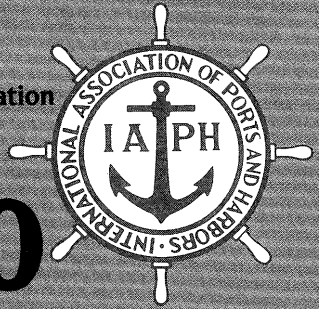


Ports & Harbors

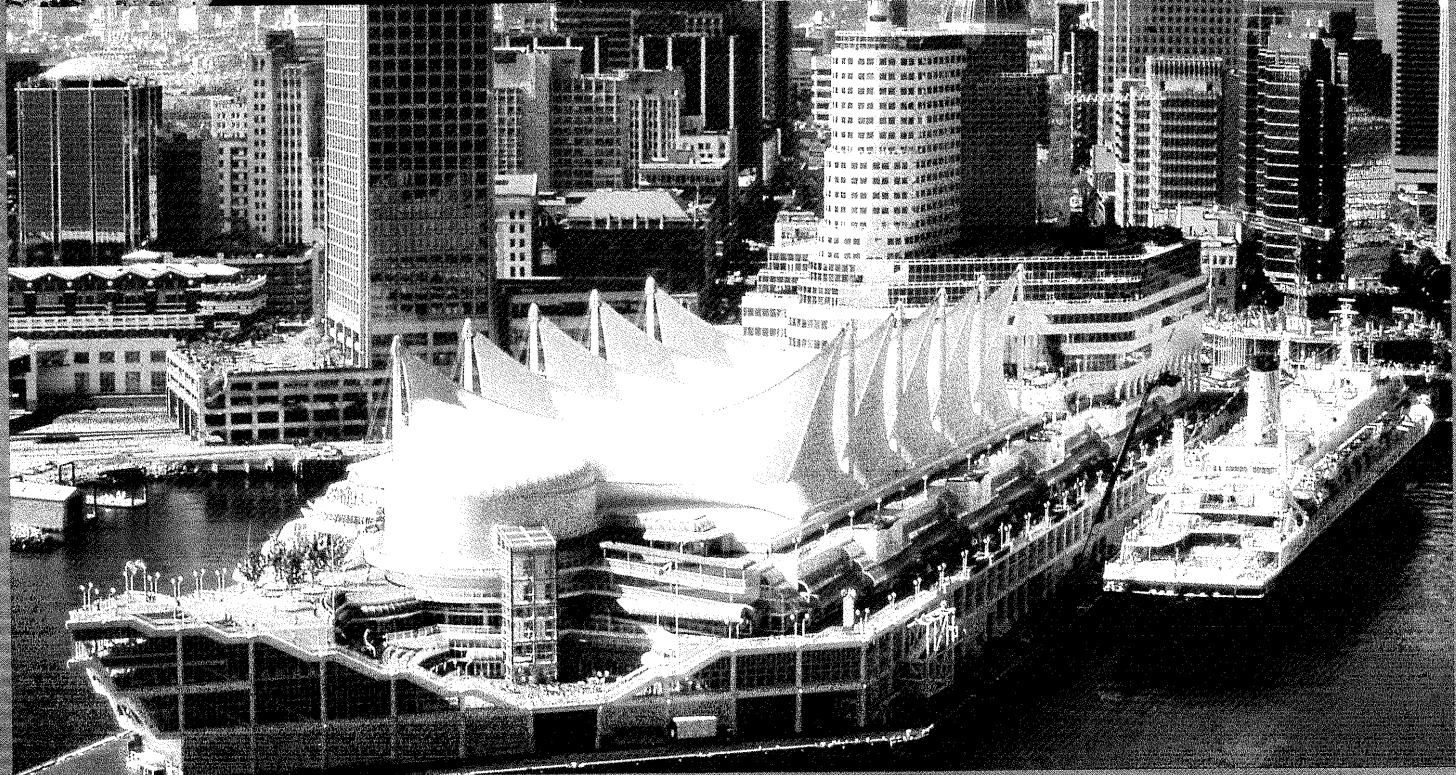


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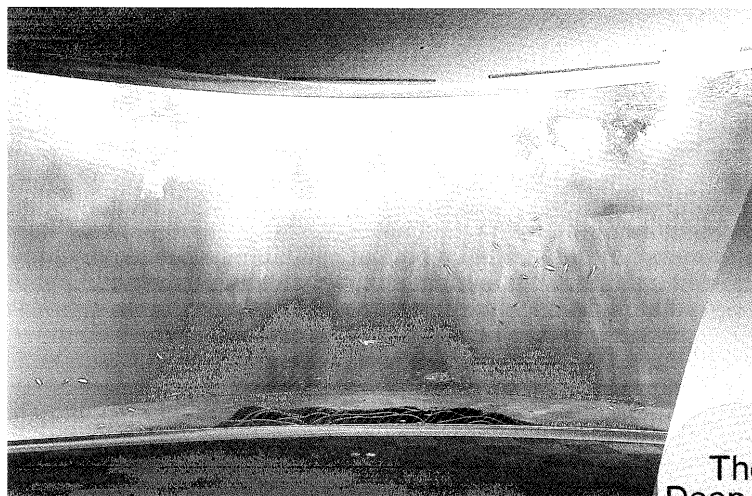
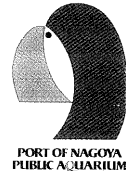
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The exhibit theme is "A Journey to the Antarctic".



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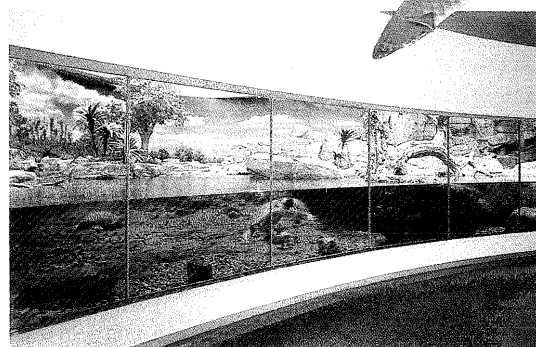
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Australia



The Antarctic

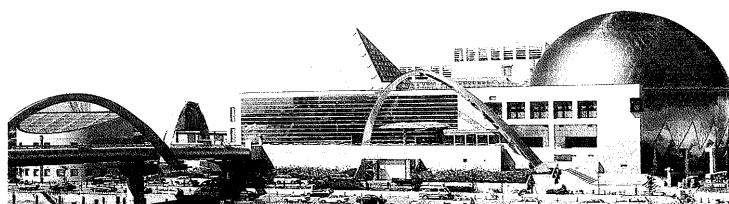
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Ports & Harbors
December, 1992
Vol. 37
No. 10

Ports & Harbors

Published by
The International Association of
Ports and Harbors
NGO Consultative Status, United Nations
(ECOSOC, UNCTAD, CCC, IMO)
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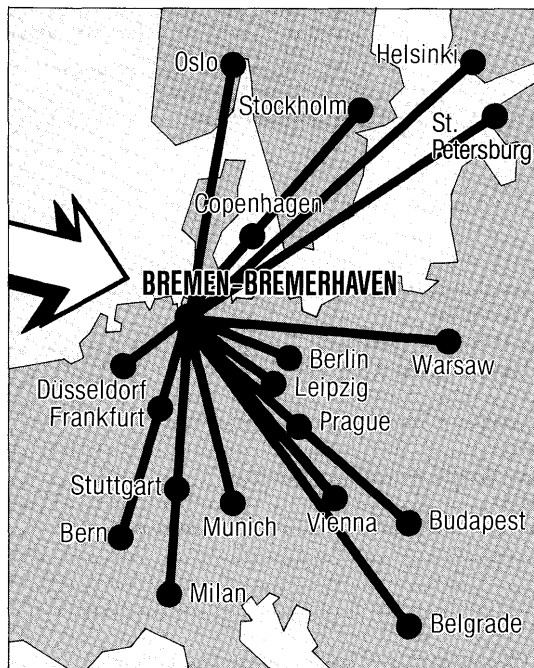
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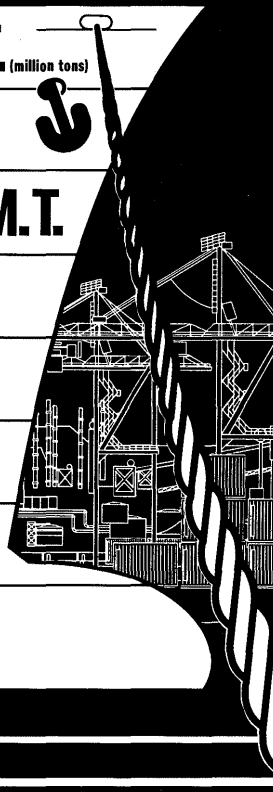
CONTAINERS 5 M.T.

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IAPH ANNOUNCEMENTS AND NEWS

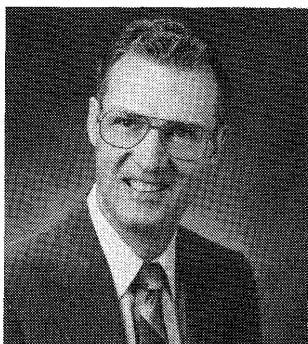
Survey Reports Circulated to IAPH Members

In early October, the IAPH Head Office mailed out a copy each of the reports on the two surveys to IAPH members. The reports were on:

- A:** Survey of the Disposal of Dredged Material
- B:** The Penetration of Non-ISO Standard Containers

These reports were conducted by the IAPH Head Office earlier this year at the initiative of Mr. Dwayne G. Lee, Chairman of the Dredging Task Force (Los Angeles) and Mr. Robert Cooper, Chairman of the Cargo Handling Operations (Auckland) respectively.

The respective chairmen's introductory words were as follows.



Mr. Lee's remarks:

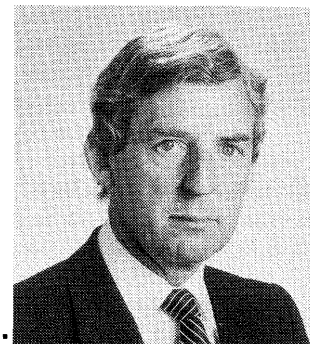
For the past two years, I have represented the IAPH in connection with the regulation of dredged material disposal under the London Dumping Convention — the global treaty dealing with pollution at sea. I assumed these responsibilities from Mr. Hertbert Haar who had represented IAPH in the same role and who did so in an outstanding manner for twelve years.

Beginning with the Fourth Consultative Meeting in 1979, IAPH made a series of presentations at consultative meetings and at meetings of the Scientific Group on Dumping relating to the impacts from dredged material disposal at sea. IAPH retained the services of a renowned oceanographer, Dr. Willis Pequegnat of the United States, who prepared a number of scientific papers designed to explain the unique characteristics of marine sediments that tightly bind contaminants and prevent them from being available to the marine biota. At the same time, IAPH gathered and presented available data on the use of "special care" measures, such as capping contaminated dredge material with

clean material, which are able to further isolate contaminated dredge material from the marine environment. IAPH was able to demonstrate that these contaminant-sequestering properties of marine sediments, and the demonstrated success of special care measures, could often allow the safe disposal of even contaminated dredge material at sea. IAPH also pointed out that the great majority of dredged material — well over 90 percent — is clean material that presents no risk from disposal in ocean waters.

The scientific evidence presented by IAPH resulted in the recognition of "bioavailability" as a relevant criterion in assessing the impact from the ocean dumping of dredged material. It also resulted in the adoption of special guidelines for dredged material in 1987 which recognize that the impacts from such disposal are far different than the impacts associated with the disposal of other forms of waste.

Dredging is critical to the long-term viability of ports. Ports are also becoming increasingly aware of their environmental responsibilities. Both these facts are evidenced by the information contained in this update of the original survey of IAPH members. IAPH welcomes the opportunity to share this information with IMO.



Mr. Cooper's remarks:

With the increasing realisation of the importance of combined and multi-modal transport, there are sectoral pressures to change the dimensions of containers. There is a viewpoint that it is not only the maritime container module with its technical and operational requirements that should determine the dimensions of containers, but increasingly those of inland transport, and more particularly road and rail.

Ports must be ever vigilant over this trend — not in an obstructive way but rather to ensure that business pragmatism is not overwhelmed by transport theory.

This survey of the penetration by non-ISO standard containers into the ports system will be a very useful measure of the rate of change that international transport will have to face. It is intended to update this on a regular basis in the hope that its results will be useful to all our members who need to provide port facilities in anticipation of change.

On behalf of my Committee, I express our sincere thanks to all those members who participated and who made such valuable input with their contributions and comments.

Survey: Ports Combating Drug Smuggling

The Secretary General has circulated the following survey form to all IAPH Regular Members seeking their cooperation in providing the Head Office Secretariat with information and comments concerning the above topic.

**An IAPH Survey on the Port's Preparedness against
Illegal Drug Smuggling for
the Customs Cooperation Council (CCC) Working Group
on
the Joint Customs/Business Programme
to Suppress Drug Smuggling**

1. You will already know from circulated IAPH reports and articles which have appeared from time to time in the "Ports and Harbors" magazine that IAPH is committed to working closely with CCC and other international organizations in joint action programmes aimed at the suppression of drug smuggling.

2. The basis for IAPH action in this regard was the signing of an international Memorandum of Understanding (MOU) between CCC and IAPH in August 1987. Related Guidelines applicable to the implementation of the MOU were then developed. Both the MOU and the Guidelines were then widely circulated for the attention of IAPH members.

3. Following representations by the G7 Heads of state, CCC, together with participating organizations including IAPH, developed an Action Plan in furtherance of the basic objective, namely the suppression of drug smuggling.

4. As an integral element of its contribution to the Action Plan, IAPH is committed to carrying out an urgent review of the Guidelines to which I have referred above. To assist in that regard, it would be helpful — indeed it is vital — to have answers to the following questions:

- 1) Were the Guidelines sufficiently clear with regard to what needs to be done by Customs and the Port respectively?
- 2) Is the Port directly linked with Customs at local level, or national level, or at both levels in an action programme to suppress drug smuggling?
- 3) In the event, have training programmes been established to heighten general and specific awareness of, and sensitivity to the problem areas?
- 4) Have physical security standards been considered and/or adopted?

5. Could you please provide me with answers to those questions by not later than the middle of December 1992. If you are able to provide information earlier than that date, please do not hesitate to do so.

Best regards,

Hiroshi Kusaka
Secretary General

PS: For your immediate reference, please find a copy

of the IAPH/CCC Guidelines on Co-operation Between Customs Administrations and Ports Aimed at the Prevention of Drug Smuggling (1989, 24 p).

The IPD Fund: Contribution Report

Since our last announcement, we have been able to add a few more names to the list of donors, as listed in the box below. The on-going fund-raising campaign started six months ago and we have so far been able to raise a little less than 30% of the targeted amount.

As pledged earlier, the IAPH Foundation recently contributed US\$26,750, the amount needed to make up the shortfall in the previous (1990-1992) term's fund-raising. The amount contributed by the IAPH Foundation accounts for almost 40% of the targeted amount. The IAPH officers and the Chairman of the Committee on International Port Development expressed deep appreciation to the Foundation for the generous contributions to the IPD Fund.

However, the Secretary General has clearly indicated that we should not overly rely on the goodwill of such third party benefactors as the IAPH Foundation whenever we need funds for sustaining IAPH's international cooperation projects designed for education and training of personnel from developing ports.

Contributions to the Special Fund For the Term of 1992 to 1994 (As of Nov. 10, 1992)

Contributors Paid:	Amount (US\$)
ABP (Associated British Ports), U.K.	3,000
Akatsuka, Dr. Yuzo, Univ. of Tokyo, Japan	100
Akiyama, Toru, IAPH Secretary General Emeritus, Japan	1,000
Barcelona, Puerto Autonomo de, Spain	1,000
Cayman Islands, Port Authority of, the Cayman Islands	250
Constantza Port Administration, Romania	250
Copenhagen Authority, Port of, Denmark	1,000
Cyprus Ports Authority, Cyprus	1,000
de Vos, Dr. Fred, IAPH Life Supporting Member, Canada	150
Dubai Ports Authority, U.A.E.	500
Dundee Port Authority, U.K.	250
Fiji, Ports Authority of, Fiji	100
Fraser River Harbour Commission, Canada	250
Ghana Ports and Harbors Authority, Ghana	250
Halifax, Port of, Canada	250
Hiroshima Prefecture, Japan	523
Japan Cargo Handling Mechanization Association, Japan	259
Japan Port and Harbor Association, the Japan	493
Japanese Shipowners' Association, the Japan	516
Klang Port Authority, Malaysia	200
Korea Container Terminal Authority, Korea	100
Marine Department, Hong Kong	500
Maritime Services Board of New South Wales,	

Australia	367
Mauritius Marine Authority, Mauritius	200
Montreal, Port of, Canada	500
Nagoya Container Berth Co., Ltd., Japan	518
New York & New Jersey, Port Authority of, U.S.A.	1,000
Okubo Mr. Kiichi, Japan	350
Pacific Consultants International, Japan	243
Penta Ocean Construction Co., Ltd., Japan	500
Point Lisas Industrial Port Development Co. Ltd., Trinidad	100
Qubec, Port of, Canada	250
Shipping Guides Limited, U.K.	500
South Carolina State Ports Authority, U.S.A.	1,000
Tauranga, Port of, New Zealand	500
Toyama Prefecture, Japan	254
UPACCIM (French Ports Association), France	1,905
Vancouver, Port of, Canada	500
Total:	US\$20,628
Pledged:	
Delfzijl/Eemshaven, Port Authority of, the Netherlands	350
Grand Total:	US\$20,978

* Union of Autonomous Ports & Industrial & Maritime Chamber of Commerce (the Association of French ports) on behalf of the Ports of Le Havre, Bordeaux, Dunkerque, Marseille, Nantes-St. Nazaire, Paris and Rouen

Container Report Near Completion

The IAPH Foundation, a Japanese Corporation, has recently sponsored the publication of a paper entitled "Container Port Development for International Trade in Pacific Rim Economies" authored by Dr. Yuzo Akatsuka, Professor, Civil Engineering Faculty, University of Tokyo, who is a member of the IAPH Committee on International Port Development.

The author prepared this paper originally for presentations at the International Symposium on Maritime Development of the Northeast Asia Pacific Rim organized in Seoul by the Korea Maritime Institute in August this year.

Dr. Akatsuka, who used to work for the World Bank and later for the Asian Development Bank, overviews the newest developments in the Pacific Rim economies, focussing on issues concerning container shipping services and port development in the seven regional seaboard (North, Central and South Americas, Oceania, South East Asia, East Asia and the Sea of Japan Rim Economies) and on issues associated with inland transportation.

