January-February
1989
Vol. 34 No. 1

The Publisher
The International Association of Ports and Harbors

Port of Mombasa
A view of the containers terminal at the Port of Mombasa.

An off shore view of Kenya Ports Authority headquarters complex at the Port of Mombasa.
PORT OF MIAMI HOSTS
THE 16TH CONFERENCE
OF IAPH IN APRIL, 1989

NORTHWEST
Official Carrier for
the IAPH Conference '89

NORTHEAST
Official Carrier for
the IAPH Conference '89

Ms. Lori Goodman, PR and Marketing Assistant, Port of Miami,
Promotes her port as venue for the IAPH Conference in 1989.

HIGHLIGHTS OF THE CONFERENCE
From the invitation address delivered by
Mr. C.J. Lunetta, Director, Port of Miami,
at the IAPH Conference in Seoul (May 1, 1987)

(A) A five-hour “Cruise to Nowhere” aboard one of the
beautiful cruiseships based at the Port of Miami.
The evening will include open bars, a full dinner,
shows, dancing and casino action! We promise
smooth seas and balmy weather.

(B) A trip to the Florida Everglades complete with
naturalist-guides, where you will see alligators,
exotic birds and other wildlife in their natural
habitat. This trip will feature an airboat ride
through and on the “River of Grass”, which we call
the Everglades.

(C) A wild hog barbecue at the Miami Seaquarium: this
particular attraction features marine life, shows,
great food, country & western style music and
dancing.

(D) A complete program for the spouses featuring a
visit to the beautiful Vizcaya Museum and gardens.

(E) A two-day tournament for our friendly golfers in
IAPH who have been drooling to golf at the
beautiful Doral Country Club.

Pre- and post-conference packages
will offer trips to:

(A) Walt Disney World and the Epcot Center, both in
Orlando, Florida, just some four hours from Miami;
Kennedy Space Center in Cape Canaveral, just
three hours from Miami; a three- or four-day
Caribbean cruise which the Port of Miami will
arrange at a very affordable price; trips to Key West,
Florida, where Hemingway wrote most of his
famous novels.

Mark in your calendars April 22-28, 1989!
You can be assured that your visit will be
a memorable one.
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Port of Tokyo with a competitive edge on containerization, is moving ahead to fulfill the needs of the future. As an important gateway to Tokyo, it is sparing no effort in creating the image of a 21st century port with advanced integrated facilities. This will help Tokyo become more internationalized, working hand in hand with the communications industry.
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The Port of Mombasa

Kenya Ports Authority has invested substantially and continues to do so to ensure that the port offers the best facilities for vessels calling at the port.

Drydock facilities are available at the port. The port of Mombasa which is managed by Kenya Ports Authority is a well developed facility capable of accommodating ships of various sizes and has some of the best equipment for handling all types of cargo. The port not only caters for Kenya but also serves our neighbouring countries of Uganda, Rwanda, Burundi, Eastern Zaire and Southern Sudan. Locally Kenya's industrial growth is directly linked to the port through which our manufactured goods are exported to foreign markets.
When you know all the facts about our port... We'll both do more business.

We're First in Rotation

It's a fact, at our port we have more first inbound and last outbound than any other North Atlantic port. This means shipments are received three to four days faster. Not only are we first in rotation, but we also have more frequent sailings. Nearly 100 scheduled steamship lines offer direct service to major ports around the globe. Last year over 6000 vessels called at our port from 370 ports in 120 countries throughout the world. First in rotation, more sailings...faster shipments. These benefits, coupled with a half-billion dollar investment to expand our facilities, and you have a port like no other port in the world.

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(212)466-3333

Far East & Pacific Area Office • Kokusai Bldg., Rm.701 • 1-1, 3-Chome • Marunouchi Chiyoda-ku, Tokyo 100 • Telex: 02222846 PANYNJ-J
How much do you know about Montevideo port?

Montevideo Port is at the entrance of the "Cuencia del Plata" (River Plate Basin) with a surface of 2,500.00 Km²; a 40 feet draft is the natural entrance to Argentina, Paraguay and Uruguay.

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New Year's Messages

Wong Hung Khim
President

It is in the tradition of our Association that I have the privilege as well as the pleasure to extend to all Regular and Associate Members my best wishes for the new year. I am happy to note that for 1988 many ports handled an appreciable increase in cargo throughput. There are therefore greater opportunities and optimism for this year. Many of you have also made good progress in implementing your long-term development plans to meet the dawn of the 21st century. On the whole, ports throughout the world have accorded greater emphasis in ensuring that seaborne trade which accounts for over 95 percent of the total world trade, does not suffer because of poor planning. The vital role that we as port operators have been playing in promoting world trade needs no further reiteration.

Our Association will actively press on with the recruitment of more members. The Temporary Membership scheme has made it easier for the prospective member ports to discover for themselves the benefits that could be derived in joining our Association. More often than not, it is the lack of information and perhaps the understanding of the Association's work that prevents some ports from joining us. In this regard, I would like to appeal to all members to make good use of their wide contacts in the maritime and port-related industry to promote membership in the Association. Recognizing that ports in Africa and South America are under-represented in our Association, we have moved in the right direction by holding our last midterm meetings in Abidjan, Côte d'Ivoire in April 1988. During the week-long gathering, we succeeded in establishing greater rapport and understanding with many port officials of Western and Central Africa.

Another area that deserves the full support and co-operation of all members is the Assistance scheme of our Association for the developing ports. Through our (Continued on Page 24, Col. 1)

Hiroshi Kusaka
Secretary General

It is with great pleasure that I extend to all IAPH members, through this journal, my best wishes for the New Year. I wish you all ever-increasing prosperity and continued good health for 1989.

Looking back upon 1988, it appears that the world has begun to walk in the direction of 'detente' with some conflicts having come to a hold and significant progress having been made in the search for peace. The world economy has generally shown steady expansion and the total volume of world trade has been increasing. I feel, therefore, that we really have had a fulfilling year.

Nevertheless, turning our attention to the situation surrounding world ports, we must admit that our business environment has been truly severe. I believe that each port management has been working hard to introduce innovations and to rationalize all aspects of port development and operations so as to cope with the changing situation. It is true to say that world ports are now engaged in highly competitive relationships with one another and that they are all challenged by the need to effectively cope with evolving trade patterns, the development of containerization or intermodal systems in line with the structural reorganization of the world economy as manifested in the drastic realignments of exchange rates involving the world's major currencies and the diversion of production bases from one country to another or horizontal international specialization.

Meanwhile, ports have been playing a greater role towards the revitalization of the communities they serve and towards meeting the varied needs of the citizens of maritime towns and cities.

Quite clearly a host of new challenges awaits us in the coming year. I trust that ports throughout the world, which have been playing the central role in intermodal distribution services in world trade, will be able to further contribute (Continued on Page 27, Col. 1)
Membership Dues
5% Up for 1989

A circular from the Secretary General with an invoice for the membership dues for 1989 has been sent to all members of the Association. The documents were dated December 12, 1988.

The dues for the year are 5% up on last year, as decided by the Board of Directors at its meeting by correspondence held on June 20, 1988. This marks the first dues increase for IAPH members after an interval of five years. The Association last raised the dues in 1983. The value on the invoice is shown in SDR Units.

The term “SDR” means “Special Drawing Rights”, as adopted and applied within the monetary system by the IMF (International Monetary Fund). IAPH has been employing this unit since 1980 as the basis for dues payments.

For actual payment, each member is requested to quote the exchange rate between the SDR and one of the currencies from the IMF basket listed below, as it was on December 12, 1988, as long as the payment is made before January 12, 1989. According to Sec. 25 of the By-Laws, payments made on or after February 1, 1989 shall be delinquent. Thus, if for any reason you are unable to arrange your remittance by January 12, 1989, you are obliged to quote the rate existing on the day of the remittance to the Head Office. The relevant currencies are:

- Deutsche mark 2.36998
- French franc 8.10031
- Japanese yen 167.541
- Pound sterling 0.740483
- U.S. dollar 1.36323

The table below shows the SDR value per membership unit for Regular and all classes of Associate Members. To assess those members who intend to remit their dues in US dollars or in Japanese yen, equivalent rates for the respective categories of membership dues are also indicated in the table.

<table>
<thead>
<tr>
<th>Regular</th>
<th>SDR</th>
<th>Japanese Yen</th>
<th>U.S. Dollars</th>
</tr>
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<tbody>
<tr>
<td>1 unit</td>
<td>930</td>
<td>155,813</td>
<td>1,267</td>
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<tr>
<td>2 units</td>
<td>1,860</td>
<td>311,626</td>
<td>2,535</td>
</tr>
<tr>
<td>3 units</td>
<td>2,790</td>
<td>467,439</td>
<td>3,803</td>
</tr>
<tr>
<td>4 units</td>
<td>3,720</td>
<td>623,252</td>
<td>5,071</td>
</tr>
<tr>
<td>5 units</td>
<td>4,650</td>
<td>779,065</td>
<td>6,339</td>
</tr>
<tr>
<td>6 units</td>
<td>5,580</td>
<td>934,878</td>
<td>7,606</td>
</tr>
<tr>
<td>7 units</td>
<td>6,510</td>
<td>1,090,691</td>
<td>8,874</td>
</tr>
<tr>
<td>8 units</td>
<td>7,440</td>
<td>1,246,505</td>
<td>10,142</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Associate</th>
<th>SDR</th>
<th>Japanese Yen</th>
<th>U.S. Dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>A-X-I, B &amp; C</td>
<td>780</td>
<td>130,681</td>
<td>1,063</td>
</tr>
<tr>
<td>A-X-2</td>
<td>550</td>
<td>88,796</td>
<td>722</td>
</tr>
<tr>
<td>A-X-3</td>
<td>270</td>
<td>45,236</td>
<td>368</td>
</tr>
<tr>
<td>D</td>
<td>130</td>
<td>21,780</td>
<td>177</td>
</tr>
<tr>
<td>E</td>
<td>110</td>
<td>18,429</td>
<td>149</td>
</tr>
</tbody>
</table>

Note: X applies to all categories, i.e. I, II and III

In order to save on bank commissions, which can amount to as much as US$20 per transaction, we would be most grateful if you could remit the dues to the IAPH account at one of the following two banks:

The Fuji Bank Ltd., Marunouchi Branch, Account No.883953
The Bank of Tokyo Ltd., Uchisaiwaicho Branch, Account No.526541
(Name of Account: International Association of Ports and Harbors)

All members' special cooperation in this regard will be sincerely appreciated.

IMO Acknowledges
IAPH Contribution

In accordance with the decision earlier made by the Executive Committee, IAPH contributed, via Mr. A.J. Smith of IAPH London Office, US$20,000 towards the organization of IMO's Workshop on Environmental Impact Assessment of Port Development prior to the event which took place in Baltimore, U.S.A. in November 1988.

The presentation was made to IMO on Wednesday 7 September 1988 in the office of Mr. C. P. Srivastava, Secretary General of IMO. Present in the photograph, from left to right, are Mr. David T. Edwards, Head, Environment Programme Section, IMO; Mr. C. P. Srivastava; and Mr. A.J. Smith, who represented Mr. H. Kusaka, IAPH Secretary General.

Mr. Srivastava's letter dated 29 September 1988 in acknowledgement of the contribution money is reproduced below.

The Letter from IMO Secretary-General
Dear Mr. Kusaka,

I thank you for your letter of 29 August 1988, informing me of the very generous financial contribution of the International Association of Ports and Harbors to the organization of the International Workshop on Environmental Impact Assessment of Port Development, which will be held in Baltimore, U.S.A. from 12 to 19 November 1988.

As you know, this will be the first International Workshop on Environmental Impact Assessment of Port Development - a subject of increasing importance and relevance to port authorities around the world - and I am profoundly grateful for the financial support and invaluable assistance of IAPH which will undoubtedly contribute greatly to the success of this endeavour.
I should like to take this opportunity to express my sincere gratitude also for the co-operation and support received from the IAPH for all aspects of the work of the International Maritime Organization.

Yours sincerely,

C.P. SRIVASTAVA
Secretary-General

Miami Conference Registration Form

By the end of October last year the Host of the Miami Conference had completed a pocket-sized pamphlet of the programs with a registration form attached and sent it out to all IAPH members and other related organizations. The 20-page pamphlet consists of six sections, namely business topics, early arrivals, social activities, the spouse program, post-conference activities and the registration and lodging application form. Just in case some of the recipients of this issue have failed to receive the form from Miami, we reproduce later in this issue the full text of the information included in the pamphlet. (See page 30)

If anyone needs copies of the registration form from the pamphlet, they will be available either from Ms. Lori Goodman, Conference Coordinator, at the Port of Miami, 1015 North America Way, Miami, Florida 33132 (telephone (305) 371-7678, telefax (305) 371-7918, or telex 493 1214); or from the IAPH Head Office at Kotobira Kaikan Bldg., 1-2-8, Toranomon, Minato-ku, Tokyo 105 (telephone (03) 591-4261, fax: (03) 580-0364, telex 2222516 IAPH J).

Miami Conference Exhibitors Invited

Seatrade North America Inc., the designated organizer of the exhibition to be held at the 16th IAPH World Ports Conference in Miami for the period April 22-28, 1989, has recently circulated an entry form to potential exhibitors among manufacturers and service-supplying companies related to ports and the maritime community. For the benefit of our members and readers of this journal the same information as included in the entry form is reproduced in this issue. (See page 33).

Membership Directory ’89 Edition Completed

The 1989 edition of the Membership Directory was completed in late October and was sent to all members from the Tokyo Head Office in the first week of November. Regular Members and Associate Members of Classes A (Grade One), B and C in Grade One, are entitled to receive 3 copies per unit (one copy out of which was airmailed, with the remaining copies sent by surface mail), and other members one copy per unit.

If IAPH members require more copies, they can be obtained upon application to the Tokyo Head Office.

OBITUARY

Mr. A.S. Mayne
Former IAPH President

On the morning of January 4, 1989, the first day the Head Office staff were back at work after their New Year’s holidays, they were shocked with the news received by telex from several IAPH members in Australia that Mr. A.S. Mayne, an Honorary Member and former IAPH President and former Chairman of the Port of Melbourne Authority, died on December 31, 1988.

According to the news from our Australian friends including Mr. N.G. Samuels, an IAPH Director representing Australia (Chairman and Chief Executive of the Port of Geelong Authority), Mr. Mayne was seriously injured in an automobile accident about three weeks ago and succumbed to his injuries on 31 December 1988. His funeral took place on January 4. According to the news from Mr. John Taylor, who is currently General Manager of Melbourne Airport and who used to work for the Port Authority under Mr. Mayne, Mrs. Mayne (Betty) was also involved in the accident but she seems to be recovering quite well.

Throughout his term of office as Chairman of the Melbourne Port Authority, Mr. Mayne enthusiastically supported the activities of IAPH. From 1973 until the 13th Conference held in Vancouver in 1983, he participated in various committees — Constitution and By-Laws, Membership, Executive, Containerization & Barge Carriers (currently called “Cargo Handling Operations”) and International Port Development — and finally served as the 14th President of IAPH (1981 – 1983).

Since the sad news of Mr. Mayne reached the Head Office at a time when the January-February issue of the Journal was ready to go to press, all we could do under the circumstances was to briefly halt publication and make just enough space for this short article based on the information available as of January 5. Thus, any other messages of condolence which may follow will be carried in the next issue.

Secretary General Kusaka has sent a letter of condolence to Mrs. Mayne through the Port of Melbourne Authority.

Mr. Aftab Alam of Karachi
IAPH Exco Member

The Head Office staff were again struck by the somber message about Mr. Aftab Alam received by telex from Mr. Mirza Tahir Ahmed, Project Manager, Karachi Port Trust, on the morning of January 9, 1989. It read “With profound grief I deeply regret to inform of the sad demise of Mr. Aftab Alam, Chairman, Karachi Port Trust, who breathed his last on the morning of 5th January 1989. May Allah rest his soul in peace. Mr. Aftab Alam was buried in Karachi on Friday, the 6th January 1989. Kindly inform all his friends
Throughout his term of office first as General Manager and later as Chairman of Karachi Port Trust, Mr. Alam was active in supporting various IAPH activities. From 1979 he served on the Committee on International Port Development as a member and Committee on Port Safety, Environment and Construction as Chairman of the Engineering Sub-Committee. In fact, he was present at the latest meeting of COPSEC held in Le Havre last October. At the 14th Conference held in Hamburg in 1985, he was appointed as an Exco member and was one of the regular participants of our biennial conferences and other IAPH gatherings held in various places around the world.

Secretary General Kusaka has sent a message of condolence to the bereaved family through the office of Mr. Ahmed, Project Manager, Karachi Port Trust.

The photo (Mr. Alam, center) was taken on the occasion of the Seoul Conference held in 1987, which turned out to be the last conference for us to enjoy Mr. Alam’s presence.

### IAPH Essay Contest Winners Announced

Mr. C. Bert Kruk (Director, TEMPO, Port of Rotterdam), Chairman of the IAPH Committee on International Port Development (CIPD), informed the Head Office of the results of the IAPH Award Scheme 1988, an essay contest in which applicants were invited to write on the subject “How could the efficiency of your port be improved?”

Mr. Kruk’s fax message dated January 2, 1989 follows.

The panel of judges of the Essay Competition, consisting of Messrs. C.B. Kruk (Rotterdam), J. Bayada (Cyprus), E. Williamson (UNCTAD, Geneva), M. Pintor (Madrid), G. de Monie (Antwerp) and J.P. Lannou (Le Havre) — after ample consideration — appointed the following three prize winners:

**Akiyama Prize (First Prize):**

**Mr. K. Dharmalingam, Mauritian Marine Authority**

Theme: “How could the efficiency of your port be improved?”

(Winner to be awarded a silver medal, US$750 and an invitation to attend the 16th World Ports Conference of IAPH in Miami, Florida, U.S.A., with travelling and hotel accommodation provided)

**Second Prize:**

Messrs. Carlos E. Gines, Miguel A.R. Garelli and Roberto A. Ascani, Administracion General de Puertos, Argentina

Theme: “Optimization of a load system for cereals”

(Winner to be awarded US$500)

**Third Prize:**

**Mr. Gichiri Ndua, Kenya Ports Authority**

Theme: “Maximizing gains through investment rationalization”

(Winner to be awarded US$400)

Furthermore three papers were recommended for consolation prizes:

**Mr. Mamadou Fall, Port Autonome de Dakar, Senegal**

Theme: “Organisation and optimal management of the land areas in the Autonomous Port of Dakar”

**Mr. Douglas B. Ranasinghe, Sri Lanka Ports Authority**

Theme: “How could the efficiency of your port be improved?”

Mr. Bakitesila Nsingi, Port of Kinshasa, Zaire

Theme: “Investigation into the optimal routing for the handling of copper in bundles through the Ports of Kinshasa and Matadi”

(Each entrant to be awarded US$100)

The panel proposes to award an IAPH bursary to Mr. Nsingi.

As in the case of the last competition, the Panel did not award a fourth prize.

Altogether 22 entries were received, including two in Spanish and two in French, with the number of entrants showing a fall from the total of 29 who took part in the last contest.

The publication of the paper of the first prize winner in the journal “Ports and Harbors” was discussed by the panel members. It was unanimously felt by the panel that the paper would be too long to publish and that a summary of each prize winning paper should be published in the journal. For this purpose, Mr. Kruk took the trouble of summarizing the papers, which will be introduced in the next issue of the journal.

As the winner of the Akiyama Prize, Mr. Dharmalingam of Mauritius will be invited to the forthcoming Conference in Miami, where the presentation of the award will take place.

### New Chairman of Port Safety Sub-Committee

Due to circumstances at the Port of Gothenburg, Mr. Per H. Olson has had to terminate his engagement as Chairman of the Port Safety Sub-Committee, COPSEC. The chairmanship has been taken over by Mr. P.C. van der Kluit of the Port of Rotterdam. Mr. van der Kluit, Head, Environment, Safety and Port Planning, Port of Rotterdam, had been serving as the Sub-Committee’s Vice-Chairman and the change in the chairmanship was unanimously supported by the COPSEC members at its meeting held in Le Havre on October 17, 1988. The new appointment was authorized by President Wong through the Tokyo Head Office to take effect immediately.

Meanwhile, Secretary General Kusaka has written to Mr. Per Olson expressing, on behalf of all members of IAPH, his deepest thanks and appreciation for Mr. Olson’s contribution to IAPH work.
IPD Fund: Contribution Report

The contributions from members to the Special Port Technical Assistance Fund ("the Special Fund") as of January 10, 1989 are listed in the box below. The amount received in contributions in the 8 months from the start of the campaign totalled US$29,735, with the addition of US$13,690 from 17 more donors since the last announcement.

The maximum amount to be granted to each successful applicant is US$3,500. The amount so far contributed will be sufficient to train about 8 people, while our target is to raise funds to accommodate 20 people in the 2-year term between conferences.

All members' continued support in helping us to achieve the targeted amount of US$70,000 is urgently required.

COPSEC Meeting Held in Le Havre

By Jean Smagghe
Chairman, COPSEC

As announced in Abidjan, the COPSEC Meeting took place in Le Havre last October 17th. John Mather, 2nd Vice-President of IAPH, attended the meeting, which was chaired by Jean Smagghe, recently appointed as Chairman of the COPSEC. Twenty-two members of the different
Sub-Committees representing not only European but also African and Asian ports or associations were present.

The programme concerned mainly the work completed since the previous meeting in Abidjan and the work to be carried out in preparation for the next Miami Conference.

The sub-committee Chairmen presented the activities of their respective groups, i.e. Marine Safety, Port Safety, Engineering, Ship and Dredging Task Force. It appeared that the Guidelines for Environmental Planning and Management in Port and Coastal Area Developments under progress will certainly be of great help in the future for port managers planning the construction of new facilities. These guidelines will be completed by the end of this year and could then be presented in Miami.

