

# PORTS *and* HARBORS

September, 1986 Vol.31, No.9



**Port of Oakland**

**The Publisher: The International Association of Ports and Harbors**

Kotohira-Kaikan Bldg., 2-8, Toranomon 1-chome, Minato-ku,  
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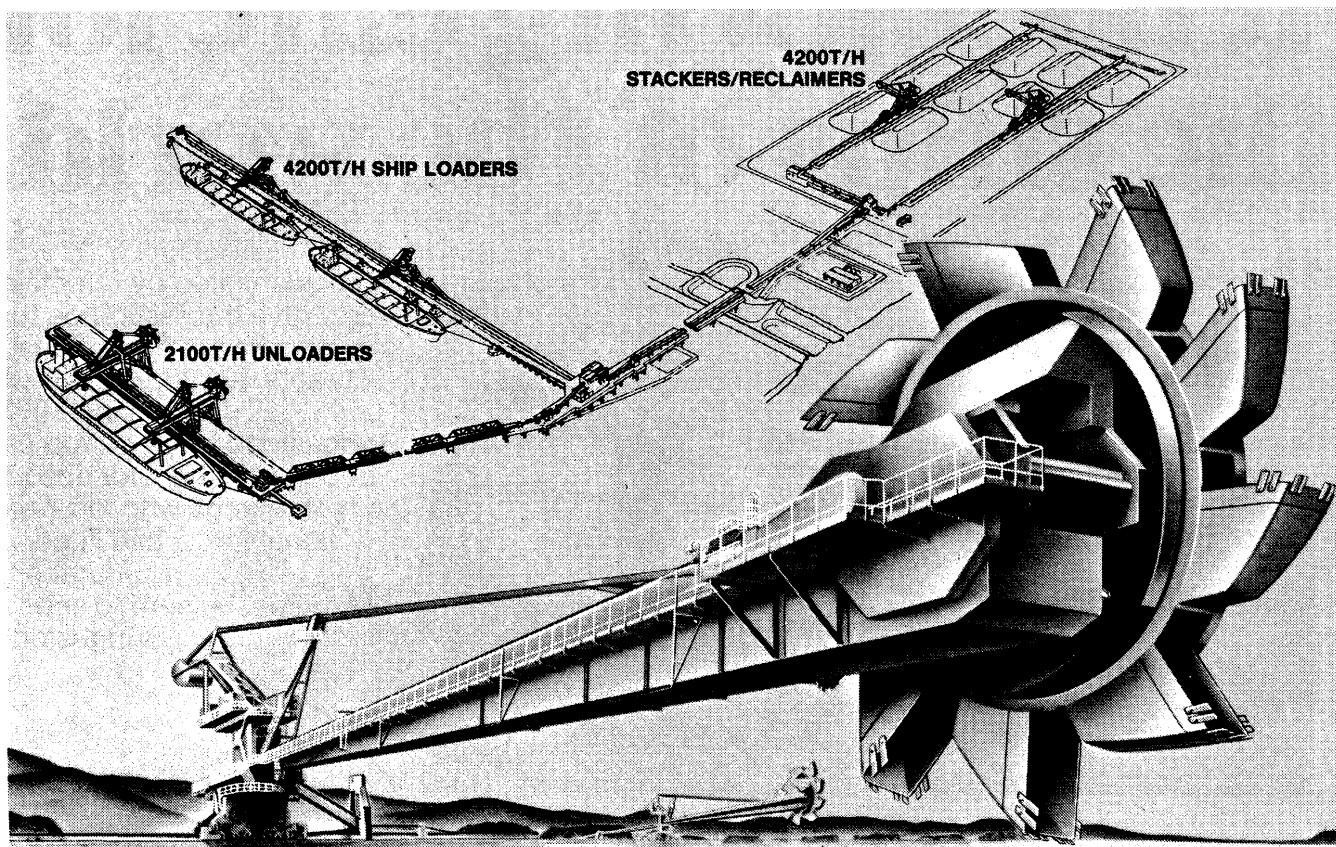
# Why I built the largest dockside freezer warehouse in North America at Port Canaveral

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Patrick T. Lee, General Manager  
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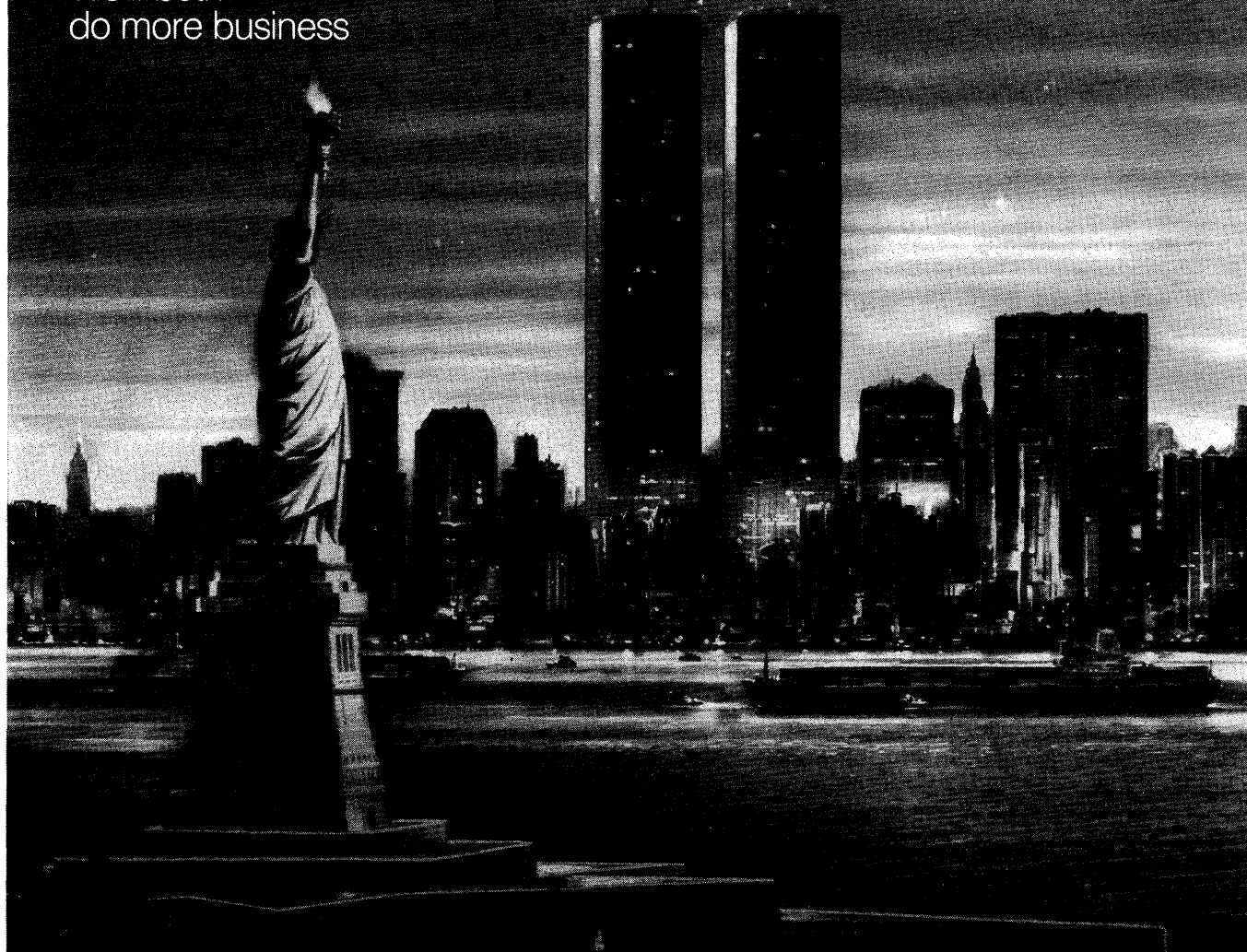


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# PORTS *and* HARBORS

Published by

**The International Association of Ports and Harbors**

NGO Consultative Status, United Nations (ECOSOC, UNCTAD, CCC, IMO)

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Executive Director, South Carolina State  
Ports Authority, U.S.A.

*Secretary General:* Dr. Hajime Sato

Head Office:

Kotohira-Kaikan Bldg.

2-8, Toranomon 1-chome, Minato-ku

Tokyo 105, Japan

Tel.: TOKYO (591) 4261

Cable: "IAPHCENTRAL TOKYO"

Telex: 2222516 IAPH J

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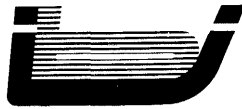
**The Cover: Port of Oakland, U.S.A.**

Price US \$3.50 per copy  
US \$35.00 per year

# INTERNATIONAL BULK CONGRESS 86

## 23-25 September 1986

DE DOELEN CENTRE, Kruisstraat 2  
**ROTTERDAM**



Organised by International Bulk Journal - Hosted by the Port of Rotterdam

### SEPTEMBER 22 - EVENING

5pm-6pm Welcoming Reception-Rotterdam City Hall  
Hosted by the Vice-Mayor, Dr. Roel den Dunnen

### DAY 1 - SEPTEMBER 23

CHAIRMAN-Peter Jungen-Chairman-PWH Koin

#### WELCOMES / INTRODUCTIONS

Welcoming speech from The Alderman for Port and Economic Affairs,  
Rotterdam-Dr Roel den Dunnen

Welcoming speech from the Netherlands Minister for Transport  
-Neelie Smit-Kroes

#### INDUSTRY KEYNOTES-ANALYSIS, ASSESSMENTS, PROJECTIONS

##### The world economy in 1986-87-prospects and issues

-Val Koromzay-Senior Economics Statistics Official OECD, Paris

##### Energy markets and energy trades

-Helga Steeg-Executive Director, IEA (International Energy Agency)

##### Dry bulks-trade development, shipping patterns

-Peter Rowbotham-Director, Drewry Shipping Consultants Limited

##### Freight markets-the realities, the prospects

-Prof Victor Norman-Bergen Institute

#### Ports overview

-Zeger J J van Asch van Wijck-Director, Port of Rotterdam

#### Materials handling equipment-change, challenge, opportunity

-Dr Tobey Yu-Chairman, ORBA Corporation

#### SHIPPING-INNOVATION / OPPORTUNITY

##### The BIBO carrier-a transportation and marketing tool

-Jonathon Boyle-Managing Director, ED&F Man(Shipping)London

##### Self unloading vessels-the key to transportation productivity

-Ray Johnston-Director, Canada Steamship Lines

##### New Generation super carriers

-Hans Kristian Oevstaas-Director, Bergesen, Norway

##### European Operators-the fall and rise?

-Jean M. Richards-Director, Fairwind Consultants Ltd

##### Contract commitments justify Australian flag / crew bulk carrier orders

John Prescott-General Manager, BHP Transport

#### EVENING 7-9pm RECEPTION AT DE DOELEN EXHIBITION AREA

-Hosted by congress organiser, IBJ

### DAY 2 - SEPTEMBER 24

CHAIRMAN-Philip M. Burgess, President, Burgess Associates Inc.

#### TRADE OPPORTUNITIES

##### Raw materials for the iron and steel industry

-H Wilps-Board Director, Thyssen Stahl AG

##### Colombia-a new giant enters the coal export market

-Senior Executive, Exxon Coal

##### Petroleum cokes

-Henry Kessing-VP Sales, Great Lakes Carbon

##### Coal purchasing

-Ad Veenendaal-Managing Director, SSM Nederland bv

#### Countertrade

-Simon B. Slooten-Managing Director, Office for Countertrade (OCT)

#### PARALLEL SESSION-(to follow coffee break)

'US-European Coal Dialogue'

-Organised by Southern States Energy Board, USA

#### Cement

-John Sweetland-President, Pacific Coast Cement Corporation

#### Fertilisers distribution in Indonesia

-Dr Ir Entol Soeparman-Research and Development Director, PT Pusri

#### Grains and feeds-flexibility / economies of scale

-Anton Haksteeg-Managing Director, Shipmair BV

#### Grains and feeds-trade and port perspective

-Arnold De Hartog-Managing Director, GEM Consultants BV

**Afternoon:** Official river boat tour of Rotterdam's bulk terminals followed by

**Evening:** Reception. Host: Port of Rotterdam

### DAY 3 - SEPTEMBER 25

CHAIRMAN-Ben Holties-Managing Director-OBA Amsterdam

#### PORTS AND TERMINALS

--GEARING UP FOR TOMORROW'S MARKETS

#### Rotterdam-European Entrepot

-J S C Schoufour-Chairman of Port Employers, Rotterdam

#### Australia coal ports

-Mal McConnell-Asst Director-Harbours Corp of Queensland

#### Saudi Arabia Ports overview and developments

-His Excellency Dr Fayed E Badr PhD, President, Seaports Authority,  
Riyadh, Kingdom of Saudi Arabia

#### Malta bulk transshipment centre for the Mediterranean

-Michael Sant-Government Principal Assistant Secretary, Republic of  
Malta

#### Lower Mississippi South Pass deepwater project

-Mervin B Morehiser-Assistant Executive Administrator-Department  
Transportation and Development, State of Louisiana USA

#### People's Republic of China ports development

-Hua Guo Rong-Senior Engineer, Planning and Design Institute for Water  
Transportation, Ministry of Communications, People's Rep of China

#### Port of Quebec-playing to its strengths

-Jean Michel Tessier-General Manager & CEO, Port of Quebec, Canada  
After lunch concluding speech

-Hans Portheine, Chairman, Rotterdam Port Promotion Council

### REGISTRATION DETAILS

Registration fee £350 or US\$ 500 including Conference and exhibition  
attendance. All relevant documentation. Evening receptions, luncheons,  
cocktails, refreshments etc. Bound proceedings of the conference. Official  
port / terminal visits.

Group bookings 3-5 delegates-5% discount, 6 or more -10% discount

#### Hotel accommodation

**Hilton:** Single Dfl260, Double Dfl300 (3 mins from centre)

**Parkhotel bv:** Single min.Dfl117, max Dfl200, Double min Dfl190, max Dfl235  
(8 mins from centre)

**Atlantia Hotel:** Single Dfl145, Double Dfl180 (5 mins from centre)

**Savoy Hotel:** Single Dfl130, Double Dfl150, (20 mins from centre)

(morning pick-up only provided)

**Central Hotel:** Single Dfl115, Double Dfl190 (3 mins from centre)

**ADVANCE DEPOSIT:** to secure hotel bookings delegates are required to  
send a deposit covering the first night's room rate (per room booked) direct  
to the relevant hotel after receiving confirmation from IBJ

Royal Dutch Airlines has been appointed official carrier for the congress



All registration data should be sent to: IBJ Conference Manager,  
Ranmore House, 19 Ranmore Road, Dorking, Surrey RH4 1HE, UK  
IBJ will acknowledge you directly

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Title ..... Title .....

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1st choice ..... 2nd choice ..... 3rd choice .....

Number of rooms: ..... Single/Double: ..... Arrival date: ..... Departure: .....



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# IAPH announcements and news

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## **IAPH submits a position paper to IMO and UNCTAD concerning Revision of the Convention on Maritime Liens and Mortgages**

On July 10, 1987, an IAPH position paper on the revision of the Convention on Maritime Liens and Mortgages from Dr. Sato, Secretary General of IAPH, was submitted to the Secretaries-General of IMO and UNCTAD respectively.

Prior to the submission of the paper, Secretary General Sato circulated the draft paper to the Board members for their comments. The comments received at the Head Office by the deadline (within thirty days following the date of the Secretary General's circular dated June 6, 1986) all supported the proposed position of IAPH. Thus Dr. Sato was able to submit the paper to IMO and UNCTAD as it had been originally drafted by the CLPPI chairman. It was introduced on page 11 of the last issue of this journal. Among the other comments which we received from Board members were those in a letter from Mr. James H. McJunkin, Executive Director, Port of Long Beach, U.S.A., and Vice-President of IAPH, which we reproduce here:

**Re: Revision of the Convention on Maritime Liens and Mortgages**

Dear Dr. Sato,

I have in hand your letter of June 6, 1986, together with Draft Position Paper, Comité's Draft Revision, 1926 International Convention, and comment of Joint Committee of Experts.

Needless to say, the Port of Long Beach is in complete accord with maintaining the benefits of the 1926 International Convention, and fully supports all efforts of the Association to that end.

In the United States, the costs and expenses of arrest or seizure in rem have normally been accorded a first priority position against the sale proceeds of the vessel as an administrative charge. By all means we would wish to retain this beneficial position because these costs and expenses would cover pilot fees and handling fees on moving the vessels, if necessary; port fees; dockage; wharfage (where off-loading would be required); water; security; and all the other relevant charges for the protection and preservation of the vessel on behalf of the court asserting jurisdiction. To the extent that protection of ports could be expanded to include all charges and expenses incurred in the last port even prior to seizure, removal of wrecks or vessels in extremis, etc., that would be favorable from a port point of view.

Perhaps the appropriate place for emphasis would be in the Comité's Draft Revision, Article 11, Subsection 2, which treats of costs and expenses arising out of arrest or seizure.

We give the foregoing as an example of particular interest to us, but by no means to the exclusion of any other benefit under the 1926 International Convention, or any

other treaty, United States Code Section, Supplemental Rules for Certain Admiralty and Maritime Claims, or case law favoring the position of ports generally.

You may use this letter as you deem appropriate.

Kindest regards,

Yours very truly,  
(Signed)

James H. McJunkin  
Executive Director  
Port of Long Beach

## **IMO acknowledges receipt of IAPH's observations on draft Salvage Convention**

Mr. C.P. Srivastava, IMO Secretary-General, in his letter dated July 7, 1986, responded to the IAPH letter concerning the observations of our Association as follows:

Dear Dr. Sato:

I write to acknowledge the receipt of your letter of 16 June 1986 regarding the observations of the International Association of Ports and Harbors on article 9 of the draft Salvage Convention, which you wish to have submitted to the Legal Committee.

I am pleased to confirm that the necessary steps have been taken to circulate the observations submitted by your Organization to all Member Governments of IMO well ahead of the forthcoming (fifty-seventh) session of the Legal Committee, which is scheduled to take place from 27 – 31 October 1986.

(Signed) C.P. Srivastava  
IMO Secretary-General

## **Revision of Convention on Maritime Liens and Mortgages – UNCTAD acknowledges receipt of IAPH position paper –**

In response to the IAPH position paper concerning the revision of the Convention on Maritime Liens and Mortgages recently submitted to the Secretaries-General of UNCTAD and IMO respectively, the following letter has been received from UNCTAD:

Dear Dr. Sato,

Thank you very much for your letter of 10 July, addressed to the Secretary-General of UNCTAD, which has been passed to me for attention, regarding the next meeting of the joint Intergovernmental Group of Experts on Maritime Liens and Mortgages convened jointly by UNCTAD and IMO.

I am pleased to confirm that this meeting will now take place from 1 to 12 December 1986, at the Palais des Nations in Geneva. A notification will reach you shortly and we expect and hope that you will be able to attend and participate in this meeting.

We have taken note of your observations and as you enjoy consultative status with both UNCTAD and IMO we should be very pleased to receive your comments and posi-

tion regarding the review of the conventions on maritime liens, mortgages and related subjects during the meeting. In a short while, I will be sending to you copy of the report prepared by the secretaries of UNCTAD and IMO and shall look forward to seeing you in December.

Yours sincerely,

(Signed)

Ricardo Vigil, Chief

Maritime Legislation Section, Shipping Division  
UNCTAD

## IPD Fund: Contribution Report — Strong support comes from Japanese members

The contributions from members to the Special Port Development Technical Assistance Fund ("the Special Fund") as of August 15, 1986 are listed in the box below. The list of contributors has become longer as the months advanced, with the total amount becoming steadily bigger. The second request the Secretary General made to all members in May has succeeded in attracting an increased level of support from members, especially those in Japan, as the list indicates.

The amount received in contributions totaled US\$48,625 against the targeted amount of US\$70,000, leaving the amount of US\$21,375 yet to be raised.

The Secretary General and the Chairman of the International Port Development Committee, Mr. Kruk (Port of Rotterdam), express their appreciation to all the contributors for their generous support, and at the same time urge other members to give this project their favourable consideration so as to help us achieve our goal.

### CONTRIBUTIONS TO THE SPECIAL FUND

(As of August 15, 1986)

Contributors	Amount (US\$)
<i>Paid:</i>	
Port of London, U.K.:	750
Port of Copenhagen, Denmark:	350
Port Services Corp., Oman:	500
Associated British Ports, U.K.:	3,000
Port of Houston, U.S.A.:	1,000
Kelang Port, Malaysia:	200
Port of Halifax, Canada:	750
Port Alberni Harbour Commission, Canada:	200
Cyprus Ports Authority:	500
Belfast Harbour Commissioners, U.K.:	300
Fraser River Harbour Commission, Canada:	300
Port of Tacoma, U.S.A.:	1,000
Port of Amsterdam, The Netherlands:	1,000
Port of Rotterdam, The Netherlands:	3,000
Pacific Consultants Int'l, Japan:	630
Ports Corporation, Jordan:	1,000
Clyde Port, U.K.:	1,000
The Harbours Association of New Zealand & 9 Harbours:	2,000
Mr. Susumu Maeda, Japan:	20
Mr. Toru Akiyama, Japan:	500
The Japan Warehousing Association, Inc.:	250
Yokohama Port Terminal Corporation, Japan:	500
Tokyo Port Terminal Corporation, Japan:	500
Nagoya Container Berth Co., Japan:	500

Shimizu Construction Co., Ltd., Japan:	250
Port Authority of New York & New Jersey, U.S.A.:	1,000
Ports & Shipping Organization, Ministry of Roads & Transportation, Iran:	1,000
Nakagawa Corrosion Protecting Co., Ltd., Japan:	250
Port of Hamburg, West Germany:	3,086
Niigata Prefecture, Japan:	250
Toyama Prefecture, Japan:	250
Rinkai Construction Co., Ltd., Japan:	250
Osaka Prefecture, Japan:	500
Saeki Kensetsu Kogyo Co., Ltd., Japan:	250
Port Autonome de Cotonou, Benin:	250
The Japanese Shipowners' Association:	250
Papua New Guinea Harbours Board:	200
Public Port Corporation 1, Indonesia:	200
Peter Fraenkel Int'l Ltd., U.K.:	100
Port of Vancouver, Canada:	500
Daito Kogyo Co., Ltd., Japan:	1,000
Port of Montreal, Canada:	1,000
Port of Melbourne, Australia:	1,000
Ports Canada:	2,000
Kawasaki City, Japan:	1,252
City of Kobe, Japan:	3,756
Kitakyushu Port & Harbor Bureau, Japan:	2,502
Hualien Harbor Bureau, Taiwan:	200
Penta-Ocean Construction Co., Ltd., Japan:	1,000
Toyo Construction Co., Ltd., Japan:	250
Public Port Corporation II, Indonesia:	200
Kobe Port Development Corp., Japan:	641
Japan Port Consultants Association:	210
Nagoya Port Authority, Japan:	3,125
Korea Dredging Corporation:	200
Port Authority of Thailand:	100
Japan Port & Harbor Association:	303
Office National des Transports, Zaire:	550
Mauritius Marine Authority:	1,000
Nigerian Ports Authority:	500
The Maritime Services Board of New South Wales, Australia:	250
<i>Pledged:</i>	
Directorate-General of Shipping & Maritime Affairs, The Netherlands:	720
Ghana Ports Authority:	500
Korea Maritime & Port Administration:	3,000
Delfzijl/Eemshaven Port Authority, the Netherlands:	250
Osaka Port Terminal Development Corporation, Japan:	¥100,000

## IAPH Third Vice-President Stuart receives a Knighthood

According to a letter from the Associated British Ports to the IAPH Head Office, the ABP's Chairman and the Third Vice-President of IAPH, Keith Stuart, was honoured with a Knighthood in the Queen's Birthday Honours List in June this year.

His formal title is now Sir Keith Stuart, while his wife should be addressed as Lady Stuart.

Upon hearing this news, the Secretary General sent a letter to Sir Keith congratulating him on his newly acquired title.



## Mr. Vleugels awarded the title of Director-General Emeritus of the Port of Antwerp

According to the recent letter from Mr. Robert Vleugels of Antwerp addressed to the Secretary General, Mr. Vleugels has been awarded the title of Director-General Emeritus by the City of Antwerp.

Mr. Vleugels, who retired from the Port of Antwerp after his long service as its Director-General last year, recalls in his letter his long association with IAPH, which he found extremely worthwhile, and in particular those challenging days during which he was the President of IAPH (from 1973 to 1975). He says, "Indeed, the influence of IAPH on world shipping should be enhanced and the interests of ports well defended!"