The author says that his study indicates that the inadequacy of port facilities in a number of economies is likely to cause bottlenecks in the international sea transportation of containers. In the near future it is likely that port congestion will take place in certain areas of the Pacific



Dr. Y. Akatsuka

region, unless timely investments are made. Included in these economies are Korea, China, the Philippines, Vietnam, Indonesia and Mexico, where maritime traffic might increase so rapidly that the expansion and upgrading of port facilities could not cope with the economic growth in these areas. Timely port investments are suggested to maintain a smooth flow of international cargo and to avoid these ports' becoming bottlenecks hindering the balanced economic development of the region.

The IAPH Head Office will be able to complete the publication of the paper towards the end of November, and will arrange for all members to receive a copy mailed from Tokyo.

Mr. van der Kluit Represents IAPH at Bremen Conference

The following is the text of a speech made by Mr. Peter van der Kluit, Port of Rotterdam, who, in his capacity as Chairman of the Sub-Committee on Port Safety and Environment, represented IAPH on behalf of President John Mather, at the opening ceremony of the "2nd International Conference on Safety in the Port Environment - Emergency Response to Chemical Accidents in Port Areas" organized by Port and Transport Consulting Bremen GmbH (a subsidiary of Bremer-Lagerhaus-Gesellschaft, port operating company) in Bremen, Germany, from 5 - 7 October 1992.

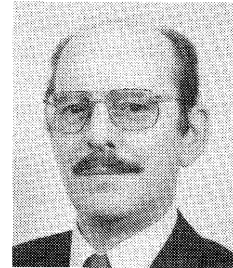
Ladies and gentlemen,

Today, the President of the International Association of Ports and Harbors, Mr. John Mather should have been here to welcome you at this conference. He regrets that his duties as Chairman & Chief Executive of Clydeport prevent him from being present. I feel honored to take his place in my capacity as Chairman of the IAPH Sub-Committee on Port Safety and Environment.

You may have noticed that IAPH is supporting this congress. Not all of you may know that IAPH stands for "International Association of Ports and Harbors", a global association which was founded shortly after the second world war and which nowadays counts over 250 ports as members.

One of the IAPH objectives is "to develop and foster good relations and collaboration among all ports and harbors of the world". And what is a better opportunity to show that we really mean that, than to participate in a congress which addresses a subject which is of prime importance to each and every port and those working in that port or living close to it: safety.

Safety is a subject to which IAPH attaches great value. That is the reason why there even is a special body dealing with all sorts of safety aspects in relation to ports: the Sub-Committee on Port Safety and Environment which I have the pleasure of chairing.



van der Kluit

In this committee which has members from all over the world, we try to tap the enormous reservoir of knowledge in the international port community and to exchange views on matters of safety and environment and to exchange views on matter of safety and environment. We channel information to ports in developing countries to enable them to make use of the experience of their colleagues in the developed countries.

IAPH also wants to participate in the process of policy making by governments and international bodies such as IMO, the International Maritime Organization of the United Nations. IMO is in the process of establishing an international working group on Strategy for Port Interface. IAPH will become a member and can thus introduce the ports' experience in the first phase of development of international maritime legislation.

You may rest assured that many subjects that will be raised in this new working group will regard safety.

Safety is primarily the responsibility of the individual companies which work in the port.

It is their task to ensure that their activities do not give rise to risks to safety and health, not only of their own personnel, but also of those who live in the neighbourhood.

A responsibility which requires constant vigilance and alertness.

The role of the port authority is a different one. It is up to the port authorities to see to it that a proper framework is established in terms of port planning, port regulations or even through individual contracts with companies, to enable port industry to fulfill their commitment towards safety.

And of course you will get the best results when port authorities and port industry closely work together in their mutual efforts to enhance safety. In this context port authorities should not fear to address their respective national governments.

The gains are much more than just a safer port, important as that may be. Caring for safety also means caring for the cargo you handle and caring for the environment. That makes safety an element of quality and that is directly linked with competitiveness. And, being competitive means staying in business. Sustainability is the key word. An unsafe port may be competitive on the short run but it will certainly not survive for long, because the customers will prefer to do business with people who care.

What is true for a port as a whole also applies to individual companies. They, too, want continuity of business and consequently for them, too, it is important to aim for sustainability.

A conference like this is an excellent opportunity for experts to exchange views and ideas on the subject. And looking at the list of speakers, I feel the organizers should be complimented. They have been successful in gathering an impressive number of highly qualified experts who will undoubtedly pass on a lot of interesting information to you.

Reason enough to be sure that you will experience a very successful and instructive conference.

P.C. van der Kluit
Chairman, Sub-Committee on
Port Safety and Environment, IAPH
Advisor, Public Affairs
Port of Rotterdam

'Ports & Harbors': Advertising Sought

Secretary General Kusaka has circulated a campaign letter to all the member organizations of IAPH and advertising clients together with a pamphlet outlining the terms for advertising in "Ports and Harbors" for 1993.

In the letter, jointly signed by President Mather, Mr. Kusaka appeals to all members for their continued support of the official journal of IAPH by contributing articles and news concerning the developments which are taking place at their ports and by running advertisements in it.

The journal has been serving IAPH's worldwide members as the main medium through which they can articulate their views and obtain useful information and the ideas of others concerning the issues faced by world ports and the maritime industry.

The Secretary General also emphasizes that all members' increased support of the journal both in the form of advertising and in the timely supply of useful information and articles on their activities is indispensable for the editorial staff at Tokyo Head Office as they wish to continue their utmost efforts to make our journal attractive and useful.

The Head Office hopes to receive an increased level of advertising orders, as well as color photographs of various ports and their facilities which will be featured on the cover pages as appropriate.

IAPH Foundation Sponsors 3rd Japan Seminar

On the afternoon of October 7, 1992, the "3rd IAPH Japan Seminar" was held in the Kasumigaseki Building in Tokyo, sponsored by the IAPH Foundation in cooperation with the IAPH Head Office. The IAPH Foundation, a Japanese Corporation established in 1972 to support IAPH by providing financial assistance when possible for IAPH's various projects, has organized a series of seminars for the promotion of IAPH Conferences among IAPH members and other people in port businesses in Japan. The first seminar was held in 1988 to promote the Miami Conference (1989) and the second one in 1990 to promote the Spanish Conference (1991), and most recently one was held in October this year to promote the 18th World Ports Conference of IAPH in Sydney (1993).

At the invitation of the IAPH Foundation, our hosts in Sydney arranged for Mr. Murray Fox, Managing Director, MSB Sydney Ports Authority and Mr. John Hayes, General Manager, the Maritime Services Board of NSW, to travel to Tokyo to make presentations to the Japanese audiences on the details of the arrangements our hosts are making for the Sydney Conference. Mr. Hayes who acts as Executive Secretary of the Organizing Committee, on behalf of Mr. Max Moore-Wilton, Chairman of the Sydney Conference, made presentations on the Conference Programs and social events which await IAPH participants in Sydney next April. Together with the newly published conference brochure,

our hosts presented all the seminar participants with a gift of a boomerang which they brought from Sydney with a message that the boomerang must be returned to the point of origin — Sydney — by each recipient as he or she arrives to attend the IAPH Conference in April next year.

The other speaker invited to the seminar was Mr. Alex J. Smith, IAPH European Representative, who delivered a paper entitled "A European Perspective on Current Events of Interest to the International Port Community".

In this issue, we feature the papers delivered by Mr. Hayes, Mr. Smith and Mr. Fox, whose presentation was

on the subject: The Australian Port Scenario, Recent Developments.

The seminar and reception which followed attracted some 100 participants — IAPH resident members, officials from Japan's Ministry of Transport and other people in port businesses.

At the beginning of the reception, the Sydney delegation presented the IAPH Foundation with a framed picture of the first fleet arriving in Botany Bay, which the Maritime Services Board of NSW commissioned in commemoration of the bicentennial of Sydney Harbour in January 1988.



Secretary General Kusaka greets the participants.



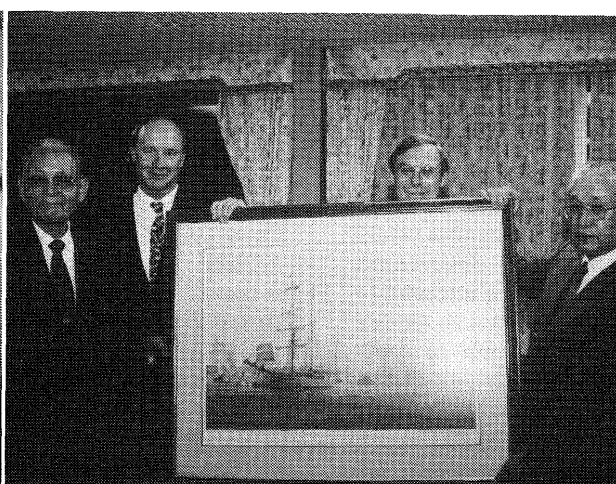
Mr. Kondoh (left) introduces the seminar speakers, Mr. Hayes (center) and Mr. Smith.



Mr. Fox makes presentations assisted by interpreter.



Capt. James R. Kerman, Division Chief, Port and International Development, MARAD, US Department of Transport, who was on tour to Japan, managed to join the gathering.



Mr. Toru Akiyama, Honorary President of the IAPH Foundation (left) and Mr. Hiroshi Kusaka, IAPH Secretary General (right) received their picture from Mr. Fox (second from left) and Mr. Hayes.



Mr. Kamimura, Director General, MOT's Ports & Harbors Bureau, addresses the gathering.



Sydney welcomes IAPH members to the 18th World Ports Conference in April 1993

*(Presented at the 3rd IAPH Japan Seminar
in Tokyo on October 7, 1992)*



By John C. Hayes
Executive Secretary
Organising Committee
18th IAPH World Ports Conference

Ladies and Gentlemen,

I am grateful to the IAPH Foundation for their support of the 18th World Ports Conference. The Japan Seminar is an excellent way of promoting the Conference to interested parties in Japan.

I was honoured to receive an invitation to attend the Seminar and I am thankful for the privilege of talking to such a distinguished audience about the 18th World Ports Conference which will be held from 17 to 23 April 1993 in Sydney, Australia.

We are all aware of the major changes taking place around the world today, changes in the world economy, changes to trading patterns and negotiations continuing on tariff reforms. All these changes will be reflected in opportunities available to Ports. An efficient gateway for exports and imports has a significant role to play in each country's ability to compete in world markets.

The IAPH ideals of developing and fostering good relations and co-operation among the world ports and to promote and increase the efficiency of all ports through the exchange of information on current technology administration and management will be progressed at the 18th World Ports Conference.

To enable reasoned and sound decisions to be taken at the port level, we sought to choose a theme that would give world experts the opportunity to share their observations and reasoned opinions with delegates. This is intended to ensure that the working sessions will be relevant to today's needs, interesting, and more importantly, able to assist delegates in the ongoing management of their ports. The theme, "Ports - The Impact of Global Economic Change", has been formally accepted by the Executive Committee of IAPH.

To enable us to discover in detail the areas of activity that were exercising the minds of port leaders around the world we sought advice from the various technical committees of IAPH.

These world leaders in their field, after discussing our requirements at the Committee level were able to advise

us, not only on topics for the Conference, but also on the best speaker to cover that topic. We are grateful for the assistance of the committees, and believe this will also increase the recognition of the good work undertaken by committee members.

We would also like to acknowledge the very practical help and support received from the Secretary General of IAPH, Mr. Kusaka and his staff in assisting us with the organisation of this Conference.

There will be six working sessions.

Monday 19 April

Under the headline of "Ports and World Trade", the first working session will seek to explore the trends in trade patterns and the effect this will have on the ports. The papers that will be presented in the first session include:

"Trends in the Regionalisation of Trade". To ensure a wide coverage of the world four papers will be delivered covering:

- Europe and the Baltic Region by Peeter Palu from the Port of Tallin (Estonia)
- Americas by a representative from the American Association of Port Authorities
- Pacific Rim Countries by an Asian Shipowner
- African Continent by Jean Micheal Moulod from the Port of Abidjan

These will be followed by a paper:

- "Port Promotion in the Shifting Winds of Trade" by Lillian Liburdi from the Port Authority of New York and New Jersey

The last paper in this first session will be:

- "The Consequence of the Changing World and Maritime Trade and its Effects on Ports" presented by Jean Smagghe from the Port of Le Havre Authority.

Tuesday 20 April

The second session, starting on Tuesday morning, will be under the general heading of "Ports in the '90s — Management and Financing".

Many ports from around the world are coming under increasing pressure to critically examine the whole basis of their management. How do they finance expanded services or replace existing assets?

Debate continues on the very nature of Ports. Who should operate and own them? Should ports concentrate on a minimum core business or should they have a wider focus? Can a reduction in the number of ports increase the efficiency of the remaining ports? How can the customers best be served? Various Ports around the world have made major changes in response to these questions, and not all

have solved the problems in the same way.

In this second session we have invited speakers from around the world to share their own experience with the delegates.

- **"The United Kingdom Experience"** will be presented by David Hunt from Clydeport Limited.
- **"The United States Experience"** by Erik Stromberg from the American Association of Port Authorities.
- **"Developing Countries Experience"** by Mr. Rajasingan from the Klang Port Authority, Malaysia.
- **"Australia/New Zealand Experience"** by Charles Keifel of ANZ McCaughan Securities (NZ) Limited

The third working session will be presented on Tuesday afternoon and will have the general title of **"Ports and Trade Facilitation"**.

Mr. David Jeffery from the Port of London Authority will present a paper on **"Trade Facilitation"** generally outlining issues such as:

- The Transport Chain/Intermodal Transport
- Communications Technology, EDI and other current facilitation issues
- Hazardous cargoes and their special requirements
- Legal barriers to Foreign Trade

Directors' personal liabilities have added significance during times of economic difficulties. Transport Mutual Services Pty. Ltd., from London will supply a speaker to address delegates on the:

"Trends in Corporate and Directors Personal Liability". IAPH has been at the forefront in drawing Port's

attention to the opportunities Ports present to those who deal in illegal drugs. I am sure we all agree the illegal drugs are a threat to every society. We have included two papers to give Chief Executives some information to assist them in making security decisions. The papers will be delivered under the heading of:

"Prevention of Illegal Drug Traffic — How can Ports Assist?"

The first speaker will be Frank Kelly of the Australia Customs Service and a second speaker from the Baltic and International Maritime Council has been invited to give a wider perspective from the shipowners' standpoint.

Wednesday 21 April - Technical Visit

A technical tour has been arranged for Wednesday to the Port of Newcastle and Kooragang Coal Terminal.

Newcastle was the first Port in Australia to export coal. In 1799, in a vessel called the "Hunter", coal left Newcastle for Bengal. With the adjacent Hunter Valley rich in coal this trade has grown to 37.8 million tonnes shipped out during the year ending June 1992. 22.3 million tonnes, or almost 60% was destined for Japan.

Newcastle and the Hunter region generally is a major growth area with expanding commercial activity developing out of its economic base. The Port of Newcastle is a tidal port on the Hunter River and had a total trade last financial year of 45.8 million tonnes.

A major harbour deepening program which was completed in 1983 has made it possible for the port to routinely accept bulk carriers of up to 140,000 dwt. The channel created has a minimum depth of 15.2 metres and width of 185 metres.

The largest vessel to use this channel is the specifically designed 230,000 dwt BHP bulk carrier "Iron Pacific" which

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has a beam of 55 metres.

The Port of Newcastle is a river port, which makes the channel depth a perishable commodity. A sophisticated system of hydrographic surveying and monitoring is used with a suction dredge to maintain the channel depth.

In 1990, Port Waratah Coal Services and Kooragang Coal Loader merged to form the largest capacity coal loading operation in the world.

After passing through the Port of Newcastle our coaches will travel on to Kooragang Island and will stop for morning tea before inspecting the Kooragang Coal Terminal.

Inspection of Kooragang Coal Terminal

The coaches will continue through the coal stockyard and then travel to the wharf area.

The Kooragang Coal Terminal (KCT) was commissioned in 1984 and was planned as a staged development. Stage 1, currently in operation, consists of one bottom dump rail receival facility, four stackers of 6,600 tph capacity, two bucket wheel reclaimers each of 8,000 tph capacity and one shiploader capable of loading 10,500 tph from a 3.2 metres wide conveyor belt. KCT claim this provides for the highest throughput rates in the world.

From the Kooragang Wharf, the coaches will travel on into the Hunter Valley for lunch at The Rothbury Estate, a renowned Australian winery. Time will be available to inspect the wine making facilities and sample some of the wines before the coach return to Sydney.

Thursday 22 April

Session 4 on Thursday morning will cover the topic of **"Bulk Loading Ports — the Australian Scene"**.

The first paper will be given by a NSW Coal Mining Company covering the minning and transportation of coal to the Port of Newcastle and outlining special techniques involved in blending coal at the Port.

The second paper will be delivered by Mr. Reg Tanner of the Gladstone Port Authority, Queensland, covering the operations of coal receival and stacking as well as the loading of large bulk coal carriers.

The next two papers will address **"Bulk Loading Iron Ore Ports"**. The first of these will be presented by the Port Hedland Port Authority covering aspects of iron ore shipments generally from Western Australia, including special port operations required for handling bulk carriers in limited waters.

The other paper in this session will be presented by a representative of a Western Australian mining company covering the mining, transport, stockpiling and loading of ore at Port Hedland.

Session 5 will look at **"Ports and the Environment::"**

The Port of Rotterdam will give two papers entitled:

"Environment and Port Development in a changing World"

The Port Authority of New York and New Jersey will give an insight into:

"Legal Aspects of the Environment and the Rapid Trend in Global Legislation"

The final paper for the day will be presented by the Port of Los Angeles on:

"The Impact of Environmental Concerns on Dredging in Ports"

Friday 23 April

The final session on Friday morning will be under the heading of **"Ports and Human Resources"**.

The paper entitled:

"Human Resources Development to Meet the Impact of Global Economic Change",

will be presented by Mr. Goon Kok Loon of the Port of Singapore Authority.

Mr. Takao Hirota of the Overseas Coastal Area Development Institute of Japan will explore:

"The Problems Involved in the Development and Manager of Small Ports"

Ladies and Gentlemen, I think you will agree that the technical sessions will indeed be informative and relevant to today's changing world. These sessions, I believe, will justify you taking the time from your busy schedule to travel to Australia and attend the 18th World Ports Conference.

Could I take a short time to show you, through the social activities planned, that we will do our best to make your attendance at the Conference pleasant and memorable.

We are happy to meet you at the Airport and take you to the Sydney Hilton Hotel, the Conference venue.

The Opening Ceremony will be held in the Sydney Opera House and delegates and local business and government leaders will be addressed by the New South Wales Minister for Transport, Mr. Bruce Baird. Some entertainment will be provided before we board a vessel for the reception hosted by IAPH on a cruise around Sydney Harbour.

On Monday evening you will be invited for cocktails at the Australian National Maritime Museum located on the shores of Darling Harbour.

Tuesday evening you will be taken to the Argyle Tavern situated in the historic Rocks Area of Sydney for an Australian Evening and Bush Dance.

