets up and running

During the fall, Renewcell commenced operations at its new facility for recycling textile waste – an SEK 1 billion investment at SCA's industrial site at Ortviken. "SCA takes care of our logistics for both raw materials and finished products. Sustainable and efficient transport is crucial for us, and together we have achieved numerous milestones. We are now continuing to develop our collaboration," says Harald Cavalli-Björkman, Chief Growth Officer at Renewcell.

**Text:** Kerstin Olofsson. **Photo:** Renewcell, Alexander Donka.

Renewcell's key aim is to make fashion circular. They use end-of-life clothing and waste from clothing manufacturing as raw material to produce Circulose®, a pulp that customers can then use to produce textile fibres such as viscose and lyocell. These are then used to produce new garments.

"Clothing production has a huge environmental impact, and yet we see barely any recycling of textiles. A circular system is needed and we aim to be a major player in its development," says Cavalli-Björkman.

Interest in Circulose is steadily growing, and their client list includes two of the largest global fashion producers: H&M and Inditex. Renewcell recently announced that they will be stepping up production two years earlier than planned thanks to the high level of demand.



**"SCA takes care of the entire logistics chain for us, so we only need one contact for our transport activities."**

**Harald Cavalli-Björkman**  
Chief Growth Officer at Renewcell

Initially Renewcell will use 70,000 tonnes of raw materials annually to produce 60,000 tonnes of Circulose, but production will now be doubled by 2023/2024. This level of production will virtually equate to Sweden's annual consumption of textiles.

### Long distances

Renewcell faces a hurdle in accessing both customers and raw materials – long geographical distances. Its raw materials consist of textiles compressed into bales, which are sourced from locations such as India, China and Turkey; in other words, regions that are densely populated or that produce large quantities of clothing.

The finished product, Circulose, consists of sheets of pulp that are packaged and look just like pulp bales from the forest industry. The biggest customers are in India and China, but substantial volumes will also be supplied to Japan and Germany.

"The long distances make logistics a key issue for us and it's essential to have a reliable partner. SCA takes care of the entire logistics chain for us, so we only need one contact for our transport activities," says Cavalli-Björkman.

In addition, SCA takes care of storage, processing and some administration tasks.





Renewcell commenced production during the fall, but the process of building up stocks of raw materials began almost a year ago.



“We offer our full portfolio of services to Renewcell, from terminals and road, rail and maritime transport to customs administration. And we have integrated our systems for processes such as order management and follow-up, which reduces admin,” says Dan Persson, Sales Representative at SCA Logistics.

### Optimised logistics

SCA and Renewcell are also working hard to optimise the delivery chain. These efforts have focused on securing capacity and ensuring that deliveries to and from Renewcell’s key markets are as cost-effective and punctual as possible.

“We have put a great deal of work into streamlining our handling of textile bales, for one thing. Requirement specifications for suppliers are an important element of that,” says Dan.

Circulose and textile raw materials will be transported in a variety of different ways, depending on what is most

efficient in each case. The vast majority will be transported by container, but some cargo will also go via SCA’s RoRo vessels to and from terminals in Europe.

### Focus on sustainability

Sustainability is a major focus for Renewcell, along with cost efficiency and reliability.

“Sustainability is the very reason for our business and CO<sub>2</sub> emissions from our production process are very low. This means that transport activities are fundamental to our life-cycle analysis and we therefore collaborate closely with SCA to minimise our carbon footprint. We truly value that sustainability is a key issue for SCA too and that they are strongly motivated by the same objectives,” says Cavalli-Björkman.

He points out that a reliable logistics partner becomes even more important at times like this, with first the pandemic and then Russia’s invasion of Ukraine presenting challenges for global transport.

“Close collaboration with SCA Logistics makes it easier to navigate the challenges and enables us to focus on our business concept – making fashion circular.”

### For the benefit of all customers

SCA is also pleased with the solution.

“Renewcell is a perfect fit with our existing infrastructure, and as a result we will be handling large volumes of goods heading both south and north. This enables us to secure even better procurement deals and use even larger vessels, thus improving competitiveness for all our customers,” says Dan.

Renewcell’s focus on sustainability also goes hand in hand with SCA’s approach.

“We are both working on circularity and look forward to developing together,” concludes Dan.

I used to be a  
pair of jeans.



# SCA awarded top EcoVadis sustainability medal

SCA's sustainability management has been rewarded with EcoVadis' highest rating, its Sustainability Platinum Medal. "It's truly gratifying and really great proof, if it were needed, of SCA's fantastic sustainability management," says Hans Djurberg, Head of Sustainability at SCA.

**Text:** Kerstin Olofsson. **Photo:** Mikael Engman.

EcoVadis is a global leader and a trusted player when it comes to assessing companies and supply chains against sustainability criteria. At present their assessment tool covers more than 90,000 companies within 200 sectors in 160 countries.

## Top rating

EcoVadis looks at sustainability management within four areas: environment, labour and human rights, ethics and sustainable procurement. SCA has qualified for the Sustainability Platinum Medal, the best possible rating that can be awarded following assessment.



**"We achieved high scores in all four areas, but our efforts within the environment field stand out in particular."**

**Peter Eriksson**  
Sustainability and Logistics manager,  
SCA Logistics

"Of the companies that EcoVadis has assessed in our industry, only 1% achieve this rating. We achieved high scores in all four areas, but our efforts within the environment field stand out in particular," says Peter Eriksson, who is a sustainability specialist and has been the project manager of the assessment process at SCA.

SCA has been assessed by EcoVadis for three years now and results have improved year on year. Last year SCA achieved Gold, the second highest rating. This year it was upgraded to Platinum. Hans observes that SCA are experts at sustainability and it's something to be proud of, but it's essential not to get complacent.

"We aim to improve even further and it's necessary to be constantly aware that this is a very long-term process, with new challenges, circumstances and technology meaning that sustainability management has to continue evolving to keep up with reality," he says.

## Stamp of approval

EcoVadis' assessments are used by many companies to evaluate and compare the sustainability efforts of different





SCA has really good results in all four areas that EcoVadis assesses, but the work in the environmental area stands out.

suppliers. A good rating is a reliable and valuable stamp of approval.

“Sustainability is a hugely important factor for the business community and something that is becoming increasingly relevant for both private consumers and other companies,” says Hans.

The assessments are also essential for analysing value chains that include a number of different participants.