Mr. Vleugels concludes his letter by stating his belief that the Seoul Conference will be successful, though he himself, who used to be a regular participant of IAPH conferences, will be unable to attend it.

## Mr. Carl Veng of Gothenburg appointed as a CLPPI member

President den Toom has recently appointed Mr. Carl Veng, Assistant General Manager, the Port of Copenhagen Authority, as a member of the Committee on Legal Protection and Port Interests (CLPPI).

This appointment has been made at the recommendation of Mr. Schäfer, General Manager of the Port of Gothenburg. Mr. Schäfer, who has been serving on both the Membership Committee and the CLPPI, besides being an Exco member, considered that it would be more meaningful to let his Assistant General Manager, who is a law school graduate and has experience in handling legal matters in the EEC, take his position on the CLPPI. Mr. Schäfer comments that this change in the committee will strengthen IAPH in this very important field.

## Captain Ketoyo of Kenya appointed as a member of Marine Safety Sub-Committee

At the recommendation of Capt. Monks, Chairman of the Marine Safety Sub-Committee (Port Hedland, Western Australia) and with the endorsement of Mr. J. Dubois, Chairman of the Committee on Port Safety, Environment and Construction (COPSEC), Capt. Ketoyo, Senior Harbour Master of the Kenya Ports Authority, has recently been appointed by President den Toom as a member of the Marine Safety Sub-Committee.

Captain Monks comments that he is very happy to see such a competent new member as Capt. Ketoyo in COPSEC and that it is very important that countries from his region be represented in this way.

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## Mr. Pages reports on the 56th Session of the IMO Legal Committee

Mr. Paul Valls, Chairman of the Committee on Legal Protection of Port Interests (CLPPI), has recently sent the report of the proceedings of the 56th Session of IMO's Legal Committee, which was prepared by Mr. Andre Pages, Mr. Valls' predecessor as the CLPPI Chairman and currently a member of the Committee, together with the statement concerning Article 9 of the Salvage draft text which Mr. Pages made on IAPH's behalf during the session held in April, 1986.

Mr. Valls comments, "Early April was an extremely busy period for me in my own Port and, of course, Alex Smith was in Auckland attending the IAPH meeting, so I feel we should all be most grateful to Andre Pages for the time and energy he spent defending the interests of Ports at what was a critical meeting from a port viewpoint."

The CLPPI Chairman comments that the following report will provide our members and readers with an account of what has happened so far, rather than a projection of what is to come.

### INTERNATIONAL MARITIME ORGANIZATION

#### Legal Committee

7/11 April 1986 Session

#### REPORT OF THE PROCEEDINGS

##### 1. Question of Salvage at Sea

###### 1.1 Organization of Debates

The Salvage question had already been examined by IMO's Legal Committee during its Sessions of September and December 1984 and March and October 1985.

It was taken up again during the April 1986 Session and

work is to continue at the next meeting in October 1986.

It is hoped that the preparatory work will be sufficiently advanced to enable a Diplomatic Conference to be convened in 1987, which will adopt the new International Convention and replace the existing 1910 one on Salvage and Assistance at sea.

The draft text being used as the basis of these discussions was drawn up by the CMI.

Some 46 national delegations, observers from the EEC, UNCTAD and the International Fund for the Compensation of Damage caused by Oil Pollution, together with observers from 21 non-governmental organizations, including a representative from IAPH, have been following these debates.

##### 1.2 Acceptance of a Ship in Difficulties into a Port

IAPH's interest in these debates is centred round Art. 9 of the draft convention, which tends towards establishing a more or less automatic right for a ship in difficulties to be accepted into a neighbouring port, and takes for granted the cooperation of coastal States.

It is really a question of expressing here a concern which is easily understood, since a successful salvage or assistance finds its conclusion in the arrival of the ship in difficulties, the people and the cargo on board, in a Port.

Nevertheless, the following observations are worthy of note:

- The proposed provisions extend beyond the scope of a Private Law Convention (relationship between salvor and salvaged ship), into the domain of Public Law

(presumed behavior of Coastal States and of the Authorities responsible for their Ports).

- These provisions are presented in the form of wishes, which are certainly well intended, but which are quite out of place in the text of a Convention that, like all contracts, aims at establishing obligations.
- For the sake of humanity, Ports often accept ships which involve them in problems and even put them at great risk (pollution, explosion, fire, grounding in their channels, abandoned wrecks, etc.), for which they can only obtain mediocre compensation, within the scope of International Conventions on the Limitation of Liability of the Owner of Sea-going Ships (1957 and 1976).
- Without renouncing any duty to provide help, they wish to reserve the right to decide freely, in every case, without being pushed into action.

Furthermore, a joint motion was presented before the session by four international maritime organizations which, like IAPH, enjoy IMO observer status, namely:

- The ICS, International Chamber of Shipping;
- Intertanko, the Independent Tanker-owners' Association;
- The OCIMF, an association of members of the oil industry involved in maritime affairs; and
- FOEI, Friends of the Earth International.

The motion aimed at strengthening these obligations for coastal States and Port Authorities to cooperate.

For its part, the USA Delegation submitted a motion to engage coastal States in preparing emergency plans covering the measures to be taken in the case of a shipping accident off their coasts.

IAPH had, in response, prepared a written motion, explaining its position. Through lack of time, the document could not be disseminated before the April 1986 session.

However, it would be possible to revise it and submit it in good time for the October session.

Moreover, the IAPH representative was able to give the IAPH viewpoint from the floor during the session (text of the speech attached).

The representatives of a number of national delegations expressed strong reservations concerning the ICS — Intertanko — OCIMF — FOEI motion during the debates.

In particular:

- It appeared to them to be superfluous to burden a Private Law convention with outside elements involving State Law, especially since countries are highly sensitive when their domestic legislation is involved. Thus it might compromise the chances of later ratification, and the entry into force of the new Convention, by State Parties.
- Equally, the text of Art. 9 in the present draft appears to go as far as it possibly can in the domain of suggestions made to States. This in itself does not present an obstacle for the preparation, by each State, of emergency plans, nor for making cooperation agreements between States on a regional basis.

The document to be submitted on behalf of IAPH to the IMO, prior to the October 1986 meeting, can be rectified according to the latest information resulting from the April session.

### 1.3 Various other Points in the Draft which were Debated

There was substantive dialogue between the government delegations, NGO representatives, including those from the CMI, and the authors of the draft. It included:

#### — The Definition of a Ship

Should off-shore platforms be included?

Could the salvaged ship be a sunken wreck, perhaps abandoned by her crew?

#### — Public Law Considerations

On several occasions, public law considerations were raised, as being allied to those developed by the draft convention, which supposedly was meant to cover the private law relationship between salvaged ship and salvor.

How was the overlapping into the domain of State prerogatives or into that of other International Conventions in force (SOLAS, MARPOL) to be avoided?

#### — Master/Ship-owner/Shippers

How were the powers which a ship-owner delegates to his Master so that he may deal with an emergency situation and make agreements rapidly with the salvors to be established?

And how was the solidarity between the ship and the shippers to be established in respect to the contract with the salvors?

#### — The Duties of Salvors

Can one burden the salvor with too many duties (diligence, efforts, concerns for the protection of the environment, etc.) without discouraging him before he intervenes?

#### — State-owned Ships

What, as far as the Convention is concerned, is the position of State-owned vessels assigned to carry out commercial operations?

#### — The Preoccupation for the Protection of the Environment

Compared with the 1910 Convention, the concern for the protection of the environment was raised repeatedly. Specific points addressed were:

- the duty imposed on the salvor to carry out rescue operations in such a way that damage to the environment is kept to a strict minimum;
- the granting of a special reward for additional measures taken, other than those required for simple salvage, to avoid or reduce damage to the environment;
- whether this special reward is subject to the limitation of liability of ship-owners; and
- how costs for measures taken in a double interest, such as blocking a hole in an oil tanker, are to be distributed.

#### — Length of Salvage Operations

The beginning and the end of a period of salvage operations should be clearly defined by identifiable acts.

#### — Interventions by Insurance Companies and P & I Clubs

Insurance companies and P & I Clubs are directly concerned in the amounts fixed for salvage rewards since, finally, it is they who will support these costs. However, numerous interests are involved. They include:

- concerns for the protection of the environment, which may give rise to salvage costs which amount to more than the material value of the goods being salvaged or which are even greater than the limitation of liability of the owner of the ship, and concerns for the compensation amounts covered by the Fund for the damage by oil pollution (see: 1957, 1976, 1969, 1971 Conventions and 1984 Protocols); and
- the distribution of the salvage rewards between the various parties concerned and their insurers (ship,



polluting cargo, innocent cargo, etc.)

The insurers (IUMI) and Clubs would like to apply the commercial rules used by their profession (Montreal Compromise) to settle such questions (arbitrary rules, general average, etc.).

– Settlement of Legal Disputes

Geographically fixing which tribunals are competent to judge lawsuits arising from salvage operations has numerous solutions.

– Minimum Reward

Whether or not salvage is successfully concluded, the salvor shall receive a minimum reward commensurate with his efforts (safety net). This is essential to ensure the survival of companies operating salvage tugs.

But what of the salvor:

- who arrives late, but nevertheless plays a role in protecting the environment?
- who arrives, off his own bat, before those who have been called by the ship to assist?

How does one determine who is the salvor, and the only one who can profit from the safety net?

– Distribution of the Salvage Reward

There is the problem of sharing out the reward between the numerous salvors. How does this affect the motivation of their staff?

Are provisions to be defined by agreements beforehand or afterwards?

## 2. Maritime Liens and Mortgages

This is a question which two of the United Nations Agencies independently inscribed on their working programmes. The organizations were:

- the IMO in London; and
- UNCTAD in Geneva.

Following discussions between the two Secretariats General, they envisaged forming a group of government experts drawn from the two organizations, which would meet in Geneva from the 29th September through to 10th October, 1986 and then in London for a week in 1987.

This proposal has met with the approval of the appropriate committee at UNCTAD (Bureau of Commerce and Development); it now has to be approved by the IMO Council in June.

As far as the IMO's Legal Committee is concerned, it will approve the proposal, provided that the work is carried out in accordance with a suitable procedure.

## 3. Dissemination of the Results of the Enquiry into Maritime Disasters

The United States and Liberian delegations have both submitted proposals, slightly differently drafted, but along similar lines, which tend to establish the dissemination of the information gathered from the enquiries into maritime disasters in such a way that marine techniques and practices can profit from it.

The idea is to be discussed at the October 1986 Session of the IMO's Maritime Committee. In this connection, the two draft resolutions from the USA and Liberia are to be combined into one text. However, a number of different points remain to be settled, i.e.:

- a. the technical scope of the international Conventions concerned: SOLAS? MARPOL? Rules for the Prevention of Collisions, etc.;
- b. the degree of dissemination of this information, often kept confidential; and

- c. the extension of dissemination of the information, within the framework of all maritime disasters (and not only, as at present, those involving only oil tankers).

## 4. Miscellaneous

### 4.1 HNS Convention

It would seem that the time is not ripe for re-debating the draft convention on the liabilities involved in the transport of hazardous and noxious substances.

The 57th session of the IMO Legal Committee (27–31 October) will be devoted in the main to: –

- finishing (if possible) the examination of the draft Salvage Convention, prior to the meeting of a Diplomatic Conference in 1987; and
- the examination of the question of disseminating the results of the enquiries into maritime disasters.

### 4.2 Preparation of IMO's Work – Documents

The IMO Secretariat General distinguishes between: the following two types of document:

- a) information documents, or proposals submitted before sessions by government delegations or non-governmental organisations. These documents are translated into several languages by the Secretariat of IMO, must be typed, disseminated and then, within each country, sent to all the different echelons involved to be studied by them. Such documents must be deposited with the IMO well in advance of a session.

- b) working documents, or papers, resulting from the debates in progress during a session and uniquely those.

### 4.3 Questions resulting from the 13th Council Meeting and 14th IMO General Assembly Meeting

The questions involved are:

- a) those raised or discussed during the 56th session of the Legal Committee which come within its scope; and
- b) (mentioned simply for information) the question of the measures to be taken to protect against illegal acts which threaten the safety of ships, their passengers and crews. This question is being studied by the Maritime Safety Committee.

The questions may be interpreted as concerning provisions:

- which are proposed to States (and not imposed by a Convention);
- but which, at a local level are likely to involve States, shipping companies, and port authorities in new technical and financial burdens, as well as impose new liabilities.

## CONCLUSION

The present report has the following objectives:

- to give a detailed account of the debates devoted to the draft Salvage Convention, and particularly to States and neighbouring port cooperation (Art. 9);
- to provide a brief summary of the wealth of matter covered during the debates; and
- to demonstrate the great attention which must be paid to following these debates if one wishes to intervene appropriately in good time.

**INTERNATIONAL MARITIME ORGANIZATION**  
**56th Session of the Legal Committee**  
**London – 7/11 April 1986**

**Examination of the Salvage Question and Related Issues**  
**Observation made from the floor in the name of IAPH**  
**concerning Art. 9. (Cooperation of Contracting States)**

The IAPH regrets that it is unable to accept the proposals submitted by various non-governmental organizations and which tend to establish, in favour of the ship in difficulties, an automatic right to acceptance in a neighbouring Port.

The text being examined by your Committee is a draft Convention which comes under Private Law and is intended to regulate the relationship between the salvor and the salvaged vessel.

The proposals would serve to add, in a just few lines, some very important provisions which fall into the domain of Public law, and which would only have the value of wishes, since they are controlled by National Legislation.

In addition, the question of Ports of Refuge itself raises a series of others:

– Is it a question of equipping seaboard with specialized

dedicated Ports, or automatically turning the nearest Port into a Port of Refuge?

- Is it a question of raising, yet again the problems of the safety of life at sea and the protection of the environment, even though numerous provisions have already been made for them in other clauses?
- Is it a question of balancing the financial stakes involved in the salvage of the ship and her cargo with the potential damage which could be caused to the environment, to the supposedly accepting Port (fire, explosion, pollution, grounding in the access channels, damage to Port works), and to all the other ships which are there, or wish to enter or clear the port?
- Is it a question of dictating to ports their duty, although the ports already assume this duty voluntarily, having decided for themselves if they are able to accept ships in difficulties and under what conditions acceptance can be made?
- Is it a question of making them accept, for themselves, their environment and all the other ships which use the port, exceptional risks, whilst the owners of vessels may shelter behind limitations of liability as provided by the 1957 and 1976 Conventions?

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## **IMO Report by Mr. A. J. Smith**

### **Council**

The fifty-sixth session of the Council was held at IMO Headquarters from 16–20 June 1986, under the Chairmanship of Mr. O'Neil (Canada). Thirty-one Member States attended the session and twenty-three non-members of the Council were invited to attend as observers. There were six representatives from UN and Specialized Agencies, and sixteen observers from inter-governmental and non-governmental organizations, including IAPH.

IAPH's interest in Council activities lies, in the main, in the decisions taken with regard to reports presented by IMO's main Committees. Meetings of these Committees are normally covered and reported on separately from time to time. The details of their deliberations will either already have been considered by IAPH's own Committees or noted for subsequent action by them. The Council's decisions, therefore, provide positive indicators to IAPH of the direction being, or to be taken on related, relevant topics.

IAPH will be particularly interested to note Council's approval of the IMO Committee work programmes, aspects of which were built into the work programmes of IAPH Technical Committees. Specific reference was made to these in the reports of IAPH Committees to the Executive Committee meeting held in Auckland last April.

It is worth placing emphasis, however, on certain matters of interest to ports which are currently seen by IMO as meriting particular attention.

In Maritime Safety Committee terms, the development of measures to prevent unlawful acts which threaten the safety of ships and the security of their passengers and crews will be finalised later this year.

The Council approved the proposal that Lloyd's Register of Shipping be requested to take account of laid-up ships,

and if possible, ships being used as storage and reception facilities or otherwise not trading, when developing ship at risk figures.

It was decided that the item on a single Technical Convention be deleted from the work programme, but to recognize the importance of this subject the Committee will review the matter towards the end of the current biennium. The Committee will review the work programme of its subsidiary bodies at its fifty-third session, taking account of the recommendations which may be made by the relevant sub-committees.

IMO's Legal Committee was reminded of the priority attached by the Council to work on Salvage and Related Issues and asked to do all in its power to ensure that the draft convention under preparation would stand a reasonable chance of general acceptance.

As regards Maritime Liens and Mortgages, Council supported the intention to progress matters through an inter-governmental group of experts, jointly with UNCTAD. Meetings will be held, alternately, in Geneva and London.

Work on the Hazardous and Noxious Substances (HNS) Convention, though on the back-burner, is still to be the subject of regular scrutiny.

The Marine Environment Protection Committee's report highlighted the importance placed on the implementation of MARPOL 1973/78. From a port point of view of course, specific attention is placed on the availability of reception facilities in respect of the various MARPOL Annexes.

Council has approved a proposal of the MEPC for the convening of an intersessional working group of the Subcommittee of the Carriage of Dangerous Goods (CDG) in either late 1986 or early 1987, for one week without interpretation, to permit effective implementation of Protocol I to MARPOL and related problems, and amendments to Annex III to MARPOL.

In a Facilitation Committee context, two matters of particular interest to ports were highlighted.

The Council authorized that the list of data elements unique to maritime transport be submitted to the UN Working Party on Facilitation of International Trade Procedures for inclusion in the UN Trade Data Element Directory.

The Council approved that a feasibility study on data interchange between shore authorities and ships under way be carried in co-operation with INMARSAT, and the proposed action concerning document requirements in ports.

The Council also approved the action taken and recommended by the Committee with respect to illicit drug trafficking.

In a much more general context, IAPH members will be interested to know that IMO's Membership is now 129 with 1 Associate Member.

The Council also made strong appeals to Member States to take urgent action to accept Conventions and Amendments where they had not done so already.

The Council decided to award the International Maritime Prize for 1985 to Mr. Per Eriksson.

#### **Next Session**

The Council decided that its fifty-seventh session should take place at IMO's Headquarters from 10 to 14 November 1986.

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## **IAPH observes Workshop on the Shipping Industry and the Protection of the Marine Environment (Hellenic Marine Environment Protection Association)**

The event, which took place in Athens for three days from 18 to 20 June, 1986, was observed by Mr. J. Polychronopoulos (Environmental Protection Engineering Ltd., 88, vas. Constantinou Avenue, Piraeus GR — 185 36, Greece), as previously announced in the journal.

1. Major features of the sessions and lecturers, according to Mr. Polychronopoulos' report, were:

#### **Session I The Present Approach**

Chairman: Dr. Aldo Manos, Coordinator UNEP Coordinating Unit, Mediterranean Action Plan, Athens

Lecture on "Legislation" by Mr. H. Pinon, Sous-Directeur de la Sécurité des Navires, Secrétariat d'Etat à la Mer, France

Lecture on "Implementation": by Mr. J.C.S. Horrocks, Secretary General, International Chamber of Shipping

Lecture on "Surveillance at Sea": by Mr. A. Van Eden, Head of the Shipping Traffic Division, North Sea Directorate of the Ministry of Transport and Public Works, the Netherlands

Lecture on "Surveillance in Port": by Mr. H.E. Huibers, Dy. Secretary of the Memorandum of Understanding on Port State Control

#### **Session II "A Possible Complementary Approach"**

Chairman: Dr. Jon Wonham, Senior Dy. Director, Marine Environment Division, International Maritime Organization

Lecture on "A New Code of Professional Behaviour": by Mr. D. Mitsatsos, Director General, HELMEPA

#### **Session III "Possible Synopsis of the Two Approaches"**

Chairman: Mr. V. Mandl, Head of Division, Protection and Management of Waters, Directorate General for the Environment, Consumer Protection and Nuclear Safety of the Commission of the European Communities

Lecture on "Two Approaches and the International Shipping Community" by Dr. Jon Wonham, IMO, as above

Lecture on "The Two Approaches and the Environmental Anxieties" by Mr. Th. Jacques, Senior Assistant Oceanographer at the Management Unit of the North Sea, Ministry of Public Health, Belgium

- 2.1 Mr. John N. Archer, Managing Director of the International Tanker Owners Pollution Federation Limited, in his presentation on the recent experience of oil spills and the work of his organization mentioned: —

"A comparison of the figures for oil spills from tankers in the six years 1980 to 1985 inclusive shows that there has been a marked improvement compared with the six preceding years.

With a few exceptions, the pattern of locations is not dissimilar but the number of spills is very much smaller for the second period — 57 spills compared with 155. Over the past six years there have been on average just less than eight such spills a year, compared with nearly 26 for the earlier period.

Why is this? Attempts have been made to identify reasons with some certainty, as for example by comparing statistics for spills with those for serious marine casualties as defined by the IMO group concerned. The latter do not show such a marked improvement, and with comparatively small numbers of large spills occurring in relation to the size of the tanker fleet (over 6,000 are entered in TOVALOP), statistical differences may not be wholly significant. However, at the risk of tempting fate, it appears that the recent trend is indicative of an improved record, and that some of the reasons for it are as follows: —

Less oil is being transported by tanker and more tankers are laid up. Tankers that are operating are generally under less time pressure than they were, both on the high seas and in port. Nowadays, IMO Conventions such as MARPOL, SOLAS and STCW, negotiated in the 1970's, are in force and being enforced — a matter on which the EEC, among others, has laid special emphasis — and there are generally bigger penalties for non-compliance. And, in general, training has improved and there is greater commitment to the avoidance of pollution — an attitude of mind that HELMEPA seeks to stimulate and encourage."

- 2.2 In summarising his presentation on "Implementation", Mr. J.C.S. Horrocks of ICS remarked: —

"It is clear that the days of total self-regulation within the industry are gone. Governments wish to establish both regulations and means of control. But the regulations cannot really work effectively unless there is a willingness



on the part of the industry to make them work, and the most successful regulations tend to be those which are cost-effective and practical, deriving from initiatives which the industry has itself introduced.

“Though MARPOL has taken a long time to come into force, much of what it entails is already part of good operating practice. For the future the objectives must be twofold: for governments to concentrate on what is practical and to ensure that they accept their obligations as signatories to conventions; and for industry to intensify its efforts to encourage an environment in which ships comply with the regulations not just because they are regulations, but because it is the natural thing to do.”

3. The workshop adopted a resolution which reads as follows: —

“The Workshop,

- welcoming the support of the Greek Government, the European Economic Community, the International Maritime Organization and contributions of experts from many organizations and countries,

- being mindful that legislation alone will not ensure the prevention of pollution, and that compliance with international regulations requires the wholehearted commitment of both the shipping community and the administration of ports and harbours, especially in respect of the provision of facilities for the reception of wastes from ships,

Recognizes the value of the complementary approach by HELMEPA, of the creation of public awareness and the conscience of seafarers through the dissemination of information and the provision of courses and seminars;

Recommends the general adoption and extension of this approach on a worldwide basis with the objective of ensuring a marine environment free from pollution; and

Further recommends that endeavours be made to raise and commend the HELMEPA approach in appropriate fora, both governmental and industry-based, with a view to facilitating the mobilization of the widest possible interest, for example, that of the EEC, IMO and the International Marine Industries Forum.”

## Report on Port Training by Recipient of IAPH Bursary Scheme

PSA Training Course “Port Management and Operations”, 1–19 July 1985

**By Mr. Lepani Tule  
Stevedoring Planning Officer  
Port Authority of Fiji**

### Principles and Practice of Effective Port Management

For the Port Industry to be effective, human resources are most important, and therefore the means should be provided to maximise people's output.

#### Management Styles

Management must recognize the mode of our employees' motivation to maximise their contribution to the organization. Employees must not be kept in isolation, and as such management must take all positive steps to recognize the employees' contributions in the form of formal incentives.

Positive incentives in this regard are wages, allowances, bonuses, promotion, leave, medical attention, housing, commendations, awards, etc. Negative incentives are reprimands, disciplinary action, demotions, suspensions, increment stoppages, dismissals, etc. However, it is only through its managers and supervisors that the Organization can provide the employees with their secondary needs in the form of informal incentives.

Positive incentives in this regard are praise, encouragement, the friendly attitude of others, acceptance by the group, minimum supervision, the respect of the management and fellow workers, etc.

Negative incentives are disapproval and rejection by others, criticism, assignment to more onerous jobs, etc.

Therefore, the leadership styles that managerial and supervisory personnel display are a vital factor in the determination of the extent to which the employees commit themselves to their work. These styles can be categorised as

follows.

- a) the autocratic style (the leader makes the decision);
- b) the laissez-faire style (the individual makes the decision); and
- c) the democratic style (the group makes the decision).

#### Recommendation:

1. It is recommended that PAF should resort to the democratic style of management, whereby existing problems in functional areas within the organisation are set out in order of priority and distributed to groups delegated by management to research the problems and recommended ways of alleviating them. The democratic style of management has been used substantially in countries like Japan and Singapore. The system has worked out well in the two countries.