Wednesday and Thursday evenings have been left free to allow you more time to meet with old friends or perhaps rest a little. We would be delighted to make known to you the various Sydney specialist restaurants where international cuisine is available. Or perhaps you would like to go to the theatre. I am sure Sydney can cater to your individual taste.

Friday evening is set aside for a Gala Dinner Dance which will be held in the Sydney Cove Passenger Terminal.

Week Day Tours

During the working sessions we have arranged a number of half day trips for accompanying partners to see more of Sydney, its people and its character. Tours will show some historic buildings, some of the new structures, and via the world famous Bondi, a trip around the southern beaches of Sydney.

Alternatively, we can visit the northern beaches, calling in to a wildlife park and walking among kangaroos, emus, wombats and wallabies and also see cuddly koalas.

Then we can show visitors around Sydney by water on a harbour cruise.

For those who enjoy walking there is a bush walk around the foreshores of Sydney Harbour.

Perhaps visitors would like to visit the Art Gallery of New South Wales with morning tea served in a restored Victorian Terrace House. Then perhaps they may choose to go on a full day's outing to the Blue Mountains. The name of these mountains is taken from the distinctive blue haze which is thought to be caused by rays of light striking dust particles and small droplets of moisture from gum trees in the area.

Then perhaps a tour of some of Sydney's significant houses, looking at a grand Australian 19th century garden.

Or perhaps a shopping tour with afternoon tea is preferred.

We would invite those who can spare the time to extend their stay in Australia. If you have the time, our tour agents can make arrangements for you.

We would recommend a Red Centre and Kakadu tour of 6 days of Australia's "Red Centre" and "Top End". Fly direct to Ayers Rocks, Australia's largest sandstone monolith, then continue to Alice Springs in the heart of Australia, almost 1,000 km from the nearest capital city, and finish the tour in Darwin, capital city of the Northern Territory. Included is a 2 day tour to Kakadu World Heritage Park, famous for its many Aboriginal Art sites and abundant wildlife.

Alternatively, we can recommend a Tropical North and Great Barrier Reef tour of 5 days. See the spectacular Great Barrier Coral Reef and the abundant sea life. Optional sections are available in this tour. These are a visit to the Daintree Rainforest and wilderness safaris or white water rafting.

If your time is short then in 3 days you could visit Australia's Gold Coast, a favorite holiday region for Australians. Take a trip into the surrounding country or perhaps arrange a game of golf. The Port of Brisbane will show you around the Port and be your host for the last day.

Whether it be golf days, port inspections or any special places you would like to visit, we will do all we can to advise you on how to include these, either before or after the

Conference, during your visit to Australia.

Dignitaries

The Premier of NSW, the Hon. John Fahey, the Minister for Transport, the Hon. Bruce Baird and the Lord Mayor of Sydney are delighted to welcome you to Sydney and look forward to meeting with IAPH officers.

Exhibition

The Maritime Services Board will be running an exhibition in conjunction with the 18th World Ports Conference. This exhibition will add to the benefits of attending the Conference.

In Conclusion

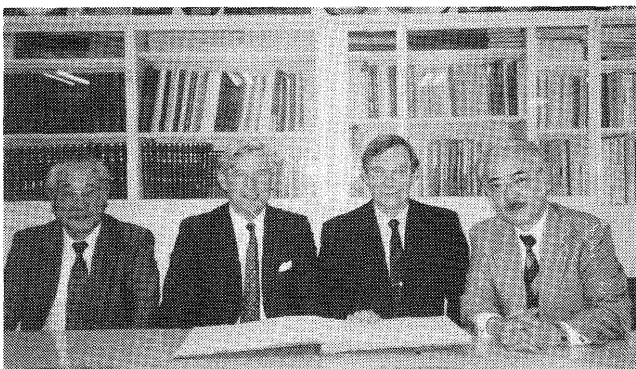
We believe we can offer delegates the opportunity to hear speakers of world renown, speaking on topics that are relevant and important in today's changing world.

The time of the Conference is mid autumn, ensuring pleasant temperatures of around 21°C during the day and 18°C during the evening. We can offer delegates a warm hand of friendship, good food, good accommodation and a memorable time.

As I close, I would like you to closely consider this invitation to visit Sydney, from Mr. Max Moore-Wilton, your IAPH Conference Vice-President and Conference Chairman.

Visitors to Head Office

On the afternoon of October 5, Mr. Robert Cooper, Chief Executive, Ports of Auckland Limited, who is currently IAPH Second Vice-President, visited the Head Office, where he was welcomed by the Secretariat staff and Mr. John Hayes from Sydney, who was visiting the Head Office on that day. Mr. Cooper was visiting Japan to meet the Japanese shipping companies using his ports in Auckland. Mr. Cooper, who is also serving as chairman of the IAPH Committee on Cargo Handling Operations, spoke with the Secretariat staff on the recent ECE Seminar on the Impact of Increasing Dimensions of Loading on Combined Transport at which Mr. Cooper represented IAPH.



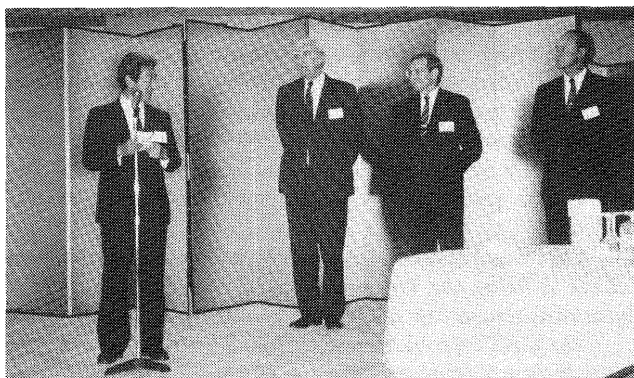
From left: Kusaka, Cooper, Hayes and Kondoh.

On the following morning, Mr. Cooper together with Mr. Murray Fox and Mr. John Hayes from Sydney and Mr. A.J. Smith from London who were visiting Tokyo as speakers of the IAPH Foundation seminar (which was scheduled for October 7), paid a courtesy visit on Mr. M.

Kamimura, Director General, Ports and Harbors Bureau, Ministry of Transport.

Messrs. Fox, Hayes and Smith visited the Ports of Yokohama, Nagoya, Yokkaichi and Tokyo to observe the current developments concerning ports in these areas and to exchange views with their hosts on the various items of mutual interest.

On October 9, they visited the Port of Yokkaichi, with which the Port of Sydney has been affiliated on a sister ports basis since 1968, and were received by Mr. T. Iijima, Vice President. Mr. Iijima, at a welcome reception for the visitors from Sydney which was attended by officials representing Yokkaichi's port industry, noted that the Port's position as the No. 1 wool-port of Japan has been maintained by constant efforts exerted by people from both ports involved in the trade. Mr. Iijima further commented that Yokkaichi's import of Australian coal would grow steadily thanks to the establishment of the Chubu Coal Center, which was commissioned in April this year.

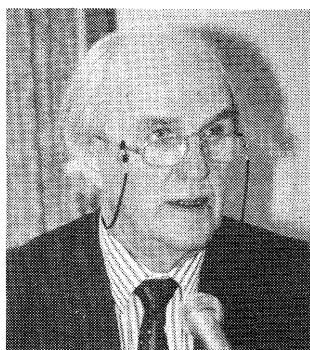


L to R. T. Iijima, A.J. Smith, John Hayes and Murray Fox, at a welcome reception in Yokkaichi.

OPEN FORUM

A European Perspective on Current Events of Interest To the Int'l Port Community

*(Presentations made at the 3rd IAPH Japan Seminar
on October 7, 1992 in Tokyo)*



By Alex J. Smith
IAPH European Representative

Some General Remarks

To a greater or lesser extent, we are all continuing to be affected by one of the longest periods of recession in living memory. There continue to be uncertainties and problem areas the clarification and resolution of which seem to be a pre-requisite for establishing the basis for sustainable goodwill and economic growth on which our international port community — not to mention the rest of the world — so much depends.

Take two of these, for example, one political (with economic overtones); and one economic (with political overtones).

The rapid destruction of Communism as practised for the last 70 years has destroyed the cohesion of single-nation States. The fragmentation process which we are witnessing in the ex-Soviet Union and ex-Yugoslavia is creating a hiatus in which the vitally needed port development plans of the new States can only be implemented with the greatest difficulty.

The second of my two examples is a reflection on GATT's failure to bring the Uruguay Round of deliberations to a successful conclusion thus far.

The GATT problem areas are well-known. As respects the maritime trading sector we in IAPH are clear that there should be a liberalisation of trade and an elimination of protectionist and restrictive measures. The current draft

for discussion within GATT does not appear to go down that route. We may hope, however, that the positive expressions of political goodwill which were voiced at the G7 talks in Munich last July about the need to bring the Uruguay round to a successful conclusion will result in benefits to us all by the end of the year.

Both of these examples are of course inter related. GATT success would impact significantly and favourably on the troubled scene of Eastern Europe in which investment, debt and foreign exchange are far from stable factors. Trading opportunities undoubtedly do exist there. Ports in the area and more generally in Europe and elsewhere in the world should be doing all they can to facilitate these opportunities.

What we can be thankful for, however, is the pressure being brought to bear by an increasingly enlightened public opinion on those directing the politics, commerce and social condition of the world to bring the dismal circumstances, in which we are all finding ourselves, to an end and to do so quickly.

There are signs of success to be seen in that regard and port managements will hopefully be alert to spot them and to prepare their ports to take full advantage of opportunities which come their way.

Environmental Issues

The impact of the Earth Summit, Rio, June 1992 will be felt by us all. It really could not be otherwise, given that representatives from 178 States (including 114 Heads of State) and 1600 or so non-governmental organisations (NGOs) were present and generally in agreement with the now inescapable fact that environmental issues in all their complexity have the highest priority in any development planning anywhere. Whilst it is easy to be cynical about the results of the Rio Summit, it would be very foolish indeed to ignore their effect. There is now a real determination on the part of governments everywhere to make environmental matters and concerns transparent.

In Europe we are now seeing even more environmentally-related legislation impacting on harbour developments. This should not be surprising in so far as the issue of sustainable development is now at the heart of the inter-

national diplomatic agenda post Rio; and the States of the European Community pride themselves in being in the forefront of those who would wish to make the concept of sustainable development transparent. The European Community's Directive on Environmental Assessment (EEC/85.337) provides that for certain projects which may have a significant impact on the environment, information about environmental effects must be provided by the developer and taken into account by the competent authority before deciding whether to give consent.

Interesting in its way is the fact that projects which are specifically authorised by governments do not fall within the scope of the Directive. It is presumed, however, that governments will now always take environmental factors into account when deciding on such projects. The Directive having been approved and adopted, national legislation must surely follow and has indeed done so.

Community governments, however, do not normally interpret the intent of EC Directives in precisely similar ways.

The UK Government, for example, has in many ways been the least authoritarian in its approach to environmental matters. That situation is now changing and regulations governing environmental effects assessment are now in place and in force.

The UK Government is also pressing the European Commission to develop proposals for a Community strategy for integrated coastal zone managements. It might be expected that within such a strategy there could be an even greater use of controls and a review of licensing procedures for the disposal of dredged materials. The UK Government would, however, expect any extension of local authority planning powers to be directly related to their provision of real environmental benefits.

It is, therefore, interesting in the event that the UK Government is very supportive of a British Ports Federation initiative in drawing up and acceding to an Environmental Code of Practice.

This initiative is a very positive development designed to provide a framework for establishing environmental awareness within the business practices and long-term policy formation undertaken in member ports and terminals.

One of the Code's main components includes the installation of a system of management which considers at every level the environmental consequences of its activities and sets about improving work practices according to the environmental ethic which the Code seeks to promote.

An Environmental Management System (EMS) should be established. It should be comprehensive and capable of being checked to see whether targets have been met.

Where appropriate, ports should arrange for environmental audits to be undertaken to assess the overall effectiveness of the system and areas of possible improvement.

A programme of training should be established to ensure that all employees and Chief Executives are fully aware of their personal environmental responsibilities.

I believe that the commitment by BPF members, as expressed in the Code, is inspirational and, having regard to the specialised nature of port operational activity, even vital. It certainly provides an object lesson for ports elsewhere in the world. Perhaps more importantly, though, its adoption and implementation by the ports themselves would give pause to governments whose natural tendency is to impose regulations with scant regard to local circumstances.

The European area is the home of the Oslo and Paris

Commissions dealing with marine pollution from off-shore and land-based sources respectively.

IAPH was represented at a Ministerial meeting of the two Commissions on 21/22 September last when it was decided to unite the Commissions under a new Convention for the Protection of the Marine Environment of the North-East Atlantic.

I suspect that this Convention is the first Treaty since the Rio Conference to address on a regional basis all sources of marine environmental pollution taking account of the "precautionary principle" and also applying the principle that the polluter pays. It is, therefore, of particular importance as an indicator of what is likely to become the norm elsewhere.

Certainly this new Convention is complementary to the London Dumping Convention with which IAPH has long been associated and to which IAPH has contributed its unique expertise. It does, however, take matters further than the LDC, though it should be stressed that as far as the disposal of dredged material is concerned — a prime concern of IAPH since the LDC's inception — the status quo prevails.

There is in effect, these days, a "duty of care" on all who are involved in the waste chain to the extent that they hold, transport, treat or dispose of waste. Regimes which flow from the implementation of concept of integrated pollution control will be accompanied by cost recovery charging schemes.

Reverting for a moment to the results of the Rio Conference, IAPH members will have noted that the key institutional agreement centred on the proposed Commission on Sustainable Development, the detailed structure of which will be discussed at the forthcoming 47th Session of the UN General Assembly.

The Commission will be the focal point of inter-governmental decision-making to achieve the objectives of Agenda 21 to which Rio participants have subscribed.

Very naturally IAPH is interested in port-related aspects of the sectoral programmes of Agenda 21 and in particular to become familiar with and play a part in the provision and allocation of financial resources, technology transfer and institutional developments which will no doubt be put in place by the Commission to achieve stated goals.

When it is considered, for example, that developed countries are pledged to provide aid to a target figure of 0.7% of Gross National Product (GNP) by the year 2000 if at all possible, it becomes crucially important to make every effort to ensure that the aid is distributed to those in need on a sound basis for long-term planning. In that respect it is my contention that IAPH, through the collective wisdom of its members, is best placed to provide expert advice on port-related questions likely to emerge from such financing bodies as the International Development Association of the World Bank or the Global Environmental Facility which is currently being restructured after its initial three-year trial period.

It is entirely possible that IAPH might take its first tentative steps in these directions at forthcoming meetings of ECOSOC in New York and the International Maritime Organization (IMO) in London later this year. The agenda for the meeting of the Marine Environment Protection Committee (MEPC), for example, which takes place at the end of October, includes specific references to the Rio Declaration on Environment and Development and Agenda 21. IAPH would wish to participate in any Working Group formed by that meeting of MEPC to decide on the lines

of action which IMO and, for that matter, other UN Agencies should follow.

Action will most certainly include the resolution of questions on contingency planning for ports referred to in the Oil Pollution, Preparedness, Response and Cooperation Convention. IAPH, for example, could offer to take a lead in producing draft guidelines to help Port States.

Environmental matters will also feature significantly in the discussion of the first meeting of IMO's Working Group on a Strategy for the Port Interface in mid-December.

IAPH would be expected to make a positive input to discussions on the promotion of reception facilities for waste residues at ports. As you are no doubt aware there will be very strong pressure to ensure that such facilities are in place at the world's ports by 1997.

As a contribution to the IAPH input on this topic, our European ports are currently preparing practical guidance for ports which will refer amongst other things to the changing policy which might be deployed for the use of reception facilities.

EC and Community Activities

At the end of this year the Community effectively becomes the world's largest single trading bloc. It was our view in the past that this grand design would greatly benefit the Community's population and industry. It was understood that the expected trade increase would benefit our ports overall.

These expectations continue to be valid notwithstanding the fact that the world generally and Europe in particular is continuing to bump along in a recession.

The fact also is, however, that this is a testing time for the EC and the Community. You are no doubt very much aware for example that the Maastricht Treaty which was supposed to take Europe into the 21st Century has, as they say, been derailed by rejection by the Danish people.

The single trading market effected by the elimination of Customs barriers still however comes into being from 1 January next. It might even be possible — though remotely — to see an expansion of Community membership to include some Nordic countries and Austria.

Changes can be foreseen, however, in the way the EC works. Though Commissioners are able to become involved in a range of matters which once were the sole prerogative of individual Governments, they — the Commissioners — will also become more closely scrutinised and supervised. Further, a so-called Subsidiarity rule will be applied which allows decisions to be taken at the lowest level possible. In theory at least there will be fewer dictats from Brussels.

This last point is of particular importance when seen in the context of port operational activities and maritime transport generally.

For example, a Maritime Safety Division has been set up within the EC's Transport Directorate. The Division's thinking on Safety and Pollution Prevention at Sea refers amongst other things to certain general objectives and priorities which impact on our port operations.

Ports as well as shipping interests within the Community would want to be satisfied that due regard was paid to any concerns they might have as respects the methods which might be deployed to achieve such objectives.

Research programming, understandably, plays a significant role in the EC's search for improvements to the capacity and quality of inter-state transport services, the removals of technical and economic barriers and the re-

duction of environmental impact.

You will be very interested, I imagine, to know that the EC is acutely sensitive to the major contributions made by research both in Japan and the United States to your respective industrial productivity and efficiency.

EC Ports, in turn, are also sensitive to the possibility that research funding could be misdirected into activity areas which if seen in a global perspective might be of less immediate significance to them. No sensible person, for example, would wish to re-invent the wheel. For that reason it is, therefore, of great importance to be aware of research activity which may be taking place elsewhere in the world, the result of which would impact on port operations.

IAPH with its global dimension is very evidently best placed to acquire and dispense knowledge of major research developments in the various regions of the port world. It is, therefore, pleasing to note that at least in the European Community there is beginning to be an awareness of that fact. IAPH has been invited to be directly represented in one research project dealing with a projected European Water Traffic Information System. IAPH is also participating in joint efforts with other organizations in the European area in activity areas the results of which are made known to EC officials who might be expected to adjust their research programmes accordingly. Our Vessel Traffic Services activity is a case in point.

Research and development is the subject area allocated to one of four groups included within a Maritime Industries Forum set up by the European Commission in recognition of the increasing importance of maritime matters and the need for better internal policy and co-ordination between industries, Member States, EFTA countries and the Commission.

The other groups for your information are:

- An Economic Analysis Group;
- A Maritime Safety and Environment Group; and
- A Maritime Transport Group.

These four groups have met a number of times and each is preparing a report for presentation to the EC in the next month or so.

European ports are represented on the Forum. Our expectation is, therefore, that conclusions reached will be based on realistic and pragmatic appraisals.

European port representation on the Forum and indeed collective port links with the EC are drawn from the European Ports Working Group (EPWG) of which I have spoken on previous occasions.