“The sustainability performance of each individual participant contributes to the overall process. For us, it’s important to make a positive contribution to the value chains we’re part of,” says Hans.

SCA makes use of EcoVadis itself to review its suppliers’ sustainability management.

“The assessments represent increased transparency and provide a better means of uniformly assessing suppliers. The results show clearly how ambitiously suppliers are working on sustainability issues, and if a particular supplier’s results are too low we call for improvements in order to continue with our collaboration,” says Peter.

### Support for continuing efforts

In addition to providing proof that SCA’s sustainability management is maintaining its very high level of quality, the results from EcoVadis also offer support for further improvements.

“EcoVadis always presents a list of the company’s strengths, but also offers tips on potential improvements. This provides a useful starting point for our continuing efforts. Even though we have achieved top marks, we are striving to be even better,” says Peter.




Scan the code to  
read more about  
EcoVadis.



# Sundsvall logistics park – a sustainable solution

The new Sundsvall logistics park is an efficient and sustainable transport hub that brings together road, rail and shipping. The project includes a new container port, an intermodal terminal and extensive investment in rail infrastructure. Growth and the environment are key considerations for the overall project.

**Text:** Mats Wigardt. **Photo:** SCA, Michael Engman, Frida Sjögren, Infraaction YZ AB.



The new railway connection close to the Sundsvall terminal is under construction.





**“The key is efficient logistics,  
doing the right thing in the  
right place at the right time”**

**Nicklas Sundberg**  
Project manager, Svevia

Overview maps for the entire project are posted on the wall. Nicklas Sundberg explains, consultant Magnus Häggström listens.

Planning of the new logistics park in Sundsvall commenced back in 2017. Linking up road, rail and shipping activities so that transshipment and unloading can take place without any unnecessary delays or transport distances has been one important reason for moving the terminal to a more strategically located site in Sundsvall.

In addition, the site of the old intermodal in the city centre was needed for other purposes. Additional aims were to reduce heavy goods traffic, re-route transport of hazardous goods, and to make a notable contribution to an environmentally sustainable solution for essential societal functions.



**“This is a huge and important  
project, both regionally and  
nationally”**

**Thomas Jönsson**  
Construction Manager,  
Sundsvalls Logistipark

Once the project had been reviewed by all relevant bodies, the city council in Sundsvall could give the go-ahead in May 2020 for building the new logistics park.

### **A huge project**

The construction process has involved huge 90-tonne excavators and compact dump trucks purposefully moving two million tonnes of soil and rock to create a tarmacked area, 1.3 kilometres long and between 30 and 50 metres wide, where a road and three rail tracks (650 metres each) could be constructed, with space for an additional track.

This will enable more goods to be transferred between lorries, trains and ships, resulting in less heavy goods transport through Sundsvall.

“This is a huge and important project, both regionally and nationally,” notes Construction Manager Thomas Jönsson, looking out over the 20-hectare construction.

Areas will be prepared with complete infrastructure to enable logistics companies to establish operations. With three rock crushers on site, the entire project is also self-sufficient in terms of construction material, what’s known as mass balance, which helps in achieving the ambitious target of an ‘Excellent’ rating from the CEEQUAL environmental certification system.

Nearby, another important element of this vast new transport hub project is taking shape, which will ensure smoother transport flows into Sundsvall. Construction of a



There are many thousands of tonnes of rock and soil that has to be moved, and numerous bridges has to be reinforced.

new rail track is currently under way and this will link up with the national railway network.

On the wall of the project office hang maps and pictures. Project Manager Nicklas Sundberg from Svevia points to them and explains:

Two kilometres of new single-track railway. Two bridges. Connecting local roads. Pedestrian routes and cycle tracks. Wildlife corridors. Substantial cuttings. Many thousands of tonnes of rock to crush and re-use. Soil to move. Around ten buildings to demolish. Continual surprises to be dealt with.



**“The logistics park will generate investment in the region, create more jobs and contribute to growth and belief in the future”**

**Jens Olsson**  
Technical Director at SCA

“The key is efficient logistics, doing the right thing in the right place at the right time,” explains Sundberg.

The two-kilometre stretch of new rail track includes three major cuttings and a number of smaller ones. A total of 170,000 cubic metres of solid rock to blast and crush on site for re-use along the line, in banks and noise barriers, roads and railway embankments.

Five excavators have been drafted in to carry out the work. Along with several dump trucks of varying sizes, wheel loaders, bulldozers, a road roller and a number of lorries. Not to mention the drilling rig and rock crushers.

### **New investments and jobs**

From an outsider’s perspective work seems to be progressing smoothly. No queues, waiting times or traffic jams are evident on site. It’s all pretty calm in general, despite the tight schedule.

Directly adjacent to the intermodal-terminal, SCA is also building a new container port with large storage areas and a water depth of 15 metres, which will be the deepest in the Gulf of Bothnia.

“Larger capacity is much needed. Being able to accommodate really large vessels is essential to make transport as cost-effective as possible, with lower CO<sub>2</sub> emissions per tonne of freight transported,” says Magnus Svensson, SCA’s President, Sourcing & Logistics.

Jens Olsson, Technical Director at SCA, observes that the entire project represents a huge boost for both SCA and other companies in the region.

“Efficient and sustainable transport is becoming increasingly important. The logistics park will generate investment in the region, create more jobs and contribute to growth and belief in the future,” he says.





“Being able to accommodate really large vessels is essential to make transport as cost-effective as possible, with lower CO<sub>2</sub> emissions per tonne of freight transported”

**Magnus Svensson**  
President, SCA Sourcing & Logistics



Scan the code to join us for a flight over the harbour and see how the new port takes form.

The entire project, with intermodal, container port and railway, is expected to be completed by 2024.



# Focus on development in Andreas' dream job

On 1 March, Andreas Disby took over as Manager, Vessel Operations at SCA Logistics – a job that has long been his dream. “I’ve had my eye on this role ever since I joined SCA and now I’ve landed it! The job is very much about development and that suits me perfectly,” he says.

**Text:** Kerstin Olofsson. **Photo:** Linda Snell.

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Disc golf is a favourite pastime for Andreas Disby. It's a sport with the objective of getting your disc from the tee area to the golf basket in as few throws as possible.



Andreas has a very broad remit. He bears operational responsibility for all shipping within SCA Logistics: the three RoRo vessels and breakbulk and project cargos. Ensuring that goods arrive on time and in excellent condition, that vessels are optimally loaded and operated as sustainably and safely as possible – these are just some of the matters that come under his new remit.