#### Planning Unit

Good planning plays a major role in any operation, and as such should be the nerve centre of operations in a port. For the Unit to be more functional in our situation, it should come directly under the preview of the Wharf Manager.

Reasons for the move are as follows: —

- a) With the new tariff, PAF does not have the full power to determine ship manning and equipment measurements, as it is a cost base tariff.
- b) The Unit will have firsthand information on ship arrivals/departures, documents, cargoes & containers for distribution to other departments.
- c) It will liaise with other departments on space/machines/labour availability.
- d) It will be able to monitor the movement of cargoes within sheds through Shed Foremen.
- e) It can maintain traffic control within the wharf area through Security Guards.
- f) It will be able to co-ordinate all activities within the wharf areas.

I strongly feel that we should continue to operate through the Unit, but that to be more effective it should cover all areas of operations rather than confining itself to stevedoring.

## Container Yard Operations

### Review of Yard Allocation

Due to the uncertainty of vessels' ETA/ETD and the duration of vessel throughput from original plans, yard allocation will have to be reviewed constantly.

### Preparation for Shipment

A yard census should be taken 6 hours prior to the vessel's arrival.

The advantages of the yard census are that it will:

- confirm the yard location of containers to be loaded;
- check loading sequence in order to verify that selection of containers from the Yard is made without any need to shift containers;
- be able to stack export containers by posts in the Yard for correct loading sequence.
- be able to maintain orderly stacking of containers, i.e. Full, MT (Import & Export); and
- discourages yard consolidation.

The performance of the Container Terminal depends on the efficient operation of the Container Yard.

## Warehousing Operations

### Storage Layout

A warehouse which is not fully utilised is wasting the capital expended upon it, but one which holds too much is wasteful of time and labour.

In this, we are aiming at the maintenance of the work flows through the warehouse so that they can operate in a continuous manner without hindrance caused by the closing of gangways or blocking of access.

The ideal type of storage for our warehouse will require:

- drawing up a bay plan for easy reference;
- introducing a racking system for goods; and
- the use of pallets to move cargoes within the warehouse.

It is recommended that a forklift be stationed in the warehouse to ease the movement of cargoes, if the need arises.

With these proposals, our warehouse will have a proper layout and easy access to cargoes.

## Ship Operations

### Loggers:

Compilation of Operational Statistics is a very important task, and as such plays a major part in decision making. To collect operational data one has to know the source and work flow.

I recommend that we should re-employ loggers to record stoppages during ship operations.

Some of the benefits of having loggers during operations are: —

- The Foreman will be able to concentrate more on actual operations rather than having to record stoppages.
- The logger will note down all stoppages encountered during operations.
- The logger will be familiar with the work and will not need any supervision.
- The logger will be able to move between hatches/wharf/shed for the recording of stoppages.

- The recording of stoppages in Log Sheets will be a uniform procedure, as opposed to Foremen entering them on forms.

- Most of the Foremen's reports tend to be either incomplete or incorrect.

For long-term development planning, wise decisions can only be achieved by keeping correct statistics, and loggers can play a major role in this.

*(The detailed description of the Course's schedule is omitted for reasons of limited space. — Head Office Secretariat)*

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## Visitors

- On July 10, 1986, Mr. Young Tae Chang, Financial Analyst, and Mr. Weon Jae Kim, Economic Analyst, accompanied by Dr. Jong Man Kim, Head of Applied Biology, of the Korea Ocean Research & Development Institute, visited the head office and met Mr. R. Kondoh, Under Secretary, to exchange views and comments on various aspects of container transportation and port development in Japan. They visited the Port of Yokohama in the afternoon of the same day and met officials of the Port to study the current situation there. They later observed the port facilities from aboard a launch. On the following day they visited the Research Institute for Ocean Economics, and the Japan Maritime Research Institute.

- On July 21, 1986, Mr. R. Ranaganathan, Training Manager, Madras Port Trust, visited the head office and met Mr. R. Kondoh, Under Secretary, and exchanged views and comments on the current port training systems in Japan. Although Mr. Ranaganathan at this moment is engaged with the Madras Port Trust, he will be promoted shortly to serve as lecturer at the National Institute of Port Management of Madras at the invitation of Mr. Bala K. Subramaniam, UNCTAD Shipping Adviser, who is stationed in Madras.

- On July 22, 1986, Mr. Jack Tucker, Chairman, Mr. Garth M. Cassidy, Dy. Chairman, and Mr. Ken J. Gilligan, General Manager, Hawke's Bay Harbour Board, New Zealand, visited the head office and met Dr. Hajime Sato and his head office secretariat. The visitors were on a trade development mission trip to China and other countries in the region.

- On July 28, 1986, G. William Hunter, President, Mr. Herbert Eng, Vice President, Mr. W.A. Abernathy, Executive Director, Port of Oakland and Mr. Frank H. Ogawa, Vice Mayor of Oakland, accompanied by Mr. K. Nagao, Far East Representative of the Port, visited the head office and were received by Dr. Hajime Sato, Secretary General, and his staff.

- On July 30, 1986, Mr. Willard A. Payne, Jr., Commissioner, Mr. C. Cliff Mendoza, Dy. Managing Director, and Mr. Bruce E. Cashon, Director of Business Development, Jacksonville Port Authority, accompanied by Mr. Y. Matsui, Far East Representative of the Authority, visited the head office and were received by Mr. H. Kusaka, Dy. Secretary General, and his head office secretariat. Jacksonville Port Authority was a temporary member till October 1982. During the meeting, it was revealed that Jacksonville Authority had had a major reorganization recently, in connection with which it was impossible for the Port to become a regular member. However, it was mentioned that the matter would be given positive consideration in the future.

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## GUIDE TO KOREA — Part IV

### IAPH Seoul Conference Preparation Committee

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#### Seoul

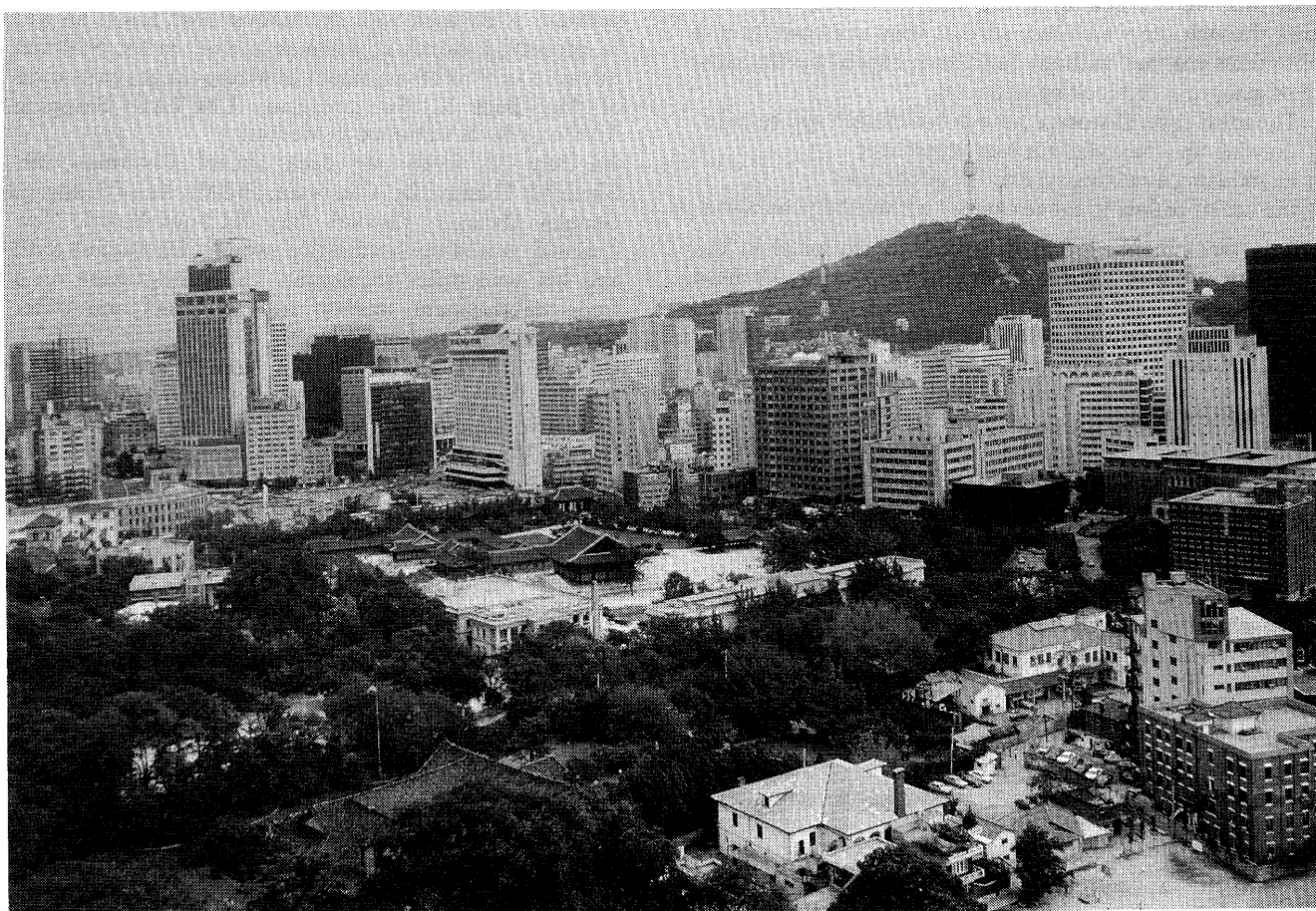
- Few cities in the world, let alone capitals, can match Seoul for the manner in which the traditional and modern exist side by side in such harmony.

Seoul is both the capital and the heart of the Republic of Korea, accommodating 9.5 million of the nation's 40 million people. This city is located in a natural basin of some 630 square kilometers, and is surrounded by imposing mountains: Pugak to the north, Kwanak to the south, and the Namhan Sansong mountain fortress to the east, together with Mani on the nearby Kangwha Island to the west. The Han River, which cuts through the southern district of the city, has contributed greatly to urban development. The river not only supplies water for both the daily life of Seoulites and industrial use, but also provides a beautiful scenic setting.

The climate of Seoul is continental, with a significant difference between the cold and hot seasons. In spring, when the 15th IAPH Conference is to be held, the temperature ranges between 10 and 20 degrees centigrade. At this time the city is exceptionally beautiful, with azaleas and forsythia in full bloom among the fresh greenery that signifies spring's awakening.

Although the Seoul area has been a seat of government since the Paekche Kingdom was located there over 1,500 years ago, the city really had its genesis with the establishment of the Yi Dynasty in 1392. The founder Yi, who toppled the Koryo Dynasty (918–1392), was advised by the Priest Muhak, who had a reputation as a sort of magician-wiseman with knowledge of the “arts of wind and water”, in selecting his capital. Therefore the selection of the site may have been as much the result of shamanistic, religious and political considerations as of careful research and field surveys. Ever since, Seoul has been the hub of the nation's political life and a major factor in the history of the country, and it now offers a wealth of lore and information about Korea and her people.

The Yi Dynasty, which adopted an isolationist policy and thus became known as “the Hermit Kingdom of the Orient”, gave in to pressure from abroad to open its doors and was finally brought to an end in 1910. At the end of World War II, the Korean peninsula was divided and the Korean War broke out in 1950. However, Korea succeeded in propelling itself on the path to modernization and economic development through two revolutions, both dramatic and military, creating the “Han River Miracle”.



Overall View of Seoul



The constitution of the country provides for a presidential system with one term of 7 years for the presidency. Based on the idea of liberal democracy, the constitution reinforces the basic human rights of happiness, a clean environment, privacy and the judicial right to be considered innocent until proven guilty. It upholds the principle of checks and balances in government by restricting presidential power, strengthening the function of the legislature and ensuring the independence of the judiciary.

Korea is currently divided into two halves even though it was historically united. Thirty five miles north of Seoul lies Panmunjom, the site of the signing of the armistice of the Korean War begun by North Korea. The militarized zone along the 1953 truce line separates the Korean Peninsula. Various attempts to unify Korea through dialogue have been made since the division of the country. The perseverance of the Korean government finally realized the exchange of groups to visit their relatives and performing art troupes last year. However, excessive optimism should be avoided since North Korea always tries to turn the South-North Dialogue to its advantage. The Korean government will continue to work in the hope that real progress can be made to reduce tension and bring about real reconciliation as a basis for peace and eventual reunification.

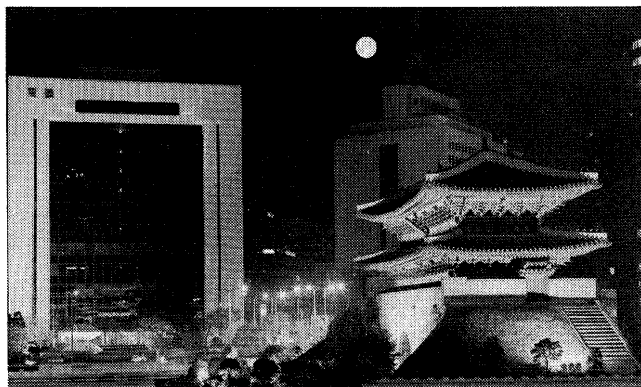
As the Korean proverb goes, "When a horse is born, send it to Cheju Island, but when a man is born, send him to Seoul". This long tendency of centralization in all aspects of our national life has created serious social problems. The City government is trying to solve these problems, as well as those which have occurred in the course of industrialization and urbanization: It has adopted the policy of decentralization to assist in the balanced development of

the country by curbing mammoth construction projects in the Seoul metropolitan area and delegating economic and administrative functions to other major cities. Regarding the housing shortage, the government is encouraging private construction companies to help alleviate the situation and is building rental units. As a measure for environmental protection and pollution control, a mammoth project for the Han River is under way and is due to be completed by 1986 at the latest. The purified Han River will show off its grandeur and will provide swimming areas, yacht harbors and pleasure boats to enrich the sights and sounds of the capital. In the downtown area of the city, the four subway lines are helping to ease traffic congestion.

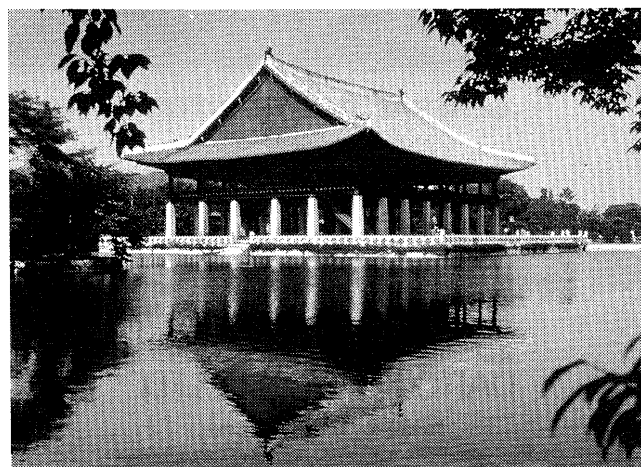
The Yi dynasty legacy is vividly recalled in the city today, as five of the original gates and parts of the 10-mile wall which once encircled the city have been restored. The most famous and visible of these are the South Gate and East Gate, both officially designated as national treasures. Within the boundaries is woven a rich tapestry of cultural history, a history evidenced by the palaces, temples and monuments still standing in the city. Four major Yi dynasty palaces and a garden housing the royal ancestral shrines add to the historical tradition of modern-day Seoul. Here one can stop to admire the sound craftsmanship and enduring aesthetic sense of forgotten Korean artisans who displayed a special mastery over wood and stone.

Most of the historic sites to see in Seoul lie within a 30-minute walk of the city center. Toksugung (Virtuous Longevity Palace) is only a stone's throw from the City Hall. It was originally a royal villa and served as the seat of government toward the end of the Choson period. The tranquil palace grounds are also celebrated for their peony and chrysanthemum gardens. Kyongbokkung (Great Happiness Palace), situated behind the Capital Building, contains some of the country's famous stone pagodas and monuments, including a 13-storied Koryo pagoda, along with the National Museum. Changdokkung (Illustrious Virtue Palace) is the best-preserved and most illustrious monument to the Choson Dynasty. Perhaps the best place to savor Korea's ancient mystique and splendor is in the Secret Garden, a 78-acre tree-shaded park, once a favorite rendezvous of the royalty and courtiers for intrigue and romance. Within the palace grounds also stands the complex of fairly well-preserved buildings known as Naksonje, the residence of the Choson Crown Prince and his family.

While remaining true to its heritage, Seoul is nevertheless in a constant state of change. Leave the bustling thoroughfares and step back in time at one of the many palaces and parks throughout the city. It is blossoming in every



South Gate



Kyonghoeru Pavilion



Pomun Lake Resort Complex

direction: the construction of offices, housing, transportation and recreational facilities is going on all over town. Besides modernizing the central area, the city is extending its subway system, carrying out a mammoth project to develop a 36-km stretch of the Han River and its banks, and putting up more and more new office buildings and apartment complexes on Youido, a reclaimed island on which construction has already been mushrooming for about 15 years. The city's newest and busiest areas of development are south of the river, where most of the Olympic venues are located.

The atmosphere of Seoul's streets and thoroughfares is positively exhilarating. Pedestrians, motorists and cyclists mingle in such frantic confusion that a drive through the city is at all times an adventure. Night and day the crowds are enormous and their gaiety and activity is infectious. There are dress shops, shoe stores, fancy bakeries, scores of restaurants and hotels, tearooms and bars. The tearooms — in some way comparable to French cafes — are the focal point of much social activity in Seoul and other big cities. There are tearooms which cater to every taste: those for intellectuals, artists or music-lovers, those for the young and for the old. Here groups of friends discuss politics, recent books, concerts and films; these are the places where messages are left and received, business is transacted or people just sit down and relax.

Seoul's residents and visitors alike appreciate the blend of old and new that is readily apparent in the capital. Numerous skyscrapers tower above the graceful sweep of ancient palaces which reflect the cultural heritage of 5,000 years of civilization. Huge moss-covered stone block walls exude an elemental stillness amid gleaming metallic rivers of vehicles. The rumblings of buses and trucks are replaced

by the whispers of kings, pondering a nation's future course. Glass and steel stand side by side with intricately and painstakingly carved stone structures. Several pastoral spaces breathe peace into the hustle and bustle of the urban population working energetically to join the ranks of the world's developed nations.

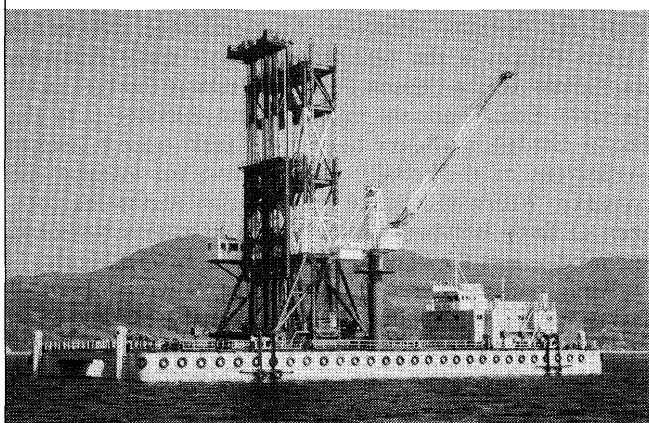
There is simply more to do in Seoul than anywhere else: as a center of commerce, education, and government, Seoul has come to symbolize the progressive outlook of people determined to build a better life and a harmonious urban community.

Seoul is becoming more and more a center of major international socio-cultural and politico-economic conferences, festivals, athletic meetings and other events, as the 1986 Asian Games and 1988 Olympics, as well as the 15th IAPH Conference scheduled for 1987, testify. The city is in the process of modernizing even further, yet being careful to maintain the precious legacy nurtured behind the wall of the old Han River.

Spring is the most beautiful season in Korea. Seoul's spring reaches its glory in the pink petals of azaleas and the yellow of forsythia in April. At this lovely time of the year, the countryside and fields are covered with clouds of azalea blossoms and forsythia under a crisp, blue spring sky.

The natural beauty of Seoul, circled by stately mountains and dotted with tranquil palaces, is by itself a major attraction. But perhaps more than anything else, it is the genuinely warm nature of traditional Korean hospitality which makes each and every visitor feel special and welcome. Seoulites will be waiting to welcome you and to show you all of the city's attractions on the occasion of the 15th IAPH Conference in Seoul, April 25-May 2, 1987.

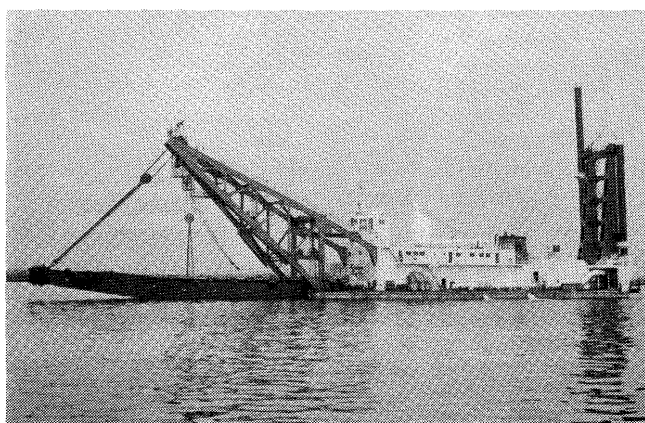
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## Open Forum:

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# Port Operation and Maintenance: By Contractors or in House?

(Reprinted from "SAPANUT Vol. 14, No. 2, Journal of the Israel Shipping and Aviation Research Institute")

By Dr. Alexander Papp

Which is the better way for a port authority to maintain and operate a port: using contractors or its own manpower? If contractors are to be engaged, should they be employed only for providing services that the port itself needs, such as maintenance, security, etc., or should they be entrusted also with giving services to ships, cargo, land carriers, and passengers? An unequivocal answer to these questions can be expected only from one who is ideologically committed, whether to private enterprise or to centralized administration. The problem needs, rather, to be analyzed objectively, with a discussion of the merits and drawbacks of alternative modes of operation and by taking into account local, present circumstances for each type of service separately.

### Haifa port's history in brief

In its half century of life as a deep-water port, Haifa has experienced several modes of operation — which is the main reason that this study concentrated on it as an example, and not on Israel's two other, younger ports, Eilat and Ashdod.

When the modern port of Haifa was commissioned in 1933, only services to ships — pilotage, towage, etc. — were provided by salaried port workers. Stevedoring was in the hands of several contractors, one of whom also engaged in lighterage. These contractors were linked directly to their clients, not to the port authority. Porterage (i.e., cargo handling on land) was divided among a number of contractors. For general cargo, there were four 'nominees,' three Arab and one Jewish, who employed permanently some 180 men among them and recruited on a daily basis up to 600-700 workers according to need. The nominees used to employ subcontractors for certain cargoes; citrus exports, for example, were taken care of by the growers' organization.

In 1934 the port manager, F.O. Rogers, considered that the existing system inflated costs because of the multiplicity of middle-men; the contractors tended to hire fewer men than needed, output was slow, and the port remained mostly clogged. Rogers suggested that the porterage service be given by workers employed directly by the port manager, whose objective was efficiency, not profit. His suggestion was approved, and implemented with apparent success.

*This article is based on Dr. Papp's full-length study, "Contracting Out Work at Ports vs. Own Labor Operations," Haifa: Israel Shipping and Aviation Research Institute, April 1985, 119 p. (Hebrew). Dr. Papp, who was a long-time employee of the Israel Ports Authority, died shortly before this issue of SAPANUT went to press.*

When the State of Israel was established in 1948, the main services to ships at Haifa port continued to be given by the port management, now part of the Ministry of Transport. Cargo handling was divided among three contracting companies, each dealing with one segment of the cargo-handling process: stevedoring, lighterage, and porterage. The majority of the shares of all three companies was retained by the "Solel Boneh" concern, while the rest was in private hands. There never was a formal contract between the port management and the contractors, who enjoyed a *de facto* monopoly by virtue of having played an important part in the "conquest of Jewish labor" before 1948. The three companies were eventually merged in 1952, but the merger was mainly financial; functionally, the workers continued to be organized by separate "sectors," with little mobility between them.

The contractor was paid according to tariffs based on the "cost plus" principle and in proportion to the amount of cargo handled, by type, mode of delivery, etc. It billed ships' agents directly for stevedoring, while the port management collected lighterage and porterage charges from cargo owners and paid the contractor on a different basis from the official tariff. The schedule of contractor's remuneration had to be adjusted periodically, in parallel with increases in costs; the negotiations to this effect were difficult and protracted. As government approval of increases in the official tariffs for users of these port services took time, the port management was caught more than once between hammer and anvil and had to pay the contractor up to 15% more than it had collected.