The EPWG has of late been considering port implications of an EC Green Paper on Transport and the Environment. More specifically the EC has stimulated debate on pollution and environmental damage caused by the rapid growth of the Community's road system. The point which has been heavily stressed by the EPWG is that the maritime sector can make a significant contribution to reducing road congestion and related pollution by switching freight to short-sea shipping. Advice given to the EC is that taxation measures are preferable to direct interference to persuade transport users to make the change which would be particularly beneficial as respects the movement of awkward loads and dangerous goods.

In its relations with the EPWG the Commission has been mindful of the need to make the Group more representative of Community Ports. It is an ad hoc Group in its present form. The EC therefore has given every en-

couragement to the establishment of a possible European Seaports Organisation membership of which would in theory be open to all ports. The present likelihood however is that small ports could only be involved indirectly through their membership of national associations.

The main purpose of the proposed Organisation would be to provide channels of communication rather than to provide scope for commercial operations.

The costs would be shared equally by the Member States and provision has also been made for Observers from non-EC States.

Final amendments to proposed Statutes will be considered on 26 October next.

It must be emphasised that all parties involved in the evolution of this organisation profess to the belief that it will in no way erode the position, stature and credibility of IAPH. They wish indeed to establish close liaison between the two bodies from the outset. IAPH has in fact received assurances from the EC's Transport Commissioner that he and his staff will welcome a continuing dialogue with IAPH.

Port Security

The effectiveness of port security in Europe, and for that matter elsewhere in the world, is the subject of particular interest at the present time as a result of the attention which has been focussed on two specific issues, namely the urgent need to suppress drug smuggling and the problem of stowaways.

As regards the suppression of drug smuggling IAPH is a joint participant in a Working Group established by the Customs Cooperation Council (CCC) with relevant commercial/trading organizations. An agreed report on the Working Group's deliberations and conclusions was submitted to and endorsed by the G7 Heads of State at their meeting in Munich last July. The Heads of State in turn approved an action plan for further work to widen cooperative efforts of Customs and trade interests still further.

The Joint Working Group is continuing to be active. Indeed, I was a participant at its meeting in Brussels on 28/29 September last.

The Working Group's emphasis is very much on what can practically be done to ease if not eliminate a problem which we know to be complex and extremely difficult. We believe however that the groundwork for a solution lies in the extension of the system of international Memoranda of Understanding and of course their effective implementation. Our Working Group was greatly heartened in that regard by the conclusion on 10 June last of an MOU between the Japanese Customs Administration and industry represented by the Japanese Shipowners' Association (166 members); the Scheduled Airlines Association of Japan (11 members); the Japan Air cargo Forwarders Association (169 members); and the Japan Customs Broker Association (920 members).

The key ingredients for success in these joint endeavours are a joint willingness and goodwill amongst the parties concerned to tackle the problem in the first instance; carefully constructed training and promotional programmes; exchange of information and intelligence; risk assessment; and physical security at ports.

A mix of these ingredients nationally, regionally and internationally will do much to facilitate the result we would all hope to see.

IAPH's Trade Facilitation Committee will be monitoring and assisting in these developments.

The question of stowaways is difficult and to an extent intractable. There is no doubt that the problem they present for European ports is exacerbated by the turmoil of current events in the Eastern part of Europe and in Africa coupled with the incredible — and sometimes fatal — risks which stowaways are prepared to take to reach their destinations of choice, with Canada and America high on that list.

We know that only a few major European ports are vulnerable in this regard — at least for the time being. These ports do cooperate fully with police and frontier officials for prevention purposes. We are mindful, however, that at some moment in time the stowaway problem is transferred to the ship the ultimate security of which rests with the Master.

Here again, therefore, as with the Drug Smuggling issue, we feel that joint efforts carried out in a spirit of cooperation and goodwill can provide a risk assessment of potential target areas. Checks and searches can be more effectively coordinated and ship security enhanced as might be thought necessary.

Such circumstances are most likely to come to pass when the port and carriers have established relationships which they want to keep and foster. They will respectively be willing to pay the likely high costs of the security deemed necessary to support effective access control such as fences, cameras, guards and so on.

We are mindful however of the fact that some ports with the best will in the world are simply unable to do this because of their unique local circumstances. — such as where, for example, the port is open to the public, as at Le Havre. Indeed there really is no easy solution to the problem of stowaways.

Trade Facilitation and the Enhancement of Port Operational Facilities

Within the European area and elsewhere in the world there are so many happenings, events and projects — often disparate — of which we know we should take account that it can be quite difficult to know where to start, where to accord priority, indeed where even to establish the rationale which makes them relevant to this or that port.

Our port managements — anywhere — have no easy task in determining the nature and extent of the services which have to be catered for and the infrastructure which has to be put in place.

Take intermodalism for example. This is very much associated with the American traffic but it is not an exclusive preserve of that region. We have to be mindful, we may suppose, of the impact not only on US ports but also their European termini of the Intermodal Surface Transportation Efficiency Act of 1991 with which President Bush last December signed a \$155 billion 6 year Federal Highway and Mass Transit spending programme to improve access to ports and airports.

We may also suppose that it is very relevant to the ports of our Region to note that last weekend VIP's formally acknowledged the completion of the Rhine-Main-Danube Canal which makes it entirely feasible, for example, to move 2,000 tonnes of material at a time on barges from, say, Rotterdam to the Ukraine and vice-versa.

We are paying close attention for example to the expansion of exports from Africa — so called "downstream" manufacturing — reflecting a move to higher-priced finished or semi-finished products. (It is interesting to speculate on the extent to which this has been caused by import quota

reductions and privatisation.) Examples include West Africa with timber products such as plywood and house construction frames and East Africa with textile products. The move towards export-processing free trade zones is quickening.

Intermodalism goes hand-in-hand with transshipment to the benefit of coastal shipping and short-sea ferry services. Ports servicing these trades will surely benefit.

This, however, is a changing world and no less so with port users whose demands can give rise to quite remarkable developments with, it seems, accompanying terminology.

Storage and Distribution feature significantly in the planning of some of our large ports with the development of land space providing an added-value element to port activity. We hear of "infrastructure plus" as a concept in which there is more risk-bearing by the port in operational ventures by the port itself or jointly with others.

The concept of Quality Assurance as a guide to port users goes hand-in-hand with Quality Management Systems. New techniques give rise to new trading opportunities such as BI-BO (Bulk in Bags Out).

Integral to many of our port developments are actual or implied partnership agreements between Cities/Regions and ports to effect mutually beneficial developments.

The spirit of competition between our ports remains as strong as ever. It is interesting to note in that regard that those best able to judge take the view that the implementation of an effective EDI system is a pre-requisite in securing a competitive edge. Le Havre's electronic link-up with the Port of Singapore points to the closer identification of port communities with their partners in trade elsewhere in the world. EDI users — certainly those who adhere to the EDIFACT standard — can now be assured of an agreed level of uniformity in their message structures with the new directories which were agreed in September 1991 by the UN Group of Experts in Geneva. These directories contain Codes, Data Elements, Composites and Segments (the basic building blocks for message design).

In these circumstances major European ports were eager to bring themselves up to date with related events at the highly regarded meeting of the Transportation Community Information Exchange Group in Halifax, Canada last June.

Marine Operational Concerns

The broad heading of this section allows me to touch briefly on a number of areas of concern currently exercising the minds of European port managements. They are referred to below in no particular order of priority simply because the circumstances of each port will determine what that priority should be. Each of the issues, however, is believed to have relevance beyond the shores of Europe. You will therefore be able to judge their applicability in this Region.

1 Port State Control (PSC)

Nearly half the ships calling at European ports last year had safety deficiencies. 5.2% of these deficiencies were sufficiently serious to cause the ships concerned to be detained in port by PSC authorities.

This situation gives rise to a potential danger to port operations and may result in commercial damage to port-related activities. There is also an obvious risk to the maritime environment.

At the present time our ports tend to be isolated in large part from on-going PSC operations including inspections and ship detentions. That is as it should be, broadly speaking. In two particular aspects however there is a case to be made

we believe for close port linkage with PSC activity. Port Authorities should be advised whenever the possibility of a ship detention becomes apparent so that appropriate steps might be taken to guard against undue disruptions of port operations. Given also that PSC authorities are assembling a lot of data on sub-standard shipping in computer form, we think it reasonable that ports should be allowed access to the database in controlled circumstances.

2 Marine Operations Personnel

In European terms at least there is a current shortfall in sea-going manpower which will have a long-term and adverse effect on recruitment into port-related marine services. It is therefore time, we believe, to examine the requirements in terms of training and qualifications that will need to be met in the future to fill responsible marine posts in the port industry.

3 Bunkering within Port Limits

Problems associated with bunkering operations are widespread and have been highlighted recently in an environmental context. Our European ports are therefore taking urgent steps to:

- finalise the content of a pre-transfer check list the use of which we believe should be mandated by local regulations;
- encourage Port Authorities to make their views widely known on the ship-related risks associated with bunker transfer and on board dry-cargo vessels in particular; and
- consider the feasibility of developing a training programme on safe bunkering procedures; and make a survey of the equipment and procedures used to determine where standardisation might be beneficial to ports.

4. Ferry Operations in Port Waters

Following the tragedy of the "Herald of Free Enterprise" and other ferry accidents and incidents, we think we need to look closely at and come to port-related conclusions on such issues as Damage Condition Stability provisions of SOLAS 90; the methods of control or regulation of fast ferry traffic in congested or heavily used port waters; and influences on berth construction for Ro-Ro Ferries.

5. Concluding Remarks

The title of this presentation was made sufficiently vague to allow me to take a panoramic view of some of the events which in their way have an effect on the world's ports. The issues on which I have touched - necessarily in a sketchy fashion - can be developed in discussion as you might think appropriate. If you were to do so you would certainly add to my personal store of knowledge. My sense of awareness of your perspective and through you the public opinion more generally of this important country as regards the events of which I have spoken will thereby be heightened.

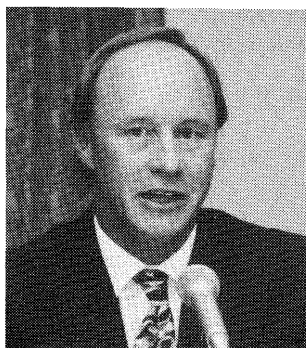
It will also be invaluable to me to be aware of issues of which I have not spoken which are in their way important to you and to which, therefore, we in the European Region should also pay close attention. A broader perspective in our assessments and judgments must be beneficial.

In any event please know that I count it as a rare privilege and a great honor to have had your attention for this presentation.

Thank you for that attention.

The Australia Port Scenario — Recent Developments

(Presentations made at the 3rd IAPH Japan Seminar held in Tokyo on October 7, 1992)



By Murray Fox
Managing Director
MSB Sydney Ports Authority

1. Overview of East Coast Ports

The principal Australian Ports, Melbourne, Sydney and Brisbane rank 29th, 39th and 84th respectively in the world container league table. (Containerisation International 1992).



Though Adelaide, and to a lesser extent Fremantle, will always have a place despite limited volume, the east coast ports — Melbourne, Sydney and Brisbane — will remain the major contenders for the bulk of business. Hence my comments will be focussed on these three ports in general and on the Sydney Ports Authority in particular.

1. 1 Melbourne

Melbourne is Australia's largest container port by TEU throughput, handling over 600,000 TEU per annum and ranks high amongst the world's general cargo ports. It is the focus of international trade for industries throughout Victoria, Tasmania and South Australia.

More than 2,500 ships visit the port each year from a variety of international and coastal locations with a throughput of over 26 million tonnes.

The Port's strength includes a very large rural hinterland, strong industrial base, frequency of sailings to Asia, Europe and the Middle East, centralisation of the Middle East trade and availability of land for expansion.

1. 2 Sydney

The Sydney Ports — Sydney Harbour and Botany Bay — are Australian capital city ports handling around 525,000 TEU per annum. Sydney ports are mainly import ports as Sydney is a major consumer market. The two Sydney ports complement each other. While Sydney Harbour specialises in handling general cargo, containers, motor vehicles and timber, Botany's expertise is in the area of bulk liquids and containers. Sydney Harbour is also the cruise capital of the South Pacific.

Over the past four years, a significant trend in the trade pattern of Sydney Ports has been the removal of exports of bulk coal and wheat to the other two NSW ports. Coincident with this has been an increase in trade through Botany Bay, with a decline in cargo volume through Sydney Harbour. Of the major commodities, growth has principally occurred in containers, crude oil and motor vehicles. Underlying the current usage pattern has been a reduction in the number of vessel calls and an increase in the volume of cargo carried per vessel. This reflects an international trend for shipping economies of scale to be achieved by the operation of larger, more efficient vessels.

In the period to 2015, total trade through Sydney Ports is forecast to rise from 20.4 million tonnes in 1991 to 36.3 million tonnes in 2015, an average annual growth rate of 2.3 per cent. Export growth in containers is forecast to occur in the manufactured goods sector and as a result of the recovery in overseas demand for wool, increased cotton production in NSW and expansion in aluminium smelting capacity. For the first time recently, manufactured goods exports exceeded primary products exports. Other major commodities which promise to record significant growth in imports include timber, paper and motor vehicles.

1. 3 Brisbane

The Port of Brisbane though, ranking third behind Melbourne and Sydney in terms of container throughput handled annually, has enjoyed significant growth in the recent past in both tonnage and container traffic. This growth can be largely attributed to the buoyant containerised meat and cotton exports, principal primary industries within that State. A combination of factors including Brisbane's geographic location, uncongested port facilities and pricing structure has resulted in attracting trade. The development of major new port infrastructure has further enhanced the port as a

competitive alternative to Sydney and Melbourne on the East Coast of Australia. Improved land-side access to the port will increase the efficiency and competitiveness of Brisbane's operations.

Recent developments include a \$300 million port master plan to upgrade Brisbane as a viable 'gateway' for Australia's growing container trade by the year 2005.

A \$60 million rail improvement project has been approved by the Federal Government and will be implemented through the National Rail Freight Corporation.

The Strategic Plan for the Port of Brisbane envisages that Brisbane's cargo throughput will grow by 80 per cent by the year 2005.

I conclude my brief overview with a number of significant facts on the MSB Sydney Ports Authority.

- i) The MSB Sydney Ports Authority has been self funding for around 12 years.
- ii) Actual revenue is approximately A\$110 m and surplus approximately \$37 m. From the surplus, the Authority pays a return to the Government, funds capital infrastructure development and debt.
- iii) The Authority has moved from being a hands-on operator, previously offering a variety of services to port users, to identifying core business activities.

The Authority does not:-

- employ stevedoring labour;
- own cargo handling plant & equipment; or
- maintain leased property.

Core business functions include:-

- **OPTIMISING CURRENT LAND USE:** ensuring land is leased in the most appropriate way, to maximize competition and to include incentives for cargo throughput and better land utilization. Lease terms are kept to a minimum, consistent with the need to amortize investment.
- **STRATEGIC LAND PLANNING:** ensuring adequate facilities can be provided for future trade.
- **NAVIGATION SAFETY:** ensuring safe passage for vessels within the port precinct.
- **ENVIRONMENT:** preserving the environmental amenity of the port.
- **TRADE FACILITATION:** working with port users to promote the port and improve trade.

iv) As a result, for the Authority, income has fallen from around \$130 m to \$110 m over 3 years, and expenditure from amount \$120 m to \$72 m. Real savings have been delivered. For the 3 NSW Ports Authorities combined, total charges per unit of cargo have been reduced from around \$2.50 to \$1.70 in the same period.

v) Staff numbers in the MSB Sydney Ports Authority have been reduced from approximately 950 to 450, with further savings projected, by introducing the private sector to port operations and development and by contracting out services.

There has in fact been an improvement in the level of service offered by the Authority as it can now better focus on critical business activities and not be distracted by non value-added services.

2. Comparative Analysis of Ports

A brief comparative analysis of the three ports in terms

of services facilities and trade is set out below.

2.1 Services

Unlike the Sydney Ports Authority, both Melbourne and Brisbane Port Authorities provide cargo handling equipment for stevedoring purposes.

The pilotage service in all three ports is now provided by private companies. Sydney's pilotage service will be the most competitive, being for a 3 year contract period, with retendering at the end of that time. In general, the Ports of Brisbane and Melbourne Authorities provide a larger range of operational services than the MSB Sydney Ports Authority, including the hire of cranes and the mooring/unmooring of vessels.

2.2 Facilities

The number of berths by status and by type are depicted in Table 1.

Table 1 Number of Berths by Status and Type

	MSB SPA	PMA	PBA
Common User	7	22	2
Leased	21	34	11
Private	16	0	18
Non Commercial	0	31	1
TOTAL	44	87	32

	MSB SPA	PMA	PBA
Container Terminals	8	12	5
General Cargo	13	28	8
Bulk Liquids	11	7	9
Dry Bulk	10	7	8
Passenger	2	4	1
Non Commercial	0	29	1
TOTAL	44	87	32

Of the three ports the Port of Melbourne Authority has a significantly greater number of berths, 36% of which are considered to be non-commercial and 25% of which are common user. Most berths in Brisbane are either leased or private facilities.

2.3 Trade

Table 2 Vessel Arrivals in 1991-1992 Sydney Harbour/Botany Bay

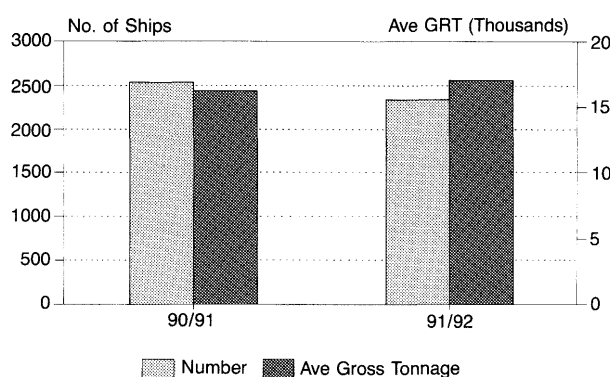
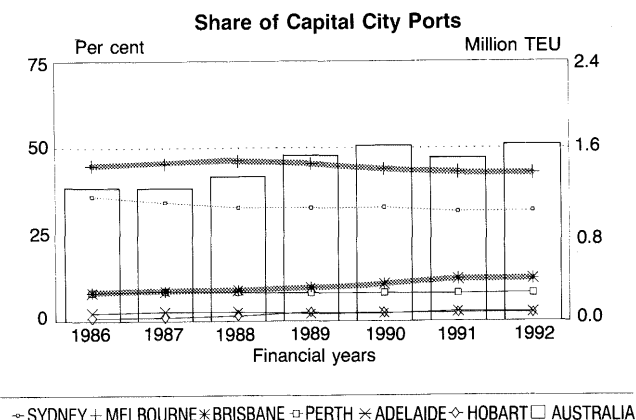


Table 2 indicates the number of vessel visits and the

average gross registered tonnage of vessels. A comparison of vessel visits indicates an upward trend for the Port of Brisbane Authority and a downward trend for the Port Melbourne and Sydney Ports. In addition, the average vessel size is largest for Brisbane and smallest at Melbourne.