The work carried out by the Ship Sub-Committee, Trends in Container Vessel Size, was discussed. A draft of this report had been presented in Abidjan. Last August an amended issue was addressed to the most representative shipowners involved in containership development to find out their reactions. The resulting comments generated great interest. There is no doubt that during the 16th Conference the presentation of this report will gain the attention of the numerous port managers who are interested in container traffic.

Alex J. Smith as liaison officer with IMO reported on the London Dumping Convention held during the first week of October. He also reported on the Dredging Task Force, as the Chairman Mr. Herbert Haar was not able to attend the meeting.

During the debates it was unanimously agreed that the COPSEC had to work closely with other international organizations such as PIANC, EHMA and IALA, so as not to duplicate surveys.

As membership changes have occurred, proposals for new assignments for the sub-committees will be submitted for the approval of the members of the COPSEC during the next few weeks. This decision has also been taken in order to cope with the evolution of the problems port managers have to face at present in terms of safety, environment and construction.

Jean Smagghe thanked John Mather for having shown the interest of the EXCO in the work of the technical committees by attending the meeting.

Special thanks were addressed to Per Olson, Chairman of the Port Safety Sub-Committee, for his activities for IAPH developed over many years. Unfortunately, he will have to concentrate his efforts to help the Port of Gothenburg succeed in its new orientation and so will not be able to attend future IAPH meetings.

The COPSEC members now have to keep in contact to complete the different tasks whose results have to be presented in Miami next April.

The following members attended the meeting:

John Mather, 2nd Vice-President, IAPH
Jean Smagghe, Chairman, COPSEC
Alex J. Smith, Vice-Chairman, COPSEC
Aftab Alam, Chairman, Engineering Sub-Committee
Bernard Coloby, Marine Safety and Ship Sub-Committee
Peter Fraenkel, Vice-Chairman, Engineering Sub-Committee
J.P. Graillot, Dredging Task Force
J.P. Huché, Ship Sub-Committee
J.P. Lannou, Member, Committee on Int'l Port Development

Capt. Ledoux, Harbour Master
P. Lelarge, Engineering Sub-Committee
Capt. D.B. McMurrary, Ship Sub-Committee
Norman Matthews, Marine Safety Sub-Committee, IALA
J.A. Mulock Houwer, Dredging Task Force, Int'l Asso. of Dredging Companies
Capt. E. Noellke, Dredging Task Force
Kiichi Okubo, Engineering Sub-Committee
Per Olson, Chairman, Port Safety Sub-Committee
G. Paye, Member, Committee on Cargo Handling Operations
J. Perrot, Assistant to Chairman, COPSEC
P.C. van der Kluit, Vice-Chairman, Port Safety Sub-Committee
Capt. J.J.H. van der Schaaf, Chairman, Marine Safety Sub-Committee
W.A.M. Vlemmix, Engineering Sub-Committee and Dredging Task Force, representing
Mr. d'Angremond
Capt. F.F. Weeks, Marine Safety Sub-Committee

CLPPI Copenhagen Meeting Minutes

Starting at 9:30 a.m. on Tuesday, 13th September 1988
Present: Paul Valls, Patrick Keenan, Alex Smith, Carl Veng, Andre Pages, Kick Jurriens
Also attending: Pamela Le Garrec
Apologies for absence were received from: Messrs P.J. Falvey, E. Waiyaki, F. DeVos, J. Stewart, T. Hirota

1. Minutes of the Last Meeting
Having been circulated, the minutes of the last meeting were taken as read and signed by the Chairman.

2. BIMCO/IAPH Liaison
The chairman gave a brief account of the meeting with BIMCO on 12/9/88, for the benefit of those CLPPI members who were not present. A report of that meeting is attached in the annex to these minutes.

The Committee agreed that there were many areas where a mutual exchange of views between IAPH and BIMCO (which appeared to be a very dynamic association) could be mutually beneficial. From the point of view of practical problems, this could well involve other Technical Committees.

It was agreed that the Chairman should suggest to Head Office that Alex Smith and Carl Veng be designated to liaise with BIMCO, for the present, on certain matters of mutual interest and that, eventually, so that IAPH Officers had an opportunity to meet him and talk with him, Mr. Torben Skaanild, Secretary General of BIMCO, should be invited to the Miami Conference if this solution were acceptable to Mr. Kusaka and the President.

In respect, for example, of the BIMCO project of guaranteeing payment for all call costs incurred by their members, it was clear that many member ports of IAPH would have much to gain. It was noted that liability in the case of an accident would not be included in the project, but there were certain benefits to be drawn by both ports and ships and thus IAPH had every interest in monitoring
BIMCO's progress.

3. Revision of the Limitations of Liability Conventions

The subject had been dealt with at the 59th Session of the IMO Legal Committee, which took place at the same time as the Abidjan meetings and was attended by Andre Pages on behalf of IAPH.

A copy of his report of that meeting had been circulated to CLPPI Members and also published in Ports and Harbors by Head Office.

The next session is scheduled for 10th to 14th October at the IMO. It was agreed that Alex Smith and Andre Pages would attend and monitor this meeting between them.

It was noted that there was a close liaison between the revision of the 1974 Athens Convention and that of the 1976 London Convention insofar as the distribution of the global amounts available for damage compensation will be altered appreciably to the detriment, in certain circumstances, of the compensation awarded to Port Authorities. IAPH needs to monitor that situation.

The Committee agreed that a policy statement was not required immediately, since the need to protect port interests had been repeatedly put to IMO. In any event, the current political climate now seemed right and thus delegates themselves were likely to press for limitations at high levels.

4. HNS Draft Convention

Having failed to be accepted by the Diplomatic Conference in May 1984, the issue was re-examined at the 58th & 59th Sessions of the IMO Legal Committee and is also on the agenda for the 60th Session.

A number of major points still remain to be settled so it is likely to be on the agenda for a number of sessions still to come.

IAPH's established policy in this respect is to work for a convention which:
- includes an extended range of hazardous and noxious products, as well as an extended range of risks (pollution, toxicity, fire or explosion on board, etc) within its scope;
- goes as far as possible in respect of small packages;
- enables the person liable for damage to be easily identified;
- establishes that liability shall be objective and covered by mandatory insurance; and
- sets the limitations of liability at very high levels.

It was recalled that, at the CLPPI Cork meeting, members examined IMO LEG 58/6/1, which had been submitted to IMO by a number of Governments, and felt that IAPH should support the paper since its basic requirements correspond with IAPH's wishes.

There were certain reservations concerning different options, preference being given to Opt. 1b, followed by 1a and finally Opt. I (which involved the general increase in the 1976 limitation amounts to cover the majority of cases, completion of limits by a special layer to cover HNS damage, and completion of limits by a compulsory shippers' insurance respectively).

The Committee also noted that Para 24 dealt with the problem of empty tankers.

It was noted also in the IMO papers received prior to the October session that the I.U.M.I. and P & I Clubs had agreed to draw up a paper on the insurance implications of a new compensation system for HNS damage. For the purpose of the analysis, compensation is to be based on limits equivalent to those in the 1984 CLC Protocol. The substances covered are assumed to be broad and include both bulk and packaged HNS.

Finally, it was noted from the IMO papers that LEG/CONF.6/C.1/WP22 of May 1984 (which contains the draft convention) has been recirculated for consideration.

Article 3.2.c of that draft refers to the liability of Ports, stating:
"No liability shall attach to the owner if he proves that the damage was wholly caused by the negligence or other wrongful act of any Government or other authority responsible for the maintenance of lights or other navigational aids in the exercise of that function".

The Committee felt this to be a normal clause to which Ports could hardly object, but one of which IAPH members should be aware.

5. Salvage Convention

It was noted that the Diplomatic Conference to deal with this draft Convention has been fixed for the period from Monday 17th to Friday 28th April 1989.

This will pose a problem for IAPH since it clashes with the Miami Conference scheduled from 22nd - 29th April 1989.

No decision as to representation was made, the Committee preferring to leave this until a later date.

6. Marine Incident/Accident Reporting

The Chairman had received a copy of the Standard Format for reporting marine accidents/incidents in port areas. The Marine Safety sub-Committee of COPSEC had requested CLPPI to ensure that the format included the information they needed.

After discussion it was agreed that the Chairman should request the following amendments to enclosure II of Capt. J.J.H van der Schaaf's letter of the 7th September:

Point 6 — Description of the accident/incident .... to ask
- a) if dangerous goods were involved;
- b) if there was any damage to the infrastructure; and
- c) the extent of any pollution involved.

Point 7 — Description of damage to port .... to include the costs to the port.

Point 9. How the damage was met .... to include the amount of compensation received, whether or not liability was invoked and, if so, under which Convention.

The question was also raised as to when the report was to be filled in. If it was immediately or shortly after an incident then the cost would not be known. The Chairman would ask if a timescale could be incorporated.

From a CLPPI point of view, a report once a year would be acceptable for the creation of a database, but this could be solved at a later stage.

7. Revision of Maritime Liens & Mortgages

The recent IMO papers included LEG 60/17 "Matters arising from the 60th Session of the Council", which under item 8 noted that the UNCTAD Committee on Shipping had decided not to allocate any meeting time or resources to the Joint-Intergovernmental Group of Experts on M.L.M. in 1989.

Alex Smith explained that this meant that there would be a meeting in December in Geneva, and then a final meeting in the spring to settle the problems of Maritime Liens and Mortgages.
The report circulated prior to the meeting seemed more relaxed towards ports. Clearly and quite rightly, top priority would be accorded to crews, but ports seemed likely to be well positioned.

It was noted that the BIMCO project of guaranteeing call costs would also go a long way towards solving many of the problems involved in maritime liens and mortgages.

Although the IAPH position paper submitted to IMO had not been circulated by mail prior to the meeting, it had been available to international delegates during the session.

Equally, IAPH had circulated a paper to all its membership, so clearly CLPPI had done all it could do.

All that remained now was to monitor the meeting.

The Geneva meeting was always a problem because it involved nearly 2 weeks. Andre Pages and Alex Smith agreed to share the representation between them.

8. Measures to Prevent Unlawful Acts

The diplomatic Conference on this subject has come to a successful conclusion, and the treaty has been adopted and is open for ratification.

Unfortunately policy is not necessarily being followed and the Port of Tilbury, for example, has found itself involved in a £¼ million investment as a result of the impact of traffic and the new regulations, whereas for Copenhagen, with 150 passenger ship calls per year, it is considered a police affair.

It was agreed that this subject could now be removed from the CLPPI agenda.

9. Liability of International Terminal Operators

UNCITRAL have convened a Conference to be held in Vienna from 16th May to 2nd June 1989 and have called for any comments on the draft Convention to be forwarded to them by 30th November 1988.

Patrick Falvey has been following this matter for CLPPI and the Chairman has asked him if he would comment to Head Office on behalf of CLPPI.

A number of the members present had examined the draft convention and found it perfectly acceptable. But there was a slight fear that liability limits, particularly where containers were concerned, might be rather high. It was decided to ask Patrick Falvey if he felt that these limits were reasonable.

Carl Veng also agreed to enquire of stevedores and find out their reaction.

Andre Pages had studied the papers recently and felt that it might be useful if, during interventions, companies covering various activities would stipulate clearly, at each stage, the quality level at which they would intervene (and, therefore, the text covering limitations which was applicable). The incorporation of this comment was also to be left to the discretion of Patrick Falvey.

(Lunch)

10. The Implications of Electronic Data Interchange, EDI

Members have been circulated with the paper relating to the legal implications of EDI, prepared by Andre Pages.

The Chairman recalled briefly the two main systems developed in Europe, the first being one developed by the Port of Marseilles, which is what could be called a "closed" system, for which you pay a share and which basically deals with the internal organization of port affairs, and the second, a North European system which is more flexible and "open" but which involves heavy expenditure in hardware and software and also necessitates following very strict guidelines. A first meeting had taken place to see if these two systems could be combined.

It was also noted that BIMCO had raised this issue and hoped to have a database available for their membership within the very near future.

A long discussion then ensued, where it was admitted that EDI was only just beginning to get off the ground in Europe and that the problems had only just begun to manifest themselves.

Many ports were in a position where they could invest in EDI and enable a lot of small agents not in that position to be incorporated.

These were of course technical and practical problems, which were not the direct concern of the Committee. However, the associated legal aspects were.

The Committee's main concern was the legal authenticity of an EDI message.

It was felt that Customs as well as a number of other bodies were likely to support the notion that they were legal. There was evidently a need to liaise closely with other associations, organizations, banks and insurance companies — who have even more interest in the matter than ports — to find out their attitudes.

BIMCO is just one example where CLPPI clearly needs to relate to what these partners are doing.

Since the United States appeared to be ahead of Europe where EDI was concerned, the Committee felt that it might be useful to ask Patrick Falvey what case law had been built up there.

Patrick Keenan was due to be in New York in the near future and could raise the problem with him then.

The Chairman agreed to send a letter to Patrick Falvey to give him advice warning and to tell him that Patrick Keenan would be in New York.

Andre Pages' paper had raised a number of the issues and the Committee felt the paper should be disseminated to the other Technical Committee Chairmen, with the request that they bear it in mind in view of the Miami Session. Clearly other Committees will have their own thoughts on EDI and these in turn will impact on CLPPI's opinions.

It was agreed that the Committee members would go to people involved and gather as much information as possible on the way people are dealing with it and what they think, etc., so that we are in a position to give the latest up-to-date information in Miami and suggest a further course of action, if necessary.

11. VTS — Safe Port Management —

It was felt that the VTS paper gave a clear idea of what the situation is and should be sent to Head Office for publication.

It was agreed that a leader paragraph requesting comments from members and stressing that CLPPI would be interested in hearing about any problems they had encountered would be useful.

12. Legal Steps for Claiming Pollution Damage

Responses to the letter circulated prior to the Abidjan meeting have been coming in steadily. It is clear that in a number of quarters people are interested in being kept informed.

Clearly environmental questions were of growing concern and reference was made to the publication of the World Commission on the Environment and Development,
headed by Prime Minister Brundtland of Norway, entitled “Our Common Future” and published in 1987 by Oxford University Press in New York, which clearly demonstrates world thinking on these issues.

The report prepared by Aftab Alam on environmental impact outlines a similar train of thought.

The Port of Rotterdam’s new advertising campaign was to be “The Clean Port of the Next Century”.

Discussions were in progress to define what is an acceptable level and what is a clean level.

The trend was also moving towards what could be termed clean land contracts. These are contracts for land leases, where the land is restored clean, as found. Some leases run through to the year 2020, so you need to negotiate now as to what conditions will be acceptable as “clean” then. For the future it will be the landowner who is liable for ensuring that his land is clean.

This was to be one of the issues raised at the seminar in Baltimore.

IAPH had invested money to back up this attitude, while IMO was giving its seal of approval. The results will impact on all ports, because they will result in IMO norms, which will end up as IMO Guidelines to ports the world over.

Bordeaux agreed to liaise with Kick Jurriens and ensure that all requests for further information were known to him and followed through.

13. Port Coding – (Identification of Ships)

A paper written by Andre Pages relating to this subject had been circulated to CLPPI members and is attached in annex to these minutes. There is a need to identify vessels from the size, financial and legal points of view. This question was raised during the debates on Maritime Liens and Mortgages, for example.

A problem arises during changes in registrations. Ships cannot be on two registers at the same time and it is impossible for a ship not to be registered. Clearly EDI could solve this problem.

The problem of Ships Agents, which is also raised in this connection, may hopefully be overcome by events if the BIMCO project comes to fruition.

The BIMCO effort is interesting for ports and could help them and, of course, if accepted by UNCTAD, would produce the legal framework for effecting the identification of ships.

14. Preparation of Working Sessions for the Miami Conference

It was understood that the Technical Committees would have two opportunities to describe their work to the membership as a whole.

The first of these would be an initial Working Session, shared between the different Technical Committees, with the theme of “containers”. A draft commentary accompanied by slides had been produced in Bordeaux and was shown during the meeting. The basic theme was accepted by the Committee and Alex Smith agreed to finish the presentation. Bordeaux would make second copies of all relevant slides and forward them to Alex Smith. It was agreed that at the end of the commentary an acknowledgement should be made to the Salvage Association for the slides they had produced.

The second draft paper produced by Bordeaux would form the basis for discussions to be conducted during the Committee’s own Session, later during the Conference, when the Committees were divided up.

15. Any other matters

ECOSOC – Vienna – December 1988 – Illicit Drug Trafficking

A conference has been convened in Vienna to debate the draft convention against trafficking.

The IMO Legal Committee had been asked to comment and made various observations during its 59th Session in April 1988, which were transmitted via the IMO Council to Vienna.

It does not seem that there is much threat to port interests in this convention, and indeed ports need to be as cooperative as possible with regard to delays to ships in ports caused by checks and controls made by the appropriate Public Authorities in this respect.

However:

IAPH has consultative status with ECOSOC, and therefore the right to obtain a copy of the final draft of the proposed convention. As Chairman of CLPPI, Paul Valls wrote at the beginning of September asking for a copy.

IAPH can thus make any comments it may feel useful and eventually, if deemed necessary, send a representative to the Diplomatic Conference.

16. Date of Next Meeting

The date of the next CLPPI meeting was fixed for Wednesday 25th January, with London as the venue.

There being no other business, the meeting closed at 18:20 hours.

Report on BIMCO-CLPPI Meeting

By Mr. Paul Valls
Chairman, Committee on Legal Protection on Port Interests (CLPPI)

In view of the fact that the CLPPI had chosen Copenhagen for its Autumn Meeting, the opportunity was taken to visit BIMCO, whose head office is located there. Thus a meeting was arranged for the morning of Monday 12th September, 1988 at the BIMCO offices located at: 19 Kristianiagade DK-2100 Copenhagen Tel. +45.1.26.30.00, Telex 19086 — BIMCO, Fax. +45.1.26.33.35.

Present:—

BIMCO members: Mr. Toben C. Skaanild, Secretary General Mr. Ron Cartwright, Deputy Secretary General Mr. Flemming Ramsby, Head of Division, BIMCO SERVICES IAPH members: Mr. Paul Valls, Chairman, CLPPI Mr. Patrick Keenan, Vice Chairman, CLPPI Mr. Alex Smith, IAPH European Liaison Officer Mr. Kick Jurriens, CLPPI member
The discussions were opened by the CLPPI Chairman, Mr. Paul Valls, who gave a general description of IAPH and CLPPI within the framework of IAPH.

He then went on to suggest that discussions could, perhaps, be centered around the following main themes:

1. General outlook and aims of the two associations.
2. Respective positions on, and the extent to which there could be a cooperative effort in, discussions currently taking place within UN agencies, viz:
   - (a) Maritime Liens and Mortgages,
   - (b) Liability of Marine Terminal Operators,
   - (c) Salvage Convention,
   - (d) HNS Convention,
   - (e) Anti-Pollution activities (MARPOL requirements),
   - (f) Ships Agents/Port-Ship Coding/"Ownership".
3. Legal implications of VTS.
4. Legal Aspects of EDI.
5. Marine accident/incident reporting.
6. Any recurring problems encountered in Ports.

This being agreed, Mr. Skaanild explained that over the past three years BIMCO has developed into a Service Organization.

Its members are all professionals from the shipping industry, such as owners and P & I Clubs.

BIMCO provides a data bank of information which is collected from and disseminated to its members. This implies that communications are an essential point.

As far as documentation is concerned, BIMCO continues to adjust to outside influences.

By June of next year, BIMCO expects to be in a position to provide a 24-hour service of information to its members, covering such things as port charges, or actual complications existing in the different ports.

The network will also enable inter-communication directly between members, as well as with Head Office.

The network will be some 25% cheaper than the normal telex network and based on personal computers.

In addition, BIMCO has acquired the rights to the "Pilots Hanzsgade" database and this too will be available to all members.

Two wholly-owned profit-centre companies have been formed:

BIMCO Publications and
BIMCO Informatique

Eventually, there may be a third company — BIMCO Services.

These companies are potential profit centres.

During the discussions, EDI was a focal project, stemming from a firm belief in paperless trading. Problems involving discretionary access to data remained to be solved.

The organization's reputation was founded on impartiality, and in the present political climate it was essential to remain impartial.

An initial approach to the EDI concept was the drafting of standardized Bills of Lading and then getting these accepted.

BIMCO had strengthened its ties with CMI and it was CMI which provided the legal framework for the protection of members' needs, while BIMCO provided the practical experience.

It was explained that IAPH also had a practical input to make.

BIMCO then referred to the Seaways Bill and explained that it is a member of the Committee dealing with this subject. Through this they have, for example, organized a standard Charter-party contract in a famine relief context.

It was noted that, like IAPH (through another of its Technical Committees), BIMCO is also closely involved with the IMO Trade Facilitation Committee.

Discussions then returned more generally to EDI. Everyone agreed that EDIFACT was making good process, although there was still work to be done. Both organizations would be monitoring this carefully.

The main hurdle to be overcome was the vendor or data carrier, which has to be a neutral format so as to communicate with every system. BIMCO was currently working on this problem, since their own system had to be freely available to every member, whatever their technology.

It was pointed out that given BIMCO's commitment to the EDI concept and the need for somebody to orchestrate its introduction, there was even, perhaps, an opportunity for BIMCO to become a network centre for ports.

A port authority needs to establish a database on a ship before her arrival covering such factors as ownership, perhaps even the financial position of the owners and the cargo carried — especially if HN substances are involved — so as to establish a berthing plan, etc. It was agreed that this would be in the interests of both the ship and the port authority. It was in the interests of both parties to ensure that a ship's turnaround was as fast as possible.

BIMCO was also on the U.N. Ocean Carrier Committee, which had been working on the narcotics problem. This could sometimes involve the arrest of ships and — through contacts with the U.S. Customs, for example — when a ship belonging to a member was involved in an arrest, it was now agreed that BIMCO would be contacted immediately to ensure that procedures were respected.

BIMCO, again similarly to IAPH, had been tightening their links with IMO and they now had a permanent liaison officer in London. They had had consultative status with IMO since 1969, but they felt that it was essential to tighten their links.

They did not feel that they were competing with organizations such as ICS; their respective objective was simply to disseminate information as fast as possible. Policy tended to be to define the aims and then follow them through.