In view of the construction of the port of Ashdod beginning in the late 1950's, the Israel Ports Authority was founded in 1961. The new Authority was shaped more or less according to the principles recommended by two consultants connected with the Port Authority of New York/New Jersey. Although the latter is a "landlord port" *par excellence*, the consultants did not recommend that Israeli ports follow this example; in fact, they did not express any opinion on the mode of operation. The port of Ashdod was actually operated from the start by the port's own manpower. At Haifa, the contractor was unable by 1967 to cover costs according to the tariffs then in force. Whereas the young Ashdod ports succeeded in showing a profit based on the same rates. The Ports Authority naturally was unwilling to cover the chronic deficit of the Haifa contractor. The contractor thereupon sold all his assets to the Ports Authority, which also took over all his workers, with all their rights.

### How are ports around the world operated?

The degree of involvement of any port authority in the operation of its ports varies widely around the world. In the industrialized countries, the "landlord port" approach

prevails, the role of the port authority being mainly the planning and development of the infrastructure. Direct operation is more characteristic of the developing countries.

**Pilotage:** In general, this service is obligatory and is the responsibility either of the port authority or of some other public body. A notable exception is the U.S.A., where the master of a coastal vessel is allowed to act as pilot, too, so long as the proper license is possessed. In ports where private pilots operate, they are usually organized in some sort of cooperative.

**Towage and mooring:** In advanced countries, these services are mostly provided by private contractors — either a single contractor or, in very large ports, two or three enterprises working in a pool. There is little competition.

**Cargo handling:** Four main approaches can be distinguished: (1) lease of quays to shipping or stevedoring companies, a system that prevails in the largest ports of the world; (2) single contracting company for all cargo-handling stages or for stevedoring only; (3) indirect involvement, such as controlling handling fees or setting up joint ventures with private interests; (4) handling of cargo by port authority employees, either at all stages or on land only.

**Manpower pool:** In many ports where cargo is handled by several bodies, there is a manpower pool that supplies workers according to the daily needs of the port, which vary widely. The management of the pool charges the port operators for total labor costs, which include, besides the wages actually paid to the workers, all the indirect costs — sometimes very high — for the coverage of unemployment pay, pension fund, paid leaves, etc.

**Equipment:** In ports where stevedoring contractors operate, the heavy shore cranes are mostly owned and operated by the port authority.

**Competition:** In the developed countries, there is keen competition between ports; containers have contributed to the widening of the natural hinterland of those ports that are well organized for handling them efficiently. Inside the ports, the competition between operators is less effective.

### How are service given at Israeli ports?

The law that established the Ports Authority in 1961 did not prescribe any mode or operation. In fact, most services to ships and cargo at all three ports are currently given by the Authority's own personnel. The main services given to port users by contractors are the disposal of garbage and bilge water from ships, the operation of grain silos, tally, surveillance, and, at Haifa, launch services.

In the past decade, manpower has shrunk dramatically at all three ports, particularly at Haifa, where the work force was halved while cargo traffic remained static.

An analysis of income and expenditures, by services, at Haifa port in 1982/83 showed that cargo-handling direct costs were 18% higher than the respective income; the other services were more or less balanced. The loss from cargo handling was covered by the central budget, the main income of which derives from the 2% *ad valorem* charge on import cargo. The deficit in cargo handling is due to the fact that tariffs are not based on costs: export cargoes enjoy especially low rates. This imbalance has to be taken into account should the transfer of cargo handling to a private body be considered.

Almost all port workers enjoy tenure. The cost of labor is high at Haifa: In 1982/83, it amounted to \$95 per day of presence; in 1983/84, the average climbed to \$109, as the

reserve for the internal pension fund had to be increased that year. Taking into account that in spite of the drastic cut in manpower there still exists an unemployment of 20% on the average at Haifa — this unemployment is partly justified for the coverage of the daily fluctuation in demand — the cost of a day actually worked in 1983/84 came to \$136. The labor costs for the services supplied to the port by contractors — e.g., security, maintenance — is much lower, especially as the contractors are paid on the basis of actual work days.

The overall occupancy rate of quays at Haifa port in 1983/84 was less than critical — 59% on a yearly average; with the addition of the new eastern quays, the yearly rate should fall to 52%. Thus the scarcity of quays in general should not be a serious argument against the allocation of portions of quays to private operators. The specialization of certain quays, however — for instance, those equipped with container-handling gear and stacking areas — excludes the division of operations among several bodies. Only the quays for handling conventional general cargo, then, can be considered for leasing out.

## Industrial relations and marine services

### Prevailing views

A total of 25 persons (or groups) were interviewed with regard to their preferred mode of port operation: 5 represented shipping interests, 9 importers/exporters, 10 the Ports Authority (senior port officials present or past), 1 the union. The distribution of those supporting and rejecting the transfer of the various services to a body other than the Ports Authority is as follows:

<u>Service</u>	<u>for</u>	<u>against</u>
Pilotage:	10	7
Towage and mooring:	9	9
Stevedoring and portorage:	6	13
Storage:	1	18
Stuffing/unstuffing:	10	6

It is to be noted that Ports Authority people generally favor the handling over of the marine services; other interviewees take no position in this respect. Supporters of a change in the system of cargo handling are found only among port users.

### How to judge the alternatives

The best mode of operating a port should be the one which has the best chance of minimizing the social cost of this vital link in the transport system; i.e., by reducing the aggregate cost of port services plus the cost to the users of the time spent in port by ships, cargoes, and land carriers.

There are two main factors to be considered in this respect. One concerns industrial relations: experience shows that certain sectors — marine services in particular — have been plagued recurrently by labor troubles, leading to stoppages and strikes. The second is the economic aspect: port services, especially for cargo handling, imply huge investments from infrastructure to equipment to manpower. The main problem is the matching of means to fluctuating demand, with minimum idle time for the means and of waiting time for the users. This criterion is usually applied when drawing up development plans; i.e., anticipating demand for quays, etc., for a number of years and deciding

accordingly; however, the same approach may be used in shorter-term decisions with regard to equipment and size of available, properly trained, manpower. So the questions to be answered are these: Which system has the best chance to assure good industrial relations? Which will strike the right balance between means and needs?

**Pilotage** This service is given by a small group of highly qualified seamen, affiliated in Israel with the Sea Officers Union and following the union's instructions even if occasionally unconnected with their work in the port. The main consideration in deciding on the mode of providing this service should be the security of the ship and of port installations. The present system has proven itself in this respect; in addition, as long as normal relations prevail, the ready availability of the service is assured. There is a strong case for maintaining the present organization; however, in order to make the pilots less dependent on the union, the suggestion has been advanced to employ them on the basis of personal contracts. A second possibility is to allow the pilots to organize themselves into a cooperative, preferably covering all Israeli ports, an arrangement that would assure prompt availability of the service as well as a fair distribution of work among members. A third formula is to set up a pool of pilots, from which ships' agents would choose. The order of preference among these three feasible solutions above may vary; although the author of the study inclines to the personal contracts formula as the first option alternative, there is also a strong case for the pool solution.

**Towage** Considering the high cost of tugs, there is no alternative to their remaining the property of the port. Their operation and maintenance, however, may be entrusted to a separate body; for this purpose a private contractor chosen by tender for a limited period would certainly be advisable. This arrangement is easily effected in a new port and has been established at the Hadera coal port, with apparent success. Considering the vested interests at a port like Haifa, the sole practical alternative to the current system is to hand over the operation and maintenance of the tugs to a cooperative-type organization of the existing staff. The success of this new organization would largely depend on a suitable atmosphere of collaboration among the members of the crews; as it is doubtful that this condition will in fact be fulfilled, it seems that at this stage the port has to continue to provide towing services.

**Mooring** This service implies less skill than does towage, and the equipment needed — launches and land transport — is less costly. There is a good case for relying on its being given by one or more of the various bodies currently actively engaged in various auxiliary services, such as launching, ship repairs, ancillary stevedoring operations, etc.

Regarding both the towage and the mooring services, it must be added that with the recent reduction in manning scales agreed upon at Haifa, and the prospect of doing the same at the other ports, the problem of changing the present system has become less pressing.

**Cargo handling** The industrial relations in this service have caused fewer difficulties than in the marine sector, so the focus shifts to other problems, mainly those deriving from the fact that cargo handling implies huge means — infrastructure, equipment, manpower — whereas the demand for services varies widely in both the long and the short term.

The division of the service among several independent,

competing operators, each employing his own equipment and workers (assuming that the infrastructure is in any case provided by the port authority), may correspond to the liberal approach, which puts its trust in the power of free enterprise and competition. In ideal circumstances, this might indeed work. In order to attract clients, a competing operator would tend to have enough manpower and equipment available to meet expected demand, while taking into account the cost of idle gear and workers. In theory, each individual operator might strike the right balance, achieving an equilibrium between demand and means; and the aim of minimization of the aggregate social cost of the port service might possibly be attained. All this, though implies ideal conditions of competition; i.e., a large market easily accessible to outsiders, a multiplicity of independent operators, etc. Even in ports far larger than the Israeli ports, these conditions do not prevail.

Where several operators give cargo-handling services, they are not independent. Operators recognize that in order to save on idle time, the means have to be pooled, at least in part. The heavy pieces of equipment (shore cranes, etc.) are owned, and often also operated, by the port authority for common use. More important is the fact that in most such ports, there is a common pool of workers, from which each operator draws according to current needs. This system blunts the main advantage of competing operators, as the link between the worker drawn from the pool and his employer is weak. Being bound by the rules set by the pool and collective agreements, the various operators cannot compete freely in the conditions on which they hire, reward, and dismiss their personnel. The multiplication of operators — be they stevedoring companies giving service to all or shipping ventures operating wharves for their own ships — is not recommended, mainly for this reason.

Considering the drawbacks of the multiplicity of operators, what advantage would there be to a single, private contractor for cargo handling? He would naturally be motivated mainly by expected profit and, consequently, would tend to keep the means — manpower and equipment — at a level lower than that which would lead to the minimization of the social cost. In theory, the Ports Authority may have the right to intervene and oblige the contractor to increase his available means; in practice, though, it would not be easy to deal with a contractor who, by force of circumstances, acquires a power which should better be entrusted to a public body. The conclusion, therefore, is that a public body has a better chance than private organizations to adapt the means to fluctuating demand. This is a most important argument in favor of keeping this vital service in the hands of port-employed workers.

## Conclusion

Considering the high cost of port labor and the advantage with regard to industrial relations that a small, private enterprise has over a large, public body like the Ports Authority, the latter should restrict its activities to services that are vital to the flow of cargoes. The arguments in favor of direct operation of stevedoring and portage do not necessarily apply to activities that are not on the "critical path" of the traffic; for instance, the stuffing/unstuffing of containers. In fact, port users currently have the option to choose between port workers and outside private bodies

(Continued on next page bottom)

# Port and Harbour Security

## — The New Threat —

**By Brigadier (Retd) B.A.H. Parritt,  
Assistant Director  
International Maritime Bureau**

### **Present situation**

Theft from ports and harbours is a traditional risk. Senior law enforcement officers can all recount fascinating stories of the skill, imagination and ingenuity of thieves who have stolen cargo from seemingly impossible situations. The battle between port authorities and theft is never ending but, the parameters for successful security are well established and are regularly reviewed by such organisations as the International Association of Airport and Seaport Police.

Now however there is a new threat, potentially far more dangerous and significant. It is the growing risk of terrorism.

As always, when considering what measures need to be taken against a new threat, it is essential to analyse the differences, quantify their seriousness then devise the most cost effective counter-measures.

### **Is terrorism going to increase?**

Sadly, in any assessment of the future all indications point to the fact that sea traffic is going to suffer an increase in violence. Figures published by the Rand Corporation of America show statistically that acts of terrorism have increased between 12 and 15 percent each year, and the annual rate will probably double within the decade. Incidents since the publication of this report confirm the prediction.

Other factors indicate the same pattern.

- (a) The growing polarization in world economies between the rich and poor countries.
- (b) The dramatic forecasts of population increases in the poorer countries.
- (c) The growth in religious fanaticism with its consequent disregard for human life and property.
- (d) The spread of extremist organisations which are willing to use force to achieve their political or ecological aims.
- (e) The encouragement of some governments to support

**(Continued from page 22)**

when it comes to obtaining service for LCL traffic. In spite of increased container traffic, the volume of LCL service given at the port has constricted considerably over the years, thanks mainly to the expansion of door-to-door transport.

The same considerations in favor of private enterprise has led port management to rely on contractors for ancillary services, such as port maintenance, security, sanitation, etc. Only the maintenance and repair of mechanical equipment is still performed by port workers. For the servicing of portainers and other specialized pieces, the port had to train its own employees. There is, though, a good case for handing over the care of fork-lifts, tractors, etc., to private contractors; the problem is mainly one of alternative cost, which should be investigated in detail.

terrorist organisations by providing money, training and sanctuary.

- (f) The ease with which terrorists can acquire weapons, explosives, communications and can travel quickly around the world.
- (g) The concept, accepted by some groups that ports and ships equate with "the establishment" and "capitalism" and are, therefore, legitimate targets.

### **Will it effect ports and harbours?**

Ports and harbours have not been a main target for terrorists. Over the past ten years there have been attacks in the United States at Port Elizabeth and Sacramento, in Israel where the Israeli Navy foiled what could have been a devastating attack off the Sinai coast, in Italy at the port of Genoa and at such places as Puerto Cabazas, El Bluff, San Juan Del Sur, Peru and Angola. But all these attacks, less the last in June 1986, appear to involve the port rather than be specific attacks on port facilities. It would be wrong therefore to over-dramatize the danger, however given the fact that terrorists tend to attack vulnerable targets, there must be increased risks at seaports given the current high levels of protection now provided at airports.

Terrorism is also having a significant effect on the commercial success of ports and harbours. Since the Achille Lauro incident, the volume of American passenger line tourism in the Mediterranean, which has traditionally accounted for 70% of the market, has virtually disappeared, and many ships have been laid up.

Lack of adequate security is also effecting insurance premiums, and the growing awareness by the public and their lawyers that ports and harbours have a 'duty of care' to their passengers is opening the door to some very expensive litigation.

### **Given that terrorism is going to increase — What is the difference in the threat.**

The fundamental difference in a terrorist attack, as opposed to a traditional commercial attack such as piracy and armed robbery, is the change in the nature of the target. Instead of cargo loss, terrorism implies:

- (a) Bomb attacks
- (b) Assassination or abduction
- (c) Hostage taking
- (d) Hijacking
- (e) Occupation for purposes of political demonstration

Instead of goods, terrorism puts at risk people, service facilities, energy and computer installations or, in the worst case, the occupation of a facility which can be mis-employed and used as a threat against the population, e.g. gas or oil terminals.

### **What sort of measures are needed to counter terrorism and limit the effects of an attack?**

Anti-terrorist port security now poses different problems:

- (a) Should boundary fences be sufficient to protect against groups of armed men?



- (b) Should buildings be constructed to stop both covert and overt attack?
- (c) Is full use being made of the electronic equipment now available to help control access and detect arms and explosives?
- (d) Is the layout of docks sufficiently well planned, lit and supervised so that any abnormality or illegality is quickly identified?
- (e) Has a plan been made which identifies and plots the most important facilities in the ports which, if sabotaged, would cause the greatest damage, or give the terrorists the greatest control.

Protective security measures are of limited value unless supervised by a guard force. The probability of a terrorist attack again poses new problem for any port guard force:

- (a) Is the guard force suitably trained and equipped to give warning of a terrorist attack? Should they be armed?
- (b) Is there a capability in the event of attack to initiate in-depth security measures?
- (c) Are there duplicate and/or independent means of communication?
- (d) In the event of an attack, have arrangements been made to establish a "Co-ordinating Centre" where executive decisions can be taken?
- (e) To avoid confusion in the event of a terrorist attack, selected people should be given pre-arranged tasks. What sort of tasks and which people should be selected?

- (f) Is it feasible that trial exercises can be held to practice anti-terrorist protective systems and procedures?

There is no doubt that these sorts of measures do improve security dramatically but, they are time consuming, expensive and may not be at all relevant to the local situation. The first requirement therefore is to make a risk assessment of the particular port or harbour, and then apply the relevant countermeasures.

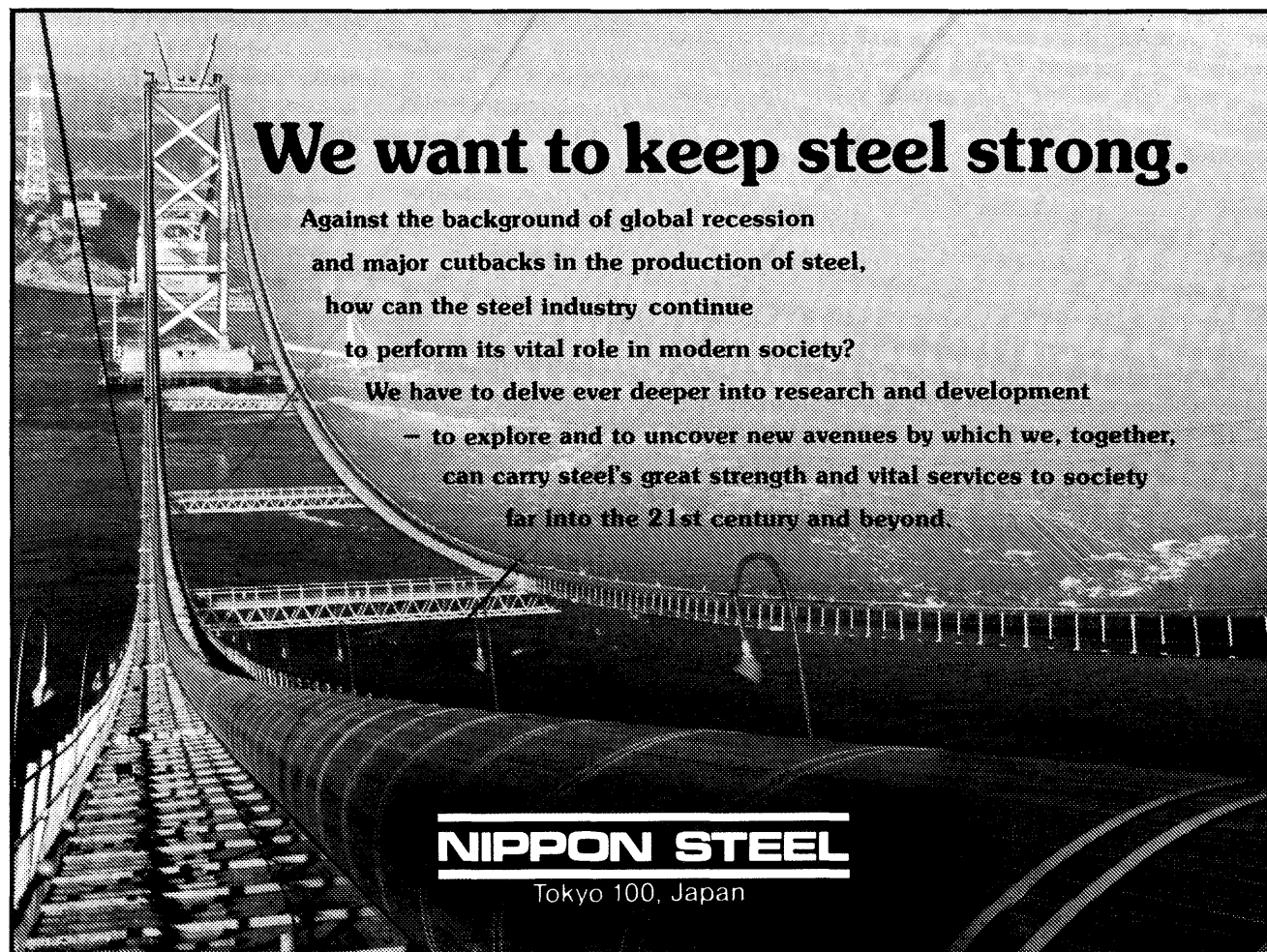
### **Risk assessment and security training**

Risk assessment and security training are vital elements in preventing loss and deterring terrorism. It is rather strange therefore that there has been no internationally recognised security courses designed for the Maritime Industry.

However this is changing. Following the attack on the Achille Lauro the International Maritime Organisation (IMO) acted with commendable speed and have already formulated "preliminary draft" recommendations suggesting the pattern of training necessary for the protection of both ports and ships.

This initiative has been taken up by the International Maritime Bureau and in 1987 there will be a series of courses fulfilling the IMO requirements. Various types of course are to be run which will include training for those responsible for framing security and loss prevention policies in ports and harbours, and another for those responsible, at managerial level, for fulfilling security policies and carrying

(Continued on next page bottom)



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## International maritime information: World port news:

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### Report of the Joint LDC/OSCOM Group of Experts on the application of the Annexes to Dredged Material: IMO

Comparative assessments between disposal at sea and land-based treatment and disposal options

(Extracts from the IMO document: LDC/SG.9/INF. 9)

*IAPH position on selected items in the annotations to the provisional agenda for the 9th meeting of the Scientific Group on Dumping, 28 April–2 May 1986, submitted by IAPH*

#### ITEM 2.

At the October 1985 meeting of the Joint LDC/OSCOM Group of experts on the Application of the Annexes to Dredged Material, the International Association of Ports and Harbors (IAPH) voiced strong approval of the proposal to develop Guidelines for ocean disposal of dredged material. IAPH wishes to reaffirm at this time its unwavering support of such a development.

After years of in depth study of scientific and engineering data derived from field and laboratory studies pursued in many LDC member nations, IAPH developed a belief that the inherent properties of dredged material, which set it apart from other wastes commonly disposed in the ocean,

(Continued from page 24)

out these security procedures.

A similar pair of course will be run for those who have responsibility for the planning of shipping movements, called by the IMO "Operator Security Officer", and for those responsible for security on board call by the IMO "Ships Security Officer". There will also be courses specifically for law enforcement officers, who have their own executive responsibilities. These courses will be run in England and at different ports around the world.

#### Conclusion

Port and harbour authorities, like all major authorities have a moral obligation to take reasonable measures to protect the lives of their work force and customers.

In addition, there are strong commercial reasons to take a fresh look at the implications of terrorism, as failure to do so can be very expensive.

Hopefully the initiative of the IMO will induce governments take preventative measures, but at this stage it seems highly unlikely that their proposals will be embodied in Conventions.

The answer, like so many answers in the maritime industry, lies in 'self help', and a good cost effective start is security training related to ones own locality.

warrant the establishment of carefully crafted guidelines which will recognize that a high percentage of sediments dredged from waterways in many nations can be disposed in the ocean without entailing unacceptable, adverse environmental risks.

IAPH believes that there are sound technical administrative, and economic reasons for producing special guidelines for safe ocean disposal of dredged material. Studies by IAPH observers confirm the belief that much of the material dredged by nations that need to maintain their ports and harbors is not seriously contaminated and could not produce chemical impacts of concern to environmental regulators. Documents previously submitted have demonstrated that the impact-mitigating properties of several components of most dredged material are sufficient to allow its safe disposal at sea. That is to say, even though bulk chemical analysis may reveal the presence of "black list" substances in the material, these mitigative factors can reduce their bioavailability to levels that will satisfy the spirit of paragraphs 8 and 9 of Annex I. Moreover, when the need for further sequestration of contaminants seems to be called for, there are so-called special care techniques for disposal available to achieve this goal. It should be apparent, however, that special care measures can be costly and thus should be used only when a sound need has been demonstrated. For instance, effective capping may require hauling three volumes of capping material for every volume of suspect material, and even such measures as the creation of artificial islands can add two or more dollars to the per cubic meter cost of dredging.

IAPH has previously discussed in detail the properties of dredged material that account for its ability to immobilize and partition contaminants listed in paragraphs 1, 2, 3, and 5 of Annex I and in paragraphs A and B of Annex II. The most important of these sequestering agents, which are usually lacking in municipal and industrial wastes, are the amount and type of clay and humic acids, which determine the level of cation exchange capacity; the amount of reactive iron, manganese, and sulfide, which also can bind metal cations; and the oxidation-reduction (Eh), pH, and salinity conditions into which the material is disposed. Even when dredged material fails to meet certain exclusions and exemptions from testing, as presented in the Annex I Interim Guidelines, application and interpretation of test procedures and results should take into account the above contaminant immobilizing and detoxifying capabilities of dredged material, as well as the possible enhancement of such properties through selected special care measures, because these factors can actually render contaminants biotically harmless or reduce them to the equivalent of "trace amounts."