In terms of passenger vessels, very few passenger vessels visited Brisbane and Melbourne in 1990-91. It is currently projected that 108 passenger vessels will be handled by the Sydney Ports Authority in 1991-92, establishing Sydney as the principal port for cruise vessels in the South Pacific.

Table 3 Container Traffic

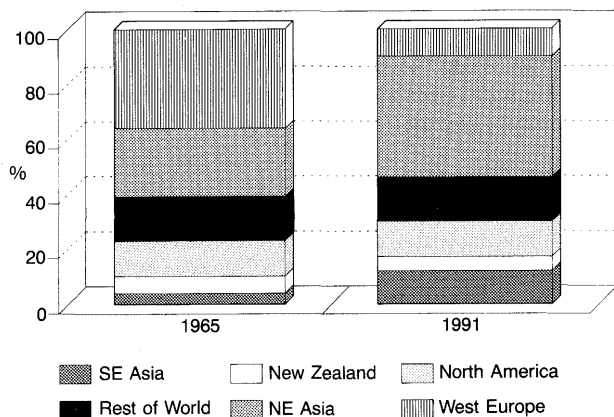


This graph shows the cargo trade and market share of major Eastern Australian ports.

Cargo throughput and market share of the Port of Brisbane Authority has been growing steadily whilst the Sydney Ports Authority has maintained cargo throughput levels and the Port of Melbourne Authority has reduced its throughput and lost market share to its competitors.

3. Direction of Trade – Australia

Table 4 Destination of Australia's Exports



A significant feature of Australia's trade pattern in the last decade is the shift in the direction of trade from Europe to Asia in general, and North Asia in particular. The region comprising Japan, Korea, Taiwan, China and Hong Kong is the fastest growing region in the world.

Over 40 per cent of Australia's exports are at present destined for North Asia which includes 5 of the top 10 markets; also, this region supplies nearly 30 per cent of Australian imports. Japan alone accounts for over 25 per cent of Australia's merchandise exports and supplies 20 per cent of imports.

Countries within the North Asia region purchase 70

per cent of Australian coal, 88 per cent of aluminium exports, 71 per cent of iron ore, 53 per cent of meat exports and 45 per cent of wool exports. The region is an important outlet for Australian manufactures exports also, absorbing one third of the country's total exports of manufactures.

In the five years to June 1991, Australian exports to Japan grew at almost 12% a year, to the Republic of Korea at almost 22% a year and to the Asian group of countries as a whole at around 28% a year. The changing direction of Australia's trade and the importance of the region are shown in Table 6.

4. Inter Port Competition

While there is a degree of competition for a range of products, i.e. cotton, wool, meat, produced in NSW/Queensland border, large distances and the absence of a viable alternative land transport system limit the degree of competition between the major ports in Australia. Due to the strategic and other considerations, some products are in fact 'locked' into a port, i.e. coal – Newcastle; fruit and dairy products – Melbourne.

A factor of equal importance in determining the level of competition is the port rotation in the liner trades on the Australian East Coast. A number of NSW export cargoes tend to be loaded from the Port of Brisbane as vessels in the liner trades to Asian destinations usually make Brisbane the last port of call in Australia. In particular, exporters of frozen and chilled beef and horticultural products take advantage of the additional time for the preparation of cargoes and load from the Port of Brisbane.

5. Strategies of Sydney Ports

While every port in Australia considers itself to be a 'Gateway Port' the strategies of the Sydney Ports Authority

Table 5 Major Trading Regions (Revenue Tonnes) 1991-92

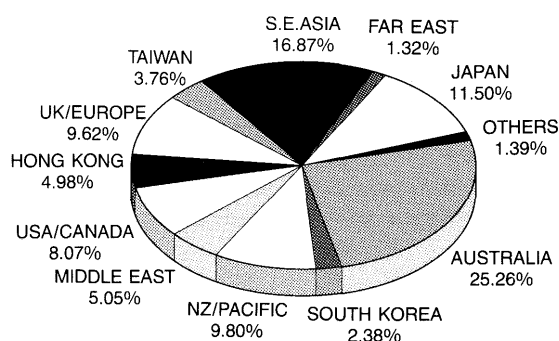
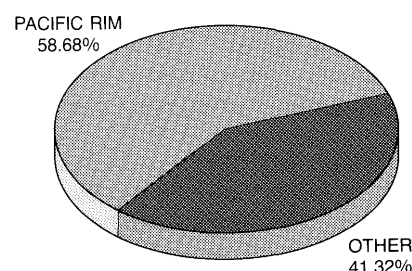


Table 6 Trade with the Pacific Rim (Revenue Tonnes) 1991-92



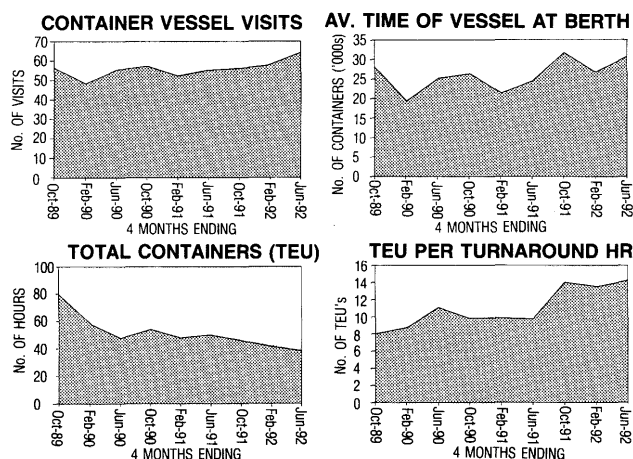
are focussed on developing Sydney as the load centre for the Eastern Australian corridor.

Table 5 provides a detailed breakdown of the major trading regions of Sydney Ports and Table 6 illustrates the significance of trade with the Pacific Rim to the Sydney Ports Authority - almost 60% of the Port's trade is with the Pacific Rim region.

In addition to its strategic location, a number of factors will assist Sydney Ports in becoming a load centre for the Australian East Coast. These include:

- The Ports are strategically positioned with respect to the liner trade in the major North American Market. Frequently they are the last ports of call in Australia. Hence, an opportunity exists for Sydney to be developed as hub ports to service this trade area.
- Excellent road/rail linkages with the hinterland and other states.
- Shipping Opportunities: Over 60 shipping lines call at Sydney Harbour/Botany Bay regularly, linking Australian importers and exporters with over 200 markets around the world.

Table 7 Productivity Improvements



- Productivity Improvements: Average crane handling rates (totalled 19 TEU per hour in 1991/92) - 50% higher than the corresponding rate for fiscal year 1989 are comparable with many international figures.

6. Landbridging

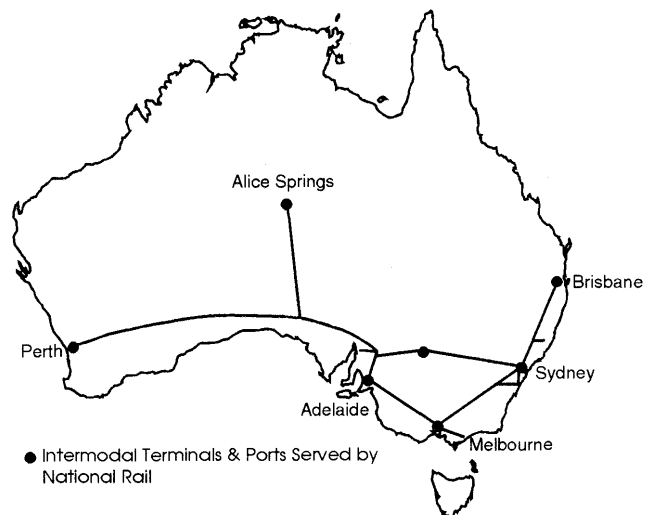
The development of landbridging is a positive move but is likely to have only a limited impact on the competitive position of the Australian East Coast Ports.

Though the strategic plans of all Australian ports are focussed on developing the 'hub' or gateway port concept with landbridging as the key to multi modal success, only limited success has been achieved to date.

The landbridging concept involves the substitution of land transport services — rail and road — for the sea transport task so that one port is in a position to serve another's natural hinterland.

As you would be aware, significant landbridging services already operate in North America and Europe based on major rail connections between all major destinations. The principal reason for the success of the concept in North America is that landbridging saves 8-10 days by avoiding

National Rail Corporation Potential National Network



the need for vessels with significant volumes for the East Coast to go through the Panama Canal. Moreover inland markets such as Chicago and Pittsburgh can only be efficiently served by Road and Rail.

The situation in Australia is somewhat different though it is expected that increased use of rail will improve the efficiency of land-based transport systems. The upgrading of rail links on the Sydney — Melbourne and Sydney — Brisbane corridors will certainly contribute to strengthening the competitive environment of ports on the Eastern Coast of Australia.

7. Future Developments — Sydney Ports Authority

7.1 Responsibilities

I shall now focus on the plans and policies of the Sydney Ports Authority which are influenced by policies of the Federal and State Governments.

The major issues which will have an influence on future developments include:-

a) Federal Government

Though the Ports are the responsibility of State Governments, the Federal Government has been seeking a more active role in port affairs. The number of industry inquiries carried out by the Federal Government suggest a continuing desire for forms of national control.

b) State Government

The Ports Authority provides the State Government with dual sources of income — dividends from annual operating surpluses and proceeds from the sale of surplus property.

Port authorities in essence operate within guidelines determined by the State Government.

7.2 Port Services

Traditionally, Port Authorities have provided a range of services to the Port Community. Whilst my Authority has withdrawn from a number of these service areas, there is a need to determine the service currently being supplied, and whether the service, if necessary, should be provided

by the Authority. The Authority should only involve itself in areas where it can add value.

7.3 Property

There is pressure for large areas of port land in Sydney Harbour to be redeveloped for other purposes and to allow the Community to have access to previous port areas. There is also concern in Sydney Harbour about the risk of oil spills from tankers, and about noise associated with cargo handling. On the other hand, land at Botany Bay is scarce.

To determine the land requirements for the future, a Land Use Study is being prepared with the focus on future trade projections, transport requirements and environmental management.

7.4 Marketing

The Marketing or Trade Facilitation area is of vital importance in stimulating business through the Port. There is strong competition from other Ports for a range of products/commodities produced in the hinterland of NSW. Largely due to our marketing thrust Sydney Ports combined are today not only the principal capital city ports in the country, they are also the major ports for the export of a number of commodities including wool and meat. More importantly, Sydney Harbour/Botany Bay are the principal ports in Australia for the export of cotton and import of motor vehicles.

Strategies in the Marketing area will focus on:

- improved customer service.
- better communications with and understanding of the market.
- study of the economic impact of Sydney Ports on NSW — What benefit are the ports providing to the State's economy?
- develop a promotional strategy to promote the Port in consultation with Port Users.

7.5 Pricing

A major objective is the continuing development of a commercial pricing structure aimed at promoting port efficiency.

The pricing structure is directed towards cost recovery and eliminating cross subsidies:

- Wharfage charges will be further reduced, especially at private berths.
- The Authority will attempt to contain any port charge increases to not more than the CPI movements.
- An Environmental Services charge on oil, bulk liquids and gas vessels was introduced in 1990/91 to more accurately reflect the cost of emergency response services required by these particular vessels.

Private operators are encouraged to lease existing berths for port operations, and undeveloped port lands are being tendered for lease for port related development.

8. Environmental Management

I would now like to move to the issue of environmental management and provide a brief update on activities within the MSB Sydney Ports Authority.

The introduction of a revised Corporations Law in NSW has placed a far greater onus of responsibility on

Directors of companies to have exercised "due diligence" in the management of their business. It is no longer a defense to say that you didn't know and therefore are not liable. It is the duty of every Director to actively keep himself informed.

This requirement extends itself obviously into the area of environmental management. As the Ports Authority moves more towards becoming a landlord, responsible for the most efficient and effective use of port land, we find that it is not sufficient to assume that the lessee of the land — the port user, has full responsibility for activities on that land. This is not the case, as the landowner has a specific responsibility to ensure that activities on his land are carried out in an environmentally conscious manner.

On the request of the Directors, the Authority has therefore taken specific action to ensure that the environment and the Directors are protected.

An Environment Management Plan is currently being prepared. This Plan involves the following elements:-

1. The Plan is a complete plan of management for the port areas. It includes not only action to ensure that pollution does not occur through spillage of products, but also action to provide a safe workplace for staff. In summary it is an operating plan which ensures an appropriate operating environment in the port areas.
2. An initial audit is being carried out by a specialist consultant of all properties in the port area to determine whether a satisfactory operating environment exists. The audit will include an environmental audit, a safety audit and a maintenance audit and is being done with the agreement of the port users.
3. The Plan is being developed in conjunction with the port users. The Authority cannot impose itself unreasonably on its lessees and so has had a number of meetings to seek the co-operation of those port users. The port users can see that the Authority's proposal will benefit them also and will provide a level of protection and so have agreed to work together with us.
4. Although the Authority favours, and is moving towards self-regulation of activities by port users, it still must protect itself and so there will always be a requirement to oversee operations.
5. The Plan has commenced but will take some 12 months to complete. Providing that the preparation is progressing and that the Directors are kept informed, then due diligence has been exercised.

9. Concluding Remarks

The overall objective of our Strategic Planning is to aim at achieving the best international standards in terms of port management.

For Sydney Ports our vision is to develop as the principal maritime "Gateway" for the Eastern Seaboard of Australia. In order to achieve this objective planning will focus on strengthening the position of Botany Bay as the principal container and bulk liquid port, and as a major port for break bulk cargo and bulk solid cargoes, while retaining Sydney Harbour as a smaller commercial facility, operating in harmony with many recreational users of this beautiful waterway.

Gentlemen, I hope that my brief presentation has given you an improved understanding of Australia's port operations.

Thank you.

Canada's Nat'l Transportation Initiative

(Reprinted from "PROSPECTUS: The Joint Report of CN North America, CP Rail System and Ports Canada")

A transportation industry alliance to promote the greater use of Canadian transportation routings was announced today (October 7, 1992) by Ports Canada, CN North America and CP Rail System.

To be known as *Advantage Canada*, the new initiative will "promote a coordinated and seamless system of cargo transportation in Canada for shippers and shipping lines and will set standards of quality in the provision of transportation services for all commodities" according to Arnold Masters, Chairman of the Board, Ports Canada.

"This initiative was developed following a comprehensive study and industry consultations that took place in 1991 regarding the competitiveness of Canadian intermodal handling systems. There was a consensus reached on the need to strengthen and further develop the competitive transportation system within Canada, and to identify, promote and enhance the advantages of our gateways," Mr. Masters added.

Advantage Canada will address national, regional and local issues affecting Canada's competitiveness, and will work on the local and regional issues through gateway councils established at each of the Ports Canada ports.

In making the announcement, the founding members said, "all impediments to providing more integrated and cost-effective transportation services must be eliminated if Canada is to maximize traffic routings within the country. We look forward to working closely with our new partners and welcome the participation of all potential members from the transportation and business community," they concluded.

John Sturgess, Senior Vice-President and Chief Operating Officer, CN North America said his company strongly supported the idea of an alliance "because it is important to all of us that Canada continues to improve and transform its transportation system into a globally competitive one that is easy to do business with."

Rob Ritchie, President, CP Rail System said: "We will continue to help develop and implement the *Advantage Canada* alliance so that we can get the most efficient use out of Canada's transportation infrastructure and deliver improved quality service to our customers."

Advantage Canada is welcoming participation from all major stakeholder groups with an interest in the Canadian transportation system. While the alliance will be commercially-oriented, it may include federal and provincial government participation. In particular, Canada Customs, who has accepted to be an *Advantage Canada* member, will make a major contribution in enhancing the collective objectives of the alliance.

A Vision for Transportation

Since the building of the first transcontinental railway, Canadian transportation has played a symbolic and tangible role in the development of this nation and its economy. From its very beginning, Canada has had to overcome many

obstacles, not the least being geography. During the course of the country's development, Canadians have linked their communities by rail, road and air networks, over, under and across some of the world's toughest terrain. At the same time, we have built a port and marine infrastructure to provide access for Canadian products to world markets. In the course of meeting the challenges of geography and the opportunities provided by international trade, Canada has become a recognized world leader in transportation.

However, a changing transportation environment and the changing needs of shippers have dramatically increased the competitive threat facing the Canadian transportation industry. While each member of Canada's transportation industry enjoys a strong reputation for quality and value, they have, for the most part, pursued their interests independently of one another, the result being a system that has been fragmented and less efficient than it could be.

Increasingly, there have been calls for co-operative efforts among the key members of Canada's transportation industry to create a coordinated, competitive and reliable alliance to collectively promote and enhance the quality of service of the Canadian transportation system.

The result of these calls is *Advantage Canada* — an historic and unique alliance of leading members of Canada's transportation industry.

Advantage Canada is a national initiative designed to offer a Canadian transportation option on a level that competes with our most aggressive competitors and responds to the needs and demands of both Canadian and international shippers and shipping lines. It calls for a coordinated "quality assurance" program for the Canadian transport industry, backed by a new and firm commitment to a higher level of excellence for the users of the system.

Advantage Canada has been born out of the belief that a common interest and desire to maintain and improve cargo transportation in Canada requires the formation of a systems approach to address the challenges that Canada's transportation industry is facing. It reflects a commitment to the development and improvement of an already good transportation system into a globally-competitive one. *Advantage Canada* is designed to play a pivotal role in promoting Canada's trade potential and overall prosperity and can serve as a symbol of pride for all Canadians.

Selected Trade Facts

Canada's external trade accounts for about 25% of Canada's gross domestic product (GDP). Overseas trade accounts for 26% of that total trade.

An additional 5% of our GDP, or \$20.5 billion is generated by Canada's transportation industry.

Canadian merchandise exports to overseas destinations increased from \$26 billion in 1982 to \$33 billion in 1991, while overseas merchandise imports rose from \$19 billion to \$39 billion.

Canadian exports to overseas destinations in 1991 were made up of industrial goods (34%), agricultural and fish products (22%), forest products (20%) and machines and equipment (18%). For imports, the major components consisted of machines and equipment (27%), consumer goods (19%), automobile products (19%), industrial goods (16%) and energy products (13%).

In 1991, Canadian overseas trade with Asia represented 42% of total overseas traffic, compared with 38% for Western Europe, 5% for Central America and 4% for South America.

Measured in tonnes, the proportion of this overseas trade which moves through Ports Canada ports amounts to 60% of the total, a figure which would be significantly higher if measured in dollar value due to the fact that nearly all of the country's high-value containerized cargo is handled by Ports Canada ports.

In 1991, about 182 million tonnes of cargo was handled by the 15 Ports Canada ports, which included:

- most of the waterborne liquid bulk shipments;
- nearly 80% of Canada's grain exports;
- more than 60% of Canada's waterborne traffic of coal, alumina and bauxite; and
- about 50% of all Canadian iron ore traffic.