The Council has a permanent staff of 35 and, in view of their aims to rationalize communications through personal computers (P.C.s), this staff includes two programmers on a four-year contract.

The policy was never to promise more than they could achieve, but in order to achieve as much as possible the inhouse work had to be completed first. This had now been done and the Council was ready to expand its influence.

With regard to the legal aspects of issues generally, policy was to think ahead and advise what should be done, calling on CMI to produce the legal framework.

BIMCO maintains a practical approach and must be able to defend its owners.

As far as the Maritime Liens and Mortgages issue is concerned, BIMCO is considering providing a guarantee for call expenses. Insurance negotiations are currently in hand and the aim would be to provide coverage of about $100,000 for a cost of $2,000 per annum. The scheme was a revolutionary one and many considerations still needed
to be solved, but the reaction so far had been encouraging.

In respect of the MARPOL Convention and the dumping of toxic waste, a great deal of responsibility remained on the owners with storage in double tanks.

BIMCO was examining the possibility of a licensing system for owners to carry toxic waste, but there was a need to identify reception facilities, and this was where Ports could help. BIMCO would be discussing the possibility with IMO.

In respect of recurring problems encountered by owners in ports, an example was used concerning Bordeaux, which is one of about 12% of the ports in the world to apply a sweeping charge to ships to keep the quays clean. Owners feel that they should not have to bear this cost directly. The problem was used purely as an illustration of how regular dialogue between the two organizations could perhaps help to resolve such issues.

The BIMCO staff were very keen to establish links with IAPH as the representative body of Ports the world over. It was felt that there were definite advantages to be gained by dialogue between two principal partners in maritime transportation.

The Legal Implications of V.T.S.

By Mr. Paul Valls
Chairman, Committee on Legal Protection of Port Interests (CLPPI)

Modern technology, over the past 20 years or so, has been progressively used in the maritime field (as it has in many other domains) to provide information both on board vessels and at shore based stations, in ports or along frequent coastal routes, as an additional aid to navigation, for the greater safety of shipping.

The general term covering the duties carried out by shore based stations are Vessel Traffic Services or VTS.

The definition given to Vessel Traffic Services in IAPH's GUIDELINES ON PORT SAFETY AND ENVIRONMENTAL PROTECTION, Chapter 2.2., page 2.2.1, paragraph 2.2.1.1., is as follows:

"Vessel Traffic Services are the services used to organize maritime traffic in those areas where it is necessary. They include all navigational facilities (material, personnel, procedures), placed at the disposal of vessels using the ports, in order to improve the safety of navigation and the efficient flow of traffic."

The technical aspects of VTS were thoroughly studied and recommendations introduced through the Guidelines published by the IMO and drawn up in liaison with the International Associations of Ports, Lighthouse and Marking Services and Pilots, IAPH, IALA and IMPA, respectively. That same group is currently examining these recommendations in greater depth and will probably be in a position to disseminate its results during 1989.

The question was raised as to the utility of completing these guidelines by a study of the legal implications of VTS and, eventually, even of introducing new legislation to deal with certain aspects.

This paper is intended to take an overall look at VTS and the legal situation surrounding it and to try and highlight the implications involved.

Traditional VTS

From the construction of lighthouses, or the introduction of marine charts, centuries ago, came the first attempts at VTS.

As VTS progressed, they could be roughly split into two categories:

Unilateral: simply providing information for shipping; and

Bilateral: where communication of some form exists between ship and shore.

Within the first category are to be found:
- marine charts, of coastal waters, port areas, etc.
- shore signals: lighthouses, lightships, beacons, buoys, radiolocation transmitters, etc.
- nautical information: weather forecasts and other warnings to shipping, for example.

Within the second category come:
- Traditional communication between ship and shore, where information provided or received is particular to the ship and communication is established through loud hails, flag signals, semaphore, etc. and, today, by radiotelephone or VHF.

This being said, it can readily be appreciated that the notion of VTS is not in itself an innovation and does not, therefore, give rise to a totally new legal concept.

The advent of modern communications and radar surveillance can therefore be said, merely, to have extended the possibilities of VTS and provided a means of:
- supplying a ship with a great deal more personal and accurate information relating to her: her position compared with the axis of the channel, the actual state of the tide, currents or swell, etc. local weather conditions, other shipping known to be in the area, conditions along the coast, or in ports, sectors where work is being carried out, which berths are occupied, etc.
- asking for specific details relating to the ship and her cargo, before she enters port, sending specific messages - not as official orders to which she must comply but rather instructing the ship in what she may or may not do (except in cases of imminent danger to a third party), etc.
- and enabling the shore base to observe whether or not the ship does comply with such regulations.

This does not, however, drastically change the situation. The navigation of the ship still remains in the hands of the Master and, legally, the final decision on a course of action or measures to be taken remains his and his alone, whether or not he has a pilot (whose role will be discussed later) beside him to assist.
In this respect the IMO guidelines provide, in paragraph 2.1.5, that:

"care should be taken that VTS operations do not encroach upon the Master's responsibility for the safe navigation of his vessel, or disturb the traditional relationship between Master and Pilot."

and later in paragraph 3.3.2, that:

"the decisions concerning the actual navigation and manoeuvring of the vessel remain with the Master."

This can be seen to be logical if one considers that, however perfect a shore based radar, it may not detect every pleasure craft or fishing boat which has not made its presence known to the harbour master's office or shore station, for example, whereas the Master and Pilot can see what is around them and, equally, the VTS centre has no knowledge as to the real time behavior and reaction of the ship.

Nevertheless, a Master, who deliberately ignored information or advice provided by a VTS station without good reason, and who involved his ship in an incident or accident, would find himself in a delicate situation vis-a-vis his shipowner or maritime tribunal and the law provides for him to be sanctioned.

On the other hand, in the case of an incident or accident following misleading information being supplied by a VTS centre, a tribunal would have no hesitation in attributing, partial or even total liability to the VTS Authority, according to the circumstances.

Thus the Liability of a VTS Authority or centre cannot be excluded, in the case of an accident, where fault or negligence in its duties is proved.

From the safety of navigation viewpoint, therefore, the two main risks with which VTS have to contend are collision and running aground.

The most probable causes of such accidents are:

- a ship breakdown,
- the ship being given erroneous information (human error) or the information being badly interpreted (confusion in language, transmission interference in communications, etc.);
- the ship not following VTS recommendations; and
- the VTS centre being unable to supply information to the ship because of a technical incident.

In the second of these causes, clearly the VTS centre's liability could be evoked and Port Authorities would be strongly advised to examine the possibility of insurance coverage against these risks, if they have not already done so, as well, of course, as following recommendations in the Technical Guidelines in an attempt to diminish these risks.

It should be mentioned here, perhaps, that where the liability of Public Authorities is concerned, legislation appears to be somewhat varied at a national level. The U.S. Coast Guards, for example, come under a regime based on the notion of direct proportional liability, where each is liable for the part directly involving him (as is the case in aviation, incidentally), whilst, on the whole, Europe, arguing that this can lead to excessive protective insurance coverage, tends towards a notion of indirect proportional liability, where liability remains with the ship but is not exclusive, since the ship may sue and has right of recourse against a VTS centre.

The Role of the Pilot within VTS and the Pilots Liability

IAPH Guidelines on Port Safety and Environmental Protection on page 2.2.7, paragraph 2.2.4.1, gives a very clear definition of the function of a pilot, namely:

"The function of a pilot is to provide the following:
- the master with assistance in manoeuvring his vessel,
- the master with local knowledge both concerning navigation and national/local regulations,
- assistance with communicating between ship and shore particularly where there are language difficulties."

It goes on to explain:

"The status of pilots varies greatly from one country to another. They may be employees of the central or local government, of the port or they may be self-employed."

National legislations also vary widely and although it appears that there has been no problem for pilots to date, since personal liability on their part has usually either been excluded or limited to a small amount, it should be remembered that certain countries do not have limitation of liability for pilots.

While it is probable that IMPA is more apt at examining this problem, Port Authorities who employ pilots would be well advised to check their respective national legislation in this context.

This becomes particularly relevant where pilotage is fully integrated into VTS centres.

There is perhaps also cause to examine the status of pilots who come to the VTS centre in order to guide a ship to the entrance of a port in bad weather, when it is not possible to board.

As a Port employee integrated into the VTS Authority, does he retain his status as an authorized pilot or will he have the status of an employee of the VTS Authority? And the same question applies when the pilotage authority is independent or the pilot self employed. Would this case be considered as an instance where VTS “disturbs the traditional relationships between Master and Pilot”?

In many countries pilots and pilotage authorities have the right to limit their liability, in others pilots cannot be held liable, whilst in yet other instances there is no limit of liability. Port Authorities also, in certain cases, have the right to limit their liability -- but to a varying degree (for example, in the U.K. Port Authorities have the right to limit their liability for loss or damage to property, but not for death or injury, whereas pilotage authorities have a different limitation amount which also covers death or injury. (See the Keynote address presented to the IX IMPA Congress, Melbourne, Australia - 9th February 1988 - by the Rt. Hon. Lord Justice Staughton).

It is evident from the above that, from this point of view, legislation in certain countries may call, at least, for clarification or amendment.

The Role of VTS outside Port Waters

So far we have discussed the aspects and implications of VTS centres acting within Port Waters. However, certain centres also cover waters outside port limits — usually coastal waters within radar range of the shore.

The Convention of the Law of the Sea entitles coastal states to take measures to protect and preserve the marine environment within their territorial waters and economic zones and provides in Art 211 that measures taken concerning ships shall be taken in accordance with internationally accepted rules and standards.

Articles 41 and 42 of the same Convention give coastal states the right to introduce rules and regulations in straits, for the safety of navigation and to create traffic separation schemes.
Provision is also made in these articles for the introduction of laws to prevent and control pollution, as well as to ensure the protection of coastal state’s fishing rights.

Thus, within the scope of accepted international conventions, measures and practices, VTS centres have the right to intervene to control shipping within their coastal waters and to set up traffic separation schemes in straits and difficult passages.

There is, naturally, a counter party, which involves marine charts, to be found in the 1958 Geneva Convention on Territorial Waters and adjacent zones, Art 15 para 2, which requires that Coastal States shall make known in an appropriate manner all known dangers within their waters that might present a risk for shipping.

Here again liability is in cause, and a chart which failed to show a rock, wreck or other such danger within port or territorial waters which was known to present a possible hazard to shipping could involve the liability of the appropriate authority. (Sweden versus Tsesis, where Sweden was condemned in 1983).

However, contrary to air traffic systems at present there is no compulsory reporting system for vessels navigating in VTS covered waters, unless they are proceeding to a port covered by that centre. On the other hand, to our knowledge there has been no demand from Port Authorities or VTS centres that this should be so, nor to our knowledge has such a proposition been made to IMO. In the future, should this be the case, then obviously new international legislation would have to be considered.

60th Session of IMO Legal Committee
— Report by the IAPH Observers, Messrs Alex Smith and Andre Pages —

The International Maritime Organization’s Legal Committee held its 60th Session from the 10th to 14th October 1988, which was followed by:
— 40 Governmental delegations (within several of which were representatives from the national shipping lines, in the capacity of advisors); and
— the representatives of 22 non-governmental organisations, having observer status with IMO.

As on a number of previous occasions the Chairman for the Legal Committee’s 60th Session was Mr. R. Cleton (Netherlands)

Discussion centred round the following issues:


1.1 — Recap:
This issue has been on the IMO agenda for a long time.
In May 1984 a Diplomatic Conference was convened after several preparatory working sessions by the Legal Committee, but it failed to approve the convention. The required information relating to the insurance implications of the draft convention appeared to be insufficient.

Since that time, a number of maritime disasters (m/v “Brigitta Montanari” in the Adriatic Sea in November 1984; m/v “Adriadne” in the Indian Ocean in August 1987; m/v “Cason” off the coast of Spain in December 1987 and m/v “Anna Broere” in the North Sea in May 1988), have all confirmed the necessity of resolving the issue.

Having failed to win approval at the 1984 Diplomatic Conference, the Legal Committee took up the issue once again at its 58th Session (October 1987) and continued debates at its 59th Session (April 1988).

1.2 — Debates During the 60th Session:
Discussions were facilitated by the submission of various studies and proposals by delegations and organizations representing the insurance industry prior to the session.

However numerous points remain to be resolved during the Committee’s future working sessions:

Geographical Scope
— What is to be the geographical scope of the convention? Will it be limited to territorial waters? Will it be extended to cover the exclusive economic zones of States, with a view to protecting the marine environment against pollution and contamination?

Preventive Measures
— Will the costs of preventive measures and assistance be taken into account in the provisions of the new instrument? (For example, the cost of evacuating a neighbouring population threatened by the development of a disaster.)

Economic Loss
— Will economic losses be taken into consideration in the same way as they are, to some extent, in the International Fund for compensation for oil pollution damage (FUND 1971)?

Damage to Be Compensated
— Loss of life or injury to persons on or off the ship are to be covered by compensation.
— On the other hand the damage caused to property that is taken into account, will be limited to that outside the ship, but will also cover the ulterior costs of cleaning-up.

Scope of Damage to Be Considered
— Should the draft convention be limited to the coverage of single incidents of a disastrous nature (in the same way as the “nuclear” or “oil” fund Conventions) or should it cover all cases where accepted hazardous substances are brought into cause, whatever their size?

Substances Accepted as Hazardous
— Which substances are to be accepted as hazardous and covered by the scope of the convention?
  i) In general any substance, as soon as its presence
Recap:

Participation in Official Enquiries on Maritime Accidents

Recent maritime disasters have drawn attention to the dangers of the sea which threaten passenger carrying vessels and on the gravity of the loss of human lives which can result. The levels of compensation such as they are set out in the 1974 Athens Convention, therefore, appear to be seriously insufficient. In addition the Athens Convention, on the 1st June 1988, had only acquired signatures from 11 State-parties, while its 19 November 1976 protocol, which aimed at replacing the gold reference by the Special Drawing Rights unit of account, had only collected 10 ratifications out of the 11 required for its entry into force.

2.2 — The Debates

Decisions to be taken are limited to the simple revision of the limitation amounts and exclude any other revision of the Convention. The Legal Committee will not be devoting any further meeting time to the subject before the convening of a diplomatic conference, probably in early 1990, to examine the resulting proposals.

New Levels of Compensation

Purely for information, several delegations declared that their Governments:

- had already, within the framework of their internal legislation, adopted compensation levels that were considerably higher than those resulting from the provisions of the 1974 Convention and its 1976 Protocol, which limited carriers' liability to 46,666 SDR for the loss of human life;
- would probably accept higher amounts, if situated in the region of 100,000 to 150,000 SDR, with proportional re-evaluation for compensation for loss of personal luggage and vehicles; and
- hoped that levels would be in line with those practiced by the air industry.

Combination of the 1974 Convention and its Protocols

Concern was expressed about:

- combining the 1974 Convention and its 1976 protocol with the proposed new draft protocol, especially since, each time, ratifications had remained so few in number; and
- the way in which States could accept the setting up of automatic mechanisms for the revision of limitation amounts, were the mechanism system itself to have a more flexible framework.

3. Diplomatic Conference on Salvage and Assistance

The IMO calendar has schedules a Diplomatic Conference from 17th to 29th April 1989, with a view to adopting a Convention on salvage and assistance at sea, a subject to which the Legal Committee has devoted several of its working sessions.

Mention was made of this conference only within the context of its material organization, viz.

- the rapid dissemination of the conference papers, so that governments would have 6 months in which to examine them; and
- the constitution of various commissions (verification of powers, plenary sessions, publications, final clauses ... and any other eventual commissions thought to be required).

4. Participation in Official Enquiries on Maritime Accidents

2. Revision of the 1974 Athens Convention on the Carriage of Passengers by Sea

2.1 — Recap:

Recent maritime disasters have drawn attention to the...
4.1 — Recap:
The dissemination of information on maritime accidents is considered vitally important for the improvement of safety at sea. The question has already been discussed at two previous sessions of the Legal Committee.

4.2 — Debates:
The aim here is not to draw up an international convention, but simply a resolution:
- to which States can add any additions or amendments, within the framework of their respective domestic legislation,
- and from the published reports of which States may extract any details which they may consider confidential.

Nevertheless, the simple drafting of the text of the resolution (which will require the approval of the IMO Assembly) has raised a lively debate. A working group was formed and worked during the session on drawing up a text which could be agreed.

5. The Legal Committee Work Programmes

5.1 — Recap:
The IMO Legal Committee session calendar has to:

Membership Notes:

New Member

Temporary Member

Proveditorato Al Porto di Venezia (Italy)
Address: Zattere 1401, I-30123 Venezia
Telex: 410344 PORTVE 1
Tel: 041-5203166, 041-5289820
Fax: 041-5203947
(Dr. Alessandro Di Cio*, Chairman)

Changes:

Turkish State Railways (TCDD) (Turkey)
General Director: Mr. Birkan Erdal
Deputy General Director (Ports): Mr. Tekin Cinar
Director of Ports Department: Mr. Rasih Civelekglu
Assistant Director (Operation): Mr. Hasan Ulgen
Assistant Director (Technical): Mr. Mehmet Gedik
Manager (Financial): Mr. Lami Teksoz
Manager (Operation): Mr. Nuri Demiray
Manager (Technical): Mr. Ilhan Cin
Manager (Personnel-Adm.): Mr. Kazim Mert
Section Chief (Investment): Mr. M. Ali Azgin
Section Chief (Tariffs): Mrs. Nevra Baturalp
Section Chief (Assets): Mr. Naci Uysal

Port Autonome de Papeete (Tahiti)
President: Mr. Biros Leontieff
* He is serving as Director of the IAPH from Tahiti.
General Manager: Mr. J. P. Bonnette
* He is serving as Alternate Director of the IAPH from Tahiti.
Deputy General Manager (Technical): Mr. F. Grillet

— respect the Organization’s financial capacity as far as the organization of sessions is concerned, (involving secretarial and simultaneous translation costs), and the availability of the venue;
— insert the Committee’s work programme within the framework of other meetings, such as the general assembly and the IMO Council, as well as of meetings of other committees and sub-committees;
— respect delegates’ ability to travel and devote time to its work, remembering that certain come from distant countries; and
— respect the desire to regroup within adjoining periods the sessions and meetings devoted to other matters.

5.2 — Debates:
Subject to the approval of the General Assembly,
5.2.1 — The 1989 Exercise will include:
— from 17 to 28 April, a Diplomatic Conference on the

Visitors to Head Office

November 1, 1988, Mr. John Hughes, General Manager, Lloyd’s Register
November 11, 1988, Mr. Neil C. Cantrick, Managing Director, South Port NZ Ltd., and Mr. C. Grant Ellis, Wilson Neill Limited, Dunedin, New Zealand
November 14, 1988, Mr. Fernand L.H. Suykens, General Manager, Port of Antwerp
November 17, Mr. G. Velter, Operation Manager, Port of Le Havre, and Mr. J. Monnin, Far East Representative of the Port of Le Havre
November 22, 1988, Mr. Hans Peters, Principal, Trade and Maritime Industries, Transport Development Division, and Mr. Shunso Tsukada, INUTD staffer, the World Bank
November 30, 1988, Mr. Domenico Ruiz, Director of

Mr. D. Ruiz, Marketing Director, Port of Genoa (left) sitting with Mr. H. Kusaka, IAPH Secretary General

Marketing, Port of Genoa, and Mr. Bruno Ferrari, Commercial Manager, Container Terminals, Port of Genoa
December 6, 1988, Mr. M. Schoreder, Chief, Financial Planning Division, Mr. John Eberenz, Director, Admeasurement, Panama Canal Commission, and, Mr. Leonard J. Kujawa, Consultant, Arthur Andersen & Co., Chicago

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Requirements for Efficient Intermodal Transport

By Ernst G. Frankel
Massachusetts Institute of Technology and The International Maritime Organization

FRANKEL, E., a Professor of port and ocean engineering and transportation at the Massachusetts Institute of Technology, served as a Ports, Shipping, and Aviation Adviser with the World Bank. He has extensive experience in shipping and transportation systems and has consulted in port engineering and planning for many major ports, shipping and intermodal transport firms. He has been an advisor to many governments and has published over 120 professional papers, 7 books, and 200 reports.

An engineer by profession, Dr. Frankel also has Advanced Degrees in Business Management and Transport Economics.

1.0 Introduction

The effective integration of sequential or series links of transport by diverse modes is among the most important developments in modern transport. Most goods and passengers require such a multiple of modes for transport from origin to destination, and are therefore said to require intermodal transport. Effective intermodal transport requires effective matching of modes and efficient transfer of goods and passengers at the intermodal transfer points.

Because modes differ in vehicle capacity, service intermittency or frequency of operation, unit form and size of cargo acceptable, and facilities required to accommodate modes, effective intermodal cargo or passenger transfer and terminals are required. They must be custom designed to assure efficient intermodal transfer, considering both the characteristics of the interfacing transport vehicles and the cargo handled. Intermodal terminals consist of facilities to accommodate ships, barges, pipelines, conveyors, trucks, railcars, cableways, etc., as well as equipment to transfer cargo between such modes and other modes by direct or indirect transfer where the latter imposed the need for buffer storage (warehouses, storage areas, tanks, silos, etc.).

Intermodal transport of goods and passengers by series of transport modes from origin to destination must be effectively designed, operated, managed and controlled to be efficient.

An item of goods in foreign trade may require as many as 12 transport links and often an equal number of transfers. At each transfer, the goods would be subjected to unloading, loading, and usually storage often supplemented by weighing, checking, recording, repacking, consolidation, environmental control and other activities. Intermodal transfer costs and time usually exceed the total actual transport costs and time of the various modes involved from origin to destination by a factor of two or more. This is probably the main reason for the great interest in effectively integrated intermodal transport and a systems approach to its planning, design, operation, management and control.