Finally, IAPH believes that Guidelines for dredged material will clarify the relationships between Annex III Guidelines and the Interim Guidelines for the Implementation of

paragraphs 8 and 9 of Annex I. This alone will increase the efficiency of dredged material management, allow some economic relief from unnecessary testing, and specify how to best achieve effective environmental protection.

### Sub-Items Under Item 3

#### 3.2 Lead and Lead Compounds

IAPH established its position opposing transfer of lead and lead compounds from Annex II to Annex I in a paper submitted to the October 1983 meeting of the Scientific Group on Dumping (see, "Application of Classification Criteria to Dredged Material with Emphasis upon Petroleum Hydrocarbons and with Additional Consideration of Lead in Dredged Material").

IAPH believes that the scientific basis for its position that lead (Pb) should not be transferred into Annex I is still sound and is based upon scientific data. Much of what has been learned in the past decade about Pb indicates that in marine ecosystems and especially in disposed marine sediments on the seafloor, Pb is essentially innocuous. Dissolved Pb is far less abundant in seawater, by several orders of magnitude, than was thought before 1975-1976. Moreover, we now understand the mechanisms by which Pb is so tightly bound to particulates in dredged material.

IAPH and related groups have justification for being concerned by the possibility that Pb would be classified in Annex I. The metal is transported to the sea via rivers and air, so that it is almost ubiquitous in marine sediments. Thus, to prohibit disposal of lead-bearing sediments in the ocean might easily result in cessation of dredging of important waterways. Moreover, there is ample scientific evidence that Pb is sequestered by marine sediments on the seafloor and under most circumstances will not pose a significant risk to the biota while it is in place.

The toxicity of inorganic lead to marine animals is related to the chemical form in which the lead is present, i.e., ionic or particulate, as well as to solubility, concentration, etc. It has a very low solubility of about 0.003 mg/l in seawater where it is present mainly as carbonate complexes. The uncomplexed and most toxic species of the metal are present in extremely low concentrations. In fact, there have been few studies of the acute toxicity of inorganic lead to marine animals because of the difficulty of maintaining solutions of lead in seawater at high enough concentrations to cause toxic effects. This cannot be said of soft freshwater. For example, the 96-hour LC50 values in freshwater range between 1 and 10 mg/l, whereas in saline water they range between 300 and 500 mg/l.

It is generally thought that Pb enters the body of most marine animals via the ambient water. But most Pb in the sea is attached to particulates from which it is difficult to elute. Moreover, even in the water column under experimental conditions Pb is the least toxic of several common contaminants of environmental concern. For example, 50% inhibition of photosynthetic activities of common marine diatoms occurred when they were exposed to 1 ppb of PCB, 5 ppb Hg, 50-500 ppb of PHC, 500 ppb of Cd, and over 1000 ppb of Pb.

A much more comprehensive treatise on Pb in the marine environment and in dredged material can be found in the 1983 document submitted by IAPH. Suffice it to add

further here that the evidence on Pb impacts in the sea of which we are now aware do not justify moving the metal into Annex I.

#### 3.5 Additional Criteria for the Allocation of Substances to the Annexes

IAPH is pleased to endorse the recommendations of the 1984 Working Group in regard to the incorporation into the Guidelines for the Application of Annex III of those additional allocation criteria designated in its report to the Scientific Group on Dumping. Although it supports all of the Group's recommendations in the Report, IAPH is particularly desirous of emphasizing the particular relevance of bioavailability to the disposal of contaminated dredged material.

#### 3.6 Exemption Clauses of Paragraphs 8 and 9 and the Requirement of a Special Permit

When the intents of the exemption clauses of paragraphs 8 and 9 of Annex I have been met by dredged material, special care is not required to allow safe disposal at sea, because the contaminants have been reduced to trace levels or have been rendered harmless or both. By the same token, IAPH has continued to maintain that dredged material that does not contain significant amounts of Annex II substances and which meets other relevant Annex II provisions does not require special care disposal techniques and thus is eligible for disposal under a general permit.

Accordingly, IAPH opposes the requirement spelled out in paragraph 3.6 of the Annotation referred to hereinabove.

TABLE 1

Comparative availability of metal cations (cadmium) bound to clay minerals in dredged material when disposed on the seafloor or at an upland site.

Mound Formed by Dredged Material on the Seafloor	Dredged Material Disposed in a Diked "Containment" Site on Land Above Water Table
1. Low redox (reducing) maintained.	1. Redox increases (oxidizing) as material dries.
2. Sulfide compounds persist.	2. Sulfide oxidized to sulfate.
3. Acidic conditions do not develop.	3. Weak sulfuric acid produced.
4. pH remains around 6.5 to 7.0	4. pH drops to near 3.0.
5. Cadmium remains bound.	5. Cadmium becomes bioavailable.
6. Leaching by runoff or percolation minimal.	6. Leaching potentially high.
7. Safe disposal alternative if cap is not breached.	7. Hazard to aquifer and biota if material is oxidized.

#### 7.0 Comparative Assessments Between Disposal at Sea and Land-based Treatment and Disposal Options

IAPH takes the position that there are several environmentally satisfactory methods available for the disposal or productive utilization of dredged material. The decision as to which is the "best" method in a particular instance will

depend in part upon local circumstances in regard to available sites and economics, as well as upon the nature of the dredged material involved. In its past submissions to LDC, IAPH has recorded the view that scientific and technical data qualify ocean disposal to be offered equal consideration as an alternative among other environmentally sound methods. It is, however, understood that all decisions as to the method of choice should be based upon reliable scientific data rather than upon a biased expediency. Fortunately, the rational application of hard data to dredged material disposal is becoming much more prevalent today than it was only a short time ago. For example, only three years ago it was noted that open water disposal of dredged material was anathema to many environmental managers. Today it is judged to be acceptable so long as the various environmental assessments of the material and the disposal site indicate no unacceptable adverse impacts will occur.

Fortunately also, a more penetrating technical examination of upland disposal of contaminated dredged material has changed the attitude of some environmental managers. Whereas a few years ago some people demanded the upland disposal of contaminated dredged material, such is not an unbending demand today. It has become evident that under

some conditions this alternative can be a serious mistake (see Table 1) that will lead to a "domino effect" of pollutional consequences. When upland disposal is not carried out properly, just as with ocean disposal, unexpected and sometimes damaging consequences can ensue. For instance, as material deposited on land dries out, it is oxygenated to the extent that Eh becomes positive, sulfides are then oxidized to sulfate which in turn creates an acid pH. This in turn will inevitably lead to mobilization and migration of some toxic metals. As they leach out, their movement may be into ground water or they may be incorporated into runoff that finds its way into streams, which they pollute, and in which they may be carried back to the very estuary from which they were dredged. On the other hand, had they been placed on the ocean floor in a proper disposal site, these contaminants probably would have remained where they were dumped.

For these and other reasons, IAPH expressed a sincere hope that LDC will support the proposition that environmental managers should give equal consideration to ocean disposal of dredged materials as well as other alternatives, when evaluating permit applications.

## A study on port financing for developing countries: UNCTAD

(Extract from UNCTAD document: TD/B/C.4/291)

### Summary and Recommendations

The following is a summary of the main observations from this study on port financing:

- (a) An order of magnitude of the investment required in the port sector for developing countries from 1985 to the year 2000 is \$US10,000 million.
- (b) There is a large number of funding sources for port development, both national and foreign.
- (c) There is a growing dependence on foreign funding for port development projects in developing countries, with the main source of foreign funds being loans rather than grants.
- (d) There is a variation in the conditions of financing for port development between different financing bodies with a number of international financial organizations offering loans on soft terms.
- (e) The interest rates for port development loans follow the prevailing rates in developed countries.
- (f) Foreign investment is also a source of funding for the development of bulk facilities but information was not available on either the extent or the terms and condi-

### Funds to be allocated to port development 1983–1987 (\$US millions)

Country	NON-BULK					BULK					TOTAL
	Loans			Grants		Loans			Grants		
	Reserves	Foreign	National	Foreign	National	Reserves	Foreign	National	Foreign	National	
Benin	0.00	3.45	0.00	3.69	0.00	0.00	0.00	0.00	0.00	0.00	7.13
Colombia	34.00	34.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	68.00
Dominica	0.50	0.50	0.06	0.40	0.00	0.00	0.00	0.00	0.00	0.00	1.46
Ivory Coast	3.59	4.79	0.96	0.00	0.00	17.87	7.19	0.00	0.00	32.57	66.97
Kuwait	137.93	0.00	0.00	0.00	0.00	51.72	0.00	0.00	0.00	0.00	189.66
Maldives	0.07	0.95	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.02
Malta	9.11	13.82	0.00	2.71	0.00	60.18	8.89	0.00	0.00	0.00	94.71
Nigeria	0.00	404.00	0.00	0.00	105.33	0.00	100.00	0.00	0.00	0.00	609.33
Peru	55.13	49.13	0.00	0.00	0.00	15.63	50.00	0.00	0.00	0.00	169.89
Philippines	99.49	163.56	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	263.05
St. Vincent	0.00	0.00	0.00	0.00	0.00	0.00	2.07	0.62	0.81	0.00	3.50
El Salvador	0.00	54.44	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	54.44
Senegal	0.00	19.17	0.00	0.00	4.07	0.00	0.98	0.00	0.00	0.62	24.85
Seychelles	0.00	5.24	4.36	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9.60
Singapore	415.70	0.00	0.00	0.00	0.00	4.75	0.00	0.00	0.00	0.00	420.45
Sri Lanka	0.00	42.51	0.00	6.02	0.00	0.00	0.00	0.00	0.00	0.00	48.53
Sudan	46.87	330.60	0.00	0.00	0.00	65.37	19.78	0.00	0.00	0.00	462.62
Tanzania, U.R.	75.10	14.42	0.00	50.01	0.00	15.00	0.00	0.00	14.25	0.00	168.78
Thailand	0.00	100.82	16.10	0.00	36.97	0.00	36.87	16.10	0.00	0.00	206.86
Trinidad/Tobago	4.17	10.00	0.00	0.00	19.85	0.00	0.00	0.00	0.00	26.78	60.79
Turkey	41.05	131.11	20.00	0.00	0.00	12.11	5.70	0.00	0.00	0.00	209.97
TOTAL	922.70	1,382.50	41.48	62.83	166.22	242.63	231.48	16.72	15.06	59.98	3,141.60
Per cent	29.37	44.01	1.32	2.00	5.29	7.72	7.37	0.53	0.48	1.91	100.0

Sources: Prepared by the UNCTAD secretariat on the basis of replies received from Governments



tions of this type of funding.

Port projects deserve to be given a high priority by Governments in view of the considerable benefits derived from increased efficiency of ports. These benefits arise through reduced handling costs, quicker turnaround time for ships in port, improved conditions for trade and elimination of the high costs of port congestion. However, to the extent possible Governments should seek to reduce their dependence on foreign sources of funding for port development. With this objective in mind and based on the findings of this report, the following recommendations are made:

(a) More intensive use of existing facilities and better planning and supervision of operations could result in larger throughputs and reduce or defer funding requirements considerably. For example, more intensive working of ships at berth can both increase berth throughput and reduce ship turnaround time. Also through better planning and supervision of daily operation and the use of appropriate cargo handling gear and equipment, berth productivity can be increased. Such changes in operating procedures, when appropriate, can significantly reduce the need for capital investment.

- (b) Governments/port authorities would be well advised to ensure that port tariffs are appropriately set to create reserves and renewal funds which can be used to finance port development, that is, with a foreign exchange component.
- (c) Governments should evaluate if the proposed development is compatible with other developments in the region to avoid overinvestment, for example, the provision of several transshipment ports where only one or two are economically justified.
- (d) Governments, to the extent possible, should maximize the use of local contractors and consultants to reduce requirements for foreign exchange.
- (e) Governments should seek funds from several sources to determine the most favourable conditions of credit.
- (f) Governments should study the terms when foreign investment is proposed to develop port facilities to ensure that the arrangements are mutually beneficial to the Government and the investing body.
- (g) The offering of bonds to the public on open financial markets, at prevailing rates of interest and conditions of amortization, may be an alternative method of port financing in some developing countries.

#### Terms and conditions of international financial institutions (millions)

Bank	Year	No of loans	Amount	Rate	Period	Grace	Total period
Asian Development Bank (\$US) 479.130 (31.12.83) <u>a/</u> 4.16% <u>b/</u>	1980	3	89.50	5.80	26.0	5.1	31.1
	1981	1	71.40	10.10	25.0	5.0	30.0
	1982	1	5.40	11.00	10.0	2.0	12.0
	1983	0	—	—	—	—	—
	1984	2	131.80	10.25	20.0	4.0	24.0
	1985	1	11.00	—	—	—	—
African Development Bank (UA) 17.186 (31.12.82) <u>a/</u> 3.07% <u>b/</u>	1980	1	10.00	7.00	15.0	5.0	20.0
	1981	1	10.00	7.00	16.0	4.0	20.0
	1982	2	27.00	8.85	12.0	4.3	16.3
	1983	1	14.74	9.50	16.0	4.0	20.0
	1984	1	6.00	9.50	11.0	4.0	15.0
Caribbean Development Bank (\$US) 25.629 (31.12.82) <u>a/</u> 10.92% <u>b/</u>	1980	2	1.21	8.00	15.0	2.0	17.0
	1981	5	6.30	7.00	20.0	5.0	25.0
	1982	2	2.74	7.00	18.0	5.0	23.0
	1983	3	4.72	8.00	15.0	5.0	20.0
	1984	2	6.00	12.00	15.0	3.0	18.0
Inter-American Development Bank (\$US) 18.322 (31.12.82) <u>a/</u> 0.21% <u>b/</u>	1984	1	20.00	9.50	15.0	3.5	18.5
International Bank for Reconstruction and Development (\$US) N.A.	1980	4	209.50	8.03	16.5	4.0	20.5
	1981	1	47.00	9.25	20.0	4.0	24.0
	1982	2	156.40	11.60	17.5	4.0	21.5
	1983	1	22.50	10.47	20.0	4.0	24.0
	1984	1	326.30	10.40	17.5	4.0	21.5
International Development Association (\$US) N.A.	1980	1	2.50	0.75	9.0	4.0	13.0
	1981	1	11.00	0.75	40.0	10.0	50.0
	1982	3	48.50	0.75	40.0	10.0	50.0
	1983	2	20.20	0.75	40.0	10.0	50.0
	1984	1	7.50	0.75	40.0	10.0	50.0
Kuwait Fund for Arab Economic Development (Dinars) 16,372 (31.12.83) <u>a/</u> 1.36% <u>b/</u>	1980	1	1,400.00	2.00	19.6	2.6	22.2
	1981	1	3,500.00	2.00	21.6	4.6	26.2
	1982	1	3,000.00	1.00	39.3	9.3	48.6
	1983	0	—	—	—	—	—
	1984	1	2,400.00	4.00	19.2	4.2	23.4

Source: Prepared by the UNCTAD secretariat on the basis of replies received from lending bodies.

a/ Total amount of port development loans outstanding as of date noted.

b/ Port development loans as a percent of total loans outstanding.

## Symposium on dangerous goods in Rotterdam in 1987

The 9th international symposium "The Transport and Handling of Dangerous Goods by Sea and Inland Waterways" will be held in Rotterdam from 13 – 17 April 1987.

This symposium, called TDG-9 for short, is organised by the Ministry of Transport and Public Works, the Ministry of Social Affairs and Employment and the Port Authority of the Rotterdam Municipality with the support of the International Maritime Organization (IMO).

The symposium provides a platform where the experts from the field of transport and the handling of dangerous goods can exchange experience and can be informed of the latest developments.

It also enables them to look beyond their own specific disciplines and this creates interesting possibilities for "cross fertilisation" between the various disciplines.

The programme comprises 6 main themes within which four or five speakers will deliver papers.

These themes are as follows:

1. Transport of packaged goods
2. Transport by special (dedicated) ships
3. Ports and inland waterways
4. Environmental aspects
5. Legal aspects
6. Training and education

That TDG-9 is an international symposium can be clearly seen from the nationalities of the chairpersons and speakers for the various themes. Japan, the USA, Malta, Poland, Norway, the Federal Republic of Germany, the UK, France, Italy, Canada and the Netherlands are just some of the countries concerned. All those involved are experts of international reputation in their field, which guarantees the high quality of the programme offered.

Further information on the symposium can be obtained from:

TDG-9 Foundation c/o  
Congresbureau VVV Rotterdam  
Stadhuisplein 19  
3012 AR Rotterdam  
Telephone: (+31) 010-4141400  
Telex: 21228 VVVNL

## New manual on tanker structures launched: ICS & OCIMF

The International Chamber of Shipping (ICS) and the Oil Companies International Marine Forum (OCIMF) have announced the publication, on behalf of the Tanker Structure Co-operative Forum, of the "Guidance Manual for the Inspection and Condition Assessment of Tanker Structures."

The manual provides for the first time detailed advice on the structural integrity of tanker ballast and cargo tanks and on appropriate repair methods.

The Tanker Structure Co-operative Forum was set up in 1983 to encourage discussion of the technical aspects of the performance of tanker structures in service. Its members comprise oil companies, classification societies and independent tanker owners. Based on the experience of

the membership and work carried out within the Forum, the Manual gives guidance on every aspect of structural condition assessment — planning and preparation for survey, safety aspects, equipment available and details of execution and reporting of the survey.

The Manual also gives instruction on the analysis of survey data and interpretation of wastage and structural defects. Typical defects are reviewed and repair methods proposed, illustrated by almost 100 detailed diagrams.

The Forum has produced this Manual in order to make its experience more widely available to the industry, thereby enhancing tanker safety. The Manual is intended to give guidance not only to classification and owners' surveyors and those involved directly in conducting surveys but also to designers, by providing feed-back on the performance of tanker structures in service.

The "Guidance Manual for the Inspection and Condition Assessment of Tanker Structures" (hardback, 200pp) is available from Witherby & Co. Ltd., 32-36 Aylesbury Street, London EC1R 0ET. The price of £18.00 includes postage by seamount.

## Publications

### "Standard Marine Navigational Vocabulary — 1985 edition"

Sales No. 985.85.20.E, price £4.00 (ENGLISH)

IMO Secretariat,  
Publications Section,  
4, Albert Embankment,  
London SE1 7SR

### "Jane's Freight Containers 1986"

Edited by Patrick Finlay  
Price £72.00

In his Foreword to the latest edition of **Jane's Freight Containers**, the Editor, Patrick Finlay suggests that the outlook for world trade in the short and medium term does not augur well for shipowners in the present world economic climate. Most commodities — including perishables — which can be boxed have been and practically all trade routes have moved over to containers. However, in a number of regions there is still scope for containers to penetrate hinterlands more deeply, thus increasing the numbers needed to maintain the trade from origin to destination. Has world container trade now reached saturation point? This could be the case particularly with trade between the developed economies where the choice and quantity of consumer goods and foodstuffs available can hardly be improved upon. It is possible that, while world trade generally will continue to expand in the future, the demand for those commodities suitable for containerised traffic has peaked.

While there will be a need for six million 20 ft equivalents to provide approximately two suits of containers for each of the ships in service by 1990, will there be employment for them? National shipbuilding programmes are controlled by government subsidy or other financial inducements. They never seem to follow the economic climate or industry requirements. Such policies will always give entrepreneurs willing to chance their arms an opportunity to break

into established trades by chartering ships and equipment surplus to requirements at knock-down prices. While this will no doubt depress freight rates, it will not increase the amount of cargo available.

The book contains details of 397 ports and 129 airports in 106 countries, 87 railway organisations, 660 operators, 83 container lessors, 121 container manufacturers, 131 handling equipment manufacturers together with 298 repairers. Component suppliers and those providing equipment and services for stuffing and unstuffing containers account for a further 197 entries. Information on inland terminals is also provided where this is available.

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## Canada port traffic

Total waterborne commerce through the ports that comprise the Ports Canada system totaled 155.2 million metric tons (mmt) in 1985. That included traffic at Ports Canada's own facilities as well as that handled at private facilities it leases. The 1985 volume was down 5.9 percent compared to 1984, but marginally higher than the annual average for the 1980-1984 period. Tonnage through Ports Canada's own facilities amounted to 71 mmt (down from 73 mmt in 1984). The six local port corporations combined handled 64 mmt through their own facilities, about the same as in 1984. Grain shipments - 23 mmt - dropped 23 percent from the 30 mmt handled in 1984, reflecting a poor harvest. Coal loadings, on the other hand, rose 12 percent to 28 mmt. Container handlings, totaling 9.0 mmt (or 900,000 20-foot equivalent units), were slightly higher than in 1984, with Halifax, Montreal, Saint John and Vancouver accounting for more than 95 percent of the country's total container traffic. A statistical synopsis of waterborne tonnage through all the ports in the Ports Canada system is presented below.

### Ports Canada Port System

#### Total Waterborne Cargo (millions of metric tons)

	1983	1984	1985*
Total Cargo	143.9	164.8	155.2
Bulk Cargo	126.4	146.2	136.7
Dry Bulk	92.9	109.8	103.0
Liquid Bulk	33.5	36.4	33.8
General Cargo	17.5	18.6	18.4
Containerized	7.6	8.7	9.0
Break-bulk	9.9	9.9	9.4

International Cargo 1985*		Coastwise Cargo 1985*	
Port	Metric Tons	Port	Metric Tons
Vancouver	52,124,678	Thunder Bay	14,387,483
Port Cartier	18,416,270	Montreal	7,319,658
Sept-Iles	14,854,637	Hamilton	4,615,243
Montreal	11,863,358	Quebec	4,532,848

### International Cargo 1985\*

Port	Metric Tons
Halifax	9,509,154
Prince Rupert	8,304,125
Saint John	6,541,985
Nanticoke	6,211,741
Quebec	5,825,899
Hamilton	5,690,653
Sault Ste-Marie	4,734,854
Baie Comeau	4,157,564
Levis	3,782,785
Pointe Noire	3,459,070
Port Alfred	2,974,858
Thunder Bay	2,958,901
Sarnia	2,654,193
New Westminster	2,447,918
Kitimat	2,125,605
Windsor	2,064,056
Sorel	1,963,462
Courtright	1,760,325
Port Hawkesbury	1,593,390
Hantsport	1,437,466
Trois-Rivieres	1,337,359
Nanaimo	1,251,449
Contrecoeur	1,060,794
Belledune	1,051,321
Toronto	953,993
Crofton	864,183
Lakeview	834,354
Campbell River	719,535
Pictou	711,273
Goderich	690,689
Port Colborne	685,127
Sydney	679,052
Port Alberni	657,124
Dalhousie	610,666
Little Narrows	606,081
Meldrum Bay	578,482
Beale Cove	571,399
Long Harbour	561,704

### Coastwise Cargo 1985\*

Port	Metric Tons
Vancouver	4,348,982
Howe Sound	4,287,242
Halifax	4,198,310
North Fraser	3,783,832
Port Cartier	3,249,002
New Westminster	3,009,210
Sorel	2,926,573
East Coast Vancouver Isl.	2,878,056
Clarkson	2,698,549
Havre St-Pierre	2,517,140
Baie Comeau	2,487,939
Colborne	2,477,697
Nanticoke	2,474,806
Pointe Noire	2,233,887
Jervis Inlet	1,809,853
Sept-Iles	1,784,505
Campbell River	1,767,666
Sarnia	1,707,148
Fraser River	1,695,928
Saint John	1,636,272
Crofton	1,630,672
Queen Charlotte Isles	1,603,713
Nanaimo	1,370,758
Windsor	1,356,429
W. Coast Vancouver Isles	1,320,036
Powell River	1,133,734
St. John's	916,240
Grindstone	901,099
Goderich	879,502
Midland	862,889
Toronto	826,236
Blubber Bay	777,285
Victoria	763,397
Trois-Rivieres	724,371
Beaver Cove	722,934
Johnstone Strait	688,239

\*Preliminary, subject to revision  
SOURCE: Ports Canada

(AAPA ADVISORY)

## Waterfront market is in business: Nanaimo Harbour

Nanaimo Public Market, a dream on the waterfront here for several years, is finally a reality. The official opening of the large project was held June 14, with Nanaimo Mayor Graeme Roberts cutting the ribbon.

The 25,000-square-foot facility, two-and-a-half years in planning and construction, greatly enhances a part of the waterfront which for years was an eyesore. The existing portion of the market is but the first of three phases of construction. The second phase is an 8,000-square-foot arts and crafts area and the third part envisaged is a combination of retail space and "several" single-bedroom apartments covering a total area of about 15,000 square feet on Newcastle Channel.

The existing market contains more than 20 stores - ranging from snack bars to fish retail outlets, from craft shops to restaurants.