Canadian railways move over 250 million tonnes of traffic annually, with CN North America and CP Rail System representing about three-quarters of all Canadian rail traffic or 189 million tonnes in 1991.

Canada's transportation industry employs over 490,000 Canadians or 4% of all jobs in Canada. Canadian railways generated 69,000 jobs in 1991, with CN North America and CP Rail System employing 35,000 and 21,600 respectively. The Canadian marine transport sector generated 31,000 jobs in 1991. Maritime activity at Ports Canada ports had a total employment of 17,000 jobs.

Canada's Competitiveness

World trade has become intensely competitive over the last decade and Canada has experienced considerable challenges in its trade sector.

In its 1992 Report, the Geneva-based World Economic Forum referred to competitiveness as "a worldwide struggle for survival" in which "there is really no alternative but to be competitive". The Report analyzed factors contributing to the competitiveness of the world's industrialized nations. When measured by the Report's competitiveness scoreboard, Canada ranked fourth among the world's seven largest industrialized countries (the G7) and eleventh overall when compared to all industrialized nations.

The Honourable Michael Wilson, Minister for Industry, Science and Technology and Minister for International Trade has stated recently that "prosperity can only be achieved through competitiveness." And, Canada's ability to maintain its competitive edge is being increasingly challenged. To act decisively and improve our country's positioning among the world's leading nations, it is essential to have a clear sense of what competitiveness demands.

The Minister noted that "a brief look at the new global economy suggests that true competitiveness comes from an ability to forge strong cooperative linkages — between companies to develop markets or exchange technologies, with clients, with educational institutions, with labor groups and with governments."

The truly successful companies look for partners and allies with complementary capabilities. Whether it is through formal joint ventures or special-purpose strategic alliances, business everywhere are looking to strengthen inter-firm relationships to avoid duplication, focus on what each partner does best and maximize overall market penetration.

Mr. Wilson went on to say that the new emphasis on networking and partnering is driven by a market demand for specialized products and services, continuous technological innovation, cheaper computer-based production, flexibility and speed. Today, the best product and service development is achieved by cross-functional teams that cut across divisional and inter-company boundaries. As a result,

inter-firm relations are no longer adversarial or unproductive. The ability to collaborate closely has emerged as a key success factor in enhancing competitiveness.

The Minister concluded that: "Canada's economic future depends on forging the domestic partnerships and developing the alliances abroad that will enhance this country's performance in the global arena. Competitiveness ... emerges from an ability to cooperate effectively."

Intermodal Competitiveness

In the fall of 1991, the Canada Ports Corporation completed its Container Competitiveness Study. A Container Competitiveness Committee had been formed the year before to examine factors which influence the competitiveness of Canadian ports and routings. One of the major observations of the Committee was that the maintenance of existing volumes and the development of increased container traffic is the major challenge facing Canadian ports and their surface partners in ensuring to ensure their continued competitiveness.

The economies of scale, the lower tax regime and the more deregulated business climate of the US transportation system, have increased the competitiveness of US routings; and the implementation of the free trade agreement has enhanced the appeal of the north-south crossings for the movement of Canadian cargo via the American transportation system. This has given rise to the potential of a continental transportation system, in which American transportation entities would dominate.

At the same time, American intermodal competition targeting Canadian traffic has intensified. Any increase in volumes, at competing US ports, could seriously threaten Canadian port utilization and Canadian railways could lose a significant amount of business presently travelling east-west in Canada.

The challenge is to arrest the decline of our competitiveness by developing a reliable, coordinated, competitive transportation system by bringing the conditions necessary to ensure that the health of cargo operations across Canada's transportation network are maintained and enhanced.

As the Container Competitiveness Study emphasized, all Canadian container ports derive the majority of their container traffic from market areas that lie more than 1,000 kilometers from the port. Canadian ports are dependent on fast, efficient, competitively priced rail service to maintain their continued presence in the container markets.

The Container Competitiveness Study also stated that the approach developed to date by the Canadian ports, railways and trucking industry in promoting their own facilities and operations could be improved to produce the intermodal transportation network required to make Canadian routings competitive with the US system. Canada requires a coordinated efforts to promote its intermodal, bulk and general cargo systems and infrastructure, by means of strategic alliances or partnerships with the railways and other key stakeholders. This approach, the Committee argued, could make it more profitable and attractive for ocean lines to call in Canadian ports and could ensure the continued viability of Canada's ports and overland transportation system.

This could act as a catalyst for promoting and initiating solutions to enhance the competitiveness of the Canadian routings, working towards further removal of transfer impediments and strengthening relationship between firms providing transportation services.

International Maritime Information

WORLD PORT NEWS

Shipping Law Confab On Goods and Liability

KUALA LUMPUR 11th - 12th January 1993
SINGAPORE 13th - 14th January 1993
Organized by Singapore National Shippers' Council
Managed by Professional Resources Agency (Pte) Ltd
Co-sponsored by
The International Association of Ports and Harbors (IAPH)

The main objective of this conference is to upgrade the skills and knowledge of the professionals and management staff from the private and public sectors in Singapore, Malaysia and the Far East.

The theme of the proposed conference will be of considerable interest to chief executives of shipping entities, shipowners, shippers, ship managers, ship agents and executive of marine-related industries, principal officers and company secretaries of listed corporations, financial institutions (commercial, offshore and merchant/investment banks, and finance and insurance companies), lawyers, surveyors, marine engineers, naval architects, public accountants and other interested parties connected with international trade and shipping.

For detailed information, please contact:

Sharon Ross, Conference Director
Professional Resources Agency (Pte) Ltd
47 Hill Street #07-05/07, Chinese Chamber of Commerce Building, Singapore 0617
Tel: 220 9744 Fax: 227 6791

Proposed Topics

1. Latest Developments in English Law on voyage charter-parties
— Laytime, demurrage and other issues

Confirmed Speaker:
Mr. Roderick White
Partner
Barlow Lyde & Gilbert, Hong Kong

2. Salvage and general average
— Principles and developments
— Assessment of salvage awards
— Nature and quantum of general average contributions
— York-Antwerp rules 1974 (Amended)

Confirmed Speaker:
Mr Peter Mills
Partner
Barlow Lyde & Gilbert, Hong Kong

3. Review of recent English cases on time charter-parties
— Off-hire, safe ports, withdrawal for late payment of hire and other problems

Confirmed Speaker:
Professor FJJ Cadwallader
Professor of Law
Cardiff Law School, UK

4. Identity and obligations of the carrier in carriage of goods by sea contracts

Confirmed Speaker:
Professor FJJ Cadwallader

5. Admiralty practice and jurisdiction
— Grounds for admiralty jurisdiction

— actions in rem/personam
— Arrest, release and security
— Limitation of liabilities
— Exclusive jurisdiction clause/forum non conveniens

Confirmed Speaker:
Professor FJJ Cadwallader

6. UK carriage of goods by sea bill 1991:

- No need for title to sue?
- Other legal issues and problems

Confirmed Speaker:
Miss Belinda Bucknall QC, UK

7. Sue and labour in marine insurance clauses

- Must underwriters be responsible if claim is rejected due to non-insurable peril
- Independent contract
- Under the marine insurance act 1906/institute cargo clauses

Confirmed Speaker:
Miss Belinda Bucknall QC, UK

8. P & I Insurance and claims against P & I Club

Proposed Speaker:
Mr Steven Hazelwood
Partner
Ince & Co., Hong Kong

9. Fraud in maritime commerce

Proposed Speaker:
Mr Hazelwood

10. Limitation of liability

- Hague and Hague-Visby and Hamburg rules

Confirmed Speaker:
Mr Richard Williams
Partner
Ince & Co., UK

11. The English Admiralty Court and the London arbitration procedure

- Settlement of disputes in court
- Arbitration under the LMAA
- Relationship between courts and arbitration
- Merits and demerits of settlement by arbitration

Confirmed Speaker:
Mr John Pople
Partner

Membership Notes:

New Member

Associate Member

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Fax: (040) 364122

Hill Taylor & Dickinson, UK

12. The U.S. oil pollution act—the legal and insurance implications

Confirmed Speaker:

Mr Geoffrey Ginos

Partner

Burlingham Underwood & Lord,
USA

13. The functions of the bill of lading in carriage of goods by sea

Confirmed Speaker:

Mr David Chong

Lecturer

Law of Shipping

National University of Singapore

14. Admiralty practice & jurisdiction in Singapore

Proposed Speaker:

Justice M. Karthigesu

15. Enforcement of maritime claims in Singapore

Proposed Speaker:

Hon. Justice G.P. Selvam

16. Pre-requisites for a seaworthy ship

Proposed Speaker:

Capt. Peter Bird

Maritime Consultant & Surveyor

Seabird Consultant

ENS International Conference, Exhibition

Stavanger, Norway

24 — 27 August 1993

Major Inter-sectorial Conference
Topics for ENS '93

- Offshore Activities and Shipping
- Coastal Traffic and Harbour Policies
- Climate, CO₂, Energy, Measuring and Monitoring of the Marine Environment
- Agriculture, Aquaculture, Wild Fisheries
- Marine Environment related to the Petrochemical, Metallurgical and Pulp and Paper Industry
- Environmental Aspects of the Barents Sea, the Polar Basin, the West Atlantic
- Marine Pollution Management, Environmental Auditing, Liability

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- The Effect of Nuclear Disposal on the Oceans (with the Commission of the European Communities, and others)
- Euromar — symposium (a Eureka - programme)
- Euroenviron — symposium (a Eureka - programme)
- Environmental Technology Transfer and Finance (with several international banking institutions)
- Environment and Health (with WHO)
- Meeting of Local Authorities' International Environmental Organisation (KIMO)
- Post-Rio Session on Marine Environment
- Marine Eco-Tourism (with the Tourism Industry)
- Environmental Film Festival (with World View International Foundation, and others)

For further information:

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MARPOL Annex III Enters into Force

Regulations designed to prevent pollution of the sea by harmful substances carried in packaged form, including freight containers, portable tanks or road and rail tank wagons, became international law on 1 July.

The regulations are contained in Annex III of the International Convention for the Prevention of Pollution from Ships, 1973, as modified by the Protocol of 1978 relating thereto (MARPOL 73/78).

The MARPOL Convention contains five technical annexes, Annexes I and II of which are mandatory and entered into force in 1983 and 1987 respectively. They are concerned with pollution by oil and chemicals. The other three are optional. This means that governments accepting the parent Convention could opt not to accept one or all of these

annexes, which deal respectively with pollution by goods carried in packaged form, sewage and garbage.

The Convention states that the optional annexes will enter into force one year after being accepted by 15 countries whose combined merchant fleets represent 50% of world tonnage.

The tonnage requirement for Annex III was not achieved until last year, it has now been accepted by 48 countries whose merchant fleets total 52.84% of world tonnage.

Harmful substances are defined in article 2 of the Convention as "any substance which, if introduced into the sea, is liable to create hazards to human health, to harm living resources and marine life, to damage amenities or to interfere with other legitimate uses of the sea".

The annex requires Parties to the Convention to issue detailed requirements on packing, marking, documentation, stowage, quantity limitations and other matters.

To help in the uniform implementation of Annex III, IMO has agreed to use the International Maritime Dangerous Goods (IMDG) Code as a vehicle. Some 600 substances are identified as marine pollutants and detailed requirements for their carriage have been agreed upon and incorporated into the IMDG Code through amendment 25-89, which entered into force in 1991.

The Code consists of more than 2,500 pages packed into five volumes and is generally regarded as the most important international guide to the carriage of dangerous substances and now marine pollutants. Until the entry into force of amendment 25-89, the Code was concerned solely with safety aspects.

In 1988 the Marine Environment Protection Committee (MEPC) approved a revised text of Annex III which defines harmful substances as "those which are identified as marine pollutants in the IMDG Code". There is no change of substance in the revised text except that Annex III is more explicitly connected to the IMDG Code.

For procedural reasons it was not possible to formally amend the text of Annex III until it entered into force. It is expected that this will be done as soon as possible after 1 July 1992. Until then, Parties to Annex III are

encouraged by a resolution of the MEPC to give effect to the revised provisions immediately upon entry into force of the original version of Annex III.

In the meantime the fact that the IMDG Code has been amended to take into account marine pollution aspects means that the requirements of Annex III are already being widely implemented, and packages of marine pollutants carry the marine pollutant tank.

The only MARPOL annex not yet in force is Annex IV, which deals with pollution by sewage. To date it has been ratified by 40 countries whose combined merchant fleets represent 39.42% of world tonnage. Annex V (garbage) entered into force on 31 December 1988.

(IMO News)

VTS Ship Reporting May Become Mandatory

The Maritime Safety Committee of IMO is to consider the possibility of making observance of ship reporting to vessel traffic systems (VTS) mandatory in some areas. The Legal Committee is to be asked to comment on the legal aspects involved.

At present, most ship reporting systems which operate in international waters are voluntary. Ships are requested to contact the VTS when they approach the area to establish quick and effective communications which may be vital in the event of an emergency. VTS are regarded as especially valuable in approaches to ports, in areas of high traffic density and narrow channels, where there are navigational difficulties, where ships carry noxious or dangerous cargoes or where the environment is particularly sensitive.

VTS can provide navigational assistance, improve traffic flow, handle

data relating to the ships involved and take action in the event of an accident.

The IMO Assembly has adopted a number of resolutions encouraging the use of ship reporting systems and in 1985 adopted resolution A.578(14) establishing guidelines for VTS.

The Sub-Committee on Safety of Navigation at its last meeting agreed that the time had come to change the voluntary nature of ship reporting systems and VTS in certain areas and to consider the various factors under which they might be made mandatory.

One of the most important considerations is the extent to which coastal or port States have the right to require foreign-flag ships to identify themselves when approaching a VTS. This issue will be considered by the Legal Committee in the context of the 1982 United Nations Convention on the Law of the Sea (UNCLOS).

The Committee also approved the circulation of the *World VTS Guide*, which is intended to provide masters and navigators with clear and concise diagrammatic and written information on VTS. It has been produced by the International Association of Light-house Authorities (IALA), the International Association of Ports and Harbours (IAPH) and the International Maritime Pilots' Association (IMPA).

(IMO News)

'US Act Disincentive to Renewal of Tanker Fleet'

Commenting on the so-called PIRINC report, INTERTANKO's Managing Director Tormod Rafgård said at a seminar at the Norwegian Bulk Forum in Oslo Monday 19th October, that the U.S. Oil Pollution Act of 1990 (OPA'90) is a disincentive to modernisation of the tanker fleet. He illus-

trated this by referring to 18 million dwt tanker orders placed in 1989, and the same amount in the first half of 1990, whereas in the second half of 1990 the ordering went down to 6 million dwt. Last year (1991) saw a further substantial reduction, and in 1992 hardly any new tanker orders have been placed, but this of course also reflects a poor tanker market. The current order book is relatively modest, around 35 million dwt of which 75% has been ordered by independents and 5% by the major oil companies. Their message is clear: let the independent owners take the risk!

Mr. Rafgård commented on a study published by the Petroleum Industry Research Foundation Inc. (PIRINC), an agency funded by 40 oil companies, "Transporting U.S. oil imports: the impact of oil spill legislation on the tanker market".

Mr. Rafgård said that this report ignored that American oil pollution victims now face greater difficulty in obtaining compensation than people in countries which — unlike the U.S. — have ratified international conventions on spill compensation. The PIRINC report failed to take account of the fact that OPA'90 has significantly reduced compensation resources by confining liability to shipowners who control relatively small scale assets, compared to those held by the oil companies.

INTERTANKO agrees with PIRINC's conclusion that OPA'90 has not triggered the formation of a wave of one-ship tanker companies. However, PIRINC ignores the wholesale reorganisation of tanker ownership which has taken place. Once again, this influence of OPA'90 has eroded the position of U.S. Pollution victims, Mr. Rafgård said. "Corporate veils can be pierced, of course, but such organisa-



MARINE CONTRACTORS, HARBOR AND SEA TOWING, DERRICK BARGES, WATER DELIVERY, LINEMEN
THE ORIGINAL

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tional arrangements will make life much more difficult for the plaintiffs, who will be faced with formidable litigation when pursuing their claims".

The poor state of the tanker market has forced many owners to go to the U.S. merely to survive. In doing so, they play a strange yet potentially deadly form of Russian Roulette. However, when the market eventually improves, a large proportion of owners can be expected to shun the U.S. — choosing non-U.S. voyages even when lower freight rates apply.

Mr. Rafgård added: "The main point about PIRINC's report is that its conclusions are tentative. We need at least another two years' experience to identify the long-term impact of OPA'90. Having said that, we can expect an immediate exodus of tonnage should a U.S. spill occur which destroys a major independent owner. This is a real possibility over the next few years.

"The only long-term solution to OPA'90 and its complex problems is full U.S. participation in the global compensation regimes. Meanwhile, mandatory excess insurance seems to offer the only viable interim solution. Such a temporary solution would solve the certification issue and secure insurance up to a level with which tanker owners would feel comfortable in serving the U.S. oil trade".

Tankers are subjected to national and international regulations which are becoming more onerous and complex, with the result that tanker owners' costs escalate. Those companies that loyally do their best to adhere to the regulations just have to see that some less conscientious competitors still command the same freight rates. Accordingly, the tanker owners who invest in quality tankers and quality operations are punished in today's tanker market. Better rates for quality ships would improve safety. Furthermore, there should be greater focus on charterers' responsibility in connection with chartering in poor quality shipping.

New Publications

Jane's Containerisation Directory 1992-1993

Growth in the container and intermodal transport business, particularly

in South East Asia, continues to surge, despite difficult economic and trading conditions, says Mr. Patrick Hicks in the foreword to *Jane's Containerisation Directory 1992-1993* published on 23rd October, 1992.

Singapore, Malaysia, Thailand and Indonesia have seen much of this growth; as their economies are transformed through individual governments taking measures vital to the growth of their manufacturing industries and a significant increase of foreign investment from Japan, Taiwan and Korea.

"The Regional Maritime Strategy Study (RMSS) of the Economic and Social Commission for Asia and the Pacific (ESCAP) predicts that the international containers passing through ASEAN ports alone will exceed 20 million TEU by the year 2000", reports the editor. "This is marginally more than the total number of containers currently handled by the East Asian ports of Hong Kong, Taiwan, the PRC and Japan."

In shipping terms, that volume would be sufficient to support a fleet of 20 x 2,500 TEUs capacity vessels, operating at 80 per cent capacity providing direct, overlapping services to South East Asia. In port terms, that throughput would require current container berth capacity in the region to be doubled, with three times the number of container gantry cranes.

"To achieve this could involve investments totalling US\$2000 million", says Mr. Patrick Hicks.

The turnaround in the economies of the ASEAN countries has also been the catalyst for the tremendous surge in growth experienced in the intra-Asian liner trade, which in turn has resulted in a surge in box building capacity.