Major deterrents to effective intermodal transport have historically been (1) restriction on entry into some modes, (2) operating or pricing regulation (such as cabotage, antitrust and various pricing or service regulations in the U.S. and similar restrictive regulations in many other countries of the world), (3) limitations to modal integration, (4) restrictive work rules, and (5) ineffective management and use of technology. Regulation often prevents the integration of intermodal transport through effective transport planning, booking and pricing, as well as through manifesting or documentation. In recent years, under pressure by both operators and shippers, many of these regulations have been abolished in various countries of the world. Typical examples of deregulation to foster intermodal transport are provided by recent U.S. developments, such as the Motor Carrier (Staggers) Act of 1980 and the Shipping Act of 1984, which reduce motor carrier and intermodal as well as shipping regulation, respectively.

Regulation and the consequent delays often cause extra expenditures and obstacles to transport facilitation. In fact information and documentation delays and their consequences probably cause the most important costs in time and services in intermodal transport. It is only in recent years that a determined effort at improving information transfer and implementation in intermodal transport has been undertaken.

For efficient intermodal transport all participants modal links must be effectively integrated, share information, subjugate their operational requirements to those of the complete intermodal chain and adjust their rates to form a logical and reasonable part of integrated intermodal transport rates. Today we have the means to effect such integration and impose real time controls. Obviously such an approach may not benefit all modal transport or terminal interface service providers equally. In fact, intermodal terminal operators may ultimately see a reduction in the use of their services, particularly the use of intermodal terminal storage capacity. But on the whole efficient intermodal transport will result in increased traffic, rationalized service, greater capacity utilization, lower costs and more benefits to both users and providers of intermodal transportation.

1.1 Major Issues and Opportunities in Intermodal Transport

The major reasons for the increasing use of integrated intermodal transport are:
1. shorter time of delivery from origin to destination;
2. lower cost of total origin to destination transport; and
3. greater control of costs, schedules, and cargo safety and condition.

These advantages and potential savings depend to a large extent on the:

a. efficiency of intermodal transfer and turnaround at transfer points in terms of both costs and times;
b. effective modal split and modal fit of intermodal operations;
c. maximization of continuity of flow, particularly intermodal flow, or large-scale direct intermodal transfer with a minimum of double handling and storage at intermodal interfaces;
d. effectiveness of information and documentation control and transfer; and
e. responsiveness to modal technology and cargo physical form change.

The most important issue in intermodal transport is effective integration of the operations, controls and management of the diverse modal links and facilities. This means that modal operators cannot each attempt to optimize their individual operations and expect the total intermodal chain of operations to operate optimally.

Modal integration requires close coordination of the operations, technology, information flow and control with capacities, frequencies of service, routings and schedules well coordinated among interfacing modes of transport. In other words, intermodal transport, to be effective, must have coordinated management or be managed as one coordinated transport system.

### 1.2 Elements of Cost in Intermodal Transport

The lack of coordination of intermodal transport has resulted in large added costs for

1. turnaround time of ships, trucks, railcars and barges,
2. investment in large storage and handling facilities at intermodal terminals, and
3. storage, handling and lost opportunity costs of cargo at intermodal terminals.

In a typical simple intermodal container transport system consisting of truck, ship and links, with average link distances of 250, 3000 and 250 miles, actual one-way transport times would be 8, 170, and 8 hours, or 186 hours. But link delays (one-way turnaround time) at inland terminals and the port will usually add another 8 hours to each truck link and 12 hours per ship turnaround per port to the ship link. Therefore even without counting container inland and port terminal dwell time, total transport time will increase by 40 hours to 226 hours, or by 21 percent. If we add to this an average container dwell time of 48 hours at the inland terminals and 96 hours at the loading and unloading ports, then the total time from delivery to the pickup at the inland terminals will be 514 hours (21 days), or 2.76 times actual transport times.

More importantly, the costs involved in this operation can be summarized as:

1. Direct trucking costs ($0.68/mile) 14%
2. Truck turnaround time costs 8%
3. Container handling costs to/from truck at ports 5%
4. Stacking/unstacking costs 10%
5. Container dwell time costs at inland and port terminals 8%
6. Ship transport costs 34%
7. Ship turnaround time costs 6%
8. Containership loading/unloading costs 15%

These costs exclude port dues and charges, and only include direct container storage, crane use and other costs, where dwell time costs typically include the cost of providing slots at a 60% utilization rate of storage slot capacity and the inventory holding cost of the container plus cargo is based on a low cargo value of $2,000/ton, for a total of $14/day. It also must be mentioned that the above only includes inland depot to inland depot transit and excludes basic door to/from inland depot delivery costs.

In other words, if we could organize direct delivery of all containers to the ship-side without containers going through the stacks, then 24% of current costs could be saved. If at the same time ship and truck turnaround costs are reduced by 35%, then over 30% of the total costs could be saved. Therefore just-in-time delivery (JIT), a principle found to be an important element in manufacturing efficiency, is also a major factor contributing to intermodal transport efficiency.

Expanding on the above rather simplistic example, research was recently performed at MIT using empirical data of typical intermodal container transport operations between inland U.S. and Western Europe. A simulation model was constructed which allowed the various operations links to be modified by changes in schedules, additions of trucks, etc. to determine the most effective JIT system. Constant account was kept of changes in costs, with changing container inventory, trucks and container handling equipment in operation, turnaround time of trucks and ships, and more. The model was later expanded to include additional links such as rail, direct consignee-shipper delivery, and more. It was found that as the intermodal transport system became more complex, greater savings in cost and time accrued with just in time delivery, even though the number of trucks or railcars required often increased substantially. Savings of over 50% in origin to destination time and over 40% of costs were found possible in many transatlantic trades.

In trades with developing countries over land and ocean distances similar to the transatlantic (U.S. — West Europe) route discussed, delivery times often exceed 40 days. Here the possible percentage savings in time and costs could be significantly larger and might approach 70% and 50% respectively, even after taking the cost of additional trucks and equipment into account.

The major requirement for efficient intermodal transport is therefore high utilization of transport links, maximization of continuity of flow, compatibility of transport link capacities and minimization of intra-link or buffer storage of containers. This approach not only reduces total transit time and costs but also increases the productive transport capacity of the vehicles and equipment employed. Obviously, to accomplish this all obstacles to the free, unhindered flow of cargo must be removed, and inspections made without impeding container movements.

Savings of $400-800 per container or $250-500 per TEU have been noted as a result of more efficient intermodal transport in the U.S. to Europe or Orient trade. Even in developing countries like India significant improvements and savings have been experienced, particularly in intermodal trade through Madras.
2.0 Intermodal Developments in Focus

Integrated intermodal transport was made possible by technological developments but is driven by economic and marketing factors. The economic advantages offered are:

1. lower total investment in the individual transport links and compatible interface terminals;
2. lower total operating costs of the combined or integrated system than the sum of separate systems with the same throughput;
3. lower administrative and management, including lower communication costs;
4. higher utilization of installed capacity and ability to better balance capacity installation and use; and
5. lower marketing costs.

At the same time, integrated intermodal transport under one management offers much better market control, market penetration and service of markets. As the intermodal operator is ever present in both the shipper's and consignee's own areas, he can not only serve them better but also learns of impending or planned changes in products, markets, shipment sizes or production/marketing strategies. He can then respond to such opportunities and work with existing or potential clients to meet new challenges to mutual benefit. At the same time he can offer many more alternatives than modal operators or even freight forwarders.

He furthermore controls all the links of the door to door transport system and can therefore not only assume overall responsibility but also assure effective schedule, cost and condition control. Insurance costs of intermodal transport are 20-50% lower than the sum of cargo insurance costs of the separate modal operations.

Near real time communication and movement tracking also permits intermodal operators to keep users informed of the location, route and condition of their cargo at all times. This is important both for users who rely on prompt and timely cargo delivery as well as for users who may want to reroute cargo. Another important issue is the vast reduction in documentation and financial transactions required. The number of documents handled (and required in intermodal transport) are usually one-eighth to one-tenth of those needed in non-integrated sequential modal transport between the same locations. The direct cost of documentation, data recording, data communications, billing, etc. is usually 8-10% of the cost of modal operations. Obviously the cost of combined information management in integrated intermodal transport operations is usually somewhat larger than that of individual modes in the chain of transport. Yet 50-70% of the combined costs of information management can usually be saved by integration of intermodal transport management, and even more if modern computing, communication and electronic order and funds transfer methods are used, which may not have been cost effective at the modal level because of size.

2.1 The Future of Intermodal Transport

In future, intermodal transport of containers will be monitored and in part controlled by a worldwide network of telecommunication ports (TELEPORTS) interconnected by satellite links with large supercomputers tracking routing, assigning and scheduling movements of containers. Long-term joint venture contracts or actual ownership of different modal operations required to serve pairs of major trading areas will exist with each major pair served by a few (5-7) integrated intermodal operators, who may even share the use of rail or road right-of-ways, etc.

It is also expected that worldwide information exchange on position of containers and vehicles (railcars, trailers, etc.) will be available with operators able to determine the most strategically located available empty containers, etc. to fill a particular demand. He will also be able to instantly determine the ownership and terms under which the container, trailer, etc. could be made available and relocated to where his demand for container capacity is positioned. He can then instantly lock-in the container and order its relocation. At the same time he would record his commitment for the use of the container for the time required and electronically transfer the funds for its lease.

In future, most containers will be directly transferred between land (road and rail) and ship transport, with containers arriving on a just-in-time (JIT) appointment scheduling. Container ships will be served by 2-5 gantry cranes and double stack railcars, trailers, etc. will be organized in 10-20 containers and wire-controlled from the gantry to advance cars for container pickup (lift off) or delivery. Container marking will be scanned at each inland terminal and trains organized in line with container loading sequence requirements as per cargo plan. Similarly, containers scanned at lift off/on will have their identity contents, etc. recorded, verified, and submitted to customs for clearance. Most if not all containers (import and export) are expected to be cleared by reviewing the manifest information of unloaded containers.

Manifests for arriving and departing trailer trucks or unit trains will be similarly assembled and will be ready before the departure of the truck/train. The principal objectives of future intermodal transport will be:

1. maximization of direct container transfer between modes;
2. elimination of all or at least most of the paperwork associated with modal links and particularly intermodal terminals;
3. direct electronic transfer of funds.

President's Message

(Continued from Page 7, Col. 1)

Bursary scheme we have made it possible for employees of these ports to receive the necessary training in the fields of port operation, management and development techniques. The Association fully appreciates the contributions of many members towards the financing of the Bursary Scheme, and hope that more will participate in this worthwhile cause.

Towards the end of April this year we shall be gathering in Miami for our 16th Conference. I have been assured by our gracious host namely the Port of Miami that the conference will be rewarding and an enriching experience for the delegate. For the Miami Conference I am hoping to see our 16th Conference. I have been assured by our gracious host namely the Port of Miami that the conference will be rewarding and an enriching experience for the delegate. For the Miami Conference I am hoping to see other South Americans as well as visitors from Europe and other continents and hope that more will participate in this worthwhile cause.

In conclusion, I must place on record my heartfelt appreciation for the untiring efforts that the chairmen and members of the various internal and technical committees have given to the cause of the Association. Their expertise have been most invaluable and their dedication exemplary. Finally it has been our good fortune to have the day-to-day affairs of the Association capably looked after by the industrial staff of our secretariat in Tokyo. Till we see each other in Miami, I wish all of you the best of health and a fulfilling new year.
4. integration of container, trailer, etc. inventory worldwide and development of international exchange for transfer of use of capacity among operators;
5. elimination or at least reduction of regulations impeding efficient intermodal operations such as restrictions on entry and merger, cargo reservation or allocation, streamlining of customs and other inspections; and
6. block handling of containers.

There are many technological advances either available now or under development which could have major impacts on the future of integrated intermodal transport. The most important, though, appear to be managerial changes to JIT and efficient integrated intermodal systems control.

**Feeder Operations In The Region**

By Chan Tuck Hoi
Commercial Director
Singapore Shipping Corporation (Pte) Ltd

A forum of Liner Shipping in The Far East, organised by the Singapore National Shippers' Council, was held at the Pan Pacific Hotel Singapore on 6 July 88.

Mr. Chan Tuck Hoi, Commercial Director of Singapore Shipping Corporation (Pte) Ltd presented a paper entitled *Feeder Operations In The Region*.

**Introduction**

Container feeder service is an extension of the shipping services of international container carriers to ports which they omit due to economic and geographical reasons and outports which could not be reached by large containerships.

Feeder is an integral part of the chain of transportation or intermodal movements of goods between the shippers and receivers. Feeder operators are, therefore, sub-contractors which provide support to main carriers to satisfy the needs of shippers. A viable feeder operation must take into account the needs of the main carriers as well as the shippers. Shippers in the feeder ports will look to the feeder operators to provide the services of reliability of sailings, provision of adequate shipping space and the means to ensure connections of their containers to the intended mother carriers. Generally, they do not get involved in negotiating feeder rates, they entrust this to the main carriers, who will of course, lower their operating costs.

In dealing with the various aspects of feeder operations, I will firstly elaborate on the factors that led to the development of the current feeder operations and the routes that have evolved; and, secondly, on what I think, would be the future directions and areas of concern for feeder operations.

**Expanding Regional Economies**

The economies of South-East Asia are now steadily expanding with greater impetus on the exports of manufactured goods, in addition to traditional agricultural produce. The region is expected to continue receiving investments in the manufacturing sectors from North Asia. Stable political environment, relatively low cost and skillful labour force, governmental encouragement for growth and industrial development are the main factors for investment. They will provide a potential for growth in trade between the region and the economies in North America, Europe and Far East.

Major carriers are now gearing up their capacities and services to cater for this expansion in trade. The fastest growing economy is Thailand, which is expected to keep its growth momentum into the 1990’s. Malaysia, Philippines and Indonesia are also expected to continue their economic growth. South-East Asia region is becoming an important cargo source to the main carriers. The prospects for feeders are encouraging. Feeder operations, therefore, warrant further expansion to upgrade feederships and increase service routes.

**Development of Current Feeder Operations**

Feeder network in the region today centres on Singapore as the hub of transhipment. Feeder routes radiate from Singapore where PSA has developed massive terminal facilities to accommodate giant containerships and feeders, and to handle large volume of transhipment containers. Feeder services are now at least weekly or even daily in frequency in the major routes.

The successful development of feeder operations and routes in the region could be attributed to:

- Fast expanding export economies in South-East Asia, particularly during the last two years.
- Buoyant trade and cargo traffic in the major trade routes between Asia, Pacific West Coast and Europe.
- Improvement in freight rates and operating earnings of many of the international container carriers.
- Increased deployment of jumbosize containerships, especially, by major carriers in the Line-Haul East-West routes. 4,000 to 5,000 TEUs size containerships are being considered for future deployment.

- Geographical and economic factors that favour selected port calls to only major load centres, example, Singapore.
- Port of Singapore Authority's promotion and practical actions taken in enhancing Singapore as a 'transhipment and distribution centre' for the region.
- High operational efficiency, concessions and incentives provided by PSA to help main carriers and feeders lower their operating costs.
- The introduction of handling equipment in the regional ports to receive containers and handle feederships.
- The initiative and drive by major feeder operators to provide a high-quality service and extensive sailing frequency to serve shippers in the region and international main carriers.

**Feeder Routes**

Three elements that are vital in developing a comprehensive network of feeder routes are:

- Regular feeder carriers
- Prompt services of the PSA for fast connections, and
- The complimentary role of feeder ports.

Six distinct feeder routes using Singapore as the trans-shipment base have evolved:

1. Singapore/Bangkok
2. Singapore/Port Kelang-Penang
3. Singapore/East Malaysia-Brunei
4. Singapore/Jakarta-Singapore
5. Singapore/Philippines
6. Singapore/Bay of Bengal — Chittagong, Chalna

1. Singapore/Bangkok is the most established feeder route by feeder carriers. There is almost daily sailing by container feederships between these two ports; providing about 5,000 TEUs capacity per direction every week. There are 8 operators in which 3 are common feeder operators. The other 5 are dedicated feeders, operated by major lines to carry their own containers.

2. Singapore/Port Kelang-Penang is served by container feederships with at least 3-4 sailings a week. Capacity provided is about 2,500 TEUs per week.

3. Singapore/East Malaysia-Brunel is served by containerised and semi-containerised feederships. Here, there is daily sailing from Singapore. Capacity available is 500 TEUs per week.

4. Singapore/Jakarta-Surabaya-Belawan — There are about 2 sailings a day with container feederships ranging from small feederships of 66 TEUs to 400 TEUs between Singapore and Jakarta. Capacity available is about 3,000 TEUs per week.

5. Singapore/Philippines — is a newly developed feeder route. Here, there are 2-3 sailings a week between Singapore, Manila and Cebu. Capacity available is 600 TEUs per week.

6. Singapore/Bay of Bengal is another a newly developed feeder route. There are 2-3 sailings a week between Singapore, Chittagong and Chalna. Capacity available is 500 TEUs per week.

**Cost Consideration**

**Economy of Scale**

Established feeder operators in providing high frequency and reliable common user feeder services, rely on feederships with high speed, improved carrying capacities and high stack weight to carry more containers. Economy of scale is enhanced by deploying optimum size feedership to meet the requirements in each route.

Operating costs of feeders are dictated by many factors, which include, financial costs, manning, charter rates, bunker prices, port charges, container handling rates and on-shore backup services. Feeder operators, therefore, have to operate quick turnround of ships to achieve the required number of round voyages, and carry high volumes of feeder boxes to hold down unit costs, and to be viable.

**Low Box Rate**

The cost of feedering a 20 foot-box between Singapore and the major feeder ports in the region is about 15-20 percent of the through freight. Through feeder rates follow the trend of rate movements in the major trade routes of main carriers and Conferences, the portion of feeder rates has remained consistently low.

Port charges and container handling costs incurred by feeder operators in the PSA and feeder ports take up a large proportion of feeder freight; in some routes, as much as 60%. Though the concessions in tariff and incentives provided by PSA are helpful, the high handling costs in feeder ports do not seem equitable compared to the low box rates of feeder carriers.

Positioning of empty containers to correct the imbalance of container cargo flows in the region is a problem for many carriers. Some regional ports need to be adequately supplied with empties whilst others have excess, which required to be returned to the load centre for repositioning. Carriers incur positioning costs and high handing charges to more empties, and, consequently increase the overall carriage costs.

There is little difference in handling charges between laden and empty containers in the tariffs of the regional port authorities. They should consider offering lower handling rates for empty containers carried by feeders. This will help in reducing the total feeder carriage costs to main carriers and shippers.

**Costs to Carriers**

International carriers which operate dedicated feeders to cater to their own requirement has a different consideration for costings compared to common user feeder operations. Being a dedicated feeder, the prerequisite is — adequate volume of its own cargo and frequency to match mother vessels. Feeder cost is fixed, and usually included in the total cost for line haul operation.

In the case of carriers using common feeders, this cost is merely treated as a variable cost. It is subject to prevailing market rates and unit cost may be higher. However, some major carriers opt for a fixed slot arrangements on common feeders, and, therefore provide a more manageable alternative as cost can be controlled in accordance to the requirement of actual usage.

In identifying the cost elements of total through cost to carriers, it would seem that, the feeder portion could also be considered as an equalization cost. By using feeders, main carriers save in voyage and port handling costs for not calling the feeder port.

**Future Directions**

Feeder operations in the South-East Asia region have reached a ‘self-sustained’ stage after 8 years of intense development. The time is now right for major operators to upgrade and ‘fine tune’ their operations so as to keep in line with the expansion programmes undertaken by major international container carriers.

The optimistic growth forecasts and fleet expansion plans by major carriers to serve the export economies of the region will provide the potential for the second stage of feeder operations development.

Feeder operators have to undergo structural changes to substan increasing traffic volumes. Operators who rely on old-age vessels and chartered tonnage may be faced with problems of high operating costs, inability to respond quickly to upsurge of container traffic and inflexibility of schedules to meet the shift in regional demands.

To meet the new demands of the next stage of development, feeder operators will have to consider the future directions of feeder operations in the region.

**Load Centre**

Major carriers will continue to utilise Singapore as a load centre. Port expansion and improvement in facilities will be undertaken by the PSA to meet future increase in container volume. The target for 1990 is 5 million TEUs when Pulau Brani Terminal is completed. Feeder containers will be an important contribution.

**Replacement of Older Feeders**

Majority of feederships employed today are, 5 to 10 years old; many are 15 years and above. Ageing feeders need to be replaced. Major operators, for example, Regional Container Lines (RCL), have been upgrading their fleet of feederships with new buildings, designed with high specifications, and acquiring suitable young second-hand tonnage.

To implement replacement programme, charter tonnage...
may be able to provide short term relief. But for long term, reliance on charter is unhealthy as charter rates remain high and feederships with suitable specifications are difficult to secure. Therefore, operators who are dedicated to provide viable and reliable services must take positive steps to purchase their own feederships. Feederships today must be versatile in the carriage of all types and heavy weight containers. This is particularly so as containers of today are upgraded to carry even greater cargo weight than before. The average weight for 20 foot is 18,000 kgs, but, it is not uncommon to have 24,000 kgs per 20 foot. The feeder trades will require feederships with high effective capacity and deadweight to cater to the increasingly heavy weight containers. Size of 500 TEUs effective capacity for short range and 1,000 TEUs for medium range will be the feeders of the future in the region.

In addition, feeders must possess sufficient reserve speed to meet the fixed day schedules. The demand for fast connection by major carriers is becoming increasingly important. To meet this requirement, feeders must have the ability to perform at speeds of 15 to 16 knots.

New Feeder Routes — Flexibility of Feeder Deployment

Feeders must provide new routes to the newly developing areas and increase coverage of ports in the peripheral regions. New routes to be considered will be to Burma, Vietnam and Papua New Guinea and the eastern sector of Indonesia.

Another region will be the Indian Subcontinent, which requires additional services in more frequency of sailings.

Secretary General’s Message

(Continued from Page 7, Col. 2)

to their collective interests if they work together and strengthen their cooperative ties with other organizations. In this sense the forthcoming IAPH World Ports Conference in Miami, where port executives from all over the world will gather together under the theme “Ports — The Intercontinental Connection,” will provide us all with an ideal forum for exchanging our views and ideas.

