Our experience of twenty years of operating the Cargo Partners Network has proven to be highly effective to improve the quality standards and compliance of business of the participant members. We have been able to achieve this by maintaining a culture of transparency between our partners and customs, increasing the cost-effectiveness of the joint actions and aiming to expand our business not just quantitatively; but qualitatively and extending the accessibility to an increasing number of new territories every year.

The upcoming Annual conference and Board of Directors Meeting will take place at the Grand Hyatt Hotel, Kuala Lumpur, between May 16 and 20th, 2016. Details for the registration and program are already available at the CPN website. We encourage our members to complete their registration early to facilitate the organization and the satisfaction of any special requirements of participants. We look forward to meet you in Malaysia and to all our partners becoming active participants in the plenary discussions and one-in-one meetings.

CPN, the Cargo Partners Network is pleased to launch its Newsletter “Well connected”. Bearing as title one of the leading principles of the organization, “Well respected, well connected, well serviced”, we aim to provide our members and other interested people with a dynamic and always up to date account on the activities of our organization and a comprehensive review of the most relevant events in the world of the freight forwarding business that affect us. We intend this newsletter to be as well a vehicle where our members can contribute with interesting facts and developments and exchange any local information that may impact our collective efforts to facilitate and enlarge the scope of our business. We may invite as well leaders of opinion to submit their contributions on the constantly evolving junc-tures and circumstances that surround our activity and, of course, that will keep us connected!!
MESSAGE FROM THE PRESIDENT

The Global Economy in 2016

The good news is that the global economy is set to grow by 3.8% in 2016 according to IMF; but much has to be done to counter geopolitical Change and Risk in emerging economies. In an age of fluid global markets, the special economic relationship enjoyed by the US and the EU is ever so important.

EU and US accounts for 1/3 of global trade and combined transatlantic GDP represent half of global economic output. At the Center of this of course is Germany, which is the 5th biggest export market for the US with $47 Billion worth. Germany is also the 7th largest investor in the US and its companies are the 3rd biggest provider of jobs in US.

In April 2016, the new PANAMA canal will open to handle ships 2.6 times bigger, using the current system. The US ports are gearing up to handle the large volumes. Houston just finished installing 4 cranes 30 stories high. Port chairperson Janiece Longoria was quoted saying *more trade means more jobs*.

The opening of the new locks promises to facilitate an eventful year for the global economy.

Other important events are the Trans pacific Partnership which could win approval from 12 nations that together account for 40% of global output.

There will be US presidential elections, same in Taiwan, Summer Olympics in Brazil, a new 5-year plan in China and the biggest event could be David Cameron challenge to convince Brits to keep the country in the EU.

- In Russia, president Putin, hamstrung by sanctions, is stuck in a recession that threatens to become the country's longest in 2 decades.
- In Brazil president Dilma Rousseff fears foreign investment will flee if she raises spending and the central bank cuts rates to end the recession.
- The bright spot for India is that predictions show a growth rate of 7% next year, further fuelled by cheap oil and help bring down inflation.
- Japan continues its challenges and is slowly chugging along and wouldn’t reach its 2% inflation rate till sometime in 2017.
- The Giant China is targeting “medium growth”; but the actual rate is likely to keep falling in 2016.
- Global interest rates in 2016 .... China 4.20%, EU 0.05%, India 6.55%, Japan 0.10%, Russia 7.90%, UK 1.10%, US 1.25 (US will raise rates).

Other areas to watch in detail include, but not exclusive, China Downshift, Modi tax deadline, The Brexit debate, Korea’s mature future, the Greek deadline; Russia troubled banks, Venezuela’s Maduro Hot Seat, Interest Rate Crystal Ball, From Syria to Sweden, Those Booming areas amongst many others.

And not to forget Technology!

Ken Singh
President
Cargo Partners Network

HIGHLIGHTS OF THE 19TH CONFERENCE

The CPN 19th Annual Conference and the Annual General Meeting took place in in Dubai, UAE, between May 16-20, 2015.