While South Korean and Taiwanese manufacturers are still the most powerful source, Mr. Patrick Hicks predicts a gradual shift in box production to many new factories in Thailand, Malaysia, Indonesia and China, who have already received significant orders from leading carriers and lessors.

This shift in the geographical centre of business is having a marked effect on the shape of the industry. In 1990, there were around 111 container manufacturing plants around the world, with a capacity of 1.1 million TEUs per year. By the end of 1992, there will be an estimated 140 factories, with a

combined capacity of nearly 1.9 million TEUs annually.

The recent creation of the International Container Manufacturers Association (ICMA), based in Hong Kong, will mean the industry has a co-ordinated voice representing them on a global level, co-ordinating action on common issues which manufacturers and the users have to address — the use of environmentally-friendly materials in construction, the future reliability of supply and cost of new materials, etc. — and providing a communication link with other industry groups.

If changes in South East Asia are being undertaken because of traffic growth, the developments in Europe are the result of changing distribution patterns, environmental pressures and the goal of greater transport efficiency.

"With a combined transport development established as an EC objective in the Maastricht Treaty, the European Commission has prepared a ECU 2 billion (c \$2.48 billion) scheme to help put principle into practice", says the Editor.

He quotes the EC Transport Commissioner Karel Van Miert, "... the goal is the creation of a European multi-modal freight network, which is integrated technically, economically and geographically, and which will sustain the cohesion of the Community."

Jane's Containerisation Directory is the standard reference source designed to meet the specific requirements of the maritime and intermodal industries, giving a comprehensive and accurate overview of the growing international containerisation market.

The 1992-93 edition has increased coverage of the European swap-body market and further details of the developing international reefer and tank container manufacturing market. A new appendix of ISO standards is also included.

Jane's Containerisation Directory 1992-1993, edited by Patrick Hicks, is published by Jane's Data Division, part of Jane's Information Group, on Friday, 23 October 1992, price £135/US\$225.

The Americas

Mediterranean-Canada Service by DSR-Lines

DSR-Lines (Deutsche Seereederei Rostock GmbH) inaugurated its own independent full container service between the Port of Montreal and the Mediterranean.

Headquartered in Rostock (Germany), DSR is a world-renowned shipping line with some 75 vessels on its global transportation network. The new Mediterranean-Canada service represents a further improvement of the DSR container line system and also complements its existing worldwide services.

Three ice-strengthened 950-TEU vessels — the *Sachsen*, *Brandenburg* and *Mecklenburg* — will sail between the Mediterranean and Canada, calling at the Port of Montreal's Cast Terminal. DSR (Canada) Maritime Inc. is the agent for the service in Canada. Both CP Rail and Canadian National Railways will handle the shipping line's containers.

The service better meets the demands of today by offering Canadian shippers improved access to key markets in the Mediterranean, Persian Gulf, India, Pakistan, Sri Lanka, Bangladesh, Indonesia and all of Southeast Asia and the Far East.

Departures are scheduled for every 12 days from the Port of Montreal in Canada and from Valencia (Spain), Naples and Livorno (Italy), Izmir (Turkey) and Larnaca (Cyprus) in the Mediterranean. A round-trip voyage takes 36 days.

Through Larnaca, shippers have a wide range of possible connections to ports on the Eastern Mediterranean via a comprehensive feeder system. DSR also offers a relay connection via Larnaca to the DSR-Senator EMA (Europe, Middle East, Asia) full container service covering the Middle East and Southeast Asia.

At a ceremony aboard the *Sachsen*, Mr. André Gingras, chairman of the board of the Port of Montreal, and Mr. Dominic J. Taddeo, president and chief executive officer, presented mementoes to Dr. K.L. Zerbin, director of DSR-Lines, and Captain Harry Lieb,

master of the *Sachsen*, to mark the official inauguration of the Mediterranean-Canada container service and the first voyage of the *Sachsen* to Montreal.

"Our status as Canada's number one container port and a leader on the North Atlantic depends on the type of commitment being made here today by DSR-Lines," Mr. Taddeo said during the ceremony. "It is this type of commitment, in fact, that is the very foundation of our success."

"This commitment has an even broader scope insofar as it reflects confidence in the extensive economy our harbour serves, an economy that extends far beyond Greater Montreal to the industrial heartland of the continent," Mr. Gingras said. "It reaffirms Montreal's special niche on the North Atlantic and its role as a major gateway in North America."

Riverbank Class for Children's Awareness

Aimed at keeping the excitement and wonder of the natural world alive, the NFHC is developing a Riverbank Classroom to help increase environmental awareness among our most precious resources — children.

Located on a marsh site on the middle arm of the Fraser River at the junction of River Road and McCallan Road, the classroom is ideally situated for hands-on learning. The pilot program is due to start this October.

"The physical location of the classroom is perfect," says Mr. George Colquhoun, Port Manager. "The students will be in an ecological haven, observing the delicate balance of this ecosystem right on their doorstep".

"The project was developed by our communications consultant who recommended that a non-profit, science-oriented group develop a prototype," says George. "We brought in the APASE (Association for the Protection and Advancement of Science Education) and Mr. Glen Brown, an ecologist and educator to develop the project for us."

"The driving force behind the classroom project is to promote students thinking as if they were partners in environmental management," says Glen. "Flexibility is a key element and the program can accommodate group

thinking and individual problem solving. The students will learn about this site in a meaningful way, and will have the tools to enable them to extrapolate to the world."

The range of activities and assignments is as broad as your imagination, but they will all encourage exploring the environment and applying new knowledge. (*The Working River*)

Port of Vancouver '92: New Passenger Record

The Port of Vancouver's 1992 revenue passenger total of 449,299 marks a new passenger record and the tenth consecutive year of growth for the Vancouver-Alaska Cruise.

Figures released by the Vancouver Port Corporation (VPC) indicate that revenue passenger counts through the port's two cruise ship facilities jumped six percent over last year's total of 423,928. At season's end October 9, 19 vessels representing 10 lines made a total of 236 voyages, compared to 256 voyages last season.

Despite a decrease in sailings during 1992, revenue passenger counts were up due to the participation of larger vessels with greater berth capacity, according to Mr. David Clarke, VPC Vice President of Business and Planning. "Cruise lines are continuing to commit more capacity to the Vancouver-Alaska route, reflecting the growing popularity of this cruise to both first time and repeat cruise passengers," he said. Mr. Clarke added that he is optimistic that the end of this decade of growth will also signal the beginning of another 10 years of success for the Vancouver-Alaska cruise.

According to early predictions, the trend to greater berth capacity will continue into 1993. Princess Cruises has added the 1,590-passenger *Crown Princess* to its Vancouver-Alaska rotation, bringing its vessel compliment up to six, while Royal Caribbean Cruise Lines is introducing the *Nordic Prince*, and Holland America will continue with its traditional fleet of four vessels. To date, eight cruise lines are slotted to make 232 sailings with a total fleet of 17 vessels. Based on an anticipated capacity increase, revenue passenger figures are forecasted to continue the upward trend of the last decade.

AAPA Hails Action on Water, Customs Acts

In last minute action prior to adjournment on October 9, 1992, the 102nd Congress passed legislation of vital interest to public port authorities — the Water Resources Development Act of 1992 (H.R. 6167) and the Customs Modernization Act, which was part of H.R. 11, the urban aid/tax bill.

Mr. Erik Stromberg, president of the American Association of Port Authorities (AAPA), stated, "We are very pleased that Congress was able to pass the Water Resources Development Act of 1992. Public ports have met their commitment to pay their local share of dredging costs since 1986, and we commend Congress for living up to its part of the deal to provide the project authorizations that will enhance our nation's critical channel navigation infrastructure."

The House passed the Water Resources Development Act of 1992 on October 6 and the Senate passed the bill on October 8.

Mr. Stromberg urged the President to sign the bill. "Only with regular authorization bills and adequate appropriations can our ports remain competitive and meet the anticipated significant increases in trade flows between the U.S. and the world," Mr. Stromberg said. "Although we are disappointed that the final bill did not include a mandate for the federal government to assume its appropriate responsibility for dredged material disposal areas, we have been encouraged by the tone of the debate and the fact that the full House has recognized the federal role in this area. "Next year," Mr. Stromberg continued, "AAPA will petition the 103rd Congress for action on this specific issue, as well to reexamine the ways that channel improvements are planned, implemented and funded so that the ports may achieve more timely and cost effective deep water navigation projects."

The Customs Modernization and Informed Compliance Act, which was passed as part of H.R. 11, is designed to modernize the commercial operations of the U.S. Customs Service. The Act will allow for electronic interchange of data between Customs and the importing/exporting trade community, and greatly enhance Customs' ability to clear cargo in the

United States. Mr. Stromberg expressed concern that the bill would not be enacted because of the Administration's stated opposition to the tax bill (H.R. 11) on which it was attached. "Customs modernization is long overdue and it is most unfortunate that this worthy bill became tied up in other political battles that have endangered prospects for its enactment," he said.

Importantly, Congress did not adopt several bills opposed by AAPA, including H.R. 2056, the Shipbuilding Trade Reform Act of 1992. "This bill has the real potential to hurt trade and the U.S. economy. Moreover, there are few if any offsetting benefits," said Mr. Stromberg. "The ports support our shipyards and oppose unfair foreign subsidies, but H.R. 2056 addresses the symptoms, not the problem, while penalizing the U.S. economy."

AAPA also worked with other maritime interests to achieve an acceptable compromise in the 1992 Water Resources bill on the regulation of contaminated sediments and the ocean disposal of dredged material. "AAPA successfully opposed a new proposed regulatory regime that would have imposed excessive and ill-advised restrictions on the ability of ports to dispose of dredged material in a cost-effective and environmentally sensitive manner," Mr. Stromberg said. Dredged material disposal is the single most important issue for many of our nation's ports.

Although the Bush Administration's maritime reform package was not adopted by the 102nd Congress, AAPA's Stromberg expressed support for updating and streamlining maritime laws next year. "We hope that the 103rd Congress and the Administration will look at ways to give the U.S.-flag fleet greater flexibility to respond to rapidly changing opportunities and market conditions," he said.

AAPA Head Hopes for Full Integration of Ports

The full integration of all its member ports in the American Association of Port Authorities (AAPA) is principal among his priorities as the new Chairman of the Board of AAPA, says Mr. David F. Bellefontaine, President and Chief Executive Officer of Halifax

Port Corporation, Halifax, Canada.

"During my year as Chairman, AAPA will accelerate its efforts to represent and promote the interests of all its member ports. As the one organization that can speak on behalf of ports throughout the Hemisphere, AAPA is very well positioned to be instrumental in such issues as the reduction of trade barriers and subsequent expansion of trade throughout the Hemisphere; demonstrating the importance of ports to their respective national economic interests; and, the need to invest in port infrastructure and achieve even more efficient terminal operations and port management," Mr. Bellefontaine said.

"Perhaps the critical component of AAPA's current initiatives is the need to continue educating the public about the vital role ports play in economic development and the facilitation of international trade," he added. "Last year, under Chairman Anne Aylward's excellent leadership, we began an extensive public awareness campaign on the importance of ports to trade, national security and economic development, and we will expand our efforts this year."

In one area in particular — the anticipated implementation of the North American Trade Agreement — Mr. Bellefontaine stressed one of the AAPA's primary goals. "Our Association as well as individual port authorities throughout the Western Hemisphere need to keep the public and our governments tuned in to the importance of free and fair international trade," he said.

"Of course, our resurgent Latin membership will continue to be a major focal point for AAPA," he added. "We have seen dramatic change in port management and efficiency in ports throughout Latin America. AAPA will play an important part in these ongoing efforts. For example, AAPA will conduct a special week-long seminar from November 16 - 20 in the ports of Tampico and Altamira, Mexico," Mr. Bellefontaine said.

The seminar discussion topics will include global trade and economic trends, institutional policies, perspectives on port governance throughout the hemisphere, and strategies to improve port pricing, productivity and management. The Association also plans to hold a spring meeting for Latin

American ports in Brazil.

According to Mr. Bellefontaine, "The conferences in Mexico and Brazil are a continuation of AAPA's efforts to cement the Latin port relationships established last February in Chile." At what participants called the first organized meeting of AAPA's Latin American ports held to date, 38 senior representatives of port authorities in ten Latin American countries advanced port management and professionalism. Port representatives at the meeting in Viña del Mar, Chile, also stressed making institutional reforms to fully modernize port and transportation infrastructure to meet critical productivity and efficiency objectives.

Mr. Bellefontaine is the first Canadian AAPA Chairman of the Board from Halifax. In the past 35 years, AAPA has had three Canadian Chairmen, all of whom were from Montreal.

"My personal goal is to continue the excellent tradition of previous Canadian Chairmen and to assure the continued importance and relevance of AAPA to Canadian ports," Mr. Bellefontaine said. Mr. Bellefontaine was installed as the new AAPA Chairman of the Board on September 25, at the Association's annual convention in Anchorage, Alaska. He succeeds Ms. Anne D. Aylward, Maritime Director of the Massachusetts Port Authority.

A native of Halifax, Mr. Bellefontaine has been at Halifax Port Corporation since 1968, where he worked in several progressive positions.

In 1981, he became the Director of Finance, and in 1984, Mr. Bellefontaine was promoted to the port's senior executive position, becoming general manager and chief executive officer of the newly-formed Halifax Port Corporation. In 1988, he became President and Chief Executive Officer.

GPA Containerization: Business Is Booming

(Reprinted from "Georgia Anchor-Age")

In 1967, the United Nations issued a report that said in part.

"The rapidly expanding volume and velocity of trade has challenged the capacity of man to handle his business with greater economy and dispatch. Seaborne trade has grown steadily year after year. The ingenuity of man has met and is

resolving the problems associated with his enormous traffic in goods. The movement of goods in international trade in containers, an innovation of the past two decades, is expanding rapidly..."

The U.N. report captured a concept soon to revolutionize logistics and transform the quality of our lives. What had been a series of disconnected transportation by highway, rail and maritime modes was converted into a seamless, integrated movement taking full advantage of the individual strengths and capabilities of each mode. Containerization improved efficiency by eliminating unnecessary handling of cargo, reducing paperwork and damage and speeding cargo to its ultimate destination.

Five years later on May 13, 1972, Seatrain Lines *Visurgis* became the first full container ship to call at the Georgia Ports Authority's then-Container Central. Shortly thereafter Zim Container Service and United States Lines inaugurated full container service. So began GPA's passage into the container era.

As the Georgia Ports Authority celebrates 20 years of containerization, business is booming. New records for total tonnage have been posted every successive year, handling during the last fiscal year 3.8 million tons of containerized cargo while container volume rose to 498,432 TEUs (twenty-foot equivalent units).

The raw numbers demonstrate the ability to move more freight faster, more safely, and more efficiently than ever before. Consumers throughout the Savannah area, throughout Georgia, throughout America, and throughout the world benefit from a wider variety of products available on a more timely basis and at a more reasonable cost.

Port Industry Challenge

Imports and exports comprise 20 percent of America's Gross National Product. International trade is expected to double in the next decade, with fully 75 percent of the world's cargo moving by water. Georgia has an inviable mix of \$8.1 billion in total exports. This speaks to the tremendous opportunity — and challenge — for the port industry. Facilitators of this commerce must continually expand and enhance facilities, removing the barriers to growth in world trade.

But valuable as port enhancements are to improving service, they do not take place in a vacuum. Economic, regulatory, environmental and business factors must be weighed. First and foremost, the strength of the shipping industry is directly linked to the world's financial health. When consumers are buying, trade flourishes. Slowly countries are recognizing the importance of spurring the flow of goods and services through formal trade agreements in North America, Asia and Europe. The development of these trade blocks induce economic growth by restructuring technology and transportation flows and by removing artificial barriers of trade.

Today's turbulent economic times have squeezed the margins of shipping lines. They in turn, have responded with innovative strategies to pool resources and flex their marketing muscle to extract every bit of revenue out of cargo. Ports hold the key to unlocking further productivity gains by holding the line against rising rates as shipping lines consolidate or rationalize.

Increasingly, shipping lines are joining forces in a strategy of sharing part of their capital costs with smaller lines which are unable to fund new vessel builds. These new lines and consortiums are building fewer, larger vessels capable of carrying more cargo.

Mandate for Success

To accommodate the newest and largest vessels now afloat or planned, more than \$300 million will be spent during this decade to upgrade and expand the port to meet customers' needs.

Among the first of these enhancements was the widening of a 5.6-mile stretch of the Savannah River from 400 to 500 feet, allowing vessels greater maneuverability and safety margins. Recently completed, the \$1.5 million channel-widening project concluded the second phase of a three-part harbor improvement program at the Port of Savannah. The first phase, a \$70 million suspension bridge permitting ships 185 feet of vertical access, was completed in 1991. The final harbor improvement, deepening of the Savannah River channel from 38 to 42 feet, has received state funding approval and now is at the federal review level.

Landside, projected increases in container traffic will require the expansion of one of the six Garden City

container berths, enlarging it from 650 feet to 1,300 feet. To back up the new berthing space, 30 additional acres of paved container storage are being created. Also, construction is set to begin on a new dock for the liquid bulk facility at Garden City Terminal. Nearly four million square feet of warehousing space at Garden City and Ocean Terminals in Savannah accommodate cargo storage, freight consolidation and distribution, and temperature-sensitive cargo needs.

At Containerport, GPA plans call for the upgrading of six of the nine existing container cranes to increase height and outreach. These third-generation cranes will be able to work the larger container-ships that soon will be calling Savannah. This upgrade program will complement the new container crane purchased for Ocean Terminal in 1991 to handle combination cargo vessels. Straddle cranes continue to be upgraded, and a new generation of toplifts have been added for maximum container yard utilization and expert material handling.

The port's computerized paperless processing system, combined with EDI capabilities and U.S. Customs' Automated Manifest System, automatically clears and tracks containers from points of origin. Likewise, the new automated gate system cuts time and paperwork in half by computerizing security functions, scales and location systems. It also electronically transmits gate activity and trailer interchange receipts.

The concept behind these systems is simple: improve operational efficiency by reducing paperwork. The objective: Minimize the time from vessel discharge to cargo shipment from port property. The GPA's system can monitor all aspects of cargo movement, including vessel scheduling; load/discharge lists; field orders such as premounts, demounts, relocations and transfers; stuffing and stripping orders; inventory control by steamship line, further detailed by empty/loaded and import/export; chassis availability and cargo tracking.

Nearly 50 regularly-scheduled ocean carriers serve northern Europe, the Mediterranean, the Middle East, Asia, Central and South America, Africa and Australia with services from GPA terminals.

Through the years, the GPA has taken huge steps to provide added value

and speed the flow of commerce through carefully-planned acquisitions and improvements. While container growth continues to outpace the economy, the continuing mandate of the Georgia Ports Authority will be to provide quality service while remaining focused on port, harbor and navigational enhancements.

Ga. Highway Restrictions For Load Modified

The state of Georgia has modified its regulations allowing oversize and overweight shipments over the State Highway System.