I feel most gratified to be able to report to all of you that, thanks to the dedicated cooperation and the active participation of all the Association’s members, we have been able to make some notable achievements. In particular, it is with my sincere thanks and appreciation that I recall the midterm meetings of EXCO and the other committees, which were hosted by the Port of Abidjan in April last year. Through the exchanges those of us from other parts of the world were able to have with our African friends, we were able to deepen our understanding of the port situation in that region.

Also worth noting is the energetic way in which IAPH has acted as a spokesman to protect world port interests through its dialogue and communication with various international maritime circles.

It has been a productive year, too, in terms of our international port development activities. I would like to express my profound thanks to all who have made contributions to the IPD Fund in response to the campaign call. I wish to urge all members’ continued support of the project so that we can achieve the targeted amount.

As for the Miami Conference, which I believe will be the most important event of this year for our Association, our hosts in the Port of Miami and Metropolitan Dade County - Florida, are in the midst of preparations for welcoming us there. On behalf of everyone at IAPH, I would like to express my sincere appreciation to all our friends in Miami for their strenuous efforts.

All in all it seems that the only pending matter for IAPH is how to stabilize our finances on a long-term basis. We are committed to on-going work on the HNS draft convention but which, in addition, will rapidly examine the possibility of maintaining the question of wreck removal (first debated several years ago) on the Committee’s world programme.

IMO Legal Committee

(Continued from Page 21, Col. 2)

question of assistance,
— from 22 to 26 May, a session of the Joint IMO/UNCTAD Group of Experts, on the question of Maritime Liens and Mortgages,
— from 25 to 29 September, a session (the 61st), devoted essentially to on-going work on the HNS draft convention but which, in addition, will rapidly examine the feasibility of maintaining the question of wreck removal (first debated several years ago) on the Committee’s world programme.

5.2.2 — The 1990/91 Biennium will include:

a) at the beginning of 1990 (exact dates to be fixed later), one week for a Diplomatic Conference on the revision of the limitation of liability amounts of the 1974 Athens Convention (loss or damage to passengers and their luggage),
b) 4 sessions of one week each, to be devoted to:
— in priority, the on-going work on the HNS convention,
— the examination of the effects of the 1976 London Convention of the provisions adopted in the protocol to the 1974 Athens Convention and of the HNS convention,
— on-going work on Maritime Liens and Mortgages (if after the 2 sessions scheduled in Geneva in December 1988 and in London in May 1989, jointly with UNCTAD, the subject still requires further work), with the addition of the related issue of the arrest of sea-going ships; and
— examination of the status of offshore mobile craft.

5.2.3 — Long Term Programme

The Legal Committee’s long term work programme will include:
— all the various issues mentioned above, on which work has not been completed;
— the legal status of new types of craft (for example, those on air cushions);
— the regime of vessels in foreign ports; and
— any subjects which might be referred to the Committee by the Assembly, the Council or any other agency of the IMO.
and greater capacities.
Feeder operations are deployed to meet specified requirements in each feeder route. There will be changes in seasonal demands and shifting of cargo source as the economies of the region are continuously developing.

To meet changes in demand for feeder services, operators must possess the flexibility to deploy their feederships effectively. A fleet with diversity in size, capacities and lifting gears will be able to respond quickly. Not many operators possess a diverse fleet.

**Joint Service**
In order that the momentum of orderly development of feeder operations is maintained, established common feeder operators, in addition of their vessel upgrading programmes, will also have to intensify cooperation in the form of joint shipping services, combine schedules and space charter agreements. In this way, feeders will have an even spread of sailings and avoid 'bunching up' of feederships and unnecessary congestions.

A sensible option to enhance cooperation amongst all feeder operators in the region is, to form consortium on feeder routes by pooling their individual requirements and exchange slots amongst themselves. Various pooling systems could also be considered; tonnage pooling in the common schedule; revenue pooling, and revenue and costs pooling.

For example, RCL's policy is to operate whenever possible joint shipping services with suitable partners or national lines in the Region.

In Malaysia, RCL and MISC (Malaysian International Shipping Corporation) operate a Joint Shipping Service between Singapore, Port Kelang and Penang.

In the Singapore/Thailand trade, RCL, PIL and Thong Soon are operating together in a Joint Schedule and Slot Exchange Agreement.

In the Philippines, RCL and ScanDutch, each provides a feedership to operate jointly.

In Indonesia, RCL has a share of slots on feeders operated by PIL.

RCL's service to Bangladesh is also operated with a Bangladesh partner, who contributes its own national feeder.

In other regions, RCL has entered into agreements for slot charter and exchange, with APL in the Thailand/Taiwan feeder route; Mitsui OSK in the Indian Subcontinent; and NYK in the Philippines/Taiwan sectors.

**Effective Port-to-Port Operation**

The new requirements are — high performance in container handling by load centres and feeder ports, faster rate of turn round of feederships and effective terminal back-up services. Feeder operators could consider the following operational options.

- To schedule and operate feeders on day of week port call. This is to cater for the most convenient closing time for receiving shippers' cargo, and to ensure that their containers are federeed on time to connect the pre-designated mother carriers in PSA.
- A port-to-port or at most a 2-feeder port schedule will enable feeder to perform to weekly turnaround. In such a schedule, shippers will be assured of the feeder's arrivals and departures between feeder ports and Tanjong Pagar Terminal and its consistency in voyage performance.
- Arrangements can be made with PSA for an Appropriated Berth for feederships to be accorded with priority of berthing. This scheme is made with operators who can generate the required volume of container throughput to PSA. RCL is one of the operators which signed an Appropriated Berth Scheme with PSA.
- Operators depend on the operational efficiency of feeder ports to keep their feeders on schedule. Though adequate facilities and back-up services are provided, more could be done to upgrade terminal facilities for additional container berths, quay cranes, transtainers, and other back-up equipment, in many regional feeder ports. A feeder port adequately equipped to handle gearless feederships will be an advantage to operators. Gearless feeders are cheaper to operate.

**Back-up Services**

To support expansion of feeder network, feeder operations need back-up services like computerised documentation, ship stowage planning and scheduling.

Professionals competent in providing such services are readily available in our Region, though further upgrading and training of human resources are necessary. Feeder operators must continue to keep abreast of the latest technological advances and applications in the industry.

**Conclusion**

The areas of concern that feeder operators will be faced with:

- Insufficient capacity of feeder ports to handle larger feeders. There are constraints in berths, and handling equipment. Feeder ports must gear themselves to meet new requirements and consider joint efforts by them and feeder operators to intensify development and equip their terminals.
- Ability to improve earnings to provide reasonable return to feeder owners. Cost control is essential, as much as 50% of feeder rate is accounted to port and container handling. Port authorities of feeder ports should also consider tariff concessions to feeder operators.
- More co-operation amongst feeders in joint shipping services and pooling of resources will be a challenge to enhance the viability of feeder operations.
- Shippers require long-term and competitive freight rates to help them in providing stability in costing and pricing of their exports. Though aware of the changing level of through rates in the main carriers' trades, a policy to apply economical and stable feeder rates will be an important objective of well established feeder operators.
- As result of the development of an extensive regional feeder network, covering all major ASEAN ports, it would now be possible to expedite the development of an Intra-ASEAN containerised shipping service by using feeders to facilitate more Intra-ASEAN Trade. Containerised cargo from one ASEAN port, say from Bangkok to Manila, could be shipped by feeder from Bangkok to Singapore and on-carried by another feeder from Singapore to Manila.

In addition, there are so many regular feeder sailings. Shippers will have better opportunities to plan and regulate their shipments between the ASEAN ports. It would therefore be appropriate for ASEAN feeder operators to consolidate this kind of containerised service to shippers in the region.

Finally, operators who do not innovate and invest in modern system of operations and new tonnages may find themselves left out of the rapid technological changes in the world container liner trades. They may even be forced out of the market if, they are not ready to recognise the changing feeder needs, and adapt to meet the new challenges in the regions.

*(PSA News)*
Dear Fellow IAPH Member:

It is a special pleasure for me to welcome all of my International Association of Ports and Harbors colleagues to Greater Miami and the beaches for the 16th World Ports Conference, April 22-28. Please know that the entire Port of Miami family is committed to insuring that this biennial Conference, with its theme of Ports: the Inter-Continental Connection, will be the most memorable in IAPH's distinguished history. Dale County is justly renowned throughout the world as one of the major hospitality centers of the Western Hemisphere and we are confident that you will find this reputation to be more than justified. Facilities for business sessions are superb and you can expect a most productive agenda.

Our April weather is traditionally delightful and you will find all of our outstanding restaurants, attractions, sporting events and shopping facilities prepared to please you.

We also are excited at the opportunity of showing you the recent cargo handling and cruise ship enhancements at Port of Miami, which as you know is the Cruise Capital of the World.

We look forward to seeing you in April.

Sincerely,

Carmen J. Lunetta
IAPH Conference Chairman
Port Director
Port of Miami

December 10, 1988

Dear IAPH Member:

Welcome to Greater Miami for your 1989 World Ports Conference in April. We of the Metropolitan Dade County's official family are especially delighted that such a world class organization as International Association of Ports and Harbors has selected Greater Miami for its deliberations which will be so significant for the maritime industry in coming years.

Results of the decisions that you and your colleagues, in both government and the private sector, will make here will have far-reaching global impact on seaport development, as well as on facilities expansion, well into the 21st century.

While you are in South Florida for your conference, we hope you will take time to enjoy our many unique attractions and to savor the unique quality of life—which frequently rivals our climate as a lure to the thousands of new residents, as well as visitors.

My fellow County Commissioners join me in urging that you arrive early or remain afterwards for an extended visit.

Sincerely,

Stephen P. Clark

December 6, 1988
Business Topics

This year's conference planners have devised the most comprehensive presentation of port, maritime and transportation issues ever presented under the sponsorship of IAPH. Highlights will include an in-depth review of current international port and maritime labor issues; status of the Panama Canal; and world trade financing.

CRITICAL ISSUES

A Critical Issues Working Session will cover the topics selected as most important by IAPH members who responded to our questionnaire: ship design and life safety, port maintenance, port financing, and the impact of intermodal systems.

OF REGIONAL INTEREST

Three additional Working Sessions will be devoted to a close study of issues and developments within the three regional divisions of IAPH: Americas, Europe, and the Pacific.

ELECTRONIC INFORMATION SYSTEMS

In response to the many requests for information on this topic, a full Working Session will study electronic customs clearance, data exchange and operations control. The Port of Miami will present a specific demonstration of its advanced electronic cargo clearance system.

The Action Starts Early

Early arrivals can choose from among these opportunities, on a first-come, first-served basis. Space is limited.

A DAY AT THE RACES

Saturday, April 22, 11:00 a.m. to 4:00 p.m. Spend on afternoon at beautiful Hialeah Park, the pride of Florida thoroughbred racing. Lunch is included.

TOUR OF MIAMI

Sunday, April 23, 10:00 a.m. to 2:00 p.m. Board a comfortable, private tour bus, and see the Art Deco architecture on South Beach, Coral Gables' magnificent homes and scenic canals, charming Coconut Grove, and the "Wall Street of the South," Brickell Avenue.

Social Activities

POOLSIDE RECEPTION

Saturday, April 22, Informal patio gathering at the Fontainebleau Hotel for early arrivals.

BUFFET DINNER

Sunday, April 23, A welcome reception and buffet dinner at the Port of Miami, featuring a lavish Florida-style raw bar, Caribbean island music, to put everybody in the Miami mood.

A CRUISE TO NOWHERE

Monday, April 24, We'll sail in the evening, passing Miami Beach at sunset. Five hours later, after a night of good dining, dancing and entertainment, we'll return for a privileged view of Miami's dramatic nighttime skyline.

DINE-AROUND MIAMI

Tuesday, April 25, The day's schedule of countless international restaurants, you need a night out on your own. We'll help you choose from among Miami's best, and assist you with reservations and transportation.

TOUR OF KENNEDY SPACE CENTER.

Wednesday, April 26, We'll ride north to Cape Canaveral, special guided tour of the Port of Miami, featuring a fascinating array of models, ships and human space exhibits. This full-day adventure includes lunch and dinner plus surprise entertainment.

WILD HOGS AND KILLER WHALES

Thursday, April 27, Wild Hog Barbeque at the Miami Beach Golf Club, with performance by Flipper the parrot, Sally the sea lion and Lolita the killer whale. Followed by a tasty barbeque supper under a tent, and live entertainment.

port design; port security; port maintenance; new crane technology; intermodal systems. Plus Electronic Data Interchange (EDI), computer customs clearance, and the changing role of labor in port operations. Please refer to the Business Topics section for details.

CLOSING NIGHT GALA

Friday, April 28, A black-tie optional dinner and dance in the spectacular Fontainebleau Ballroom, in honor of President and Mrs. Wong Hung Kim. Lavish dining, and a world-class big band orchestra.

SOUTH FLORIDA COURSE TRIP

Tuesday, April 25, A full day's tour to Key West, including Key West Sand Dollar beach, a guided tour of Fort Zachary Taylor State Park, lunch at the Chart House, and a visit to the Key West Aquarium.

FAIRCHILD TROPICAL GARDENS

Monday, April 24, Miami's Mediterranean palace. Ten acres of formal gardens on the shore of Biscayne Bay, and a home filled with art treasures dating to 1st Century Rome. Luncheon follows, at Miami's delightful Bayside Marketplace.

SIGHTSEEING CRUISE

Tuesday, April 25, Cruises the Intracoastal Waterway, past the private island estates of the world's rich and famous. Lunch at a charming waterfront restaurant.

FAIRCHILD TROPICAL GARDENS

Monday, April 24, Guided open-air tram tour of the sprawling botanical garden on the U.S. mainland. Followed by lunch and shopping at the elegant Mayfair in Coconut Grove.

Traveling To and From Miami

The International Association of Ports and Harbors has established the Port of Miami Airlines as the Official Airline for the 1989 World Ports Conference. With convenient air service from over 200 cities across Asia, North America, and Europe, Northwest Airlines is proud to welcome the world to Miami for the Port of Miami Conference.

Full details on air arrangements will be provided by Northwest Airlines and IAPH upon confirmation of the registration fee.

Post-Conference Fun

Choose from among these optional activities at no additional cost. Again, we must know the number of participants in advance, indicate your choice on the registration form:

GOLF AT DORAL COUNTRY CLUB

Saturday, April 29, 7:30 a.m. to 3:30 p.m. Play at Florida's internationally famous golf club.

DRIFT FISHING

Saturday, April 29, 7:30 a.m. to 12:30 p.m. World-class sport fishing along Florida's Atlantic coast.

Don't Miss These TWO TRIPS: DAY or TRIP.

You'll be sent brochures detailing "do-it-yourself" weekend activities, including a three-day cruise, a visit to Disney World and EPCOT Center in Orlando.

Registration and Lodging Form Completion

Last Name: __________________________ First Name: __________________________ Port/Affiliation: __________________________

Address (please include country and if applicable, postal code) __________________________

Telephone: __________________________, Telex: __________________________

Arriving on: __________, Date: __________, Time: __________

Registration Fee (includes spouse) Please indicate type of membership:

Regular Members: $505

Associate (A/D): $760

Regular Members: $505

Associate (E): $560

Honorary Members: $25

Regular Honorary Members: $50

Founder Honorary Members: 0

Non-Members: $250


Please Select One of the Following:

Single room (U.S.$104)

Double room (U.S.$114)

Suites: Parking and one bedroom (circle your choice) US $350—425—475—550

Parking and two bedrooms US $415—460—525—595—655

Extra person charge: US $15.00

The Hotel will make every effort to accommodate suite selections. However, should your choice not be available, you will be placed in the next closest type suite to your first preference.

Arriving on: __________________________, Date: __________________________, Time: __________________________

Departure Date: __________________________, Check-out time is 11:00 a.m.

The hotel requires that you guarantee your reservation with a credit card.

Credit card number: __________________________, Name: __________________________, Number: __________________________, Expiration Date: __________________________

Register for Optional Activities

In order to finalize plans for these outings, we need to know the number of participants. If a minimum number is not met for an activity you've chosen, you may be notified of cancellation.

FOR EARLY ARRIVALS

Saturday, April 22, Choose one:

Everglades National Park

Hialeah Race Track

Sunday, April 23, Choose one:

Everglades National Park

Tour of Miami

SPouse Program

Monday, April 24, Villa Zizcaya

Tuesday, April 25, Choose one:

Sightseeing Cruise

Fairchild Tropical Gardens

POST-CONFERENCE ACTIVITIES

Saturday, April 29, Choose one:

Golf at Doral Country Club

Drift fishing

NAME: __________________________

NUMBER OF PEOPLE: __________________________

Some photographs provided by the Greater Miami Convention and Visitors Bureau.
16th IAPH WORLD PORTS CONFERENCE "PORTS—THE INTERCONTINENTAL CONNECTION"
Fontainebleau Hilton Hotel Miami Beach, Florida, U.S.A.

**Social Events**

**FRIDAY, APRIL 21, 1989**
18:00/21:00 Early Registration

**SATURDAY, APRIL 22, 1989**
10:00/20:00 Registration
09:00/12:00 Budget/Finance Committee
09:00/12:00 Port Safety, Environment & Construction (COPSEC)
09:00/12:00 Marine Safety Sub-Committee (COPSEC)
09:00/12:00 Port Safety Sub-Committee (COPSEC)
09:00/12:00 Engineering Sub-Committee (COPSEC)
09:00/12:00 Ship Sub-Committee (COPSEC)
09:00/12:00 Dredging Task Force (COPSEC)
14:00/15:30 Constitution & By-Laws Committee
14:00/17:00 Trade Facilitation Committee (TF)
14:00/17:00 Port Safety, Environment & Construction (COPSEC)
15:30/17:30 Membership Committee
17:30/18:00 Nominating Committee (A conference committee)
18:30/20:00 Poolside Reception for Early Arrivals (light hors d'oevres)

**SUNDAY, APRIL 23, 1989**
08:00/18:00 Registration
09:00/12:00 Budget/Finance Committee
09:00/12:00 Committee on Legal Protection of Port Interest (CLPPI)
09:00/12:00 Cargo Handling Operations Committee (CHO)
09:00/12:00 Public Affairs Committee
09:00/12:00 COPSEC (reserve)
11:00/12:00 Ad Hoc Committee (if any)
11:00/12:00 Credentials Committee (A conference committee)
14:00/17:00 Pre-Conf. Joint Meeting of the Board and Exco
17:00/18:00 Meeting/s of Chairmen/Speakers/Group Leaders of Working Sessions (if necessary)
19:00/21:00 Welcome Reception and Buffet Dinner hosted by IAPH, and Opening of Exhibits

**MONDAY, APRIL 24, 1989**
07:00/18:00 Registration
07:15/08:15 Continental Breakfast in Exhibit Area
08:00/08:30 Resolutions & Bills Committee
08:30/09:40 Official Opening Ceremony
10:00/11:45 1st Plenary Session
11:45/12:20 Pre-Luncheon Cocktail Reception in Exhibit Area
12:30/14:15 Luncheon Program
Speaker: The Honorable Dante Fascell
U.S. House of Representative
Chairman, Foreign Affairs Committee
14:30/17:00 Working Session 1: EUROPE/AFRICA
Major Paper: “Overview of Contemporary Issues facing the Region’s Ports” (Speaker yet to be selected)
Moderator: Sir Keith Stuart, Associated British Ports, U.K.
Panel:
“Working Relationship between Le Havre and Abidjan”
“Rotterdam—New Ventures”
“Presentation on Spanish Ports”
18:00 Buses Depart for Port of Miami for “Cruise to Nowhere”

**TUESDAY, APRIL 25, 1989**
07:30/08:30 Continental Breakfast in Exhibit Area
08:00/09:00 Honorary Membership Committee (A conference committee)
08:45/11:45 Working Session 2: TECHNICAL COMMITTEES’ OPEN FORUM
(Presentations by the six Technical Committee Chairmen followed by Q&A)
11:45/12:20 Pre-Luncheon Cocktail Reception in Exhibit Area
12:30/14:15 Luncheon Program
Speaker: To be announced
14:30/17:00 Working Session 3: CANADA & AMERICAS
Major Paper: “The Panama Canal” by the Chairman, the U.S. Panama Canal Commission
Moderator: J.H. McJunkin, Port of Long Beach, U.S.A.
Panel:
“The New U.S. Port Director” by E. Stromberg, AAPA President
“Canadian Ports Overview” by J. Tessier, President, Ports Canada
“Strategic Planning” by D. Welch, South Carolina State Ports Authority, U.S.A.
“Latin American Overview” (Yet to be named)
18:00 Buses Depart for Port of Miami for “Caribbean Theme” Reception and Buffet Dinner

**WEDNESDAY, APRIL 26, 1989**
06:45/07:45 Continental Breakfast in Hotel Lobby
08:00 Buses Depart for all-day technical field trip to Kennedy Space Center (details to be known)

**THURSDAY, APRIL 27, 1989**
07:30/08:30 Continental Breakfast
08:45/11:45 Working Session 4: ASIA & THE PACIFIC
Major Paper: “Japanese Port and Trade Overview” by T. Miyazaki, Mayor of Kobe, Japan
Moderator: (Yet to be named)
Panel:
“Australian Port Overview” by N. Samuels, Port of Geelong, Australia
“Hong Kong Port Overview” by D. Hall, Port of Hong Kong
“Korean Port Overview” (Yet to be named)
“Malaysian Port Overview” by H. Abdullah, Port of Kelang, Malaysia
“New Zealand Port Overview” by R. Snodgrass, Port of Taranaki, New Zealand
11:45/12:20 Pre-Luncheon Cocktail Reception
12:30/14:15 Luncheon Program
Speaker: To be announced
14:30/17:00 Working Session 5: COMMUNICATIONS
Major Paper: (Speaker yet to be selected)
Moderator: (Yet to be named)
Panel:
“Ship to Shore, Shore to Shore Communications” by F. Suykens, Port of Antwerp, Belgium
“Singapore Terminal Operations”
“Port of Miami Cargo Clearance”
“Teleport Demonstrations”
18:00 Buses Depart for Wild Hog Bar-B-Que at the Seaquarium
FRIDAY, APRIL 28, 1989

07:30/08:30 Continental Breakfast
08:00/08:45 Resolutions & Bills Committee
08:45/11:45 Working Session 6: CRITICAL ISSUES
  Major Paper: "Impact of Ship Design on Ports"
  J. Smagghe, Port of Le Havre, France
  Moderator: (Yet to be named)
  Panel:
  "Impact of Intermodalism on Ports"
  McN. Porter, President, CSX-Sealnd
  "Port Maintenance: Shared panel presentation by developers of state-of-art electronic maintenance systems"
  "Port Financing" (Yet to be known)
  "Port Labor" (Yet to be known)
11:45/12:20 Pre-Luncheon Cocktail Reception
12:30/14:30 Luncheon Program
  Speaker: To be announced
12:00/12:30 Resolutions & Bills Committee
14:30/16:00 2nd Plenary Session & Closing Ceremony
16:30/18:00 Post-Conf. Joint Meeting of the Board & Exco
18:00/18:30 Exco
19:00 Closing Gara Honoring President and Mrs. Wong Hung Khim

SATURDAY, APRIL 22, 1989
Everglades National Park or Hialeah Race Track

SUNDAY, APRIL 23, 1989
Everglades National Park or Tour of Miami

SATURDAY, APRIL 29, 1989
Golf at Doral Country Club or Drift Fishing

PRELIMINARY PROGRAM

EXHIBIT AT THE 16TH IAPH WORLD PORTS CONFERENCE
The International Association of Ports and Harbors (IAPH), a Tokyo-based trade association representing deepwater seaport interests worldwide, will hold its 16th World Ports Conference in Miami, Florida, between April 22 and 28, 1989.