The market is expected to provide about 150 jobs when it is in full swing.

Mayor Roberts, in describing the public market as

"second to none on the B.C. coast," said this is a facility in which all Nanaimo can be proud. He congratulated those who brought the project to fruition and had the confidence in Nanaimo to invest in the project. (*Nanaimo Harbour News*)

## Mouland will retire after 37 years: Port of Saint John

After 37 years of service Gordon C. Mouland, General Manager of the Port of Saint John, announces his retirement. He has been general manager of the Port for 23 years.

Mr. Mouland joined the National Harbours Board on October 13, 1948 as construction engineer. His retirement will be effective September 30th.

During Mr. Mouland's stewardship, the Port saw the modernization of most of Saint John's waterfront. These developments include the construction and expansion of Long Wharf, and the construction of Forterm, Rodney Terminal, Lower Cove and the Barrack Point Potash Terminal.

Garnet A. Phinney, Director of Engineering and Maintenance, will become Acting Port Manager. (*Port of Saint John*)

## Custom gangways for ship-to-shore: Port of Vancouver

The individuality of ships — the features that make them different and distinctively appealing, their sizes, shapes and deck layouts — presented a challenge to the Cruise Ship Terminal designers.

Aircraft roll off an assembly line. It means that baggage and passenger loading doors on a given type of aircraft are in identical locations. In contrast, cruise ships are almost always a one-off design, demanding highly flexible shore facilities.

The challenge to the Vancouver Port Corporation was to devise a connecting loading gangway, or bridge, that would provide passengers with convenient access to the terminal building, regardless of the height of ships' side boarding doors and whether vessels were 130 or 240 metres long.

That dictated the need for mobile gangways. It also required that the gangways be adjustable over a wide tide range of up to 16 feet, without making the passenger ramps too steep at very low tides.

The solution was a gangway of a unique custom design, tailored to fit the new terminal and built by Ebco Industries of Richmond, B.C. They are equipped with sensors that automatically adjust the height of the covered passenger ramps to compensate for tide changes. Ramps are capable of 30 feet of vertical travel.

Two of the gangways are located on each side of the terminal. They can be moved along the length of the dock to provide maximum berthing flexibility.

Elevated passenger corridors running the length of the terminal building behind solarium-like glass walls provide access to the gangways at an upper level six metres above the actual dock level. This separates passengers from

routine, dock-level service and baggage handling operations.

Just as the translucent sails are the instant signature of Canada Place, the mobile passenger gangways are one of the innovative, distinguishing hallmarks of the new Cruise Ship Terminal. (*PORT NEWS*)

## Survey of State Funding of Landside Port Facilities and Cargo Terminals 1977-84: AASHTO report

The extent to which state governments are funding landside port facilities and cargo terminals is detailed in an excellent report prepared by AASHTO — the American Association of State and Highway Transportation Officials. This year's survey updates a 1982 AASHTO report and covers the period 1977–84. Key findings include the following:

- \* Of the 41 states located on navigable waterways, 25 funded landside port facilities and cargo terminals through all or part of the 1977–1984 period.
- \* The states invested \$1.1 billion in port facilities and terminals during that time.
- \* \$997.5 million was expended by states for tidewater landside port and terminal facilities, \$64.6 million at Great Lakes ports, and \$63.8 million for inland waterway terminals.
- \* East Coast states invested \$504.7 million in port and terminal development, the Gulf Coast states \$342.3 million, the Midwest states \$108.8 million, and West Coast states \$170.0 million.
- \* State port and terminal construction funds were administered by 12 state departments of transportation, eight state port authorities, four state economic development agencies, and one capital development agency.
- \* Of the total, \$515.7 million was administered by state departments of transportation, \$559.1 million by state port authorities, and \$51.0 million by state departments of commerce or other state agencies.
- \* Fifteen states authorized a state agency to fund projects at the discretion of the state agencies, while in 11 states, the state legislature provided funds for port projects on the basis of recommendations by a state agency.
- \* Sources of state funds invested in landside port facilities and terminals were: general obligation bonds — \$463.1 million; general revenue funds — \$251.5 million; revenue bonds — \$231.0 million; charges on users — \$92.7 million; transportation trust funds — \$85.2 million; and private contributions — \$2.4 million.
- \* States and local units of government have created 243 local port authorities, port departments, dock boards, or port commissions to develop port facilities. The total includes both inland and deepdraft port authorities. (AAPA's tally indicates that there are 107 public seaport agencies or port authorities in the United States.)

(*AAPA ADVISORY*)



## International Auto Processing dedicates Brunswick facility: Georgia Ports Authority



With official dedication ceremonies headed by Georgia Gov. Joe Frank Harris, the Port of Brunswick has officially entered the car import-export business. The event marks the opening of International Auto Processing's new facility at Georgia Ports Authority's Colonel's Island in Brunswick, Georgia.

The facility includes 60,000 square feet for the processing of import and export vehicles.

## Georgia Ports Authority acquires property for future expansion

A 2,200-acre parcel has been purchased by Georgia Ports Authority for future expansion in Savannah. Located one-half mile upriver from the existing deepwater channel in the Savannah Harbor, the property offers extensive river frontage suitable for deepwater berthing.

"This \$10 million investment positions the Port of Savannah to accommodate growth well into the twentieth century," noted George Nichols, GPA executive director. Plans call for the development of eight 1000-foot container berths, each backed up by at least 100 acres of paved storage plus sizeable terminal support facilities.

With fiscal year tonnages running 32 percent ahead of last year, GPA anticipates the first cargo to cross the site in the early 1990's. Currently, plans call for up to two more container berths to be constructed at GPA's existing terminal before the move to the new site.

## Port computer system has better than 99% availability record: Port of Houston

The central computer supporting the container-tracking system at the Port of Houston Authority's Barbours Cut Terminal has maintained better than a 99 percent availability rate for more than a year. The rate means that for less than one percent of the time the computer cannot be used because of malfunctions or unscheduled maintenance procedures.

The computer has been out of service for only 15 hours during the past 14 months, said Jerry Flack, PHA computer operations manager.

The central system supports a computer program at

Barbours Cut that enables shippers to locate — in seconds — a specific container among thousands handled at the port terminal. Eleven steamship company offices are electronically hooked up to the container-tracking system, Flack said.

The central computer also supports all data processing functions at PHA facilities, including Barbours Cut, the terminal building at the Turning Basin, the executive offices downtown and other PHA facilities.

## Langslet elected President of Harbor Commission: Port of Long Beach

The Long Beach Board of Harbor Commissioners has unanimously elected C. Robert Langslet as Commission President for fiscal 1985-86.

Langslet, a member of the Harbor Commission since 1979 had previously served as its president in 1983-84. He replaces Louise M. DuVall, who was Commission President during the past year.

A well-known civic leader, Langslet is a member of the California State World Trade Commission, former Chairman of the Board of Directors of St. Mary's Medical Center, and is past president of Boy's Club of Long Beach, where he was awarded the Golden Man and Boy Award. Mr. Langslet was also presented the Humanitarian of the Year award by the National Conference of Christians and Jews in 1980.

Other Commissioners on the Port's governing board are David L. Hauser, Vice President; James H. Gray, Secretary; George F. Talin, Sr., Assistant Secretary; and Louise DuVall, the immediate past President of the Commission.

## Port of Long Beach/IDM/Kajima launch World Trade Center

Officials of the Port of Long Beach will join with officers of IDM Corporation of Long Beach and Kajima International of Tokyo on July 9 for official groundbreaking ceremonies for the Greater Los Angeles World Trade Center in downtown Long Beach.

Start of construction on the first of four phases of the \$550-million project on a 12.8 acre site provided by the Long Beach Harbor Department is one of numerous port-related events planned for this summer as the busiest port on the Pacific Coast celebrates its 75th anniversary.

Several thousand invited guests are expected to attend the groundbreaking festivities for the project's first phase, which includes a 27-story high rise tower and extensive ancillary facilities.

The World Trade Center site is bounded by Ocean Boulevard, Magnolia Avenue, Broadway and the Long Beach Freeway.

The first of four such office buildings planned for the center, the initial tower will contain 500,000 square feet of space, more than half of which is already committed. Construction will take two years, with opening scheduled for Summer, 1988.

Phase II will consist of a world-class hotel of 400 to 500 rooms, with groundbreaking anticipated early next year. Completion is expected 18 months later.

## Railyard completion set for October: Port of Los Angeles

The Intermodal Container Transfer Facility (ICTF), a joint project of the Ports of Los Angeles and Long Beach, should be completed in the fall of this year, further enhancing Southern California dominance in intermodal container traffic. Southern Pacific Transportation Company will operate the \$54 million facility, described as the largest international intermodal container transfer facility in the U.S.

A Pacific Northwest port earlier this year opened a dockside transfer facility, thereby offering reduced wharf-to-rail trucking costs. However, marketing experts predict that the container volume in Los Angeles and Long Beach will continue to increase. Southern California's share of inbound West Coast container traffic has grown from 59% in early 1985 to nearly 65% at the present time. Last year, the two San Pedro Bay ports handled well over two million TEUs. (*WORLDPORT LETTER*)

## 50-foot channel cost sharing agreement signed: Maryland Port Administration

Governor Harry Hughes June 17 signed a cost-sharing agreement with the federal government that will allow dredging to begin this summer on the long awaited 50-foot channel to the Port of Baltimore.

"This is a battle that we have been fighting for 16 years," the Governor said during a signing ceremony at Fort McHenry.

"It was a long and difficult struggle, but our efforts have paid off with a project that will help ensure Baltimore's future as a world-class port," he said.

The Assistant Secretary of the Army for Civil Works, Robert K. Dawson, signed the agreement on behalf of the federal government. Members of Maryland's Congressional delegation and representatives of the General Assembly also took part in the ceremony.

"The 50-foot channel will allow bigger ships to sail to the port with larger cargoes," the Governor said, "and that means more jobs for longshoremen in Baltimore, coal miners in Western Maryland and railroad workers and truck drivers in between."

He noted that a 1985 study projected that the 50-foot channel would create more than 1,500 jobs by the year 2000.

The 50-foot channel is expected to cost \$242 million, with the federal government providing nearly \$139 million and the State paying the remaining \$103 million. Related costs are expected to bring the State's total investment to nearly \$109 million.

Governor Hughes noted that the cost of the project reflects a \$100 million cost saving achieved through an agreement his administration reached last year with the Association of Maryland Pilots, the Corps of Engineers and the Coast Guard.

The Baltimore channel deepening was approved by Congress in 1970 but has been delayed since then by environmental and funding concerns.

## Project begins to expand Baltimore's South Locust Point Marine Terminal

A multi-phase project that will expand the Port of Baltimore's 37-acre South Locust Point Marine Terminal through the addition of a new container crane and extra cargo storage space has begun. The project will more than double the total size of the terminal to 77 acres.

The multi-million dollar project, according to the MPA, will improve terminal cargo throughput by adding a third container crane at the facility, creating a second full container berth, building a new gate/arrival area for less than full container load cargo traffic, and substantially increasing cargo storage acreage. About 20 acres of backup cargo storage space has already been paved and is now in use at the terminal.

In addition, 20 acres of recently-acquired Western Maryland Railroad property near the terminal will become part of South Locust Point's container cargo operations.

"The South Locust Point expansion will instantly improve the Port of Baltimore's competitive posture," said David A. Wagner, Maryland Port Administrator. "This project, together with other expansion projects underway at the Dundalk Marine Terminal, will substantially increase our port's container cargo capacity, even prior to the opening of our new three-berth Seagirt Marine Terminal in 1989."

The South Locust Point Marine Terminal expansion project is scheduled to be completed in November 1987.

## Port tonnage records 6% rise in 1986 1st quarter: Port of New Orleans

Sparked by a 25% jump in general cargo, the Port of New Orleans has made a healthy start in 1986. An overall 6% gain in total tonnage moved over the Port's public facilities has been recorded in the first three months of the year compared with the first quarter of 1985. Container volume also continued its climb with a 20% increase in tonnage in the first quarter of 1986.

The rise in general cargo was evenly divided between exports and imports, with each up 25%. The greatest gain was in breakbulk cargo, which increased 27% to 1.14 million tons. In this category it was exports that led the way with an increase of 55%.

Commenting on the first quarter gains, Acting Executive Port Director Henry G. Joffray stated, "We are pleased to see substantial growth in general cargo as well as the continued rise in containerized cargo, and it makes us optimistic about the remainder of the year." (*Port Record*)

## Strategic plan study now in high gear: Port of New Orleans

With the first interim action report due in mid-April, the comprehensive strategic plan study initiated by the Port of New Orleans in mid-January has moved into high gear. The 10-month study, which is expected to have a major impact on the future direction of the Port, is being performed by Temple, Barker, and Sloane, internationally known consulting firm based in Lexington, Massachusetts, in conjunc-

tion with Cocchiara and Renner, a New Orleans-based economic and planning consultant firm.

The study will cover every aspect of port operations. It will include an evaluation of commodities expected to move through the Port to the year 2000, an assessment of utilization of Port wharves, equipment, and other facilities; an analysis of the Port's internal organization and management structure; and a clarification of the Port's mission. Commissioner Donald R. Mintz, who heads the Dock Board committee monitoring the study, emphasized that "our consultants have been given a free hand to develop bold and creative strategies."

Mintz further stated, "We expect that this strategic plan will not only provide us with specific approaches that can be employed immediately to strengthen the Port's traditional maritime functions but will also identify more activities in which the Port can serve as an economic catalyst for enhanced employment and economic growth for our region and state."

The first report will evaluate usage of downtown riverfront property and future surplus land. It will specifically address the question of whether or to what extent the land and facilities, particularly the section called the Golden Mile, should be used for non-maritime development. The report will also consider the prospects of building a major container terminal on the Mississippi River downriver from New Orleans.

Assisting in the study is a 60-member advisory committee appointed by the Board from both the maritime and non-maritime community in the New Orleans metropolitan area. The purpose of the committee is to provide the consultants with essential resource information and assist in the shaping of the plan. Mintz noted that the success of the plan depends on building a consensus as well as a close relationship with all components of the private sector. "The entire community must know and feel that they have a significant interest in the future of the Port of New Orleans," he said.

The committee has held its first meeting with the consultants, with about 40 members attending the session. The members were given a briefing on the progress of the study by Carl Sloane, president of Temple, Barker and Sloane, and they were also given an opportunity to ask questions and raise issues about the study. Mintz reported that some advisory committee members came to the meeting with "normal skepticism" about this type of study but that committee members came away with great enthusiasm for the study and convinced that it would be an "objective, professional evaluation" of the Port's operations.

Members of the advisory committee also received a questionnaire from the Port, with 41 members replying. In response to the question on what are the most critical issues facing the Port, the group listed the competitive position of the Port followed by the changing trade patterns, and the marketing of the Port.

Committee members were also asked for comments. One stated, "This study is of vital importance to our company and the future of the Port. I'm delighted it's underway, and I am most interested in participating actively in this project." Another commented, "The Board of Commissioners is to be applauded for your forward think-

ing attitude. This type of strategic planning will be a blueprint for future direction, growth, and prosperity of our Port."

During the early weeks of the study the consultants analyzed cargo activities at Port wharves over the past few years and reported that there has been virtually no cargo activity at several of the downtown wharves during the period. The question of converting those wharves to non-maritime use and how that could be or should be accomplished while continuing to use those wharves to dock some ships will be addressed in the initial report.

Part of the strategic plan study will analyze the activities of ten ports both in this country and abroad in addition to the direct competitors of New Orleans. The differing roles these ports play in their local communities, the markets they serve, and the scope and focus of their activities will be examined.

The results will be applied to the Port of New Orleans to help arrive at long-term goals for the Port. One aspect to be determined, for example, is whether the Port should serve all shipping needs or focus on general cargo, leaving bulk cargo development to private operators. Another issue to be decided is whether the Port should serve the economic development needs of New Orleans more broadly than it can by merely handling cargo.

The strategic plan will also define the Port's mission and role and establish goals and objectives, and it will develop strategies and courses of action to accomplish that mission. The strategic process itself will be put into place as a continuing process, Mintz stated.

"I want to emphasize that this is not just another study, the kind that appears in thick documents and sits on a shelf," Mintz said. "This plan will be more than a document. It will be an action-oriented approach to lead the Port of New Orleans to its place of preeminence in world maritime circles." (*Port Record*)

## **New York City, Port Authority study Brooklyn Piers re-development**

The City of New York and The Port Authority of New York and New Jersey have released a report on studies for the possible re-development of Brooklyn Piers 1-6 located on the Brooklyn waterfront, south of the Brooklyn Bridge. Both City and Port Authority spokesmen emphasized that the released information does not constitute a plan for the Brooklyn piers, but "a framework for study and discussion."

In a joint statement, New York City Deputy Mayor Alair Townsend and Port Authority Director of Economic Development Philip LaRocco said, "We are reaching out to the public and private entities for comments and ideas, and we plan to meet with all concerned groups systematically."

Titled, *Brooklyn Piers 1-6: A framework for Discussion*, the report represents the preliminary results of the cooperative efforts of the City and the Port Authority regarding study of the 87-acre site. The Port Authority is the principal owner and the City of New York and private ownership make up the remaining acreage. The report was made public with a transmittal letter from Deputy Mayor Townsend and Economic Development Director LaRocco.

"The purpose of this report is to familiarize the public with the reasons for these studies and the processes by which they were carried out," Deputy Mayor Townsend said. "The next step to be taken is to continue discussions with the community groups involved and to seek input from private developers," she added.

Agencies involved in studying the site include: The Port Authority, the New York City Departments of City Planning and Ports and Terminals, the City's Public Development Corporation, the Office of the Brooklyn Borough President, and the Mayor's Office of Economic Development. "The Port Authority has been meeting regularly with these agencies and with numerous Community Boards since January 1985," said Mr. LaRocco. "We are insuring that all concerned groups and individuals have an opportunity to participate in the developing discussions."

The City agencies identified the preliminary land use policy by accessing local development objectives defining the site's urban planning context and regulatory restraints, and by defining the needs and concerns of the adjacent residential, commercial and industrial communities. The existing development plan for downtown Brooklyn will be an important consideration as specific development plans evolve for the piers site.

The "Framework for Discussion" report suggests criteria for governing future development of the site, which allow for a variety of private uses; at the same time, criteria are designed to assure that public and community values are preserved. The report cites the following criteria for land use at the piers 1-6 site:

- Development of the site should be compatible with the mix of developments currently planned for the downtown Brooklyn area.
- Development plans should address solutions for traffic burdens and problems.
- The Brooklyn Piers 1-6 waterfront site should be reunited with the surrounding areas both visually and physically.
- All development programs and land use decisions regarding the site should be carried out in the context of the planning constraints and guidelines that have been imposed either on the site itself or on the adjacent areas. (*VIA PORT OF NEW YORK-NEW JERSEY*)

## If you think YOUR Port has problems . . .

### The World Trade Institute's special programs may help you find solutions

If "two heads are better than one," just think of the cumulative advantages of tapping the experience and talent of dozens of administrators, authorities and government officials from the developing ports of the world to help you solve your port related problems. That remarkable collection of human resources is now available through the innovative program being offered at the World Trade Institute in Manhattan. Members from more than seventy nations have already engaged in its unique "brain-storming" approach, within the framework of expert lectures, workshops and

tours devoted to improved port operations.

Held under the title of "Port Administration and Operation," participants are invited to concisely define a problem being experienced in their port and from that description their counterparts submit their best ideas for solutions. The results are often of value to several members of the group and may provide a new awareness of potential problems that may one day evolve in their own ports from following a similar course of action. The enhanced awareness occurs on so many levels, participants are virtually assured of developing a more universal approach to solving not only present problems, but future ones as well.

The unique programs, which may span three to four weeks, include much more than intensive analysis and developmental solution-finding. On-site observations and tours throughout the Port of New York and New Jersey are a key educational facet where members from developing ports are given firsthand equipment demonstrations, introduced to labor practices, safety procedures, construction standards, security measures and myriad support services that are part of efficient port operations. Expert commentary is given via conceptual lectures on administration, planning and organization, as well as the complexities of labor relations, port financing, promotional practices and marketing techniques.

The managerial development of the participants is a major focus of the program and as a final project the group prepares a presentation to be given in the participant's homeport which details the solutions to the problems addressed by the members. The impact of the programs in practical terms, therefore, can be far-reaching on both a managerial and operational level. They are also important on a cultural level, with participants given tours of New York City and such historically significant areas as the South Street Seaport. Some group members are "adopted" by American families to provide them with dinner in various homes in the region. They are also afforded shopping tours and other aspects of living in our area to help them adjust to urban life on Manhattan's scale during their stay.

With each participant giving an initial statement of what they hope to gain from the program it may be geared to provide them with individualized attention to fulfill their needs and interests. They are also invited to express their views and those experiences they found most noteworthy. At the conclusion of each program, Certificates of Achievement are awarded to each member by the World Trade Institute to culminate what is both a rich educational and cultural experience.

Port Administration and Operation is but one of several management development programs created under an assisting grant from the United States Agency for International Development. Other programs of great interest to developing countries and ports include: International Purchasing, Procurement and Stores Management; Airport Administration and Operation; Export Market Entry Strategies; and Management Skills Development.

Brochures describing these programs are available from the World Trade Institute, One World Trade Center - 55th Floor, New York, New York 10048

(Via Port of New York-New Jersey)



## How to . . . use Customs' DAD

The New York Region of the United States Customs Service has been implementing a new import documentation system known as DADS, Delivery Authorization Documentation System, to facilitate the movement of cargo within the port at facilities having manual delivery systems.

The procedural changes inherent in the DAD System should permit the release of the maximum amount of cargo prior to the arrival of the truckman to the port terminal. No longer will it be necessary for truckmen to wait while paper work is processed, cargo is inspected, and a release may or may not be granted for the merchandise.

The new system actually does not require any unfamiliar forms, for the Right to Make Entry or Bill of Lading is still the basic document used by DAD. The box on this page shows the required information needed for a DAD authorization. The Customs Service strongly recommends that this entry documentation be lodged with the Customs inspectors at least 24 hours in advance of freight pick-up.

Here is the simple procedure to be followed: Place two copies of the DAD document on the left hand side of the entry folder. One copy will be for the carrier/terminal operator and one copy for the Customhouse broker. These must accompany each entry, entry/entry summary, transfer document, in bond (CF 7512) entry, or informal entry lodged with the Customs inspector. If an inaccurate or incomplete DAD is presented, the inspector will reject the entry documentation and return it to the broker.

When the carrier/operator does not have a DAD, but the importer/agent is present to provide for his own Customs clearance, the carrier shall provide the importer with a copy of the Right to Make Entry (to be used as the DAD) and refer the importer/agent to Customs.

When a carrier issues its own in bond entry, CF 7512 with New York/Newark as the port of origin, and no delivery order is prepared by the importer/broker, a copy of the CF 7512 shall be used as the DAD.

Entry documentation may continue to be presented to centralized entry processing facilities designated in each Seaport Area. After entry review, the inspector will either release the merchandise covered by the entry by placing a release stamp, signature, and date on the DAD, or indicate (on the DAD) that Customs will examine the merchandise. The DADS will be picked up at the centralized facilities.

When a truckman arrives at a facility, the carrier/terminal operator/container station operator is responsible for:

- a. delivering that quantity of merchandise for which he has a DAD;
- b. directing the truckman to present the cargo for Customs examination;
- c. not routing the truckman to Customs when there is no DAD; or
- d. referring the truckman to the appropriate agency to resolve holds put on the DAD by that agency.

In the future, Customs inspectors will not be involved in the clerical duties associated with manifest posting and routing truck drivers. Instead, the carrier must assume the responsibility of notifying Customs, as quickly as possible,

### Delivery Authorized Document (DAD) Data Elements Required

Vessel Name  
Arrival Date  
Port of Lading/Bill of Lading Number  
Description of Cargo  
Marks and Numbers  
Entry Number/Type (When Applicable)  
Consignee  
Container Numbers (When Applicable)  
Quantity per Bill of Lading/per Container

\* \* \* \* \*

when there is a discrepancy in the manifested quantity. The carrier also must retain copies of the CF 5931, Discrepancy Report and Declaration, along with the DADS. At the end of the general order period, normally eight working days after the arrival of the vessel, it is again the responsibility of the carrier/terminal operator to inform Customs of any cargo for which no DAD has been received. Merchandise for which no entry has been filed will be sent to a general order warehouse. Other details on the use and retention of the new delivery authorization procedure are explained in the "New York Region Informational Pipeline No. 1175" which is distributed by mail to Customhouse brokers, steamship companies, terminal operators, container station operators, and other concerned.