### Quick changes

The biggest challenge for Andreas and his team is the constant demand for new plans and new priorities.

“It’s not unusual for something to happen that derails our original planning and new circumstances come into play. That’s just how it is in logistics – things are always happening! Changes in goods flows may arise, for example, or bad weather may delay a ship getting into port. In such situations we need to act quickly and adapt, so that we can fulfil our commitments and keep to our time slots in port,” says Andreas.

At the same time these constant changes are part of the job’s appeal.

“There is no such thing as a ‘normal day’, so the work is very varied and rewarding. It keeps you on your toes, as you are constantly faced with new scenarios and new challenges.”

This is where Andreas’ experience from previous jobs comes in handy. He is a qualified captain and has worked as second officer on one of the largest cruise ships in the world. He has also served as a vessel operator at SCA Logistics for a number of years.

“Thanks to my background I have gained knowledge of numerous activities and professions, about their day-to-day work and the challenges they may face. It makes it easier to see the big picture and connections and thus spot potential improvements more quickly. Another benefit from my background is that I can improve understanding between different parties, so that we collaborate better and develop even faster,” says Andreas, and continues:

“Logistics involves teamwork, and all links in the chain need to be on point to deliver an outstanding service. In other words, effective collaboration is an important key to success.”





## “Thanks to my background I have gained knowledge of numerous activities and professions.”

**Andreas Disby**

Forwarding Manager, Vessel Operations at SCA Logistics.

### **The perfect job**

Even though Andreas finds his experience from his previous jobs very useful, he notes that there are also big differences.

“Working on a cruise ship is quite different to dealing with cargo, that’s for sure. On a cruise ship you have guests on board at all times – they’re what you’re shipping, as it were. Our guests also got to visit the bridge to see how we operated the ship. That was quite special,” says Andreas.

There were often shows and other performances on the ship’s various stages in the evenings. When crew were off duty, they were free to go and watch the entertainment too.

“It was often high-quality shows, such as the Broadway production of Mamma Mia. The entertainment is perhaps something I miss in my job at SCA, but otherwise it’s perfect,” says Andreas with a laugh.

### **Keen to improve**

Andreas describes himself as analytical, organised and calm.

“I am usually calm even in the face of sudden changes. That’s down to the fact that I have confidence that there is always a solution to be found.”

He enjoys the role of manager and leader.

“Taking the lead is rewarding. Communication is key, as with the rest of my job. I believe in direct and clear communication combined with humility.”

Development is an area he is enthusiastic about.

“That was partly why from my very first day at SCA, when I joined as a vessel operator, I thought that I would eventually like to have this particular role. It enables me to work on improvement every day, both operationally and strategically. It feels great when you come up with a solution to streamline something and then get the chance to implement it.”

### **On the ball with project cargos**

One area that Andreas and his department have focused on in recent years is project cargos. There’s a lot of construction going on in northern Sweden, including sustainable energy projects, and that is reflected in the logistics industry.

“We’re handling a lot of components for wind farms and many customers have recognised what a great job we are doing. We look forward to being able to further develop this segment of our business moving forward. Green initiatives in the north of Sweden will continue and we are ready and waiting to contribute with all our resources.”

Sustainability within the business is another issue that is always on the agenda.

“Operating vessels as sustainably as possible is a permanent area of focus. As one example, we fine-tune the speed based on the draught of the vessel. This has enabled us to be more sustainable.”

Ensuring optimal loading of vessels is also essential from an environmental perspective. This reduces emissions per tonne of freight carried.

### **Disc golf and family fun**

Andreas likes to spend his free time playing disc golf, a form of golf using a frisbee. The aim is to reach a target basket in as few throws as possible.

“Disc golf is a good substitute for ordinary golf, which I used to play a lot. It takes roughly an hour, compared with five hours for normal golf, which makes it much easier to squeeze into everyday life.”

And time is more limited nowadays, in part due to the fact that Andreas has become a dad, with a young daughter who will soon be two. A great deal of time is spent visiting playgrounds, having fun and simply spending time together.

“Becoming a dad is a milestone in life and I’m thoroughly enjoying it. And landing this new job that I’ve dreamed of for so long is something else I’m really grateful for. Life is great right now.”



"The work has a lively pace to it and you are constantly faced with new scenarios and new challenges," says Andreas Disby, Manager, Vessel Operations at SCA Logistics.



## Andreas Disby

**Current position:** Forwarding Manager, Vessel Operations at SCA Logistics.

**Background:** Second officer on a cruise ship in the Caribbean, vessel operator at SCA Logistics. Education: Bachelor in Nautical Science.

**Family:** Wife and one daughter (soon to be 2 years old).

**Lives:** In central Sundsvall.

**Interests:** Spending time with his family, playing disc golf and exercising.



# The Port of Shanghai

## – a giant hub for global logistics

The container port in Shanghai handles 43.5 million TEUs per year. This makes it the largest container port in the world and a hugely important hub for global logistics. “Vast quantities of cargo pass through here! The importance of keeping everything flowing became abundantly clear when the pandemic caused disruptions to operations,” says Johan Woxenius, professor of Maritime Transport Management and Logistics.

**Text:** Kerstin Olofsson. **Photo:** Erika Holm, Adobe Stock.





Shanghai is on the east coast of China. As a result of its strategic location, on the East China Sea and at the mouth of the Yangtze River, its port has expanded to become a real giant among seaports. The East China Sea provides a connection to the rest of the world, while the Yangtze River is a fast route to a very densely populated and productive region of China.

### **Most important waterway**

The winding course of the Yangtze River passes through many big cities in China, with large-scale production of everything from concrete to advanced electronics. Understandably therefore the river is China's most important waterway.

"Much of the cargo handled at the Port of Shanghai is for export or import, but large volumes are also transported locally and regionally, often heading up or down the river. There are several container ports along the Yangtze River," says Woxenius, who teaches at the School of Business, Economics and Law at the University of Gothenburg.

The majority of export goods are high-end products, including electronics and components for various types of machines. Imported goods are predominantly low-end products such as input materials for factories, while the cargo transported within the country is largely bulk material such as cement and sand.

### **A total of 800 million tonnes**

The Port of Shanghai can process around 2,000 container vessels per month. But that's only a part of its operations. Large volumes of breakbulk and RoRo cargo are also processed. The total volume of cargo handled is 800 million tonnes per year!