Recent IAPH Conferences have taken place in Seoul, South Korea; Hamburg, West Germany; and Vancouver, B.C. However, this is the first IAPH Conference to be held in Miami, where Mr Carmen Lunetta, Director of the Port of Miami, will act as the official conference host.

As part of this biennial conference, which is expected to attract around 700-800 seaport officials from around the world, an exhibition has been organized which will feature products and services of interest to the maritime community.

ABOUT THE EXHIBITION...
The Seatrade Organisation, publishers of Seatrade Week and Seatrade Business Review, and organizers of maritime exhibitions and conferences on four continents, is pleased to have been selected to coordinate the exhibition.

The Trade Show will form an integral part of the Conference's early week activities, commencing with a ribbon-cutting ceremony on Saturday evening, April 22, and concluding with pre-luncheon cocktails on Tuesday, April 25.

The exhibition area is situated along the main thoroughfare to the conference hall, and the conference schedule will allow many opportunities for delegates to visit the exhibition stands, including the following special functions:

- Sunday morning—continental breakfast
- late afternoon—wine tasting
- evening—reception
- Monday morning—continental breakfast
- pre-luncheon cocktails
- Tuesday morning—continental breakfast
- pre-luncheon cocktails

The IAPH Conference is one of the largest gatherings at any one time of port directors and other high level seaport executives. Participating in this prestigious event as an exhibitor offers an ideal opportunity for companies involved in the provision of maritime products or services to reach the decision-makers of the international ports industry...It's an excellent way of reaching your target market!

WHAT IS INCLUDED?
Exhibition space is available in booth units of 8' x 10' at the price of US$2150 per unit. The booths are constructed from drape and rail and include one table, two chairs and a name fascia board.

Participants will be responsible for providing their own display panels and promotional materials.

BOOK EARLY!...
Allocation of exhibition space will be made on a 'first come, first served' basis. As booth space is limited, we would urge you to make your reservation early, in order to avoid disappointment.

To reserve your space, please complete and return the form overleaf...
APPLICATION

I am interested in taking exhibition space between April 22-25 1989 at the 16th World Ports Congress of the IAPH.

Please contact me with further information.

Please reserve the following space or nearest available alternative.

Stand No. ........................................ (1st choice) .................................. (2nd choice) Price US$2150 per unit.

Name..........................................................
Position....................................................
Company...................................................
Nature of business........................................
Address.....................................................

Telephone................................................
Telex ...................................................... Fax
Authorized by ........................................... Position
Signature.................................................. Date

Name of representative who will coordinate our exhibition requirements

We have read the enclosed Rules and Regulations of the exhibition and agree to comply with them. We also understand that these Rules and Regulations form part of the contract.

Please complete and return this form to:

Michael Kazakoff,
Seatrade North America Inc.,
40 Rector Street, Suite 1805,
New York NY 10006, USA
Telephone: (212) 393 1000
Telex: 233629 SEA UR Fax: (212) 608 5974
1. Site Leasing

a. The Organizers of the Exhibition and Conference are Seatrade North America Inc., Suite 1805, 40 Rector Street, New York, NY 10006, USA.

b. Sites are let strictly to the exhibitor only or to his representative as previously approved by the organizers.

c. No sub-letting or the use of any space by a non-exhibitor is permitted.

d. The organizers must be convinced that satisfactory use is being made of the space allocated. This applies to the installation period as well as to the term of the exhibition. Should the organizers not be satisfied with the use being made of the site, they reserve the right to clear all or part of the site at the exhibitor’s expense. Any payment made in respect of space will be forfeited.

e. Any loss or damage is entirely at the exhibitor’s own risk. Exhibitors are advised to cover themselves by adequate insurance (see Rule 3).

f. If any exhibitor is in breach of any of these rules and regulations, or fails to pay any monies due, the organizers retain the right to cancel his allocation of space, exclude him, his agents and property from the exhibition and re-allocate the space. Such action will not vitiate any claim for payment which the organizers may have against him.

2. Exhibits

a. Exhibitors may distribute advertising literature only from their own stands and may advertise within the exhibition outside their own stands only with the approval of the organizers.

b. All exhibition stands must be controlled by an authorized representative of the exhibitor throughout the opening hours.

3. Insurance

Exhibitor assumes entire responsibility and hereby agrees to protect, indemnify, defend and save Seatrade North America, Fontainebleau Hilton Hotel, Hilton Hotels Corporation, Hotelerama Associates Ltd., and its employees and agents harmless against all claims, losses, and damages to persons or property, governmental charges or fines and attorney’s fees arising out of or caused by Exhibitor’s installation, removal, maintenance, occupancy, or use of the exhibition premises or a part thereof, excluding any such liability caused by the sole negligence of Fontainebleau Hilton Hotel, Hilton Hotels Corporation, Hotelerama Associates Ltd., its employees and agents.

In addition, Exhibitor acknowledges that Seatrade North America, Fontainebleau Hilton Hotel, Hilton Hotels Corporation, Hotelerama Associates Ltd., do not maintain insurance covering Exhibitor’s property and that it is the sole responsibility of Exhibitor to obtain business interruption and property damage insurance covering such losses by Exhibitor.

4. Damage

a. Each exhibitor shall be fully liable for any loss or damage caused by an act or omission of the exhibitor, his servants or agents, to any property of the exhibition premises, the owners and their agents and any other exhibitors and shall be liable forthwith to make good or provide compensation in respect of such loss or damage to the satisfaction of the same or any of them as the case may be.

b. No exhibitor may alter or in any way affect the structure or fixtures of the exhibition premises.

c. Exhibitors will pay the cost of making good any damage caused to the premises or fixtures by themselves and/or their contractors.

5. Conduct on Site

a. From the beginning of installation through the period of the exhibition until the conclusion of dismantling, the exhibitor shall be responsible for the good conduct of all persons working on his stand.

b. Gambling or any activity for which a special license is required is not permitted.

c. Exhibitors must not permit anything which causes a nuisance or, in the opinion of the organizers, does not conform with the general standards of the exhibition.

6. Observance of Rules

Every exhibitor and every person employed directly or indirectly by him shall be bound by and must observe these rules and regulations in all aspects. The exhibitor must bring them to the attention of all his agents and contractors. Should he not do so, any claim arising from such a failure shall be met by him.

7. Cancellation of Participation

If the exhibitor cancels his exhibition space booking, the exhibitor will be liable for the full amount of space rental contracted, unless the exhibition space is re-let, in which case the exhibitor will then be liable to a cancellation fee of 20% of the total exhibition space contracted.
We at the Port of Yokohama have rendered excellent services to ships from all over the world since its opening in 1859. We are sure that you will note the Port of Yokohama as soon as you use it once.
PACT Training Course
For the Year 1989

The Technical and Managerial Port Assistance Office (TEMPO) of the Rotterdam Municipal Port Management will execute its training programme PACT Multipurpose and Container Terminal Operations during the following periods in 1989:
- May 22 - June 6
- August 21 - September 15

The course is particularly meant for middle management staff of Multipurpose and Container Terminals in developing ports. Next to lectures and technical visits the course includes a one week attachment to a Multipurpose and Container terminal, as well as introduction and practical exercise on the use of computers, amongst other facilities through a port management simulation game.

The course fee is Dfl. 3400 (approx. US$ 1,700).

Detailed brochure available upon request at:
Rotterdam Municipal Port Management
TEMPO
P.O. Box 6622
3002 AP Rotterdam
Telex No. 23077 EUROT
Fax No. (0) 10-4778240

Stamp Exhibition at PSA Maritime Museum

The Port of Singapore authority's Maritime Museum will be organising a "Ports & Harbours Stamp Exhibition" in April next year to commemorate the 25th Anniversary of the Port of Singapore Authority (PSA) on 1st April 1989. The Museum wishes to acquire postage stamps for this exhibition and invites IAPH members and other shipping related organizations to donate stamps depicting any aspect of port operations, including navigational aids, ships and shipping, shipbuilding and repairing, cargo operations, seaward recreation, fisheries, local watercraft and maritime history. All contributions would be gratefully acknowledged. Contributions should be sent to:
Curator,
Maritime Museum
Port of Singapore Authority
P.O. Box 300, PSA Building Post Office
Republic of Singapore

PSA's Maritime Museum was established in January 1975 on a two-hectare site on Sentosa, Singapore's offshore resort island. The Museum offers a programme of activities for visiting school children and teachers as well as tourists. The Museum galleries trace the development of the Port, and the history of navigation.

On display are collections of miniature ship models, paintings, photographs and charts. Traditional craft, work boats, navigational aids and fishing methods of yesteryear are also displayed at the Museum.

IMO

Programme of Meetings
31 Oct. '88 – 31 Dec. '89

1988
- 31 October-11 November
  International Conferences on Maritime Safety (GMDSS, GMDSS-P and HSSC Conferences)
- 21-25 November
  Council — 61st session
- 24 November
  Technical Co-Operation Committee — 31st session
- 5-9 December
  Sub-Committee on Ship Design and Equipment — 32nd session
- 12-16 December
  Facilitation Committee — 18th session
- 12-20 December
  Joint Intergovernmental Group of Experts on Maritime Liens and Mort-

1989
- 23-27 January
  Sub-Committee on Safety of Navigation — 35th session
- 13-17 February
  Sub-Committee on Standards of Training and Watchkeeping — 21st session
- 27 February-3 March
  Sub-Committee on Fire Protection — 34th session
- 6-10 March
  Sub-Committee on Radiocommunications — 35th session
- 13-17 March
  Marine Environment Protection Committee — 27th session
- 3-12 April
  Maritime Safety Committee — 57th session
- 17-28 April
  International Conference on Salvage
- 15-19 May
  Sub-Committee on Containers and Cargoes — 30th session
- 22-26 May
  Joint Intergovernmental Group of Experts on Maritime Liens and Mort-
- 5-9 June
  Sub-Committee on Bulk Chemicals — 19th session
- 12-16 June
  Sub-Committee on Life-Saving, Search and Rescue — 21st session
- 19-23 June
  *Council — 62nd session
- 22 June
  *Technical Co-Operation Committee — 32nd session
- 3-7 July
  Sub-Committee on Stability and Load Lines and on Fishing Vessels Safety — 34th session
- 4-8 September
  *Sub-Committee on Ship Design and Equipment — 33rd session
- 11-15 September
  *Facilitation Committee — 19th session
- 25-29 September
Programme of Intersessional Meetings of Working Groups as Approved by the Council

1988
14-18 November GESAMP Working Group No. 26
9-13 January IOC/IMO/UNEP Working Group on the Environmental Effects of Pollutants (GEEP)
9-20 January Editorial and Technical Group of the Sub-Committee on the Carriage of Dangerous Goods
13-17 February GESAMP Working Group on the evaluation of the Hazards of Harmful Substances Carried by Ships (EHS 24th meeting)
10-14 April LDC Scientific Group on Dumping (12th meeting) * Tentative

Transpacific Trade Improvement Plan

The Transpacific Discussion Agreement met on November 22, 1988 in Tokyo and approved recommendations for a plan to improve economic and competitive conditions in the transpacific eastbound trades to North America.

The day's meeting was attended by top executives of 13 of the largest container shipping lines in the trades, constituting the full membership of the Discussion Agreement.

The executives adopted unanimously a capacity management program of the container shipping capacity in the trades, under which capacity could be reallocated from time to time in anticipation of market conditions. The recommendation was prepared by a senior-level Committee that met in Taipei two weeks ago, on November 7-8, 1988.

The executives also agreed to undertake a revenue stabilization and restoration policy objective that will be pursued by the parties in the trades and will be coordinated among all of them. The purpose of the policy objective will be to achieve revenue recovery in similar amounts by all parties to the Discussion Agreement.

"The adoption of the Committee's recommendations is a significant development," said Mr. Jiro Nemoto, Chairman of the Discussion Agreement and Executive Vice President of Tokyo-based NYK Line. "The world's largest trade lanes deserve special attention, and the modest actions taken today to strengthen profitability and service structure have been overdue," said Mr. Jackson Baker, President of U.S-based Sea-Land Service, Inc. and Vice Chairman of the Discussion Agreement.

"The principal representatives of the other member lines also in attendance at the meeting were Mr. T. J. Rhein, President of American President Lines, Ltd.; Mr. K. H. Chang, President of Evergreen Marine Corp. (Taiwan) Ltd.; Mr. Y. S. Song, Executive Vice President of Hanjin Container Lines, Ltd.; Mr. I. S. Moon, Vice President of Hyundai Merchant Marine, Co., Ltd.; Mr. H. Matsunari, President of Kawasaki Kisen Kaisha, Ltd.; Mr. F. R. Jacobs, President of A. P. Moller-Maersk Line; Mr. N. Korenori, Managing Director of Mitsu O.S.K. Lines, Ltd.; Mr. C. E. Lua, Chief Executive Officer, Neptune Orient Lines, Ltd.; Mr. Banno, President of Nippon Liner System, Ltd.; Mr. J. Poon, General Manager of Orient Overseas Container Line, Ltd.; and Mr. C. S. Chen, Vice President of Yangming Marine Transport Corp.

The actions taken by the 13 member lines will now be prepared in the form of a new cooperative working agreement that will be filed with the U.S. Federal Maritime Commission, the Japanese Ministry of Transport and any other governmental authorities as may be required.

New Publications

Revised Edition of Oil Tanker Safety Guide

The publication of a new edition of the International Safety Guide for Oil Tankers and Terminals (ISGOTT), revised and updated to take account of developments since the 1984 edition was issued, has been announced (November, 1988) by the International Chamber of Shipping (ICS), the Oil Companies International Marine Forum (OCIMF) and the International Association of Ports and Harbors (IAPH).

This third edition of ISGOTT, in addition to incorporating information and advice on recent changes in recommended operating procedures, also amends some of the terminology used in response to requests made during discussions in the International Maritime Organization.

When the guide was first published in 1987 it quickly became the acknowledged authority on safety for oil tankers and terminals, achieving wide acceptance not only within the industry but on the part of governments. A second and extensively revised edition was published in 1984 to take account of the latest developments in tanker operations and revised safety regulations. It is a measure of ISGOTT's value to tanker and terminal operators that some 20,000 copies of the earlier editions have been sold.

Changes in the content of the third edition, though not numerous, are important. The procedures for clearing lines, for example, take into account the increased use of deep-well pumps and their cargo tank stripping capabilities: this has required a revision of
the previous guidance so as to reflect current practice. Requests by IMO that the recommendations in the guide should be clear and unambiguous have given rise to the adoption of more precise guidance on certain operations and the more positive discouragement of the use of other, less safe procedures. The revised guide also draws attention to the potential hazards associated with the flammability of bunker tank vapour spaces.

The guide can be obtained on direct application to the publishers: Witherby & Co. Ltd., Book Department, 2nd Floor, 32-36, Aylesbury Street, London, EC1R OET, England; Tel: 01-251 5341; Fax: 01-251 1296 at a price of £24.00 per copy inclusive of surface mail.

For review copies please apply to the publishers. For further information please contact ICS (01-283 2922), OCIMF (01-828 7969) or IAPH (c/o British Ports Federation 01-242 1200).

The Latest Edition of LR’s Register of Ships 1988/89

The three-volume reference work contains full details of more than 76,000 merchant ships of 100 gross tonnage and above, listed alphabetically by vessel name. Each entry provides comprehensive information ranging from owners and managers, ship type and registration, tonnages and dimensions, to former names, builders and date of build, number and size of holds and engine details.

All known seagoing, self-propelled merchant ships in the world of 100 gt and over, from fishing vessels to VLCCs, are included even if they are not LR-classed.

Ship particulars are held on a computer file and amendments are made every working day using information that comes from LR’s own international network of some 250 offices as well as external sources such as shipowners, national authorities, etc. Subscribers to the Register of Ships receive, at no extra charge, 11 separate monthly Supplements listing any changes made to details of the ships, together with new entries, so obtaining up-to-the-minute information.

Today’s three-volume Register of Ships, which ranks as one of the world’s oldest reference books in continuous annual production, is very different from LR’s first Register Book, produced in 1764.

The first Register Book, which was just 18.5 cm x 13 cm in size, contained details of about 4,300 wooden vessels which were given a classification rating according to their condition. It was produced by — and for — marine underwriters, who met at Lloyd’s Coffee House in the City of London. Part-time surveyors, mainly retired ship masters, examined ships in the port and recorded their findings as an aid for the underwriters in the assessment of maritime risks.

However, since 1834 the Register of Ships has been independent from the underwriters. That year, Lloyd’s Register of British and Foreign Shipping was reconstituted as an independent society, with shipowners as well as underwriters represented on its governing body to ensure that the Register would meet the needs of all sections of the marine community.

Today, the Register of Ships remains invaluable to owners, underwriters, shipbrokers, charterers, equipment suppliers and other sectors of maritime industries. It costs £265 plus postage and packing and can be obtained from Maritime Information Publishing Group, Lloyd’s Register of Shipping, 71 Fenchurch Street, London EC3M 4BS. Telephone: 01-709 9166; Telex: 88379; Fax: 01-488 4796 (Group III). The information is also available as computer tape or printout or on line through Lloyd’s Maritime Information Services.

Fifth Edition of Specialised Register of Seagoing Dredgers

Lloyd’s Register has issued the 1988 edition of the Register of Seagoing Dredgers.

It provides comprehensive details of some 800 dredgers and sand carriers, listed in alphabetical order of ship’s name. Items of data for each vessel follow those published in LR’s Register of Ships and include details of registration, tonnages, principal dimensions, dredging equipment and capacities along with particulars of propulsion machinery where applicable. Also included is a complete list of respective owners and managers, with full postal and telecommunication addresses and lists of the vessels they own.

The Register is produced biennially by extracting the appropriate dredger entries from the computer files that are used to produce the Register of Ships. The information is checked and completed in collaboration with the International Association of Dredging Companies (IADC) which has explicit, detailed knowledge of the existing dredging vessels and world fleets. The latest edition includes many important changes to the fleet recorded since the 1986 edition.

Published in conjunction with IADC, The Hague, the Register of Seagoing Dredgers is available at £40.00 including postage and packing from Maritime Information Publishing Group (ref: MPMS/JK), Lloyd’s Register of Ships, 71 Fenchurch Street, London EC3M 4BS. Telex: 01-709 9166, Ext 2279; Telex: 88379 LR LON G; Fax: 01-488 4796 (Group III)
New Symbol for HPC

This symbol represents the new corporate identity of the Halifax Port Corporation which is an autonomous federal Crown Corporation. The mandate for the HPC is still the development, administration and control of the Harbour of Halifax, but this new logo is meant to reflect the business oriented approach of the HPC to the running of the Port of Halifax.

The historical qualities of the Port of Halifax, strength and security, which are still its long suit, are reflected in the ropes secured fore and aft on the bollard. The letter “H” a subtle illusion to the bridges that link two communities and the clean, uncluttered design symbolic of the ease of access and professional management of the port.

A further reflection of the HPC’s business oriented nature is the title designation changes to its senior management. They are: David Bellefontaine, President & CEO; Robert Kaye, Vice President Marketing; Richard Pentland, Vice President Engineering & Works; Dennis Creamer, Vice President Finance & Administration; Claude Ball, Vice President Operations & Harbour Master.

3rd Container Terminal For Halifax to Be Built

The Halifax Port Corporation has been given formal approval to begin work on what will eventually be a third container terminal for the Port of Halifax. The Honourable Stewart McInnes, M.P. and Minister of Public Works, announced August 29 that the HPC will redevelop the Pier B common user facility in two phases.

Phase 1, to be carried out in 1988, includes the demolition of three sheds and dredging along Piers 36-38, which are adjacent and north of the Halterm seawall, at a cost of $393,000. President and CEO of the HPC, Mr. David Bellefontaine, says that the tender for shed demolition was published on September 10, with contract awarding planned for by the end of the month. The second phase, to be completed in 1989, involves regarding and paving the terminal, installation of lighting poles, and placement of crane rails along the brow of Pier 36 and 37, at a cost of $3,811,000. The total project of $4.7 million will be funded from Port working capital. The initial plan is for a common-user facility with either mobile or gantry crane in place.

The Port of Halifax has experienced three consecutive years of record-breaking container traffic. Forecasts for 1988 are projected at 3.3 million tonnes, representing an increase of 120% over the past five years.

