



EU-Japan Centre
for Industrial Cooperation
日欧産業協力センター

Export Support Webinar – Japanese Maritime Logistics Industry

Webinar for SG Maritime

3 November 2020, 10:30, by C. Nakabayashi

Japanese Maritime Logistics

Table of Contents:

1. Japan's Maritime Transport
2. New Business Opportunities
3. Challenges – Case of Wakashio
4. EU-Japan Trade – Export/Import Process & Procedures
5. Q&A

Japanese Maritime Logistics

Trends of Global Maritime Transport

1. Fewer shipping companies; each operator carry higher volumes; and more shipping and terminal operators in alliance relationship. These horizontal and vertical integration reduced competition and reduced choices of shipping and terminal operators.
2. More trade conflicts and more regional trade agreements which affect the volume of trade flows. E.g., trade tension between the US and China negatively affected trade flows on Asia-USA route; the EU-Japan EPA positively affecting trade flows on Asia-Europe route.

Japanese Maritime Logistics

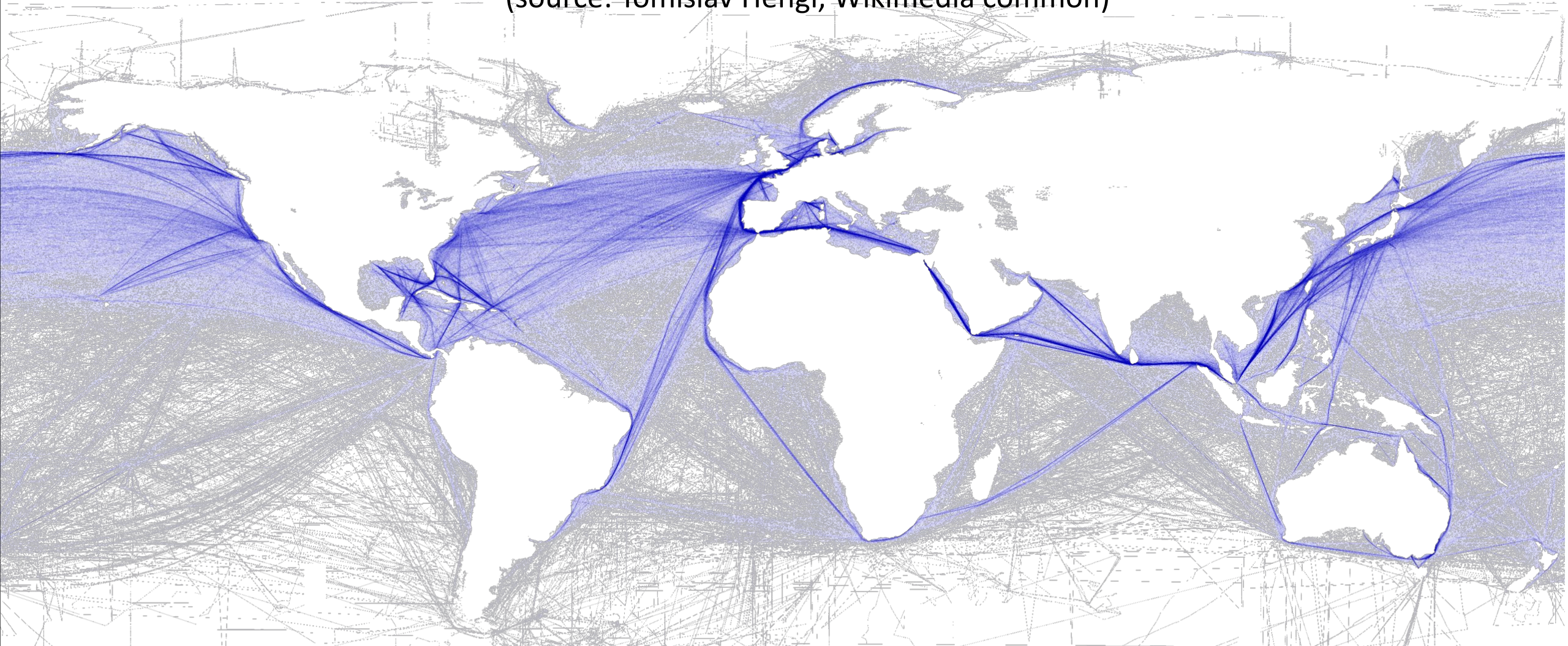
Trends of Japan's Maritime Transport

1. Japan's production system has shifted from centralized production in China to decentralized production by region, which demand reliable, capable logistic partners to support regional supply chain network.
2. For cost and geographical efficiencies, Japanese shipping companies pursue scale economics through M&A, separate operations from ownership to make assets light, use NVO(Non-Vessel Operating Carrier), and strengthen alliances (e.g., 3 large Japanese shipping companies made 'The Alliances').