Despite this impressive figure, Shanghai is not the global leader in this regard, but comes in second. Top honours go to Ningbo-Zhoushan, which lies just south of Shanghai and is the first port to have exceeded one billion tonnes of cargo handled per year.

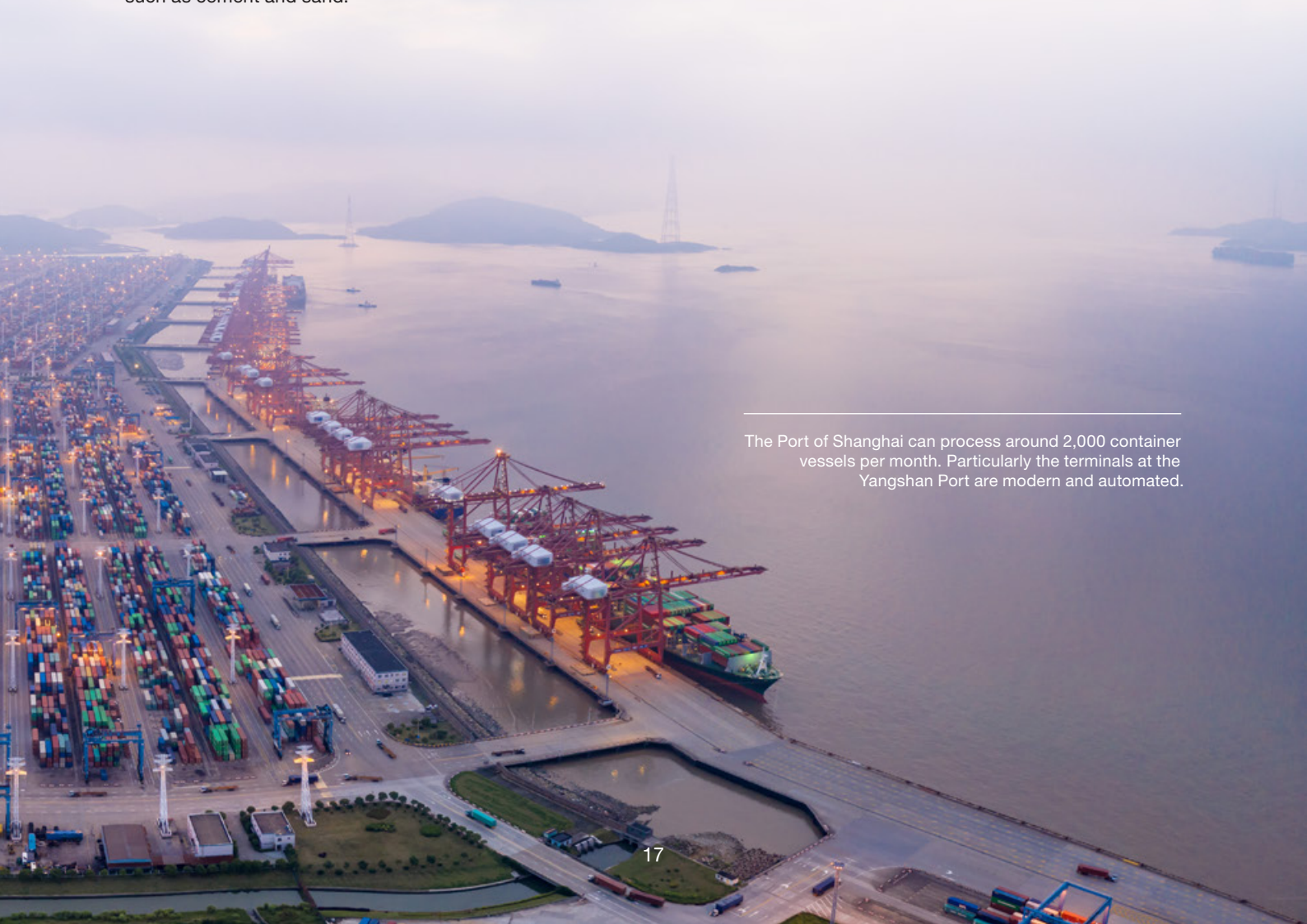
"For comparison, take Gothenburg, which we regard as a large port. There they handle 40 million tonnes per year. A really large container vessel comes into the port of Gothenburg about once a week. Ningbo-Zhoushan and Shanghai, on the other hand, will receive several a day," says Woxenius

### **Twenty kilometres of quays**

Even though the Port of Shanghai may not be the biggest in the world in terms of total volume, it's vast. It covers an area of just over 3,700 km<sup>2</sup>, equivalent to 500,000 football pitches, and has 19 terminals. The port has 125 berths, with a total quay length of 20 kilometres.

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The Port of Shanghai can process around 2,000 container vessels per month. Particularly the terminals at the Yangshan Port are modern and automated.



**“A 32-kilometre bridge has been built extending out to an area of deeper water and the container port was constructed on reclaimed land.”**

**Johan Woxenius**  
Professor of Maritime Logistics  
at the University of Gothenburg



The port extends over a large geographic area. The actual container port is located slightly out into the bay, since the depth is quite shallow further in.

“So much silt washes down with the river that constant dredging would be needed to maintain sufficient depth for container vessels. So a 32-kilometre bridge was built extending out to an area of deeper water and the container port was constructed on reclaimed land. There is no rail link, so all goods to be transported overland need to be loaded onto trucks first,” explains Woxenius, and continues:

“I visited one of the container terminals, Yangshan, several years ago and it was quite an experience looking out over it. There was a whole forest of container cranes and a myriad of forklift trucks at work. A large proportion of the operations are modern and automated, which is the only answer when handling such large volumes.”

Large segments of the port operations are also sited closer to the city, on the mainland.

“There you find some terminals that are less modern, in particular the facilities used for transshipping cargo to river vessels,” says Johan.

The port also has a terminal for cruise ships, with a throughput of approximately one million passengers per year.

### Global importance

Shanghai is one of the biggest cities in the world, with just over 26 million residents. The city is a financial centre and an important hub for tech companies. The operations at the port create countless jobs, but shipping has less of an impact on the city than it once did. The crews from the ships, which come from all corners of the world, rarely visit the city as a rule.

“Today’s logistics run like industrial systems, with everything moving fast, and crews seldom go ashore. They carry out their duties and then it’s soon time to move on,” says Woxenius.