With one of the best attendance rates ever, the event resulted very productive. An intense social event programmed accompanied the business discussions and the one-to-one meetings.

The conference welcomed new members to the network, which reflects the growing interest from companies to join the organization.

Important discussions surrounding the utilization of the Trust Fund and the protection that it conveys to the members were enriched with numerous comments from the audience. A New Board of Directors was elected and announced to the members.

“We expect the most active participation of all the delegates on the issues we discuss here”

(Ken Singh, President of CPN in his opening speech)
IN THE NEWS THESE DAYS

United States: FMC Issues Final Rule Regarding Freight Forwarder And NVOCC Requirements


Part 515 primarily provides the regulations governing freight forwarders, non-vessel operating common carriers (NVOCC) – U.S. or non-U.S. based – and other aspects of the ocean transportation intermediary (OTI) business. The full text of the FMC Docket 13-05 Final Rule is quite comprehensive. With the exception of the license renewal amendments, the OTI rule changes are effective Dec. 9, 2015.

- See more at: http://www.hklaw.com/publications/FMC-Issues-Final-Rule-

ON THE HISTORY OF CPN

Cargo Partners Network is the brain child of Mr. Ken Singh who is the President of the Network. Mr. Singh’s goal has been to unite the independent international freight forwarders under a same umbrella to reduce travelling around the world, to provide expertise services and to get information quickly. He started the Network in 1996 with a group of friends that were very well known in the industry, including Xavier George (Golden Cargo, UAE) and Henry Alvarado (Euro Shipping, Colombia). The first CPN Annual Conference took place in Miami, USA in 1997.

CPN IN FIGURES

- More than 4000 employees worldwide
- A presence in over 100 countries and growing
- Yearly billings of nearly 5.5 billion US Dollars
- Worldwide movement of more than 1 million containers
- Over 68 million Kgs of airfreight each year

The Cargo Partners Network Head Offices are located in Mississauga, Toronto, Canada

We aim to be a world-wide network of premier freight forwarding and logistics providers chosen for their track record of professionalism, credit-worthiness, and customer satisfaction. Together, these local companies provide on-the-ground know-how; coupled with the proven depth and flexibility of their international partners to assure our customers enjoy the best service available anywhere in the world.
Freight Management (FM) Group of Companies is a leading International Freight Services Provider based in Malaysia that offers multimodal freight services including sea, land, air, tug & barge and rail. It differentiates from competitors by offering its own-operated freight services; therefore minimizing outsourcing and enabling the Group to provide a dedicated and reliable service business. FM has a workforce of over 500 personnel stationed in all the important maritime and air gateways of Malaysia. The holding arm of the Group, was first listed on the Second Board of the Kuala Lumpur Stock Exchange in February 2015 and was successfully transferred to the Main Board in 2007, making it one of the first Malaysian owned freight service companies listed in the Main Board of Bursa Malaysia.

“We are probably the only listed company that sees freight being our core business”, Managing director Chew Chong Keat, says. The company is targeting a 15% growth in earnings in FY 2016. “This is what we have achieved historically if you track our performance over the last 10 years.”

In FY 2015, FM made an investment of RM 30 million for its warehouse that will give it additional exposure into the high industries of the pharmaceutical and health care sectors.

**FM Global Logistic** is the host of the CPN 20th Annual Conference at the Grand Hyatt, Kuala Lumpur, Malaysia, May 16-20, 2016

**SEND US YOUR FEEDBACK**

We are always open to your comments and suggestions. Let us know what topics you would like to see discussed in our Newsletter and your impressions about this new era of communication we are initiating. By getting better communicated, the impact of our interactions will increase and be potentiated. Keep in mind the increases challenges that globalization imposes to us and, in consequence, apply this valuable formula: “Act locally; but think Globally”

[Not a CPN member? If you are interested to receive this Newsletter, please send an email to subscribe cpn@cargopartnersnetwork.com]