3 East-West Shipping Routes

(1) Asia-North America, (2) Asia-Europe and (3) Europe-North America
(source: Tomislav Hengl, Wikimedia common)





Major Ports for Long Distance Route Europe-Japan

(source: The Ministry of Land, Infrastructure, Transport and Tourism of Japan)

Country	Port
France	Fos
	Le Havre
Germany	Hamburg
	Bremen
Italy	Genoa
	Napoli
Netherland	Rotterdam
Japan	Tokyo
	Yokohama
	Shimizu
	Nagoya
	Yokkaichi
	Osaka
	Kobe
	Moji
	Hakata
	Kitakyushu

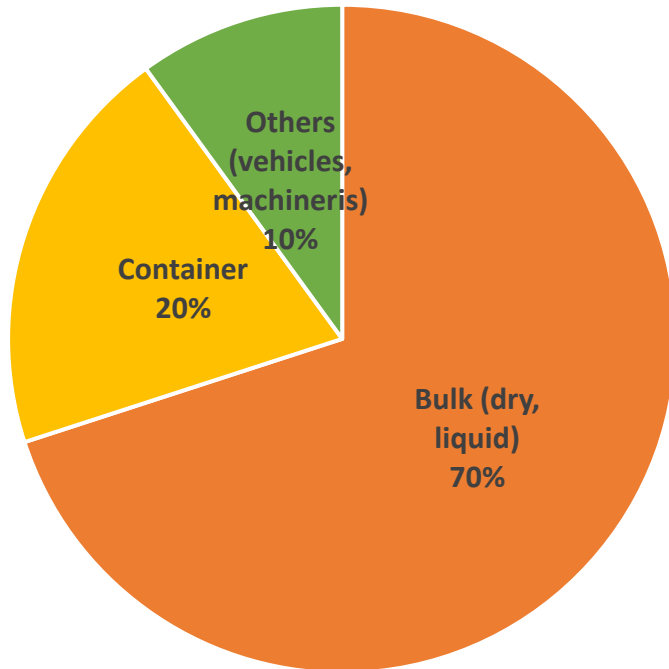




Japanese Maritime Logistics

Japan's Maritime Transport – Container Shipping

Maritime Transport Volume, Japan



- ❖ **Variety of Container Shipping**
 - Dry van shipping containers
 - Feerer (refrigerated) tank shipping containers
 - FCL (full container load) and LCL (less than container load)
- ❖ **Larger Container Vessels for Direct Shipping, largest 13,000 TEU in Japan**
- ❖ **Alliances among vessel companies and investment for integrated services - 'The Alliance' group**



5 Latest Trends for Japan's Container Transport

1. Container cargo increased by 8.8%. Top destination is East Asia. Southeast Asia gaining shares rapidly.
2. Expansion of Panama Canal in 2016, the cargo from/to N. America shifted from West to East coast destinations.
3. Tokyo & Yokohama ports act as a Japan's trade hub for eastern Japan, and Osaka & Kobe for western Japan.
4. Routes from/to Europe and from/to North America decreased. Demand for direct routes continues high: 87% from/to west coast of N. America, 38.8% from/to Europe.
5. International feeder route network connecting international strategic ports and domestic ports enhanced.

Top 11 Japanese Ports in Trade Volume, 2019

(source: Japan Customs)

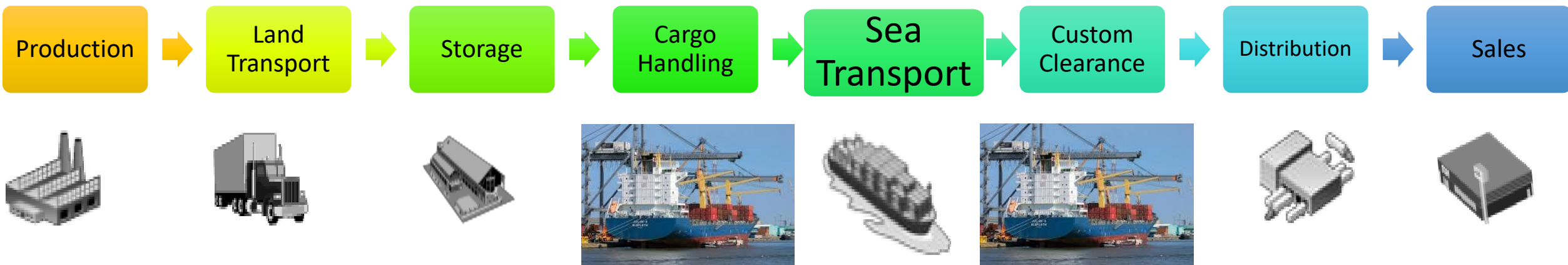
Rank	Port	Trade Share
1	Narita International Airport	15%
2	Nagoya Maritime Port	11%
3	Tokyo Maritime Port	11%
4	Yokohama Maritime Port	7.6%
5	Osaka International Airport	5.9%
6	Kobe Maritime Port	5.7%
7	Osaka Maritime Port	5.5%
8	Hakata Maritime Port	2.6%
9	Chiba Maritime Port	2.6%
10	Kawasaki Maritime Port	2.2%
11	Mikawa Maritime Port	2.2%





New Business Opportunities in Japan

- Production shifted to regional supply chain model.
- Opportunity: total logistic solutions throughout upstream and downstream of customers' supply chain.
- E.g., For automobile industry, shipping companies provide a total logistic solution to capture all value chains of customers' including local land transport & storage and up to distribution & sales.)



Japanese Maritime Logistics

Challenges for Maritime Transport

- Case of bulk carrier Wakashio's oil spill on coral reef of Mauritius
- 3 problem areas:
 - 1) Maritime transport focuses on cost-cutting operations because of continuous cost rise and fluctuation.
 - 2) Maritime transport causes negative environmental effects with energy use, CO2 emissions and environmental disasters.
 - 3) Maritime transport does not have adequate quality and quantity of crews and operational management supports to crews with real-time monitoring or satellite communication technology.



Japanese Maritime Logistics

EU-Japan Trade – Export/Import Process and Procedures

EU Export Permit, Commercial Documents

Import Declaration

Legal and Regulatory Clearances

Import Payments

Labelling

Japanese Maritime Logistics

Q&A Session

Please forward your questions to office@eu-japan.eu with reference to 'Expert Support Webinar on Maritime Logistics'