The port in Shanghai is important not only to China, but to the whole world. When it shut down periodically during the pandemic, the impact was felt by producers and consumers throughout the world.

“The lockdowns resulted in immediate problems, or rather after seven to eight weeks when goods didn’t arrive as planned. It has never before been so apparent how dependent we are on a logistics chain that operates globally. When the world’s largest container port is not in operation, the effects are felt far and wide,” he says.

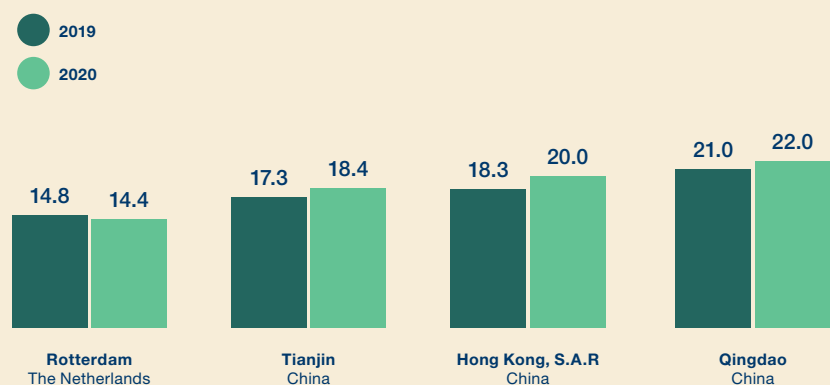
## The largest container ports in the world

Nine of the ten largest container ports in the world are in Asia. Shanghai comes out on top at 43.5 million TEUs. Rotterdam sneaks in at tenth place, with a throughput of 14.4 million TEUs, which is less than one third of the volume in Shanghai.

The fact that Asia, and primarily China, is dominant among container ports is largely due to the strong, long-term economic development in the region. China currently has the largest export industry in the world.

**Note:** ranking is based off of 2019 statistics.  
**Source:** <https://www.worldshipping.org/top-50-ports>

### Volume (Million TEU)







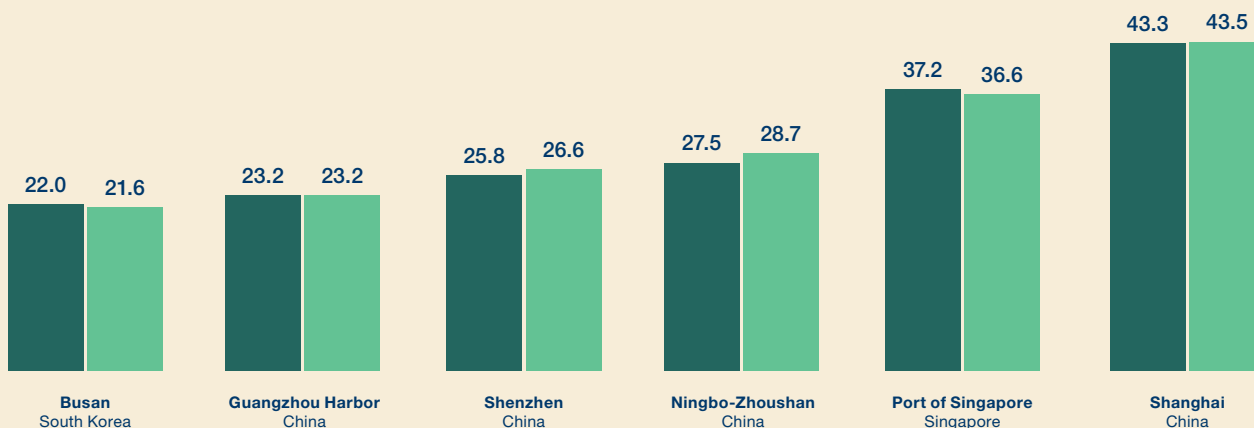
## Gargantuan container vessels ship cargo around the world

Oil tankers used to be the largest vessels in the world. Today's container ships have surpassed them in size. The largest container vessels calling into ports with a large capacity and good depth are colossal. They have long boasted impressive lengths, at somewhere around 400 metres long in general. But now these vessels have also expanded in width and are approximately 80 metres wide. This means that they can hold 24,000 20-foot containers!



## TEU

The most common method of calculating volumes of cargo transported through a container port is to record inflows and outflows of 20-foot containers. A 20-foot container corresponds to a twenty-foot equivalent unit (TEU). A 40-foot container counts as two TEUs.



# New icebreakers secure deliveries from northern Sweden

The Swedish Government has given the Swedish Maritime Administration the green light to order two new icebreakers. “At last! This will ensure the stability of shipping to northern Sweden throughout the year,” says Karolina Boholm, director of transport at the Swedish Forest Industries Federation.

**Text:** Kerstin Olofsson. **Photo:** Aker Arctic.

Three of the Swedish Maritime Administration’s largest icebreakers were built in the 1970s and have passed the end of their technical working life. The business community has been warning for some time that they need to be replaced and in early summer came the gratifying news that the Swedish Maritime Administration is to purchase two new icebreakers at a cost of SEK 3,440 million. Once the two icebreakers are operational, there is also an option to purchase a third should the need arise.

“We have worked for a long time to secure this investment. Industry in northern Sweden is entirely dependent on icebreaking. Aging ice breakers run the risk of breakdowns and disruptions and it is impossible to conduct business under such circumstances. Year-round shipping is crucial to the forest industry and other industries in northern Sweden,” says Boholm.

## Secure delivery

Magnus Svensson, President of SCA Sourcing and Logistics, concurs that the reliability of shipping is key.

“Our operations in northern Sweden are situated far from the major European markets and we need to compensate for this. So, we need to have genuine confidence that our deliveries will arrive on time as promised,” says Magnus. “Customers must be able to trust in us to

deliver on schedule no matter the weather; otherwise, there is a risk that they will reposition their portfolios and do more business locally and less with us. Functioning icebreakers are essential if we are to be a reliable supplier. The government’s announcement of this investment has therefore been eagerly awaited.”

## Wider tracks

The new icebreakers will have several advantages in addition to being up-to-date and technically upgraded. Among other things, they will be able to break wider tracks – 32 metres compared to 24 metres with the current icebreakers. It will also be possible to operate the new icebreakers fossil-free.