$12 Million for Québec's New Container Terminal

The Port of Québec Corporation will invest $12 million to develop a new container terminal which will begin operations in 1990 at its Beauport facility. The Port is currently negotiating with partners in the shipping industry to launch an interim service next year.

The return of containerized shipping is the most important news in maritime transportation at Québec City in the past decade,” stated the Honourable Pierre Blais, Minister of State for Agriculture and Minister responsible for the Québec region at a recent press conference.

The decision to build a container terminal on Pier 54 at Beauport follows a study carried out in 1987 by the Port of Québec Corporation’s marketing division. It showed that many regional industries, generating a yearly volume of 13,000 TEUs could benefit from a direct transportation link between Québec City and Europe. The study also indicated that an additional major client would be required to make such a facility viable. However, the report concluded by warning that long-term industrial development in the Québec City region could be adversely affected if the port authority did not take steps to create a container service.

The recent announcement by Glaverbec Inc., a consortium of Belgian and Canadian investors, to build a huge glass factory at the Québec City suburb of St. Augustin, tipped the scales in favour of the container project; the new plant will generate the necessary base cargo. The Port was a key factor in Glaverbec’s decision to locate at St. Augustin, by providing an interesting transportation package to supply raw
materials and ship the finished product.

When operations begin at Beauport, the container terminal will have a static capacity of 720 TEUs. An innovative aspect of the project, a new gantry crane will serve both to move containers and unload vessels at the adjacent bulk terminal. The Port plans to handle 17,000 TEUs in 1990.

“The return of container shipping should enable local companies to reduce their transportation costs for goods sent directly to Europe. The support of regional industries will be of key importance to the success of this initiative, as competition from other ports including Montreal, Halifax and New York will no doubt be strong,” concluded Mr. Blais.

**Vancouver Beefs Up Asia-Pacific Strategy**

Zeroing in on booming Pacific Rim cargo opportunities, the Vancouver Port Corporation has established direct customer marketing representation in ten Asia-Pacific countries.

Effective September 1, the Port Corporation activated agreements with Jardine Shipping Agencies, Singapore, and Aurora Shipping Agency Ltd., Tokyo, to further accelerate VPC marketing programmes for bulk, general cargo and container handling services.

From its far eastern network of offices and agents, Jardine Shipping Agencies will represent VPC in China, Hong Kong, Indonesia, Korea, Malaysia, the Philippines, Singapore, Taiwan, and Thailand. Jardine forms part of the transport services division of Jardine Matheson Holdings; an international group of companies operating in 22 countries.

Aurora Shipping Agency is an independent subsidiary of J.Lauritzen A/S of Denmark, a major shipping and industrial group with over 100 years experience in deep-sea commerce, world-wide. From their Tokyo offices, Aurora will represent the VPC throughout Japan.

Under the agreements, Jardine and Aurora will provide local contact and response capability for shipping lines, trading companies, forwarders, importers and exporters seeking existing, or potential trade/transport links through the Port of Vancouver. Also included in the scope of responsibilities is on-going exchange regarding market conditions, promotional strategies, and liaison with Canadian federal and provincial agencies based in these countries.

This initiative is a first for Canada's largest port, according to Port Manager and C.E.O., Mr. Francis MacNaughton. "As Canadian trade on the Pacific Rim has expanded, the Port Corporation has increased its marketing efforts throughout Asia," said Mr. MacNaughton. “This latest initiative will enhance our own marketing strategies in these countries, and is a further manifestation of the Corporation’s evolution to a more commercially-oriented operation.” (Port News)

**Computerization for Expediting Cargo Flow**

*Increased imports through the Port of Houston mean good news for shippers and added work for the U.S. Customs Service. In Houston and elsewhere, the Customs Service is turning to computerization and streamlined procedures in hopes of expediting cargo flow.*

At a time when many large public agencies still thrive on paperwork, the U.S. Customs Service is trying to cut down on it. Many procedures have been computerized, and in August the service launched “paperless” customs entries for qualified shipments.

The First U.S. Congress established the Customs Service in 1789 to assess duties, penalties, seizure records, duties, manifests and countless other data. As we will see, this initiative is a first for Canada's largest port, according to Port Manager and C.E.O., Mr. Francis MacNaughton. "As Canadian trade on the Pacific Rim has expanded, the Port Corporation has enhanced its marketing efforts throughout Asia," said Mr. MacNaughton. “This latest initiative will enhance our own marketing strategies in these countries, and is a further manifestation of the Corporation’s evolution to a more commercially-oriented operation.” (Port News)

**BIG ON AUTOMATION:** We’re very big on automation because it helps speed the movement of cargo,” says Ms. Patricia McCauley, director of the service’s Houston District. “Houston has been at the forefront of customs automation and was the first port to test the system we now use.”

The Customs Service adopted the Automated Commercial System in February 1984. Previously, the service had used several data management systems for different functions, but these systems were unable to interact. In 1979, Houston became the first port to test ACCEPT, a forerunner of the ACS system.

Today, ACS is used by the Customs Service to keep computerized records on cargo releases, entries, protests, penalties, seizure records, duties, manifests and countless other data.

**PRIVATE PARTICIPATION:** Customs officials also are encouraging private companies to use the ACS system, Ms. McCauley says. For example, brokers are being urged to participate in the Automated Broker Interface (ABI). Brokers using ABI can transmit entry and entry summary information on their shipments directly to the Customs Service database. The Customs Service in turn can release information on shipment status to ABI users via the computer.

"As more than 80 percent of the brokers who deal with Customs in Houston are on ABI," says Ms. McCauley. "If a broker is on ABI, he’ll be notified of the shipment release by computer, provided no holds are imposed. That means the cargo can leave the port as soon as it arrives."

A newer customs computer offering is the Automated Manifest System. AMS enables carriers to submit their ships’ manifests to the Customs Service via computer. AMS transmits status information on bills of lading to carriers and agents, eliminating the need for customs inspectors to process the paperwork manually.

“We’ve had AMS in Houston for the past year, and we love it,” says Ms. McCauley. “We’re encouraging carriers to use this system.” So far, three steamship lines use AMS locally, and a fourth is preparing to install the system.

**PAPERLESS TRANSACTIONS:** With the advent of ACS databases, Ms. McCauley says, many Customs procedures can be handled before a vessel arrives in port. Agents can file ship’s manifests in advance, and brokers can file entry information for ship-
Toyota Begins Operation Of New Auto Terminal

By Ellen Beth Levitt

A new, 45-acre auto terminal built for Toyota Motor Sales, U.S.A. at the Port of Baltimore was opened officially on 7 October 1988 by Governor William Donald Schaefer and the President of Toyota, Mr. Yukiyasu Togo, at dedication ceremonies.

The state-of-the-art terminal was developed and built by the Maryland Port Administration for Toyota, which has been importing vehicles on 26 acres at the Dundalk Marine Terminal. Toyota has signed a 15-year lease to use the new facility, which is part of the Fairfield Auto Terminal, located south of Baltimore on the western shore of the Patapsco River. The terminal is a short distance from Interstate 895 (The Harbor Tunnel Thruway) and is linked to the CSX Transportation rail network.

This is an example of how the Maryland Port Administration responds to the needs of its customers so their business can continue to grow,” says Governor Schaefer. “The new terminal will keep jobs at the port for many years to come.”

“Toyota needed more space to continue to operate in our port, so we worked with the company to build a facility that will serve their needs now, with room to expand," says Mr. David A. Wagner, Executive Director of the MPA.

The concrete pier at the new terminal is 840 feet long and 100 feet wide. Three white masonry block buildings on the site will house a car wash and body shop and provide a place where the vehicles will get their port-installed options such as air conditioning, and quality assurance checks before the vehicles are sent to dealers.

About 280 people currently work at Mid-Atlantic Toyota’s processing center, operated by Crown Port Services, Inc., at the Dundalk Marine Terminal. Many of these employees will be transferred to the new terminal. Crown Port Services’ operations at Dundalk will continue, processing other foreign made cars and trucks. The opening of the new auto terminal is expected to provide additional jobs, although the exact number is not known yet.

“Automobiles are among the most labor-intensive type of cargo that come through the port,” says Mr. Wagner. “Aside from being unloaded from the ships, certain options are installed at the port.”

The site of the new Toyota facility was formerly Maryland Shipbuilding and Drydock, which closed in 1984. The MPA purchased the land from the Fruehauf company of Detroit for $8 million, and spent $15 million preparing the site, expanding the pier and constructing the buildings to Toyota’s specifications.

Money for the project came from the Consolidated Transportation Program, a part of the state’s Transportation Trust Fund that funds capital projects. Most of the funds will be repaid to the state over the 15-year period of the agreement with Toyota.

With the completion of the Toyota terminal, the Fairfield section of the port becomes the center of Baltimore’s automobile import business. The MPA owns 150 acres next to the new auto facility, and work is underway to prepare 50 acres of that site for auto storage. The agency is now talking with other importers who may be interested in using the adjacent land.

Also in the Fairfield area, Hobelmann Port Services operates the 42-acre Atlantic and the 41-acre Chesapeake auto import terminals. Auto imports at the Port of Baltimore have grown...
Fishport in Brooklyn
Innovative Project

The Fishport in Brooklyn, New York, is a unique and innovative project that is moving the U.S. fishing industry away from some of its traditional ways of doing business into the electronic age. Operations started at Fishport in December of 1987, and fishing/seafood companies in the U.S. and worldwide are closely watching its progress.

In December of 1983, the Board of Commissioners of the Port Authority of New York and New Jersey authorized a $30 million redevelopment for commercial fishing of its Erie Basin property, an abandoned break-bulk marine terminal. The facility had more than 400,000 square feet of cargo sheds, 4,000 linear feet of pier frontage, and an 80-acre sheltered basin, 20 to 25 feet deep. Located within two miles of the Fulton Market and less than one mile from superhighways leading to New England, the Midwest, and the South, this facility is also within 20 miles of the greater New York region’s three major airports — Kennedy, LaGuardia and Newark.

More than $10 million were spent on infrastructure for the first phase of Fishport, including a new sewer line and other new utilities. Streets and parking areas were repaved, and three wooden piers inside the basin were removed. Restoration of the auction hall and tenant spaces within the building started in 1986. The structure was stripped of siding, the framework sandblasted and painted, and new siding applied. The auction hall space, more than 16,000 square feet, contains a refrigerated display area, cooler space, and an ice plant that can produce 40 tons a day and store 200 tons. There are 12 truck bays, and discharge stations for 5 vessels. The auction-clock room has permanent stations for 32 buyers.

Vessels call in over their radiotelephones the afternoon before the auction, to be given early positions in the off-loading and discharge sequence. There are 24-hour call-in numbers for the use of vessels hailing-in product. These vessel hails are transferred to a special call-in tape for the buyers, so they can plan early for purchases on the next day’s auction.

Fish is taken out of the hold by the vessel’s crew, then sorted, weighed, and boxed by labor, closely supervised by personnel from the Port Authority’s Facilities Management Division. Fish is packed into strong expanded-polystyrene boxes with covers designed especially for the auction. The system is attractive to fishermen because the TRUE WEIGHT of the product is used at all times, without any shrinkage factored in.

Fish arrives at the auction hall by truck as well as by vessel. Trucks are asked to hail-in 12 hours before arrival at Fishport. Like the vessels, they may stipulate a minimum acceptable bid for their products. In order to preserve product quality, trucked-in product is displayed in the containers in which it was shipped, without further handling, unless specific arrangements are made with the auction management beforehand.

The boxed and labeled product is placed on the display floor before the scheduled noon sale. Auctions currently are held Monday through Friday. Buyers have an opportunity to inspect the product during the hour before the sale, using their copies of the auction’s total product listing, which is produced by the clock computer system. Once they have inspected the product and made appropriate notes, they go to the separate clock room, where each has been assigned a permanent buyer station for the year. Five seats are now being held as “floating auction seats” for buyers who would like to participate in the auction on a temporary basis.

A Compaq computer system runs the clock and all of the corresponding information systems for the auction, including the production of settlement sheets for both buyers and sellers. After the clock controller announces the lots, with buyers following along on their product-listing sheets, the clock is activated to start the sale. The price is started high and goes down by pennies as the clock moves in reverse. The buyer uses the keypad at his station to stop the clock. If he has won the bid, he immediately uses the keypad to indicate the number of boxes he wishes to purchase from the lot. Thus, the first bid is the high bid that buys all or part of the offered lot. The remainder of the lot, if any, is sold in the same manner. A buyer may elect to equip his station with a telephone so that he can be in constant contact with his company or customers during the course of the sale.

Fishport offers the first example in...
North America of the use of such modern electronic technology for the sale of seafood products. When beef and other agricultural commodities are sold in this country through electronic marketing, the product need not leave the farm, and the buyer can remain at his office computer terminal. The Port Authority has taken the first step in helping the fishing industry catch up to marketing in this electronic age. Innovation and the breaking of old traditions comes slowly in our industry, but we are confident that this initial step will soon position the New York region’s seafood business as a leader in ultramodern international exchange, capable of trading all kinds of seafood products worldwide.

**Passage of Water Resources Act Hailed**

Port Authority Chairman Philip D. Kaltenbacher praised the passage by Congress of the Water Resources Development Act of 1988, which will continue a highly successful waterfront cleanup program in the New York-New Jersey Port, and called upon President Ronald Reagan to sign the legislation enacting it into law.

A provision of the measure will extend a 14-year-old Federal program to rid the New York-New Jersey Port of navigational hazards by the collection and removal of drift debris and the elimination of the sources which create it.

“This popular Federal program is of vital importance to this Port preventing millions of dollars of damage to commercial and private vessels. It has reduced the source of floating debris by removing decrepit piers and waterfront structures through a partnership of Federal, State, local and private resources,” said Chairman Kaltenbacher.

“I am gratified that the 100th Congress, recognizing its value to the nation, has passed this vital legislation. I am confident that President Reagan will sign it into law and we can complete this important program,” added Chairman Kaltenbacher.

Nearly $45 million has been spent on the U.S. Army Corps of Engineers program since its inception in 1974, $30 million of which has been from Federal funds. An estimated additional $25 million is required to complete the project.

Ms. Lillian Liburdi, the Port Authority’s Port Department Director, stated, “The value of this legislation to the working port is significant. The debris from decaying waterfront facilities can cause serious damage to large container ships as well as small pleasure craft. Once the structures are removed, the properties can be returned to maritime or other commercial use or, like Liberty State Park, into public recreational space. This program is bringing new life to the greatest Port in the world.”

**Oakland to Take Part In 2 Japan Expositions**

Japan is preparing for two gigantic international expositions in 1989 and the Port of Oakland will be represented at both.

The nation, which is the Port’s largest single trading partner, will host the Yokohama Exotic Showcase (YES) in that harbor city from March 25 through October 1, 1989. Almost concurrently, from March 17 through September 3, the Asia-Pacific Exposition will be held in Fukuoka.

Officials of the two fairs anticipate a combined attendance of more than 20 million.

At Yokohama, a 150-acre site for YES has been created as part of the ambitious “Minato Mirai,” or Future Port, redevelopment project. The expo, occasioned by the centenary of Yokohama’s incorporation, will have as its theme “Space and Children,” dedicated to the exploration of space in the next century. The attractions, which include a convention center, an art museum, a maritime museum and other facilities designed to outlast the fair, represent an investment of $200 million.

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At Fukuoka the future also provides the expo’s theme, “The Quest for New Communication,” reflecting the organizers’ belief that “the countries of Asia will play a growing role in our world as new communication links bring their people closer together.” A 193-acre site, boasting elaborate gardens and a man-made, white sand beach, will house exhibits from 30 nations.

The city of Oakland and the state of Hawaii have been chosen as the Fukuoka expo’s only two representatives of the U.S. American firms, moreover, have been invited to use the Oakland exhibit as a showcase for their goods and services.

Yokohama also has provided for exhibit and sales of foreign goods in cooperation with private contractors in the fair’s International Exchange Pavilion, in restaurants and in other concessions on the grounds.

Oakland and Yokohama have been associated as sister ports since 1980, regularly exchanging staff members for internships and jointly sponsoring seminars on shipping trends and port development.

Oakland and Fukuoka have been affiliated as sister cities since 1962, a relationship that has fostered numerous reciprocal visits by adults and young people alike. The city’s harbor district, Hakata, became a sister port of Oakland earlier this year during the course of the Port’s annual trade mission to the Far East.

**World Trade Center Planned in Charleston**

Plans are underway for the establishment of a world trade center in Charleston.

The Charleston Trident Chamber of Commerce has formally endorsed the plan and made application for membership in the World Trade Center Association. The Chamber’s Transportation Task Force has formed a steering committee to encourage participation by manufacturers, maritime businesses and trade associations to determine what kind of world trade center is needed in Charleston and how to set it up.

“As a focal point for international trading activities, a world trade center will be extremely important to the economic development of the Trident region and the state of South Carolina at large,” according to Mr. Robert C. Heffron, Jr., president of the Trident Chamber of Commerce.

The general purpose of a world trade center (WTC) is to advance international trade on a global scale and provide an organization through which persons interested in international trade can meet, exchange ideas, and provide organization members a number of trade-related services.
The Port of Mombasa is among the scheduled ports along the Kenyan coastline administered by the Kenya Ports Authority. The Authority officially came into being on January 20th, 1978 when the East African Harbours Corporation ceased to exist following the break-up of the East African Community.

Kenya Ports Authority is charged with the responsibility to provide, maintain, operate, regulate and to improve all port services and facilities along the Kenyan Coastline.

Apart from the major port of Mombasa the Authority has jurisdiction over the smaller maritime ports of Vanga, Shimoni, Mtwapa, Funzi, Kilifi, Malindi and Lamu.

Policy formulation at the Kenya Ports Authority is vested in a Board of Directors under a Chairman appointed by the Minister for Transport & Communications. The Managing Director, who is also a member of the Board, has the responsibility for the day-to-day running of the Port. He is assisted by functional divisional General Managers and Heads of Departments.

1. The port as the gateway to Kenya and the hinterland

The Port of Mombasa, a well sheltered natural harbour, is the main gateway for Kenya as well as the hinterland countries of Uganda, Rwanda and Burundi. It also serves Eastern Zaire and Southern Sudan. Traffic to and from Tanzania, Zambia and Somalia is currently rather irregular and restricted to only smaller quantities.

2. Facilities

i) The Port has sixteen (16) deep-water berths with a total quay length of 3,044 metres and a maximum dredged depth of 11 meters. The berths can accommodate vessels of various sizes up to 300 metres in length.

ii) In addition to the sixteen deep-water berths, the Port has twelve (12) anchorages and six (6) mooring buoys, each of which can accommodate vessels of up to 250 metres in length.

iii) Included in the sixteen berths is a full-fledged container terminal consisting of three (3) berths giving a total quay length of 610 metres with a supporting back-up area of 50 acres.

iv) The terminal has the capacity to handle 220,000 TEUs (Twenty-Foot Equivalent Units) per annum.

— Other bulk traffic like grains (wheat and maize) and fertilizer are handled at the general cargo berths by use of pneumatic vacuumators and/or grabs.

— Coal and Flourspar are handled at the bulk cement berths.

3. Ship traffic

The number of ship arrivals with respect to dry cargo ships used to be as high as 90-100 vessels per month up to 1980. With the increasing size of ships coming up in the international maritime world, however, fewer ships are carrying the same or higher volumes of traffic.

4. Volume of cargo handled

i) The total traffic handled in the Port has generally averaged around 6.5 million tonnes per annum. In the years 1986 and 1987, however, it handled 6.9 million tonnes. A record volume of 8.4 million tonnes was handled in 1981.

ii) Traditionally, about 50% of total traffic consists of bulk liquid traffic (chiefly crude oil imports). Dry general cargo (just over 2 million tonnes) forms about one-third (1/3) and dry bulk cargo (around 1 million tonnes) makes up the remaining one-sixth (1/6) of the traffic handled annually. Export traffic has also traditionally averaged around 2 million tonnes per annum - about one-third of total traffic. Import traffic has, in contrast, always been just over 4 million tonnes per annum, thus making up about two-thirds of the total Port traffic.

5. Container traffic

i) The growth of container traffic at the Port of Mombasa was heralded by the arrival of a Zim Line Vessel (m.v. Ashdod) in June, 1971 carrying 100 boxes. Significant traffic was, however, first recorded in 1975 when 1,298 TEUs (Twenty-Foot Equivalent Units) were handled. The traffic has since grown by leaps and bounds, reaching 119,855 TEUs in 1986 but registering a slight decline of 3.75 per cent to 115,366 TEUs in 1987.

ii) The Inland Container Depot at Nairobi started operations in 1984, handling 1,207 TEUs in that year, 18,400 in 1986 and...
6. Transit traffic
The Port has continued to play an increasing role in giving service to the landlocked countries. Transit traffic rose from 386,735 tonnes in 1985 to 419,812 tonnes in 1986 - a rise of 10.3 per cent - and to 507,156 tonnes in 1987, which was a rise of 20.8 per cent against the 1986 level.

7. Transhipment traffic
Transhipment traffic rose from 9,975 tonnes in 1983 to 31,924 tonnes in 1986, but registered a decline of 19.6 per cent to 25,654 tonnes in 1987. The Authority is gearing itself to a deliberate policy of attracting more and more transhipment traffic to take advantage of its advantageous geographical location.

8. Development projects
The Port's current development plan covers the period 1984/1988 and is incorporated in the 5-year National Development Programme. It is intended to implement various rehabilitation projects within the plan period in order to improve on the efficiency of the Port and to ensure that the Port keeps in step with its objectives of providing adequate facilities. Development funds are now available and plans are currently underway for the implementation of the following projects:

i) Rehabilitation of the Kipevu Terminal: This project aims at improving the Terminal to make it more suitable for serving increasingly large vessels.

ii) Rehabilitation of the Shimanzo Oil Terminal: This project also aims at rendering the facility suitable for serving increasingly large vessels.

iii) Renewal of Fenders - Berths 11-14: This project involves the replacement of fenders and repairs to berths and fittings to ensure the safety of vessels and the prolonged life of the berths’ infrastructures.

iv) Rehabilitation of quay cranes at berths: This project involves the refurbishing of the existing old quay cranes on these berths. Its aim is to render the equipment more suitable and will prolong the life of the cranes.