Customs personnel feel that the DAD is a good start for refining the delivery method and to make it efficient. Eventually the system will be automated under Customs' umbrella system "Automated Commercial System," known as ACS. The new procedure is a distillation of earlier systems operating now in smaller United States ports. To make the system work at the nation's premier port has required greater preparation because of the New York-New Jersey Port's size and complexity, but Customs is confident that it will work.

As Kathleen Haage, Chief of the inspection Branch in the New York Region, has said, "It's not going to be easy to change what 100 or 200 years of tradition have established. A lot of habits on the sides of both the public and the private sectors will have to change. It's a new way of doing business, but I think if everybody works together, it is bound to be successful for the industry and for the New York-New Jersey Port." (*Via Port of New York-New Jersey*)

## Hunter elected President of Oakland Board of Port Commissioners

G. William Hunter, an attorney active in Bay Area Community affairs, has been elected President of the Oakland Board of Port Commissioners.

Hunter succeeds Douglas Higgins, who served as Board President during the 1985-86 fiscal year and remains a member of the Board.

The seven-member Board is the governing body of the Port of Oakland, embracing the seaport, Oakland International Airport, and extensive industrial and commercial properties.

Herbert Eng, an Oakland Chinatown community leader,

was elected First Vice President of the Oakland Board. He served as second Vice President of the Board during the past fiscal year, and as Board President in the 1982-83 fiscal year.

Seymour Bachman, an active participant in labor union and community affairs in the city of Oakland and Alameda County, was elected Second Vice President of the Board.

The other members of the Oakland Board of Port Commissioners are H. Wayne Goodroe, Patricia Pineda, and Christine Scotlan.

## Deputy Executive Director O'Brien assesses Shipping Act of 1984 at FMC Forum: Port of Oakland

The Ocean Shipping Act of 1984 has brought changes to the U.S. port industry which, according to Port of Oakland Deputy Executive Director James J. O'Brien, have had both positive and negative impacts on public port agencies and private terminal operators.

O'Brien's remarks were delivered at a conference sponsored by the Federal Maritime Commission in Norfolk, Virginia as part of a five-year study of the Act to determine what revisions, if any, should be made in 1989.

O'Brien joined some 30 shipping line executives, academicians, attorneys, corporate traffic managers and Federal officials to present the perspective of a public port authority on the Shipping Act's effects. He was one of only two port officials asked by the FMC to participate, and the only representative of a West Coast port.

O'Brien summarized the effects of the Act on ports as "on balance, positive," and described as "most beneficial" the FMC's receptivity to industry suggestions as to how best to implement various of the Act's provisions.

"However," cautioned O'Brien, "I would be remiss if I did not comment on the longer term effects of the Act for the Port industry." These effects, he said, stem from depressed ocean freight rates, the rationalization of shipping line services, and the expansion of shipping lines into inland intermodal operations, giving them more control over port routing than in the past. The net effect of these factors, O'Brien maintained, is that shipping lines "are in a position to exert extreme pressure on port pricing."

In such a competitive environment, O'Brien continued, "some ports appear to be driven more by short term political considerations than long term, sound business practices," with the result that "the philosophy of certain ports seems to be to attract business at any price."

Market forces cannot be allowed to have free rein in the port industry, O'Brien asserted, because of national defense considerations and the need for continued port investment to keep pace with advancing technology.

The appropriate legal mechanism for remedying this situation, according to O'Brien, is voluntary participation by ports in discussions of pricing philosophy, so that ports are assured adequate revenue. Whether such voluntary self-regulation will occur, said O'Brien, is presently doubtful, due to "the combination of excess capacity in some areas and the high political profile most ports have in their local regions." Still, O'Brien concluded, "it is too early to state that the industry needs a tightening of regulation,"

deeming it sufficient for the present that the FMC maintain "close scrutiny" of the situation.

O'Brien also commented on that provision of the Shipping Act which greatly reduced the time between filing of new marine terminal agreements by ports with the FMC and the agreements' approval by that agency. The increased "predictability" that an agreement will obtain FMC approval, said O'Brien, "has been a benefit to both parties to the agreement," noting that in every instance that the Port of Oakland has filed new agreements or supplements to existing agreements under the Act, the agreements have been permitted to go into effect 45 days after filing.

However, a related provision of the Act which allows only 10 days for filing of comments by affected parties after agreements have been published in the Federal Register drew criticism from O'Brien. Citing the Port of Oakland's experience as "a port with many competitors," O'Brien faulted the 10-day response time as an "unreasonably short" interval during which agreements are to be analyzed and comments drafted, especially in light of the requirement that "comments must deal with only very substantive issues under the new Act."

On the subject of service contracts between carriers and shippers which are permitted by the Shipping Act, O'Brien said that the impact on ports is difficult to assess since the ports through which such contracts apply are confidential information and it is thus not possible to know which port or ports are affected. "However," declared O'Brien, "to the extent that the Act has clarified and helped foster intermodal transportation, we believe that is healthy for the port industry, although perhaps not for each port in the same degree."

## PACECO introduces new HI-LIFT/ HI-SPEED Transtainer\* crane



The continued growth of containerization has resulted in the demand for container stacking gantry cranes with increased speeds as well as higher stacking capabilities. To satisfy this need, PACECO, Inc., has introduced a HI-LIFT/ HI-SPEED version of its standard rubber tired Transtainer\* crane.

The new crane is capable of hoisting 20' and 40' containers, weighing up to 30 long tons, 25% faster than previous designs. Additionally, the 74' span cranes lifting height has been increased by 9' to accommodate a stack of

9½' tall containers five high and six wide. This is a full tier higher than the industry standard and effectively increases the size of the container yard (storage area) by 25%.

Other significant features include a 5' wider wheel span (or track) to improve stability, air conditioning in the cab, and a ground-to-cab intercom system. The diesel powered generator system has also been improved with the addition of a turbo charger to the standard blower induction system.

The first two of the new cranes were recently delivered to Terminal Island, Berths 229 and 333, at the Port of Los Angeles, California. The cranes are respectively owned by Overseas Shipping Company and Metropolitan Stevedoring Company.

\* Registered Trade Mark

## Port Canaveral Authority repeals ad valorem tax

The Canaveral Port Authority Board of Commissioners voted to do away with the port's ad valorem tax at their recent monthly meeting.

On a motion made by Secretary/Treasurer Jerry Allender and unanimously approved, repeal of the .213 millage tax takes effect October 1, 1986 — the beginning of the port's 1987 fiscal year.

Originally levied in 1950 at a rate of 9.4 millage points, the rate reached its high in 1952 at 11.77 mills. However, the millage rate has continuously dropped since 1953.

Taxes paid to the port were cut in 1983 and again in 1985. These cuts were the result of an operating income growth rate of 57% from fiscal year 1982 thru fiscal year 1986. The port collected taxes of \$757,000 in fiscal year 1986 or an average of \$6.00 per assessed household.

After the vote, Commission Chairman Mac McLouth commented: "Eliminating port taxes altogether is the culmination of my 20 years as a commissioner. Every port commission board member since the 1950's has worked towards and done their part in making this moment a reality."

## Portland plans new bulk export facility

A new bulk export facility, which will triple commodity throughput, is planned for the Port of Portland's Terminal 4. Plans also call for upgrading the rail tracks at that facility.

In indicating the need for a new facility, Curt Smith, Port general manager, marketing, marine business unit, said: "The Port has handled bulk mineral exports at the Terminal 4 facility for more than 40 years. Our present outloader is old, inefficient, very costly to maintain and does not meet Department of Environmental Quality (DEQ) standards for dust or noise control."

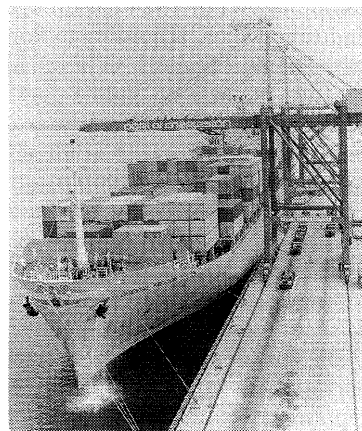
Smith points out that "in addition to meeting DEQ standards, the new design reduces dust and noise emissions at the site." Another major advantage is that the proposed facility will move the bulk commodities three times faster. This major benefit saves customers valuable time and money and keeps the Port competitive in this particular market. Other improvements include a longer berth area, deeper draft and a spout that can reach all hatch locations

on modern vessels.

Over 200,000 tons of mineral bulks have been shipped through the Port of Portland annually since 1978, with peaks in excess of 500,000 tons per year in 1983 and 1984. The Port handled 270,000 tons in 1985. The mineral bulks currently shipped from the Port are bentonite clay, talc and soda ash. Planned for location across the slip from the current outloader, the new facility will have an annual capacity of 1.5 million tons.

The present facility will continue operations while construction is underway. Completion is scheduled for late 1987. (PORTSIDE)

## FREEDOM class vessel calls at Charleston



Orient Overseas Container Line (OOCL) inaugurated its freedom class vessel service at the Port of Charleston's Wando Terminal with the recent arrival of the M/V ORIENTAL FREEDOM.

Joining OOCL's eastbound round-the-world service as a permanent vessel, the ORIENTAL FREEDOM is one of the largest containerships to call at Charleston.

The 31,950-deadweight-ton vessel is 790 feet long and has a beam of 105 feet, 7 inches, and a carrying capacity of 3,200 TEU (20-foot equivalent units).

Chris Estep, general manager for Seapac, agent for Dart Container Line and OOCL, says the fuel efficient vessels offer a better quality service to customers. "This is a consortium service through a space chartering arrangement with NOL and K-Line. OOCL will contribute five vessels, whereas NOL and K-Line will each contribute two vessels," he said.

The ORIENTAL FREEDOM's outbound ports of call include Charleston, Norfolk, New York, Halifax and Singapore.

"Charleston has been a very good port for us because of economy and an excellent service infrastructure," Estep said. Seapac's regional office was opened at Charleston two years ago.

## Construction of a container terminal on the Scheldt starts: Port of Antwerp

The Ministerial Committee for Economic and Social Coordination has given the go-ahead for the erection of a container terminal beside the Scheldt. 4,500 million francs have been allocated for the construction of the terminal and work on it will perhaps begin as early as this year. The principal for the infrastructure will be the Ministry of Public Works, which will transfer the completed structure to the City of Antwerp, which will then grant a concession to the quay to a private firm. Unless something unforeseen occurs, the terminal should be ready to operate by 1989.

Although not all of the details of the final plans are as yet known — the plans are still being studied by the Ministry of Public Works — an outline of the main features can be given.

The terminal will be set up on a 55 hectare site to the south of the approach channel to the Berendrecht Lock now under construction. The planned quay length is 1,200 m, which will enable four container vessels to be accommodated.

The water depth at the site will be 14 metres so that even very large container vessels will be able to berth there. Four gantry cranes will be erected on the quay and there will be storage space for 29,000 TEU (stacked three high).

In addition a container repairing centre and sheds for stuffing and stripping containers will be erected on the site. Ramps for Ro/Ro vessels are also planned. (*Hinterland*)

## Agriculture, agro-foods & forestry — Port of Bordeaux's three strong points

The fame of the Bordeaux vineyards often overshadows the importance of the rest of the region's agriculture, which has considerably diversified its activities. In 1985, agriculture, the agro-food industries and forestry (2,742,000 t) accounted for 70% of the global port traffic, excluding oil, whilst in 1980, these activities represented only 45% of this trade.

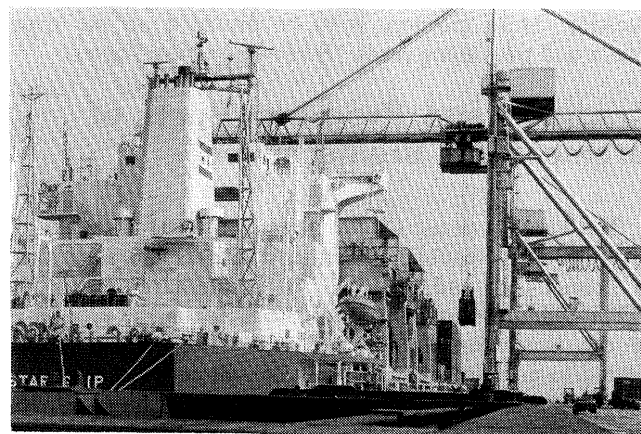
This increase, 54% in just five years, is indicative of the vitality and drive devoted to this sector of the economy in South West France. Confirmation of continuing expansion is to be found in 1986, since during the first six months of the year, trade has increased a further 47.3%, compared with the same period last year.

Over the first six months of this year, imports for agriculture have increased by 26.7%, agricultural exports have risen 20.9%, whilst those produced by the agro-food industries have increased a further 16.8%. As for forest products, they have increased from 7,600 t at the end of the first 6 months of 1985 to over 300,000 t in the first 6 months of this year.

Strength in the position it has acquired in the international field, the increased efficiency of its numerous dedicated facilities and its improved nautical capacities (access for large bulk carriers) make the Port of Bordeaux-Le Verdon well prepared to meet the expected continuing developments in regional agriculture. This is particularly so,

since its vast network of regular line services are actively involved in the exportation of many of these commodities and, in addition, the existence of an agriculture-related import trade, throughout the hinterland which extends from the Atlantic right across to the Rhone Valley, means that attractive inland transport rates can be obtained (no empty returns for lorries).

## A new STAR moves between Le Verdon and Los Angeles: Port of Bordeaux



STAR GRIP (43,000 tdw) June 13 made her maiden call at France's Atlantic Container Terminal.

Over the past 7 years the STAR SHIPPING COMPANY has spared no effort to improve the quality of its service between Europe and the United States. The last such improvement took place in January with the re-organization of the line, which enable sailings to be made once every 20 days from Le Verdon, the last European port of call (after Gothenburg and Antwerp), to Long Beach (Los Angeles) and Oakland (San Francisco).

The first of the G class vessels, STAR GRIP, on her maiden voyage called at Le Verdon on June 13th. She loaded nearly 200 containers of mineral water (Perrier, Evian), tyres, paper products, empty barrels, cognac and wine (from Burgundy as well as Bordeaux).

## Ambitious port infrastructure programme: Port of Hamburg

The City of Hamburg intends to spend 140 million DM in 1986 for investments aimed at further improving infrastructure in the Port area. The amount is spread over a large number of individual building measures. The following is an excerpt from the programme:

A major project is modernisation of the bascule bridge over the Rethe Elbe side-arm. The necessary repairs to the structure will be combined with lifting measures, so that in future ships with mast heights up to 53 metres will also be able to pass the bridge and reach the handling terminals in the southern Reiherstieg area.

Since the number of oceangoing ships moving in this sector is constantly growing, it was also necessary to ensure more safety. Thus, in May a 25-metre-high radar tower on the Reiherstieg shore went into operation.

Three smaller shipyards in the Steinwerder dock area, engaged in ship repairs, will also participate in the wide-ranging building programme. They will get additional quay walls for expansion of their plant.

There is similarly provision for creating expansion surfaces for city-adjacent warehouses, as well as for several handling firms in the eastern Port sector, and in the Walter-shof part of the docks.

The port engineers also intend to pay more attention to landscape management in future. For this reason 700,000 DM has been earmarked for more trees, grass and shrubbery in the Port. There are plans to plant indigenous bushes and trees in areas where settlement of industry is out of the question. More greenery is to be provided on the river banks, and trees along roads. (*Port of Hamburg Topics*)

## Tradition and Progress: Ports of Bremen and Bremerhaven

The Free Hanseatic City of Bremen located in the north of the Federal Republic of Germany with its two ports, one in Bremen-City and the other in Bremerhaven, near the North Sea, represents an important factor in the economy of the Northwest. In Bremen nearly every third job is related to port activities, directly or indirectly. Also politically, the autonomy of the smallest state is based on its maritime function for the Federal Republic and the neighbouring countries in Europe. Therefore, the local

constitution stipulates the duty to build and to maintain modern ports and to engage in shipping and trade — a task which has shaped the image of Bremen for more than thousand years.

Nevertheless, the port activities have been subject to constant changes during the centuries. The originally modest trade relations with the neighbours on the coast of the North Sea have grown into world-wide engagements of foreign trade. Every year more than 10,000 seagoing vessels connect Bremen and Bremerhaven with 1,000 ports in all parts of the world. Almost 30 million tonnes of merchandise, predominantly labour intensive general cargo, worth about 60 billion D-Mark are being handled per year. Well trained specialists and modern equipment are shaping the image of the harbour facilities and guarantee the prompt despatch of the vessels. In addition to the traditionally important North Atlantic business the traffic to and from the countries of Asia has become of great weight during the last hundred years.

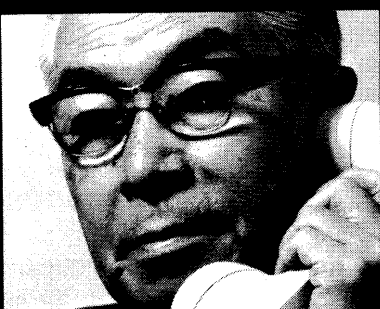
Investments and planning in the ports of Bremen demonstrate that the State has always realized their importance with a view to developing the competitive position of the ports of Bremen among the large universal ports on the Northwest European coast. The efficiency of a seaport can best be judged by its reaction to the development of new transport systems and the changing requirements of shipping with regard to equipment as well as personnel. This is an ambitious task, the more so as the large ports on the Continent, located not far from each other, are engaged in

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heavy competition. The result is a high standard, with regard to quick despatch as well as to cargo handling, enjoying international appreciation. In the long run, these requirements can be satisfied only with flexibility and the determination to invest. Furthermore, it requires courage to incur risks.

A good example is the container traffic. As first German port, and together with Rotterdam, as first port in Europe Bremen realized the potentialities of this development which had its origin in USA. It was in May 1966 that the first container vessel called at Bremen. This early reaction gave Bremen and Bremerhaven an advantage in comparison with their competitors, which is the reason for their important position with regard to the container traffic. At present about one million TEU with a total weight of 8.6 million tonnes are handled annually in the ports of Bremen. With regard to its dimensions and capacity the Container Terminal Bremerhaven is now the largest single container facility in Europe.

In addition to the container traffic the Ro/Ro system has seen a violent development in Bremen and Bremerhaven. The advantage of this principle is the quick turnaround of the vessels. In the ports of Bremen there are now seven Ro/Ro facilities available for seagoing vessels.

Of vital importance for the ports of Bremen and Bremerhaven is the trade between East Asia with the countries of Europe which is moving predominantly by sea and using the modern means of transportation. Last year 1.25 million tonnes of merchandise of all kind was shipped via the ports of Bremen to and from East Asia. This trade has increased by about 100 percent since 1975. More than 50 percent was containerised last year.

Most important partner of the ports of Bremen in the Far East was Japan with a considerable margin. This traffic represented one third of the entire trade of Bremen with Asia. This explains why the vessels of the Japanese lines, such as NYK, Mitsui-OSK Lines, as well as K-Line, are regular visitors at Bremen and Bremerhaven respectively. Next to the containerised cargo the traffic of unpacked automobiles is of great importance. It was the successful cooperation with the Japanese automobile industry which again last year confirmed the importance of Bremerhaven as Europe's foremost port for automobiles. Almost all Japanese automobile manufacturers ship their exports to Europe either entirely or partly via Bremerhaven, almost 200,000 units in 1985. The prospects are good as confirmed by the figures for the first quarter of this year which indicate increased exports of all Japanese automobile manufacturers via Bremerhaven. However, the exports of the German automobile industry to Japan are equally increasing. Not only Daimler-Benz and BMW, but also other manufacturers are reporting increasing exports to Japan, although the USA continue to be the principal destination of the German automobile shipments. Summing up the exports of German cars and the imports of Japanese automobiles, more than 500,000 units have been handled in Bremerhaven in 1985.

## Bremen Port: Record with the "White Tufts"

With some 280,000 tons — corresponding to nearly 1.4

million bales — cotton landings in the Bremen ports in 1985 constituted a record result. Only in 1957 had more cotton previously crossed the Bremen quays. Bremen as determined in the annual report for 1985 now submitted by the Bremen Cotton Exchange, has thereby cemented its place — won three years ago — as the most important cotton-importing port in the world. Previously Japan's Kobe had headed the list of ports importing "King Cotton".

Of the total imported during the year under review, over 205,000 tons were for the Federal Republic of Germany itself. This was 74.3 percent of all German importation. A further 74,000 tons were handled in transit for various European countries. Thus every fourth bale of cotton discharged in the Bremen ports was destined for receivers beyond the Federal Republic. This transit result is also a peak, in that the annual average handled in transit from the beginning of the '80s until 1984, was approximately 61,000 tons.

(Bremen International)

## Main figures for groups turnover: Port of Copenhagen Authority

Turnover	%	1985 (DKK '000)	%	1984 (DKK '000)
Cargo dues	18.7	33,301	18.0	31,138
Ships' dues	9.9	17,621	10.0	17,430
Rent receipts from properties	31.5	56,080	28.5	49,333
Rent receipts from equipment	2.2	3,878	2.3	4,049
Rent receipts from warehouses	3.0	5,316	2.9	5,042
Income from activities on board and ashore	28.1	49,998	32.4	56,164
Other income	6.6	11,802	5.9	10,166
	100.0	177,996	100.0	173,322
Index (100 for 1983)		119		116
	%	(DKK '000)	%	(DKK '000)
Primary operating result	8.5	15,079	6.2	10,670
Result before extraordinary items	5.5	9,865	2.3	3,990
Result for the Year	36.5	65,021	3.8	6,642
Fixed assets	64.0	313,164	75.0	316,011
Current assets	36.0	179,939	25.0	103,280
Total Assets	100.0	493,103	100.0	419,291
Equity capital	38.0	188,054	26.0	111,230
The Pension Fund/The Support Fund	33.0	159,722	38.0	157,534
Long-term debt	14.0	71,097	18.0	76,454
Short-term debt	15.0	74,230	18.0	74,073
Total Liabilities	100.0	493,103	100.0	419,291
Equity capital, beginning of the year		111,230		145,138
Average No. of Employees		486		494
Key Figures	%		%	
Primary operating result as a percentage of turnover	8.5		6.2	
Return of investment	3.1		2.5	
Return on equity	58.5		4.6	
Equity ratio*)	38.1		26.5	

\*) No adjustment has been made for the additional value of the Port's fixed assets.

(Annual Report 1985)

## Reorganisation of general cargo sector now based on social contract: Port of Rotterdam

The drastic reorganisation of the general cargo sector in the Port of Rotterdam — a relocation project without equal — has been given a strong social basis. At a recent ceremony in The Hague, all the parties involved signed an agreement which will deal with the social consequences of this restructuring plan, which is already under way.

Technological innovations in the overseas transport of goods (not least the triumphant march of the container) have meant that some 3,000 jobs were lost in Rotterdam's older general cargo docks between 1973 and 1984. This trend is still continuing. The expectation is that a further 1,500 jobs will have to go in this sector over the next five years.

The people involved will primarily be those who are approaching retirement. The social contract contains a coherent system of measures aimed at allowing older workers to retire early on attractive terms, and at achieving a limited reduction of working hours throughout the whole general cargo sector. This should eliminate the need for compulsory redundancies over the next few years.

The contract also calls for an improvement in the mobility of the remaining workforce through a system of refresher courses and retraining schemes. In addition, it contains a clause safeguarding the annual intake of a number of young workers.

The contract was signed not only by the employers' and employees' organisations, but also by the Minister for Social Affairs and Employment, J. de Koning, and the director of the Port of Rotterdam Authority, Mr. H. Molenaar.

### Cheerful mood

"I think we're entitled to a small celebration. Today we are putting the official seal on an agreement which I believe is the result of daring and perseverance. This social contract is, of course, first and foremost of importance to all the people in the general cargo sector who will be affected by the restructuring in the near future, but I feel it goes further than that. This agreement is an example for other branches of industry."

So said the minister, Jan de Koning, in The Hague's Nieuwspoor, just before the signing of the social contract got under way in cheerful mood, to the accompaniment of the photographers' flashbulbs.

"The successful completion of this major restructuring project will contribute to an improvement in the relative competitive position of Rotterdam's general cargo companies," the minister went on to say. "This will increase the sector's chances considerably."

He declared his willingness to cooperate in achieving this by means of specific contributions in the area of in-service training and retraining projects, but he did not exclude other aspects of the restructuring measures which had been agreed.

### Cause and effect

The changes which have taken place in the general cargo

sector in the space of less than twenty years were vividly outlined by Mr. André van der Louw, chairman of the Rijnmond Public Authority, a regional governing body.

He led the committee which managed to achieve this agreement — which applies to the whole general cargo sector in Rotterdam and therefore had to be endorsed by all the parties involved — in just six months. Another committee, chaired by Mr. A. Lems, worked on an agreement for the Amsterdam general cargo sector. This, too, was achieved, and that contract was now also to be signed.