“Sweden is an export-dependent country and 90% of our foreign trade takes place by ship. The state is responsible for maintaining roads and railways during the winter and it is self-evident that it should also ensure that we have reliable winter maintenance of our sea lanes. The government has now demonstrated that this is a high priority,” says Boholm.





# New goods flows from Sundsvall

Fence posts and telegraph poles from Octowood in Kälärne, located 110 kilometres from Sundsvall destined for the British and Irish markets, had long been shipped via Trondheim, but the port in Tunadal is now taking over. “The new rail logistics infrastructure is beneficial for us,” says Dennis Melarti, Operations Manager at SCA Logistics.

**Text:** Mats Wigardt. **Photo:** Håkan Sjödin.

Octowood AB manufactures products including creosoted telegraph poles and octagonal fence posts from northern pine. Growth has been favourable over the past few years despite the pandemic.

New customers and an established logistics system have resulted in a substantial increase in sales, mainly to countries such as Germany, France, the UK and Ireland.

A large proportion of the products intended for the markets in the UK and Ireland have long been loaded onto ships in Trondheim. The railway project outside Sundsvall will improve access to new logistics solutions.

“Our fence posts in particular now go via the faster route to Sundsvall,” says Kalle Holmberg, Sales Director at Octowood.

Of almost 18,000 cubic metres of posts leaving Kälärne, roughly 2,500 cubic metres have passed through the Sundsvall terminal.

“We received an interesting request,” says Dennis, who so far this autumn has seen two boats being loaded with fence posts for Ireland. And one with telegraph poles for customers in the UK.

He sees huge long-term potential at the logistics park in Sundsvall, with its new container port, as more space and larger storage areas will allow scope for new goods flows and thus increased volumes from Octowood.

“It’s a flow of large volumes with considerable potential,” notes Dennis.

And Holmberg is pleased with the new arrangement.

“Naturally we value fast and efficient transport flows,” he says.



# Continuing efforts to increase productivity

Productivity is measured by dividing the value of what is being produced by the number of hours worked. The equivalent for SCA Logistics' operations is measuring how many tonnes are handled in the port per hour and employee. "The trend over time is very positive," notes Magnus Svensson, President, SCA Logistics.

**Text:** Mats Wigardt. **Photo:** Håkan Sjödin.







There are many factors that affect the productivity of the port, such as type of product, how the products arrive, what the ship looks like, working methods and which technical equipment is used.

There are numerous activities that can be measured at the port and terminal, such as the time it takes to load or unload, product type and volume transferred from warehouse to dock, and more.

“All of these are important metrics for our customers, since a vessel costs money when in port,” explains Magnus.

However, to obtain an overall measure of efficiency at the port the number of tonnes handled is divided by the number of hours worked – tonnes per man-hour.

“A fairly rough but nevertheless representative measure that is very informative,” says Peter Gyllroth, Terminal Manager in Sundsvall.

Numerous factors affect productivity at the port. For instance, the actual product being loaded or unloaded, the equipment that can be used, whether the products arrive by road or rail, the type of vessel, whether it’s cassettes or containers.

### Larger vessels, better service

Around the millennium (1999/2000) there was a great deal of uncertainty regarding cargo handling at the ports in Umeå and Sundsvall. Vessels could be left moored up, several shipping companies chose not to call at the ports, staff lacked motivation, planning was faltering, productivity was low.

“There was a clear need for a radical shake-up,” recalls Magnus. “Looking ahead we wanted to accommodate larger vessels, which meant it was not feasible to have vessels sitting in port for two weeks.”

So a long-term process of change was instigated. Owner responsibility was made clearer. This included SCA taking

over responsibility for cargo handling and warehousing. A good move as it turned out, resulting in increasingly shorter times in berth and several shipping companies choosing to use the ports again.

Other measures that have helped to improve efficiency in port include new procedures for managing the uneven workload, with anything from zero to five vessels calling in per day.

“Resource planning to ensure the right number of staff is a key factor in our efforts to create an efficient operation,” says Peter.

Better planning, more even flows, motivated staff, new and larger cranes and stable IT support have also contributed to streamlining the operation and increasing productivity.

“We have seen a huge change within all areas, yielding good results,” he confirms.

### Continuous improvement

However, efforts to create a foundation for increasing productivity are continuing, step by step, systematically, patiently and resolutely. Technical equipment is being improved. Product portfolio and processes are being modified. Working methods are evolving. Staff are motivated.

And over time productivity has increased by two to three per cent per year. However, Magnus is not getting complacent about things.

“We are pleased with the progress, but we are always striving to improve,” he says. “There is much still to do to be both more efficient and more productive.”

# Efficient transport chain for new wind turbines

Transport of concrete elements for a total of 29 wind turbines in Ostrobothnia in Finland began back in the spring. They travel on board SCA's RoRo vessels from Kiel to Umeå. Then they are transshipped to Wasaline's 'Aurora Botnia' ready for the final leg to the port in Vaasa. "An important undertaking for all parties," sums up Tony Ehlers, Freight Director at Wasaline.

**Text:** Mats Wigardt. **Photo:** Björn Knutar.







Concrete elements for wind power towers are loaded onto trucks in the port of Vaasa for onward transport to the construction site.

The Merkkikallio wind farm project is located roughly 15 kilometres east of Vaasa, and will see construction of 15 wind turbines with a maximum height above ground of 240 metres. At the same time, 14 similar wind turbines are being erected at nearby Alajoki-Peuralinna.

The conical hybrid towers are constructed from concrete and, depending on the height of the tower, are made up of 81 or 93 crescent-shaped concrete elements produced by German industrial group Max Bögl Wind AG. The total weight of each tower is 1,089 or 1,308 tonnes.

The heavy and bulky tower elements are being transported mostly by sea from the factory in the German state of Schleswig-Holstein to the construction site in northern Finland.

At SCA's terminal in Kiel the concrete elements are transferred from lorries to cassettes that are then loaded on board SCA's RoRo vessels. An average of one tower is loaded aboard each vessel, with departures to Umeå every Saturday.

"Prior to the first journey, the customer company Sartori & Berger in Kiel brought in a cargo-securing advisor," says Sandra Lindroos. "This was in consultation with SCA and a lot of tension straps and air cushions were put in place before everyone was satisfied."

### Prepared for future projects

And Jörn Grage, SCA's Terminal Manager in Kiel, feels that they are well prepared for undertaking transport of future bulky project loads to northern Scandinavia.