The current plan also provides for the following projects:

i) Construction of the container freight station: This project is intended to provide a facility near the port area for the stripping and stuffing of containers as well as for repairing containers. This will enhance the fluidity of container traffic movements.

ii) Proposed Inland Container Depots: The Authority has also initiated plans to establish Inland Container Depots (similar to the one in Nairobi) at Malaba, Eldoret, and Kisumu. These will serve to extend the Port services to the up-country Port users and render their use of the Port much more economical by reducing transport costs.

iii) Mombasa Port Expansion Study: This project aims at the ultimate provision of new Port facilities (particularly bulk handling facilities) on land recently acquired by the Authority in the Dongo Kunda area on the

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South mainland of Mombasa. Development will thereafter be undertaken in phases in response to the demand for more Port facilities.

**Containerization on Zaire “National Route”**

**By Natshikanga-Kasili**

(The translation from the original French version was arranged by courtesy of the IAPH Foundation)

**A) Background and problems**

Kinshasa, the capital of Zaire, is also a large port on the Zaire River, which flows through the country. More than one-half of our imports and exports, i.e. approximately 561,547 tons of merchandise, pass through the river port of Kinshasa.

In order to understand the extent to which merchandise destined for Lubumbashi (the largest industrial center in the interior of the country, located 2,000 km from Kinshasa) is transshipped, it is necessary to know that the “national route” between Matadi and Lubumbashi, which is of strategic importance, consists of two sections of railroad at the ends of a navigable part.

That complex route, the only one between the two large cities, tells why there is so much transshipment with such considerable risk of damaging the cargo.

**B) Solutions**

The extension of the Port of Kinshasa, where I work as a mechanic in the crane maintenance department, has made it possible for our transshipment company to enjoy the use of hoisting equipment that includes some off-road cranes. The use of containers definitely makes transportation more flexible. It is of great importance to maximize such transportation in steel containers to protect the contents in view of the many interruption points on the “national route.”

**C) History and development of containerization**

It was the U.S. army that, at the beginning of the fifties, designed the first generation of these steel-plate boxes that have proved so practical and suitable for use on trucks, ships, trains or planes. It was not until about ten years later that the first civilian containers made their debut. Today practically anything can be transported in them: electronic equipment, fruit, furniture, cars and cereals, to name a few. A standard was set for containers before they came into really wide use, an international standardization agreement prescribing a length of either 20 or 40 feet for them. Along with the container with collapsible sides for bulky merchandise, a new type of containers made their debut. Today practically anything can be transported in them: electronic equipment, fruit, furniture, cars and cereals, to name a few. A standard was set for containers before they came into really wide use, an international standardization agreement prescribing a length of either 20 or 40 feet for them. Along with the container with collapsible sides for bulky merchandise, a new type of containers with a natural ventilation system has recently been put into use by the Italian company Cobra Containers.

**D) Means employed for increasing the efficiency of the Port of Kinshasa**

1) **Modernization of handling equipment**

All of the material handling equipment of the Port of Kinshasa has become obsolete, hence the need to modernize the port equipment and installations.

A large-scale operation financed by the World Bank is effectively meeting this need.

The French firm SOMERAL has supplied a new portainer (gantry crane for containers) with a capacity of 35/45 tons that is of decisive importance in speeding up the transshipment of cargo. It can easily move over the dock, which has a length of 230m and covers a total surface area of approximately 80,000 square meters.

The procurement of such equipment has made it possible to:

1) reduce handling operations and the risk of damaging the merchandise in route
2) decrease storage expenses
3) economize in terms of both labor and container routing time
4) standardize this type of transportation, which is extremely popular among shipping agents.

The containers are well arranged inside the confines of the port, and the place where a container is being kept will be easily accessible when the time comes to find it for further shipment.

The portainer at the outstart has a capacity equal to that of 400 dockers.

The great upsurge in the use of container transportation throughout the world is all the more reason for us to strive in that direction.

2) **Motivation of personnel**

Such personnel include, among others, crane operators and inspectors for the larger volume of containers handled for which shipping papers, destination and contents must be checked.

One must make sure that the crane operators place the containers carefully down on the concrete surface so as not to damage the merchandise.

3) **Maintenance of equipment**

If a conveying machine is put out of commission for too long, the company will lose money.

It is therefore necessary to:

1) provide good technical training for the personnel, as in the case of the Port of Kinshasa (the National Transportation Authority presently provides training for several teams of A2 technicians in general mechanics, industrial electricity and electronics to supplement the personnel strength of the port);
2) reorganize the workshops and purchase a certain amount of equipment for the maintenance of the cranes;
3) increase the capacity for radio communications between workers within the confines of the port;
4) check the movements of private individuals on the dock; and
5) revamp a large number of containers or, abandon them if they have been excessively damaged en route.

The port that I am describing is not yet completed. It is operating at a low capacity, and the process of restructuring and reequipping it has not yet been completed.

And that makes it difficult to assess or quantify its performance.
Port of Barcelona Signs Stowage Agreement

Memorandum

Over the last few decades we have seen how ports in Northern Europe have been modernized and developed, and at the same time how Northwest Mediterranean ports have remained at a standstill while talks were being held in an atmosphere of fruitless labour conflict. Barcelona is no exception, having suffered many conflicts since 1980, which has created a negative image.

Generally speaking, in Spanish ports labour was based, up until the reform set in motion by the Royal Decree 2/1986 of 23rd May, on three foundations:

a) A "paternal" government which subsidized the sector in a stable and permanent manner, with no financial rationality criteria;

b) The Organization of Port Labour, an administrative body dependent on the Ministry of Labour which was responsible for staff management of port workers. It acted in a very bureaucratic fashion, and proved incapable of applying efficient and cost saving criteria; and

c) The stevedore companies, which in this context simply employed stevedores on a mutually beneficial basis (companies hired stevedores per day and paid only the cost of the worker for that day, and the State covered periods of unemployment, while maintaining an excessive payroll with salaries increasing considerably).

Before the present reform, as recently as 1980 attempts were made to carry out certain changes which failed due to the atmosphere of confrontation amid a huge labour conflict, especially intense in the Port of Barcelona.

The current port reform, initiated by the aforementioned Royal Decree, was received in Barcelona as a unique opportunity to make up lost ground in achieving modernization and growth in view of the challenge set by the Single European Market.

The first step of the reform was the constitution (September 1987) and the starting-up (March 1988) of the State Company of Stowage (ESTIBARNA), a public company replacing the Organization of Port Labour in the management of services, with the following main characteristics:

a) It is a joint stock company following business criteria.

b) It includes stevedore companies as partners.

c) The total costs of the stevedore staff and the complementary services are intend to be covered by the companies of the sector, without depending on the indiscriminate aid of the Government.

However, the creation of this new public company (ESTIBARNA) is not sufficient alone to introduce reform. Therefore, the Presidency of the Autonomous Port of Barcelona has asked workers and company managers to make an effort to abandon outdated practices in the negotiating process which would make it possible to introduce port reform as smoothly as possible, through an important agreement effected on 28th October and the Employment Plan signed by workers, company managers and the state company. With this agreement, the following has been achieved:

1. Labour Harmony

The Port of Barcelona has discarded the system of confrontation to solve labour questions. It is an encouraging example that during 1988 and while negotiations were being held there were no strikes.

2. Efficiency

Participation of human resources

The progressive reduction of members of work teams. Flexibility and mobility of workers between functions. The elimination of "sub-occupation" processes.

Professional Training

The maximum professional level of staff. Permanent Professional Training scheme with state aid to administer courses and to constantly adapt to requirements made by applying new technologies.

3. Financial Feasibility

A gradual staff reduction plan has been established which allows suitable activity levels to be reached.

The Government is contributing aid in accordance with the adjustment to the surplus of staff (of a decreasing nature and with a five-year limit).

From 1990 onwards the overall cost of stowage services will be lower than in 1987, which was the last year in which the previous system was in force.

This cost reduction is of capital importance as it is the most obvious example of the practical advantages of the reform and agreement.

Barcelona, 2nd November, 1988

3 Ports to Offer Joint Training Programme

The ports of Felixstowe, Liverpool and London have recently concluded an agreement with the British Council to provide a joint training programme for overseas port personnel. Called the "Port Transport Programme in Operations Management and Administration" it comprises a main core programme of 16 weeks in the U.K. followed by options of 4-15 weeks on specialized modules covering all port transport and marine activities.

Commencing in September 1989 the programme makes use of the long-standing expertise and experience of the three leading British ports. It provides a complete cross section of expertise, from traditional background to new developing systems and design. The programme is planned to demonstrate and give a thorough understanding of the most up-to-date port transport industry techniques.

It has taken a year of careful planning by the consortium of the three ports and the British Council to arrive at this unique package. This training programme has been designed for suitable mature personnel from the port transport industry throughout the world, especially the developing countries and will introduce them to the widest aspects of the U.K. Ports Industry. The concept of the Core Programme together with Module Options matches the port transport industries move towards one of intermodalism.

Included in the Modules are elements of theoretical and vocational training which will enhance the awareness and knowledge of the participants. This will enable them to contribute more effectively, through improved management skills.

Mr. Alan Holland, Managing Director of Placon, the Port of London Authority's consultancy subsidiary, welcomed the opportunity for London's involvement in the combined training initiative.
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Port of Vancouver Mission in Tokyo

On the evening of Thursday, November 17, 1988, at a reception attended by a number of representatives from Japan’s business circles including those from the Port of Yokohama, held at the Canadian Embassy in Tokyo, Capt. Hector Duncan Perry, Chairman, Vancouver Port Corporation, mentioned that the traffic with Asian countries was showing very positive increase. He also announced that the Port had established a Tokyo office to facilitate quality services in the region. The newly appointed representative and its office contacts are:

Mr. R. Kongo
Tokyo Representative, Port of Vancouver
c/o Aurora Shipping Agency, Ltd.
Shuwa Kioicho TBR Bldg., Room 1117
5-7, Kojimachi, Chiyoda-ku
Tokyo 102

Tel: 03-237-7571
Telex: 02426774 ARATOK J
Fax: (03) 237-7858

Mr. Ray L. Purdy, Director, Marketing, Vancouver Port Corporation, told R. Kondoh, who was attending the event, that the mission was composed of the representatives of both stevedoring companies and the dockworker unions to give them a chance of seeing what was happening at the receiving end of their services.

(By R. Kondoh, IAPH)

Port of Genoa Deploying New Trade Strategies

At a press conference held on the evening of November 30 at the Italian Trade Office in Tokyo, Mr. Domenico Ruiz, Director of Marketing, Port of Genoa, stressed that the capacity and the quality of the services of the Port of Genoa have been greatly increased with the completion of new container terminals and the improvement of the related service infrastructures compatible to intermodal and multimodal transport systems.

Admitting that the Mediterranean ports have been dormant during the last decade or so due to many reasons, he pointed out the strategic significance of the Mediterranean Sea and its geographical advantages in respect to the distribution and supply of cargoes to most parts of Europe, especially for the rapidly growing trade originated in and destined for Asia and the Pacific Rim countries.

A joint tripartite strategic trade development plan recently concluded among the Mediterranean Ports of Genova, Marseilles and Barcelona, he continued to say, will not only attract such newly increasing traffic between the Asian NIES but also re-catch the cargo lost to the ports located in the Northern European countries.

(By R. Kondoh, IAPH)

Nat‘l Communications Network in Australia

Australian port authorities are joining other waterfront industry groups to form a National Communications Network covering all trade-related functions and controlled by a user-based management company.

The recent Conference of the Association of Australian Port and Marine Authorities (AAPMA) gave its full support to both the Network and its management plan.

The purpose of the Network is to link together all the various participants in the transport, handling, cargo clearance, exporting and importing industries.

Electronic documents and operational messages will be exchanged within this trade and services community on a completely secure basis, giving substantial savings to those who make use of the facility.

The management company is expected to be established by the end of this year and the network itself is expected to begin operations in mid-1989.

The trend around the world is towards this type of system known as electronic data interchange or EDI. The pace of its adoption is increasing and these developments will ensure that Australian trade is serviced using the most modern and up-to-date communication techniques.

The Ports’ decision adopts the initiative of the National Communications Working Party on EDI and is a positive action on the part of the ports of Australia to support this vitaly important improvement in our trading process.

Announcing the decision, Mr. John Jenkin, President of the AAPMA, said: “For once, Australia has the chance to establish a competitive advantage for itself in the international trading arena and this chance must be taken. We must avoid a fragmented and therefore less efficient system for trading documentation.

“As far as the ports are concerned, it is not their intention by this means to establish any sort of control over such a network, as has occurred with some European and USA ports. On the contrary, it is our wish to participate with as many other parties as possible to ensure that the network can become truly a community network not hostage to any particular interest group or set of interests.”

Mr. Jenkin said it was apparent that the fundamentals of an EDI network were not yet widely understood in this country.

Management of the “information economy” was an important issue, and there must be strong mechanisms to provide integrity and security, he said.

“The Trade Services Network is a particular case in point and the management company’s main role is to ensure that there are, and continue to be, appropriate safeguards for its users. This function requires more than an advisory body such as a council or association,” Mr. Jenkin said.

“This co-operative involvement of all user interests in this management role is seen to have much wider significance within the total waterfront strategy process than that of just the EDI process itself.”

Penang: Growth of 9.5% In Container Traffic

The Port of Penang recorded a strong growth of 9.5% in container traffic for the first half of the year. Total container traffic that was handled at the Port was 71,106 TEUs. Containerised cargo at 1.2 million tonnes in 1988 was 11.9% higher than the 1987 (first six months)
None can excel us in these elements.

— And the completion of new facilities will provide us a longer leads.

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Cargotonnage at the Port increased by a marginal 0.3% to 3.9 million tonnes in 1988. A total volume of 792,000 tonnes of dry bulk cargo moved through the port during the first six months of the year. The 11.9% increase was attributed by a growth in the import of maize (+686% to 183,340 tonnes) and fertilizers (+124.9% to 134,310 tonnes).

There was a drop of 9.1% to 1.1 million tonnes in liquid bulk cargo that moved through the port. The sharp decrease in the import of fuel oil (−22% to 233,500 tonnes) and the export of palm oil (−20% to 222,100 tonnes) contributed to the decline in tonnage.

A total of 1,869 vessels arrived at the port during the review period of 1988, down by 0.5%. Shipping tonnage was recorded at 7.7 million GRT, a drop of 2.4% over the corresponding period of 1987.

(BERITA pelabuhan)

Ports of Auckland Ltd.
Begins Operations

Ports of Auckland Ltd., the new trading port company owned by the Auckland Harbour Board, began operations on October 11.

The new structure, originally outlined in the Port Plan for Auckland, prepared by the Port Establishment Unit, was ratified by the Minister of Transport, Mr. Bill Jeffries.

The business is divided into four main segments, with separate operations for Terminal Services, Port Services, Plant Services, and a fourth operation covering port-related property and boatharbour activities. Each will operate from separate addresses.

Terminal Services will be based at Fergusson Wharf; Plant Services at Tooley Street, and Port Services eventually at Bledisloe Wharf, although until new premises are established, that operation will be based in the former AHB Building on Prices Wharf. There is also a small corporate office for Ports of Auckland Ltd.

The Chief Executive of Ports of Auckland Ltd. is Mr. Robert Cooper. Company Secretary is Geoff Bissell, General Manager Finance is Graeme Matthews, and Mr. David Catty has been appointed as Group Manager - Marketing. There will be General Manager for each of the four business segments. Mr. Chris Davis will be General Manager Terminal Services. Mr. John Halling is General Manager Port Services, and Mr. Geoff Vacey is General Manager Plant Services. The fourth has yet to be appointed.

The Port company has purchased from the Harbour Board all the assets which are part of the port operation, including all the wharves, as well as future port requirement land such as the Western Reclamation, Pikes Point and Pollen Island. In addition, the port company owns Westhaven Boatharbour, and other potential marina sites such as Okahu Bay, Bayswater and the Devonport Wharf area.

The other land interests, including downtown Auckland will remain with the Auckland Harbour Board although they may be managed through an associate land company.

The Ports of Auckland Ltd. will operate with a staff of some 700, 300 fewer than under the Auckland Harbour Board, the majority of these reductions having been achieved through a voluntary severance programme.

The Auckland Harbour Board will continue as a local authority, as the shareholder of the port company, and fulfilling non-commercial functions for the community, including foreshore control, maritime planning and some aspects of recreational moorings administration. A staff of approximately 20 will be retained by the Board to complete these functions.

The reorganisation of the Board has been brought about by the passing of the Port Companies Act by Government in May of this year. This Act of Parliament required all harbour boards to set up port companies to operate their commercial activities, and to provide a return on the assets employed.

The Ports of Auckland Ltd. is targeting a 10 percent reduction in costs, and an 11 percent improvement in performance and productivity during the first two years of its operations.

The company has adopted a completely new philosophy in dealing with its day-to-day business operations. “Customer Driven and proud of it!” — this is the motto for the company for the future, reflecting the importance of efficiency and port management and staff hold for their clients, and the needs of their clients.

Chief Executive Mr. Robert Cooper has identified the need to recognise that ports are in the service business, providing a range of port services for the clients who are the shipping companies, and the major importers and exporters of this country.

"More than ever before, we are going to be customer driven. We need to recognise that our clients hold a key to the success of the port. By working with them, we will be able to market strongly for the cargo that makes the port "tick." This is the philosophy of Ports of Auckland Ltd., for the future," he said.

The Chairman of the company, Mr. Graeme Alexander said:

"The prime objective of Ports of Auckland Ltd. is to operate as a successful business and thus ensure that the port operations remain commercially viable over the very long term.

"In order to achieve this, the company will have to reflect a reasonable balance between several factors, including the aspirations of the port workforce with respect to financial rewards, working conditions, security of employment, and participation; the requirements of the community for increased efficiency reflecting in ultimate returns to producers and in consumer prices; the requirements of port users for efficient services and competitive charges which then serve to maintain existing trade and attract new trade to the port; the need to achieve market-related returns on capital so that the company can continue to attract capital in the future; the need to maintain a strong capital structure in order to accommodate port development and projects with typically long payback characteristics; and the need to preserve unimpended control over the port waterfront and its backup land so that the widest possible range of development options is maintained in the very long term.

"In legislating for port corporatisation, the Government has endeavoured to speed up the process of change on the waterfront. In this, the main objective is improved productivity and consequentially a reduction of charges levied on export and import trades.

"Indeed this reflects the true purpose of public investment in the ports system. Thus the benefits to the total community will be maximised through productivity improvements when these are passed on to producers and consumers," he said.
Rates are flat rates which have been given to proceed have been introduced to New Zealand, and reflects an extensive analysis of available machines and designs undertaken by Auckland Harbour Board officers during 1987 and 1988. An initial analysis shortlisted four machine manufacturers, and a decision was made in favour of Valmet.

**Simplifying Tariff In Philippine Ports**

Restructuring Port Charges: The Philippine Ports Authority restructured its port charges in 1983 by converting or consolidating most of the varied bases into common ones, making sure that no sudden increase in charges would happen in the process. The PPA simplified or restructured the complex port charges schedule to make it easy to apply, rational, and similar to the rate structure in other nearby international ports.

Restructuring Cargo Handling Rates: The cargo handling rate structure also posed serious problems or defects. For one, the structure contained a long listing or “grocery list” of commodities from (800 to 1,000) with their corresponding rates. For another, the basis of charging amounts from the 4th BRD Loan to finance the project.

Restructuring Cargo Handling

Rates: The cargo handling rate structure also posed serious problems or defects. For one, the structure contained a long listing or “grocery list” of commodities from (800 to 1,000) with their corresponding rates. For another, the basis of charging adopted in one port was not necessarily followed in another, resulting in discrepancies in charges.

The greatest defect of the system was it did not encourage operational efficiency, with several extra charges being passed on the shipper or consignee by the handling operator. The PPA started simplifying the cargo handling rate structure in 1982. This is being done on a piece-meal basis whenever an operator applies for a renewal of his contract.

In the process of restructuring, cargo having similar handling characteristics are classified into specific tariff categories. The charging basis became the revenue ton. Rates are flat rates which include overtime, incidental labor costs and standard equipment and labor complement. The weighted average approach in rate setting is used so as not to unduly increase or decrease the operators' revenue level. The principle of "no-service, no-pay" is strictly followed.

Need for Improvement: Although the present tariff system works, there is still room for improvement. The structure can be further simplified, made clearer and more flexible to meet the demands of the times.

For instance, handling operators are not classified depending on the amount of investment poured in by the company.

There is also no system for automatically adjusting the rates depending on the fluctuations of the economy, the tariff structure being set and rigid.

The World Bank also noted these deficiencies and urged the PPA to rationalize port charges and cargo handling fees. Collectively these are called port tariff.

Benefits: Rationalized rates will benefit all sectors in the ports. Shipping companies, shippers and consignees, for instance, can expect to be charged only that amount equivalent to the service they receive. Cargo handling operators, on the other hand, will be properly recompensed for providing the service.

The Port Tariff Study: The Commercial Services Department is in the forefront of the port tariff study. The terms of reference have been completed and discussions are on-going with the World Bank to enable the PPA to use some $300,000 of un-appropriated amounts from the 4th IBRD Loan to finance the project.

When completed next year, the tariff structure will have the following characteristics:

- It will be cost-based but provide a reasonable rate of return to investors.
- Regular and special services will be properly defined.
- Cargo-handling operators will be grouped under categories depending on investment and mode of handling for a relatively uniform tariff.
- The tariff structure will be consistent with those of international entities like the Asian Port Authorities Association (APAA) and those adopted by the Economic and Social Commission for Asia and the Pacific (ESCAP).
- The system will encourage efficiency.
- The tariff will be simple and easy to implement.
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