The shift of major general cargo flows to the container terminals inevitably led eventually to considerable overcapacity in the conventional general cargo sector.

Said Mr. van der Louw: "Overcapacity leads to reduction in market value and causes a shortage of funds for investment. Failure to invest means that plant and equipment becomes outdated." He went on to point out that it took some time before it was generally realised that companies which had for years been in competition with one another would have to agree on certain forms of collaboration and cooperation.

### Ambitious plan

Action was obviously called for. The Netherlands Restructuring Corporation (Nehem) was commissioned a few years ago to design a structural improvement plan for the whole general cargo sector. This led to the far-reaching proposals to reallocate a series of obsolete or outgrown dock sites, which we have already reported on in detail.

One year ago, employers, employees and the Port of Rotterdam Authority (which is, when all's said and done, the "landlord" of virtually all the companies involved) reached agreement on the technical and planning aspects of the restructuring plan.

The series of removals and modernisations which were then outlined would involve investments in the order of 500 million guilders. It was calculated that the port business community's share of this would amount to 410 million guilders, a sum to which the State would contribute up to a total of 70 million in the form of subsidies. The City of Rotterdam's expenditure in connection with the restructuring plan amounts to something over 90 million guilders.

The City of Rotterdam will also provide prefinancing in cases where it is absolutely essential. These will not be subsidies, but extra longterm loans, which will have to be repaid in full and with interest.

### Social rest essential

The business community declared itself willing to undertake investments on this scale on one important condition: it insisted upon freedom from social unrest — an agreement between employers' and employees' organisations which would eliminate resistance to the slimming-down operations which will inevitably take place.

"I am delighted," said Mr. van der Louw, "that constructive cooperation between the social partners has succeeded in bringing about such an agreement. In my view, nothing now stands in the way of an all-out reorganisation of Rotterdam's general cargo sector."

He went on to point out that new technologies which

may have social consequences are also emerging in other sectors of the port. In particular, he mentioned the projects which will lead to greater efficiency in information flows concerning the movement of goods.

"Employers and employees recognise the importance of the introduction of information technology in the port," said Mr. van der Louw. "For some time now, both individually and jointly, they have been discussing how they should respond to these developments. An investigation into the social consequences of automation is under way."

**Hans Berggren**

(ROTTERDAM EUROPOORT DELTA)

## TDL data exchange commissioned: Port of Gothenburg

A transport data exchange has started operating in Gothenburg. The exchange allows computers within the transport industry to communicate regardless of make, model or program.

The data exchange has been developed by TDL Transport Data Link AB, a company jointly owned by the Port of Gothenburg, Volvo Transport and the Swedish Telecommunications Administration.

The service is used by shippers, forwarders, agents, shipping lines and ports to facilitate the communications flow in a business known to be information-dense and working under time pressure.

The TDL data exchange is open to any company involved in transport, national or international.

The commissioning of the TDL data exchange is an event much longed for in shipping circles. Numerous bilateral connections had been established between computers, risking the more rational solution of a data exchange.

TDL also offers video-tex services to its subscribers. Some of the services available are the always up-to-date "electronic sailing list", a report on vessel's expected and at berth, and weather forecasts.

One recently introduced service provides information to the subscriber regarding the status of individual containers (has the container reached the terminal yet, is it still in the terminal, is it loaded onto the vessel yet?) and also the number and numbers of export containers not yet registered by the Customs.

## New contracts boost ABP research

New contracts for outside work, increased demand for hydrographic surveying and expansion into numerical modelling are just some of the highlights of the ABP Research Annual Report for 1984/85.

Recently published by ABP Research, the scientific research arm of ABP Research and Consultancy Ltd., the report describes some of the growing number of projects ABP Research undertakes for organisations other than Associated British Ports. These include the construction of physical and numerical models for The Sports Council, Anglian Water, and Scarborough Council; dredging and siltation studies for Weymouth & Portland Borough Council, Alan Wood & Partners and South Glamorgan County

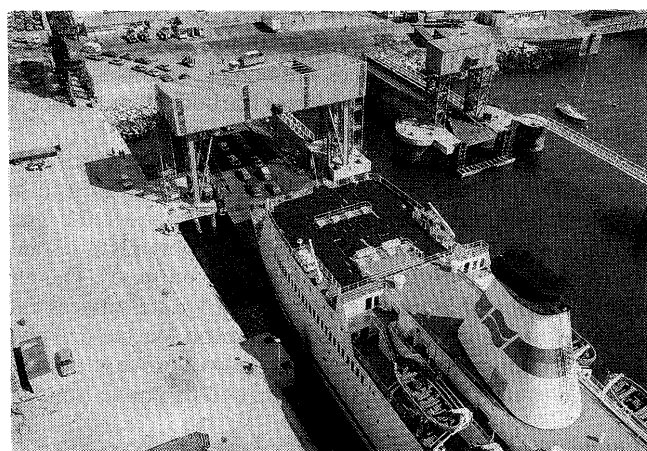
Council; and strain gauging at the Caledonian Canal on behalf of the British Waterways Board.

There has been increased demand for hydrographic surveying, and ABP Research has been carrying out surveys not only for ABP's ports, but also for the Dover Harbour Board and the London Docklands Development Corporation.

ABP Research are also expanding their numerical modelling facilities in order to provide a complete physical and computer modelling service.

Commenting on the report, the Managing Director of ABP Research, Mr. David Cooper, said: "The report demonstrates the good progress we have made in marketing our services to clients since ABP's privatization in 1983. I believe our customers appreciate our ability to offer a flexible and personal service and to respond to their problems quickly."

## First ship uses Plymouth's new ro-ro berth



The ABP Port of Plymouth welcomed the first ship to use its new ro-ro berth in Millbay Docks on June 18.

Brittany Ferries' 8,314 grt Quiberon called at the berth on one of her twice weekly crossings from Santander in northern Spain. Brittany Ferries also run a daily service to Roscoff in Brittany from Plymouth.

The new berth, with its dual carriageway linkspan bridge, can take the largest ro-ro ships used on European services. Vessels up to 180 metres in length and drawing up to 8.5 metres can tie up alongside the West Wharf.

The new berth is part of a £5 m development to enlarge the Plymouth ro-ro terminal. Associated British Ports are confident of attracting new services to Plymouth as the improved ro-ro facilities become fully operational.

## Far East Sister Port visits Southampton

Southampton's Sister Port Affiliation to the Port of Keelung in Taiwan was ratified today during a visit by the Keelung Harbour Bureau to the ABP port.

At an official twinning ceremony, General Shin-Ching Teng, Director of KHB and ABP's Port Director at Southampton, Dennis Noddings, endorsed a formal agreement to

promote future co-operation and friendship and exchange trade and technical information.

The Sister Port Affiliation was established in 1985 during a trade visit to the Far East made by ABP to market the Port of Southampton and the Southampton Free Trade Zone.

The Port of Keelung's delegation making the week-long return visit includes the Chief of Public Relations, Mr. Ching-Tzer Chen, Captain Chris Lou of Orient Overseas Container Lines, and General Teng's daughter Miss Tai-In Teng.

## Work to start on Southampton Town Quay Marina

Associated British Ports have this week given the go-ahead for work to commence on a commercial and leisure development centred around a marina at Southampton's Town Quay.

Southampton Marina & Town Quay Development Co. Ltd., headed by Alan Girling of Suttons Commercial, a Southampton firm of Chartered Surveyors, are moving in to start a 5 year multi-million pound programme, consisting of a marina, shops, offices and homes, on this important 30-acre waterfront site. The former Harbour Board office, a listed building, will be retained and renovated.

Commenting on the scheme, Southampton's Port Director, Dennis Noddings, said "We are very pleased to be involved with the redevelopment of an area of the port which is one of Southampton's original port facilities and an ideal area for leisure and recreational purposes. There is clear evidence of increasing demand for leisure services and facilities and I am sure the Southampton Marina & Town Quay Development Company's project will prove extremely valuable to the City of Southampton and its population."

## Impressive timber discharge for Tilbury Terminal



Another impressive discharge performance has been achieved by the registered workforce and staff employed by 42 Berth Tilbury Limited and the Port of London Authority's Stevedorage Department.

8,200 tonnes of packaged softwood was discharged from the bulk carrier TOKI ARROW in 15 hours by two gangs. The softwood which was loaded at Prince Rupert, British Columbia was discharged from only two holds. From the

quayside the timber was quickly moved to 42 Berth's vast storage areas by the Terminal's extensive fleet of fork lift trucks and trailers. 42 Berth is rapidly gaining a reputation for fast and efficient discharges, thereby increasing the level of service to shippers and importers alike.

## Significant facts: Department of Marine & Harbors, South Australia

	1984-85	1983-84	% Change
<b>SHIPPING</b>			
Number of Vessels entered:			
Port of Adelaide	872	917	- 4.9
All other South Australian ports*	1,036	1,084	- 3.5
Gross registered tonnage.			
Port of Adelaide	8.9M	8.2M	+ 8.5
All other South Australian ports	12.8M	11.7M	+ 9.4
<b>CARGO (TONNES)</b>			
Port of Adelaide - imports	1.4M	1.6M	-12.5
exports	1.8M	1.7M	+ 5.9
All other South Australian ports -			
imports	4.4M	4.2M	+ 4.8
exports	8.5M	7.8M	+ 9.0
<b>TOTAL</b>	<b>16.1M</b>	<b>15.4M</b>	<b>+ 4.6</b>
<b>FINANCE</b>			
Receipts	37.1M	31.3M	+18.5
Payments	22.2M	20.9M	+ 6.2
Surplus	14.9M	10.4M	+43.2
Interest and other Allocated Charges	17.3M	14.9M	+16.1
Balance - Contributed to Consolidated Revenue			
Met from Consolidated Revenue	2.4M	4.5M	-46.6
<b>PLEASURE BOATING</b>			
Registered Motor Boats	44,429	43,444	+ 2.3
Operators Licences Issued -			
(Total Licensed Operators 99,711)	5,628	6,263	-10.1

(1984-85 Annual Report)

## Chittagong Port Authority: Relationship between Government and Port Authority

(From the Year Book - 85)

With the promulgation of the Chittagong Port Authority Ordinance (Ordinance No. L II of 1976) in September, 1976 to provide for establishment of an Authority for the management, maintenance and development of Chittagong Port and for matters connected therewith or incidental thereto, the Chittagong Port Act stands repealed. According to the provisions of this Ordinance, the Chittagong Port Authority is a body corporate having perpetual succession and a Common Seal, with Power subject to the provisions of the Ordinance. The Fund of the Authority is to be utilised for the charges in connection with the Authority's functions under the Ordinance, including payment of development expenses, salaries and other remunerations to the Port employees. The general direction and management

of the Authority and its affairs are vested in a Board which may exercise all powers and do all acts and things which may be done by the Authority.

Chittagong Port Authority is a service organisation under the aegis of the Ministry of Ports, Shipping & IWT Division, Government of the People's Republic of Bangladesh. The Board of the Authority in discharging its functions is guided on questions of policy by such direction as may be given to it, from time to time, by the Government.

The Board of the Authority consists of a Chairman and not more than three other Members to be appointed by the Government, who are full time officers of the Authority and shall hold office on such terms and conditions as may be determined by the Government.

The Chairman is the Chief Executive of the Authority, and other members shall perform such functions and discharge such duties as are assigned to them by or under the Ordinance. The Government have, in consultation with the Authority, appointed an Advisory Committee consisting of persons representing Port users, including Importers and Exporters, Local Government Agencies and allied Public Agencies, viz. Navy, Customs, Railways, Inland Water Transport, etc., for the purpose of advising the Authority in respect of such matters as may be referred to it by the Authority, or by the Government.

## Vessel traffic management system: Hong Kong

A multi-million-dollar vessel traffic management system has been proposed for the port of Hong Kong and its approaches.

The system consists of a network of radar stations set up at strategic locations to cover marine traffic lanes.

Using computers and very high frequency communication equipment, the system will be able to monitor and control vessel movements continuously to improve safety and traffic flow, which has quadrupled in the past 20 years in certain areas.

Last year, an average of more than 2,000 ocean-going vessels entered and departed from the port each month. "This number is expected to increase by four percent annually," a Government spokesman said.

River trade craft and international ferry traffic has also increased, with about 13,660 movements a month in 1985.

The cost of installing, commissioning and implementing the system will amount to US\$50.5 million.

The proposal now goes to the Finance Committee of the Legislative Council for the voting of funds. (*The Week in Hong Kong*)

## India: Proposed container port investment

The Government of India is proposing the expenditure of 892 million rupees (or \$71.9 million) for container-handling facilities at the country's six leading ports under a new five-year plan recently submitted to Parliament. That represents a 30 percent increase above actual expenditures for the same general purpose under the five-year plan that ended in fiscal 1985. Details are provided below:

### Indian Container Port Investment (millions of dollars)

Port	1980 -1985 Plan (Actual)	1985-1990 Plan (Proposed)
Bombay	\$21.4	\$27.4
Calcutta	.3	9.1
Haldia	—	2.0
Cochin	1.7	14.1
Madras	31.3	19.4

SOURCE: Indian Shipping Review, May/June 1986, p. 5.

Values converted by AAPA at the rate of 12.4 rupees to the dollar.

Procurements under the recently concluded five-year plan included container-handling gantry cranes for Bombay and Madras; yard gantry cranes and related equipment for Bombay, Cochin, and Madras; and a complete container-handling berth at the Port of Madras. (*APPA ADVISORY*)

## Chiba Port Tower dedicated



Chiba Port Tower and Park



Governor Numata shakes hands with Mr. John Caldwell Vice-President of the Port Commission in front of a totem-pole presented by Portland City.

On June 15, 1986, a 125 meter-high observation tower, named "Chiba Port Tower," erected in the newly-constructed 25-ha. waterfront green area called "Chiba Port Park,"



was opened to the public jointly by Governor Takeshi Numata of Chiba Prefecture and Mr. Bud. Clark, Mayor of Portland, Oregon. The ceremony took place in the presence of other officials of the local municipalities and township, as well as Mr. John Caldwell, Vice-President of the Port Commission, and Mr. Lloyd Anderson, Executive Director, Port of Portland, with which Chiba Port has a sister port affiliation.

This was one of a series of events comprising the "Chiba Port Festival 86" organized by the prefectural government, which is at the same time the governing body of the Port of Chiba. The events, composed of parades, music shows, a laser light show, a boat tour of the Port and an imported food bazaar, were staged at the Park for two days and attracted some 200,000 visitors.

In his opening remarks, Mr. Numata noted that the Tower and the Park were dedicated to the citizens for relaxation and enjoyment as well as for the purpose of providing them with the chance of familiarizing themselves with the port and its activities. He stressed the importance of the roles played by the Port of Chiba, pointing out that as a supporting facility for the Tokyo metropolis while at the same time being the core of regional development, the Port greatly contributed to the advancement of the welfare and living standards of the prefectural communities, the total populace of which amounted to 5 million.

Mr. Numata further commented that the Port should be constantly improved in order to meet the various new requirements which might occur as time changed. To this end, he pointed out, a 5-year port improvement plan named "For a better tomorrow of Native Town Chiba" (1986-1991) was aimed at making Chiba Port more pleasant and amenable to the citizens, on top of enriching the port's capabilities in terms of its commercial and industrial functions.

The Port of Chiba, one of the biggest industrial ports of Japan, is located in the north-eastern part of Tokyo Bay, next to the Port of Tokyo, and encompasses a 132 km. coastline dotted with 5 cities and 1 township.

## Tokyo, Tianjin celebrate 5th anniversary as friendship Ports



Mr. K. Takeshita, Director-General, the Port of Tokyo, introduces a Great Wall tapestry presented by Mr. Zhu Qing Yuan, Director-General of Tianjin Port Authority.

On June 4, 1986, Tokyo Port, in celebration of the 5th anniversary of its Friendship Port affiliation with Tianjin Port, and in commemoration of its 45th anniversary as an open port, organized a symposium on the "Prospects for China-Japan Trade and Problems Concerning Distribution Systems." Prominent economists, businessmen, and port engineers were invited.

In his opening remarks, Mr. Shunichi Suzuki, the Governor of Tokyo and the Chief Executive Officer of the Port of Tokyo, commended the results of the friendly ties cultivated at various levels between the people of the two ports during the last five years.

Noting the mounting necessity to cope with the internationalization of trade and commerce and the equally important need for the free flow of information, and recognizing the future difficulties that would arise due to changes in the world economy, trade patterns and distribution systems, he emphasized the importance of deploying a port development policy based upon a long range vision of the future, so that the Port could offer better-quality services to its users and a better environment to its citizens.

## World Bank grants \$141 million loan for Pusan Port

The World Bank announced recently that a \$141 million loan has been granted to help South Korea develop a three-berth container terminal at Pusan, its major port on the southeast tip of the Korean peninsula.

The 15-year credit will be combined with \$187.3 million in local funds for the project which includes technical assistance, breakwater construction, and road and rail access, the announcement said.

The loan carries a variable interest rate, currently 8.5 percent. (*Korean Maritime News*)

## A container yard complex to be built in Pusan

The government has decided to construct an integrated container yard at the site of the defunct Tongmyong Timber Co., near the port of Pusan.

The Korea Maritime and Port Administration has already purchased the site, comprising 778,800 square meters of coastal land and 610,500 square meters of mountainous land, from the Korea Land Development Corps., at 58.2 billion won.

The container yard will replace 33 small CYs scattered in a downtown area of the southern port city.

The existing CYs have caused heavy traffic jams and severe noise pollution as well as having damaged roads in the city, KMPA said.

The scattered private CYs have also caused inefficiency in the handling of trade cargoes and additional transportation charges to traders, KMPA said.

(*Korean Maritime News*)

## Port Klang's performance during Fourth Malaysia Plan

(Extracts from General Manager's review)

Port Klang handled over 44 million tonnes of cargo during the Fourth Malaysia Plan (FMP) period from 1981 to 1985, while total gross revenue for the period came to nearly M\$1,000 million.

During the first year of the FMP, the port handled 9.8 million tonnes, while during the last year of the FMP, the throughput had risen to 12.3 million tonnes. In other words, the port experienced a 25 per cent growth in cargo throughput over the five-year period of the FMP.

### Container Traffic

The container sector experienced tremendous growth over the last five years — a hefty increase of 64 per cent, or a net gain of 95,000 TEU. This works out to an annual growth rate of 13 per cent.

The total container throughput in the FMP period was 980,000 TEU, compared with 480,000 TEU in the Third Malaysia Plan period, 1976–1980 — a 104 per cent jump, or a net increase of nearly 500,000 TEU.

### Development

The FMP period was also one of extensive development for Port Klang. Accordingly, development expenditure increased from \$151 million in the TMP period to \$238 million. The sound financial position of the KPA is evidenced by the fact that, of the \$238 million spent on capital projects, nearly 60 per cent was financed from its own internal resources.

Some of the major projects launched and completed within the FMP period were the provision of ro-ro facilities, three additional general cargo berths, the dry bulk terminal, the liquid bulk terminal and the rationalisation of South Port.

An on-going project launched during the FMP period is the West Port Project on Pulau Lumut.

### Fifth Malaysia Plan

Where the KPA is concerned, the Fifth Malaysia Plan will see challenging developments in the administration of the port. The corporate strategy will be one that is geared towards privatization. The container terminal will, of course, be the first to be privatized, while other services will gradually be privatized, probably within a time-frame of five years.

As we gear ourselves towards the role of landlord rather than actual port operator, adjustments will have to be made, not only by the KPA but also by port users and everyone who has dealings with the port. It is the management's hope that all will work together towards fulfilling the government's objectives embodied in the Malaysia Inc. concept. (*WARTA LPK*)

## Charges restructured on user pay basis: Wellington Harbour Board

Price rises averaging 6.8 per cent will be imposed on a selected range of services from August 1.

With the exception of a few minor adjustments, the

Wellington Harbour Board has not increased charges since 1981.

Announcing the increases, general manager Frank Baldwin said the aim was to offset larger than anticipated losses due to a sharp downturn in trade.

"The half yearly results show that the downturn in trade this year has been greater than forecast, with wage costs more expensive than we predicted. Therefore the operating loss in 1986 will be greater than we budgeted for."

"The board is forecasting a slight recovery in trade in 1987, but this will not be sufficient to cover the recent escalations in costs. We will continue our internal efficiency drive in all sections of our work. But unless the Board revises its charges now, losses will reach an unacceptable level."

Mr. Baldwin said till now the Board had chosen not to increase its charges as part of its overall marketing strategy to attract more customers to the port.

An active programme aimed at improving efficiency had been put in place to help hold costs.

"In the current review of charges the Board has rejected the concept of an across the board flat percentage increase," Mr. Baldwin said.

"Rather, the Board has adopted the philosophy of selective adjustment. Increases will be applied where cost centre losses have occurred." The Board's revised management accounting system can now readily identify costs and revenues for all given costing centres.

The Board is applying cost increases in three ways

- where there is a clear difference between the cost of providing a service and its revenue;
- where the minimum charge is less than the cost of providing a service; and
- where there is a need to progressively remove remaining anomalies in wharfage.

"The increases are designed to reduce or eliminate cross subsidisation from other services," Mr. Baldwin said.

"The prognosis is that during 1988 the Board may need to undertake a further review of charges. In the meantime we are continuing our programme of pursuing further inefficiencies in operations, leading to improved cost effectiveness and cost containment.

"It is confidently expected that many of these programmes will show a real benefit in terms of cost reductions in 1987 and 1988," Mr. Baldwin said.

While the Port of Wellington's charges have risen on average 6.8 per cent in five years, the consumer price index has risen in excess of 50 per cent. (*BEACON*)

## Port and City join for exciting development: Wellington Harbour Board

Development that will transform Wellington's waterfront is underway.

In conjunction with Wellington City Council, Wellington Harbour Board is embarking on an ambitious scheme to enhance the potential of the area surrounding Lambton Harbour.

The development is potentially one of the most exciting

in Wellington's history.

Bounded by Oriental Parade from the Overseas Passenger Terminal, Wakefield Street, Jervois Quay and Customhouse Quay, the development area is the prime piece of real estate in the capital.

The mission statement for the Lambton Harbour Development Project makes special reference to the area's unique character.

It demands the zone be redeveloped to provide an integrated harmonious development between the city and sea, to consider such things as commercial, maritime, recreational, educational, cultural and residential uses to complement development in the central city area and a place for people and spaces.

"The development is to be imaginative in its concept with a special identity, economically viable in its development, enhance the natural resources of the area, balance the spaces for people with density of building, and blend the height, generally of a low rise nature, between the sea and the city centre, having regard to view shafts, and provide access — including pedestrian access — to the water's edge where possible, and where not required for port operations." (BEACON)

## Operating, financial summary: Wellington Harbour Board

	Year Ending 30 September		
	1985	1984	% Change
<b>CARGO TONNAGE (000's)</b>			
Export	1080	951	+14%
Import	1486	1526	- 3%
Coastal	3503	3314	+ 6%
Total	6069	5791	+ 5%
International Container Movements	87,388	75,989	+15%
Total Passenger Throughput	772,000	719,000	+ 7%
Total Staff at 30 Sept.	534	580	- 8%
Total Ship Arrivals	3338	3324	0
Container Ships at Terminal	208	189	+10%
Total Value of Exports (f.o.b.)	\$1808 million	\$1371 million	+32%
Total Value of Imports (c.i.f.)	\$1803 million	\$1551 million	+16%

	Year Ending 30 September		
	1985	1984	% Change
<b>WEALTH CREATED</b>			
	(NZ\$000's)		
Operating Revenue	24,471	23,412	+ 5%
Rents, Interest and Fees	6,208	4,962	+25%
Materials and Services Purchased	(5,130)	(4,540)	+13%
Total	25,549	23,834	+ 7%
<b>DISPOSAL OF WEALTH</b>			
To Employees: Wages, Benefits	15,763	15,271	+ 3%
Leave Provision	-	935	-
To Providers of Capital	3,681	3,494	+ 5%
Reinvested in the Port: Depreciation	1,866	1,663	+12%
Development	4,239	2,471	+72%
Total	25,549	23,834	+ 7%

(1985 Annual Report)

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**MITSUI ENGINEERING & SHIPBUILDING CO., LTD.**

Head Office: 6-4, Tsukiji 5-chome, Chuo-ku, Tokyo, 104 Japan  
 Cable: "MITUIZOKEN TOKYO", Telex: J22924, J22821  
 Material Handling Machinery Sales Department Tel. (03) 544-3677  
 Overseas Office: New York, London, Singapore, Hong Kong