"We have learned a great deal about handling large, heavy and long components of various kinds," he says. "Cassette loading is also safer, faster and simpler."

Three days after departing Kiel the stevedoring team in Umeå can unload the cassettes onto the quay in Umeå. The cassettes are then loaded aboard Wasaline's new, environmentally friendly ferry 'Aurora Botnia', operating daily departures to Vaasa.

"Our vessel has been specifically designed and constructed for project loads like this," says Ehres.

The crossing from Umeå to Vaasa takes just under four hours. Once docked, staff from Blomberg Stevedoring take over and ensure that the elements for the wind turbines are transferred to lorries for transport to their final destination.

Each turbine also requires steel tower sections, rotor blades, a gearbox and a hub, which are unloaded by crane from other vessels for transport to the construction site.

### Cassettes makes handling easier

"Cargo loaded on cassettes is significantly easier to handle," states Sales Manager Björn Knutar from Blomberg Stevedoring, which will have dealt with a total of 80 or so wind turbines arriving into the port of Vaasa in 2022.

Niklas Soltow General Manager from customer company Sartori & Berger in Kiel states to be very satisfied with the performance by the SCA RoRo Service in this project. He calls it "smoothly and reliable like a Swiss watch".

"I am sure this won't be the last project we will push this way, he says. In fact, we already shipped some cranes with the same service. I am pretty sure there will be more to come."

By the end of August/early September all 29 towers for the Merkkikallio and Alajoki projects are expected to be in place. For Wasaline, the freight arrangement for the concrete elements from Europe to Finland, using SCA's RoRo vessels to Umeå and onward transport to Vaasa aboard their own ship, has proved successful.

And, in Ehres' opinion, it has been very important for the shipping company, both from a financial perspective and from a social standpoint.

"We have demonstrated that the new, environmentally friendly ferry is an important part of the transport chain for major investment in both wind power and other industry in the coming years," he says.

Sandra sees further development of the collaboration between SCA and Wasaline in the future, involving more projects and larger, longer-term projects.

"It would be really great if this draws attention to the fact that efficient logistics solutions are available up here in the north," she says. "And this will lead to new cargo flows."

# Smooth delivery chain for water glass to PQ Sweden

When PQ Sweden launches its operations at Ortviken industrial site, they will need daily deliveries of the chemical known as water glass – and these deliveries will be taken care of by SCA Logistics. “Proximity to a port and access to a professional logistics provider is a requirement for our operation,” says Daniel McCaslin, Nordic Site Manager at PQ Sweden.

**Text:** Kerstin Olofsson. **Photo:** Daniel McCaslin.

SCA is in the process of building a facility for production of chemi-thermomechanical pulp (CTMP) at Ortviken industrial site in Sundsvall. This represents an investment of SEK 1.45 billion. The CTMP will be bleached using sodium silicate, also known as water glass. The water glass will be purchased from PQ Sweden, who will also undertake the required processing of the chemical so it can be used for bleaching.

“We currently have a facility in Utansjö in Härnösand municipality, but are now relocating the activities to Ortviken.



**“We make efficient use of our cranes and can also offer more services to PQ Sweden. We will take care of ship’s agency services for them, for one thing”**

**Peter Gyllroth**  
Terminal Manager, SCA Logistics Sundsvall

This will provide proximity to SCA as an important customer and a smooth logistics chain for the water glass,” says McCaslin.

## **Daily deliveries**

The water glass is supplied in the form of small glass beads. These come initially in bulk carriers to SCA Logistics’ terminal in Sundsvall, from various factories across Europe. SCA Logistics unloads the cargo using a knuckle boom crane with a bulk bucket and then transfers it to a warehouse at the terminal.

“At Ortviken we will only have a one-day supply, so we are dependent on daily deliveries from the warehouse at the terminal. Transport will be by lorry,” says McCaslin and continues:

“It’s paramount for us to site our operation near a port, so that we can avoid long-distance land transport. The distance between Ortviken and SCA’s terminal is just 1.5 km, so that’s perfect. We are also dependent on being able to employ a professional partner who holds the required environmental permits and can adapt their service to the special





The water glass arrives by bulk carrier to the SCA Logistics terminal in Sundsvall. It is supplied in the form of small glass marbles.

requirements for handling water glass. So we are delighted with this solution.”

It is also a positive arrangement from SCA Logistics’ perspective.

“We make efficient use of our cranes and can also offer more services to PQ Sweden. We will take care of ship’s agency services for them, for one thing,” says Peter Gyllroth, Terminal Manager at Sundsvall.

#### **Reduced carbon footprint**

PQ Sweden will process a total of approximately 12,000 tonnes of water glass per year at Ortviken. The deliveries from Europe to the terminal in Sundsvall will be allocated to four vessels per year. SCA sees multiple benefits to the fact that pre-processing of the water glass will take place on site at Ortviken. For one thing, it means secure access to the chemical, but also a reduced carbon footprint from transport for SCA’s final pulp products.

The CTMP plant construction project is now entering its final phase and once the facility is completed, existing CTMP

production at the Östrand pulp mill will be shut down. With the new facility, production will increase from the current level of 90,000 tonnes to 300,000 tonnes.

The market for CTMP is expanding globally. Uses include tissue paper, cardboard and high-bulk paper.

### **PQ Sweden AB**

PQ Corporation specializes in producing inorganic chemical products for industry based on the mineral quartz. By combining silicate chemistry with imagination, PQ has created a comprehensive range of silicates and specialty chemicals.

This range of products serves a variety of applications for industrial use.

## SCA Logistics Timeline, Part 6: Health and safety

# With a clearer focus on health and safety

Health and safety are important elements of SCA's corporate culture. The vision is for everyone to return home healthy and unharmed at the end of the working day. Increased awareness and behavioural changes should help to ensure fewer accidents and less absence due to illness, not least when it comes to handling cargo at SCA's terminals.

**Text:** Mats Wigardt. **Illustration:** SCA, Adobe Stock.

**Photo:** SCA, Adobe Stock.

### The 19th century

Sundsvall was once a major seafaring city with an almost unique concentration of shipyards and shipping companies, sawmills and wharfs. Well into the new century the docks remained a boisterous hub of commerce and stevedoring, filled with sailing ships and passenger vessels loading and unloading.



### 1890

With the dawn of the industrial era, accidents and illness began to increase exponentially, which prompted the Swedish government to establish a labour inspectorate to monitor safety in the workplace. Worker safety was protected by law.



### 1929

SCA (Svenska Cellulosa Aktiebolag) was founded through a merger of around ten Swedish forest companies.



### 1931

Safety representatives gain greater authority. They can legally make complaints to employers or the labour inspectorate regarding deficiencies at a workplace.



### The 20th century

Work in the country's ports was tough, uncertain and hazardous. For a long time all cargo had to be dragged or carried between vessels, quays and warehouses. Harbour cranes made their breakthrough around the turn of the century. In the 1960s, port trucks and RoRo vessels came on the scene, followed in 1970 by containers.





## 1959

More and more machinery comes into use in the port. The Swedish National Board of Occupational Safety and Health launches a campaign to make tractor driving safer. Sweden is the first country to set requirements for safety cabs. Deaths in tractor accidents fall from 17 per 100,000 tractors to just 2.



## 2001

The Swedish Work Environment Authority's provisions on dock work from 2001 cover areas such as loading, unloading, mooring, bunkering, cargo handling and terminal work.



## 1977

The Work Environment Act is adopted by the Swedish parliament. The act aims to prevent illness and accidents at work as well as achieving a good work environment in other respects.



## 1949

A new law on occupational health and safety is instigated. It principally covers private businesses that employ manual workers, including ports, but state and municipal companies are also affected.



# ZERO

## 2017

In connection with SCA being divided into two listed companies, one retaining the name SCA and business areas covering forestry and forest industry, a decision is made to focus in earnest on health and safety and ensure our standards exceed legal stipulations. Our Zero programme aims to improve our safety culture and achieve a world-class work environment with a vision of zero workplace accidents.

## Zero

Since implementing Zero, the programme has resulted in many risks being eliminated by means of fencing, alarms and new procedures. The gradual reprogramming of attitudes and behaviour, from wearing protective clothing and seatbelts in forklifts to awareness of surroundings on site, has also had an impact. Training initiatives relating to health and safety have also been implemented. The figure of 10-15 accidents per million hours worked has been reduced to 2.5-3 accidents per million hours worked by autumn 2022.

Our Zero vision is drawing closer!

# Meeting the industry in Florida

Mikael Toft, Sourcing Manager Logistics, Ellenor Nordborg, Forwarding Manager, and Magnus Svensson, President Sourcing and Logistics, represented SCA Logistics at Transport Symposium in Jacksonville, Florida, USA in September. Transport Symposium is the longest running conference and exhibition dedicated to the global forest products logistics industry.

“We were there to listen, gather news from the industry and to meet our customers and suppliers. The fact that the conference was held in the US suited us perfectly, since we have quite a lot of business over there,” says Mikael.

SCA Logistics have regular services to five terminals in the USA. One of them is at the Port of Fernandina Beach in Florida.

“The symposium is a great opportunity for us to meet a lot of people at once, to exchange thoughts and ideas about the market and where it is heading, both in formal meetings and more casually.”

“Of course, we also took the opportunity to visit our terminal at Fernandina Beach, where we got see the operations and discuss co-operation.”

## Follow SCA on social media

You can follow what happens within SCA through our social channels.  
Content is usually published in both English and Swedish.



### LinkedIn

SCA's LinkedIn account has over 80,000 followers. This is where we present news about the business, information on SCA as an employer and posts on current topics.

[linkedin.com/company/sca-ecosystem](https://www.linkedin.com/company/sca-ecosystem)



### Facebook

The majority of our posts from LinkedIn are to be found here, as well as information for target groups in the vicinity of SCA's places of business.

[facebook.com/SCA](https://www.facebook.com/SCA)



### Instagram

Our Instagram account is run by twenty employees from various parts of SCA's business. Using text, images and film they talk about their everyday life at SCA. The content is mainly in Swedish.

[instagram.com/wearescasweden](https://www.instagram.com/wearescasweden)



# SCA Logistics reinforcing to handle increased cargo volumes

SCA Logistics is gearing up for a sharp increase in cargo volumes. “We are reorganising and reinforcing services to our customers,” says Magnus Svensson, President of SCA Sourcing and Logistics.

**Text:** Mats Wigardt. **Photo:** Linda Snell.

Nils-Johan Haraldsson, previously Marketing and Sales Director at SCA Sourcing and Logistics, has moved on from SCA in search of new challenges. Given the anticipated major increase in volume, his old job has now been divided between two people: Mikael Toft will take on the role head of sourcing, while Tomas Andersson will become head of sales.

“We are looking forward to a highly positive development and we are now strengthening our organisation so that we continue serving all our customers in the best possible way,” says Magnus.

## Several major investments

The forthcoming increase in volume is largely the result of major investments at Obbola, just outside Umeå, and the Ortviken Industrial Estate in Sundsvall. At Obbola, SCA has invested SEK 7.5 billion in building a state-of-art paper machine for the production of kraftliner. Once the paper machine is commissioned, the annual volume of cargo transported via the Umeå terminal will increase by over 400,000 tonnes. The increase consists of both kraftliner destined for customers and recovered fibre returned to Obbola for recycling as raw material in kraftliner production.

Two major investments are being made at Ortviken: SCA is investing in a new chemi-thermomechanical pulp (CTMP) production line that will triple production from the present 100,000 to 300,000 tonnes, while Renewcell is investing in a new textile recycling plant. Initially, Renewcell will need to transport 70,000 tonnes of raw material to Ortviken and 60,000 tonnes of finished product to customers around the world, but production is expected to double within a couple of years.

## Increased volumes in both directions

“This is a historically large increase in cargo flows for which we are well-prepared. We are particularly pleased that both southbound and northbound flows will increase, as both finished products and large quantities of raw materials will be shipped to the Obbola Paper Mill and Renewcell.”

New challenges await Nils-Johan Haraldsson in the mining industry.

“He has worked for SCA for 20 years and has achieved a great deal. We will miss him but naturally we wish him well in his new role,” concludes Magnus.



Tomas Andersson and Mikael Toft have been given new roles ahead of SCA Logistics' historic increase in cargo flows.





# Our services are never far away.

We offer competitive door-to-door solutions for your cargo. Pick-up in all of Europe for delivery anywhere in Sweden. By truck or train to and from our strategically placed terminals connecting our sustainable marine services by sea. On time. All over Europe. Welcome on board!

[www.scalogistics.se](http://www.scalogistics.se)