A section of straddle container carrier recently was permitted by the state Department of Transportation (DOT) to travel through Georgia to the state docks in Savannah.

Manufactured by the Kress Corporation in Brimfield, Ill., the largest piece weighed 155,000 pounds and traveled under special permit on a 13-axle rig with two escort vehicles. At the Georgia Ports Authority's Garden City Terminal in Savannah, the pieces were loaded aboard a Wilhelmsen Lines vessel for shipment to Sydney, Australia. The straddle carrier will be used by an Australian steel yard.

"We will work, within reason, with any load going to the port," says Mr. Jack Williams, administrator of the office of permits and enforcement for the Georgia Department of Transportation. The DOT has modified its approach in considering super loads for over-the-road travel in Georgia to bring the state in line with other states.

This new approach adopted by the state of Georgia sends a message to the world, according to Georgia Ports Authority Executive Director George Nichols, that the Port of Savannah is open for business. "This easing of regulations has opened up the Port of Savannah to midwest markets which might not have considered our considerable resources in the past," said Mr. Nichols.

"Additionally, new high-tech plant machinery and equipment will flow through our ports within the United States and throughout the world under these revised regulations, providing new mobility of technology to meet our industries' needs," Mr. Nichols concluded.

Georgia DOT officials say that loads up to sixteen feet wide and 150,000 gross pounds now will be handled routinely, with all loads in excess of those measurements open to review.

Port of Houston Opens Visitors Pavilion, Dock

The Port of Houston Authority recently dedicated a new dock and visitors pavilion for its inspection and tour vessel, the M/V *Sam Houston*.

Guests included mayors of local communities, state and federal elected officials, Harris County commissioners, representatives of local city councils and school district boards.

Current and former Port of Houston commissioners cut the ribbon, officially opening the pavilion and dock to visitors.

"Some 40,000 people ride the *Sam Houston* each year. They include visitors from schools, civic groups and other nations," Mr. Ned Holmes, chairman of the Port of Houston Commission, told guests at the dedication ceremony.

"Some of our best-known guests included Prince Charles, Princess Anne, Alex Haley and Barbara Bush.

"We hope you will enjoy this new facility and will continue to bring your guests to ride the *Sam Houston*," he said.

The new berthing area is located on the north side of the PHA Turning Basin Terminal. The M/V *Sam Houston* has been docked on the terminal's south side since construction of the new facility began two years ago.

New Maersk Terminal On Long Beach Pier J

Maersk Pacific's new container terminal at the Port of Long Beach is rapidly moving toward completion on the Pier J expansion site with a scheduled March 1993 opening.

Maersk's new facility will occupy 107 of the 147 acres that were created at the south end the Port's Pier J container complex.

The entire wharf construction was completed in June, and the utility contracts (water, sewer, gas, storm drain, electricity, telephones, fire alarms and security) are now ap-

proaching completion.

Simultaneously under construction are the main entry building complex, a railyard control tower, wharf buildings, maintenance and repair buildings and an on-dock rail facility. Additionally, final paving is already under way around certain completed projects.

The terminal's new rail operation will consist of two parallel four-track railyards two lead-in tracks, a wharf track and a bypass track. The railyard control center will be an innovative five-story building, one of the first of its kind on a container terminal. When fully operational, the rail facility will accommodate 56 305-foot double-stack railcars or 64 270-foot double-stack railcars.

In early February, Maersk will take delivery of two new Paceco container cranes; these units will be operational by the end of March. And, in early March, three cranes will be moved from the present terminal (where Maersk currently operates four cranes) to the new site.

Still to be awarded are contracts to cover other aspects of the terminal construction. These include channel dredging, RTG (rubber-tired gantry) crane runways, yard striping and buffer landscaping.

New Orleans, Trieste Ink "Twin" Port Agreement

The Port of New Orleans and Port of Trieste, Italy, have long colorful histories as trading centers, serve vast international markets and handle a great deal of the world's green coffee trade. The two ports are also home to multimillion dollar, computerized bulk coffee handling facilities owned by Pacorini Finanziaria spA.

Because of these similarities, and in recognition of the comradeship existing between the ports, New Orleans and Trieste have decided to become "twins."

In a ceremony in Trieste attended by Port President and CEO J. Ron Brinson and commissioners N. Buckner Barkley Jr., Edgar L. Chase III and Robert H. Tucker, the ports signed a "twin port" agreement. The agreement creates a special relationship between Trieste and New Orleans designed to increase exchanges in trade and information relating to port operations, technology and management.

Port of Trieste President Paolo Fusaroli and General Director Luigi Rovelli signed the twin port declaration along with Brinson and Barkley.

In honor of the spirit and friendship that exists between the two ports, the Port of New Orleans presented its new twin with a series of gifts at the signing ceremony. The gifts included a "City of New Orleans" print by Currier & Ives, a Port of New Orleans photograph, and the authentic, signed parchment agreements. A photograph was also given to Pacorini Finanziaria, whose state-of-the-art bulk coffee facility, called Silocaf, is being built in New Orleans.

According to Mr. Brinson, the trip to Italy was extremely rewarding. Brinson and other Port of New Orleans officials are very pleased with the relationship they are building with their counterparts in Trieste.

The Port of New Orleans will get a chance to strengthen that relationship when executives from the Port of Trieste come to New Orleans in early December for a follow up visit in which a reciprocal agreement signing ceremony will be held.

In addition to the signing, the Port of Trieste executives will attend the official opening of Silocaf. Other activities scheduled include a boat tour, a tour of the Crescent City, a New Orleans Saints football game, time for tax-free shopping and a closing reception held in their honor.

(Port of New Orleans Record)

Forest Product Exports Increase at New Orleans

Exports of forest products grew 9.7 percent to 373,611 short tons during the first six months of 1992 compared with the same period in 1991, according to information from the Port Import-Export Reporting Service.

The largest commodity tonnage increases were recorded in boxes and cartons, up 25,252 tons; and logs and lumber, up 14,267 tons. Newsprint rolled up a 11,833-ton gain.

The Port of New Orleans, America's most intermodal port, is building a new \$79.3-million multipurpose terminal on the Mississippi River to handle forest products and other general cargo. The first phase of the terminal, including a 141,000 sq. ft. transit shed for

weather-sensitive cargo, is scheduled to open in August 1993.

Bistate Operation Against Drug Dealers

Forty-one people have been arrested since yesterday (October 15, 1992) as the result of "Operation Border Crossing," a first-ever bistate, multi-agency drug interdiction task force operation directed at Washington Heights drug dealers and their New Jersey customers who travel across the George Washington Bridge.

The two-pronged initiative, conducted jointly by the Port Authority Police, New York City Police Department and the Bergen County, N.J., Police and Prosecutor's Office, took place yesterday and today at the Fort Lee end of the George Washington Bridge and several known drug-dealing locations in Washington Heights. Nearly 100 law enforcement officers participated in the operation.

Port Authority Police, with members of the Bergen County Prosecutor's Office Narcotics Task Force, on Wednesday (October 14) conducted surveillance of suspected buyers as they made drug purchases in Washington Heights and then arrested those who returned to New Jersey via the bridge. The NYPD's Tactical Narcotics Team is serving warrants today at the locations in Washington Heights where the purchases were made yesterday and is apprehending the suspected dealers.

"Operation Border Crossing represents a new era in the local war against drugs because it is the first time that jurisdictions on both sides of the Hudson River have banded together with the Port Authority Police in a unified drug interdiction effort," said Mr. Charles Knox, Director of Public Safety for the Port Authority.

"We know that the George Washington Bridge gives many of these drug abusers a quick and easy way to get their fixes and then return to the anonymity of the suburbs," he said. "Beginning today, these people are going to have to think twice about using Manhattan as their drug supermarket because we're going to be out here periodically, waiting for them with our colleagues from New York and New Jersey."

Bergen County Prosecutor John J.

Fahy praised the work of the three police agencies. "Only through the joint efforts of law enforcement can we slow the flow of drugs between our two states," he stated.

As part of Operation Border Crossing, the Port Authority Police established checkpoints on both levels of the bridge in the New Jersey-bound lanes in Fort Lee, N.J. Using information provided by Port Authority Police detectives, Bergen County Prosecutor's Office investigators and New York City Police detectives operating in Washington Heights, Port Authority and Bergen County Police stopped suspects as they arrived in Fort Lee.

The forty-one people arrested during the eight-hour operation yesterday were arraigned in a special courtroom set up in the George Washington Bridge Administration Building in Fort Lee. Using information gathered during yesterday's operation, teams of detectives with New York City's Tactical Narcotics Team are arresting dealers during raids being conducted today.

"The operation has so far netted five packets of heroin, four large vials of cocaine, 18 tinfoil packets of cocaine, four bags of marijuana, various 'joints' and other smaller quantities of drugs, as well as sundry types of drug paraphernalia," Mr. Knox said.

"Users of illegal narcotics are as much to blame for the drug problem as dealers because they create the demand," he said. "Now they know that they are also going to have to pay a price for their roles in this national tragedy."

N. Carolina: Breakbulk, Container Tonnage Up

Breakbulk tonnage at the North Carolina State Ports Authority's Morehead City Terminal is up 63 percent for the first two months of Fiscal Year 1993 over the same period last year, according to statistics released at the bimonthly meeting of the North Carolina State Ports Authority Board of Directors.

In a report delivered by N.C. State Ports Authority Director of Business Development, Mr. Robert G. Jacobi, the increased breakbulk tonnage at Morehead City was attributed to new cargoes now being handled at the port: frozen poultry and steel billets.

"Frozen poultry is being exported

out of Morehead City at about 1,800 tons per shipment," Mr. Jacobi said, "and we expect to ship over 30,000 tons of steel billets annually."

In addition to the success enjoyed in Morehead City fiscal year-to-date, the N.C. State Ports Authority's Wilmington Terminal also experienced significant growth in container tonnage during the first two months of the fiscal year as compared to last.

"Container tonnage shows a dramatic increase of 58 percent compared to the same period last year," Mr. Jacobi said, "because of cargo growth experienced by our container lines."

Mr. Jacobi also reported that both Morehead City and Wilmington continue to handle a greater variety of forest products cargoes. He said commodities such as medium density fiberboard and Kraft linerboard will be exported in greater quantities over Morehead City, while in Wilmington, a major exporter is exploring the possibility of switching its export bleach board from containers to breakbulk.

"The growth trends at Morehead City and Wilmington point out that our efforts to bring new business to our ports are succeeding," said Mr. James J. Scott, Jr., executive director of the North Carolina State Ports Authority.

"For example, the good numbers for breakbulk tonnage in Morehead City result from the new cargos that we began handling just this year," Mr. Scott continued. "This business compensates for times when our traditional cargoes might not be moving in as great a quantity as in previous years."

In Wilmington, Mr. Scott said the growth in container tonnage demonstrates that the North Carolina Ports are gaining more business from shippers and receivers in North Carolina and the surrounding region.

Oakland Dredging At Inner Harbor Channel

Dredging has begun at the Inner Harbor Channel of the Port of Oakland, deepening the waterway from 35 to 38 feet at mean lower low water.

After a series of false starts, lawsuits, and protected hearings, the U. S. Army Corps of Engineers has approved the \$1.282-million project. Manson Construction of Seattle was the low bidder.

Some 565,000 cubic yards of dredge material will be disposed of at a site West of Alcatraz Island in San Francisco Bay that has been the prime Bay disposal site for more than 100 years. Another 23,000 cubic yards will be disposed of at Port Sonoma. It will be taken there to dry out and then used as cover material for the Redwood Landfill in Novato.

"We are delighted that work is finally underway to dredge Oakland's channels," said Mr. James B. Lockhart, president of the Oakland Board of Port Commissioners.

Mr. Lockhart spoke at a press conference called to announce the beginning of the dredge program, as did General Roger F. Yankoupe, commander, South Pacific Division, U.S. Army Corps of Engineers; Representative Ron Dellums, whose district includes Oakland and who played a key role in finally winning approval for the work; United States Senator John Seymour, an early advocate of the dredging plan; Mr. Jimmy Herman, retired president of the international Longshoreman and Warehouseman's Union and co-chairman of a support group called the Bay Dredging Action Coalition, and Mr. John Lillie, president, chief executive officer and chairman of the American President Companies.

"This dredge material is the most thoroughly tested in history," Mr. Lockhart said. "It meets all the criteria for aquatic disposal — either in the Bay or in the ocean. Some 23,000 cubic yards that was questionable is being taken upland so there will be no doubt that the material in the Bay is clean and will cause no harm to fishing or to water quality."

The permit was approved by both the Bay Area Water Quality Control Board and the Bay Conservation and Development Commission, as well as the Federal Environmental Protection Agency.

Dredging from 35 to 38 feet will mean that the huge new fourth generation container ships that come into Oakland will be able to carry an additional 5400 tons of cargo at low tide.

Ultimately, both the Inner and Outer Harbor Channels at Oakland will be dredged to 42 feet, as authorized by Congress in 1986. A State-Federal study now underway, and due to be completed in 1994, seeks to identify

dredge disposal sites that will accommodate the needs of San Francisco Bay for the next 50 years. Continuous dredging of the Bay is necessary because some 10 million cubic yards of silt washes into the Bay from the San Joaquin Delta annually.

The study, titled the Long Term Management Strategy, is looking at sites in the ocean, in the Bay and on land.

The Port's 42-foot dredge program is expected to begin in 1994. It will involve the removal of some 7 million cubic yards. Testing is now underway to determine the quality of the dredge material and whether it qualifies for in Bay or in ocean disposal.

Oakland has the shallowest channels of any major container Port in the world. Some 75 percent of the container ships that call at Oakland have drafts in excess of 35 feet, which means they must either travel with less than a full load of containers, or they must come in at high tide, which makes a difference of some 6 feet in the channel depth.

The Port of Oakland accounts for 6,700 direct jobs, 2,800 indirect jobs, and some 179,300 related jobs in the Bay Area. It has an economic impact of \$430.1 million, makes a financial contribution to the City of Oakland of more than \$6.6 million annually, accounts for \$38.3 million in state and local taxes, and has an overall business revenue impact of \$721.6 million annually.

When the channels are dredged to 42 feet, Mr. Lockhart said, "it will mean thousands of new jobs and millions of dollars in additional income from the Port of Oakland's maritime operations."

Port of Redwood City Among Best US Ports

Thomas J. Dowd, professor at the Institute of Marine Studies at the University of Washington, who regularly analyzes financial statements of the majority of the nation's ports, placed the Port of Redwood City in the top 10 percent of all U.S. ports in financial performance.

Professor Dowd, through the internationally-recognized Institute, based this ranking on a detailed analysis of the Port's financial performance in 1992. Professor Dowd particularly singled out for high marks the Port's

operating margin, a measure of profit, and the Port's operating return on investment, which is an earnings measurement.

"The financial performance indicators are the most valid ways to measure the effectiveness of a port's management," according to the professor. "In my opinion, the Port of Redwood City continues to have very impressive annual financial results and maintains a healthy budget."

Operating well into the black for the fifth straight year — and without receiving any tax revenue — the Port of Redwood City posted a record increase of 89 percent in net income for the fiscal year ending June 30, 1992.

The Port increased its total revenues last year primarily through increased shipping and development of Port investments, while keeping its expenses below last year's amount. Result: \$859,000 net income, the highest in Port history.

1992 FISCAL HIGHLIGHTS

- The Port receives no tax subsidies.
- Record net income of \$859,000, an 89 percent increase over 1991.
- Return on revenue is 33.9 percent. The Port has exceeded 20 percent return each of the last four years.
- Debt service was reduced by \$783,000 in 1991 and 1992, and \$3.7 million over the last five years.
- Total Port revenue rose 14.4 percent.
- Revenue tons topped 427,000 tons, second highest in 10 years.

Duty Drawback: Extra Earnings for Exporters

By Horst K. Jakob
Panalpina, Inc.

(Reprinted from "PORT NEWS, Port of Charleston")

Exporters who use imported components in their goods can earn a refund of 99 percent of the duties paid on the imported goods. Using the Duty Drawback process, exporters receive refunds if imported goods are re-exported intact or if they are used to manufacture products which are then exported.

Using Duty Drawback, the manufacturer has three years from the time he purchases imported goods to export

these products. He must file a drawback proposal with U.S. Customs prior to export. After the manufacturer exports his goods, he submits a drawback entry to Customs and receives a refund, provided that the drawback entry is filed within three years from the date of export and a contract exists with Customs.

Drawback procedure may be applied in the following situations:

- goods which are exported intact qualify for "same condition" drawback:
- imports used to produce goods which are exported qualify for "manufacturing" drawback.
- imports, or equivalent domestic goods used in manufactured products which are exported, qualify for "substitution" under manufacturing drawback.
- imports which are sold to another company can qualify for drawback if the above criteria apply.

To determine the potential refund, start with export figures and work backwards to the import duty value.

Example

Total value of export shipment:	\$1,000,000.00
Import entry value (landed cost of imported components/content):	150,000.00
Average rate of duty:	x 10%
Expected duty recovery:	15,000.00
1% retained by Customs:	150.00
Net Duty Drawback:	\$14,850.00

For example, an importer of office equipment who then exports to distributors in Canada earned a "same condition" drawback refund of nearly \$30,000 on one container of goods.

Practical examples of drawback estimates include:

1. Duty paid on one pound of Chemical A is \$1.00. One pound is used in producing one pound of export product. Drawback would be $(\$1.00 \times 99\%) = 0.99$.

Duty Drawback	Chemical A	Steel	Widgets	Part #123
Duty paid on Imported units	\$1.00 lb	\$0.50 lb	\$5.00 ea.	\$2.00 ea.
No. of units used in Exported product	1 lb	10 lb	3	2
Total	1.00	5.00	15.00	4.00
Duty Drawback 99%	\$.99	\$4.95	\$14.85	\$3.96

2. Duty paid on one widget is \$5.00. Three widgets are used as components in one gadget which is exported (\$5 x 3 = \$15.00). Duty recovered would be (\$15.00 x 99%) = \$14.85.

3. Duty paid on one pound of steel is \$0.50. Ten pounds are used in producing one frame for export (\$0.50 x 10) = \$5.00. Duty recovery would be (\$5.00 x 99%) = \$4.95.

4. Duty paid on one imported part #123 is \$2.00. All imports are used in products, but stored in a common inventory with domestically purchased parts of #123. Two parts #123 are used in the manufacture of exported product (\$2 x 2) = \$4.00 x 99% = \$3.96.

5. For "same condition", the recovery is 99% of the import duties associated with the export.

Special provisions which can effect the drawback include:

- waste, whether it is recoverable or unrecovered and whether it is valuable or valueless.
- substitution in accordance with proper time frames and inventory procedures.
- multiple products or by-products and relative value.

Duty Drawback is intended to make U.S. business more competitive in the foreign market and many exporters are using it effectively. However, management of Duty Drawback is technical and requires superior record keeping and attention to detail. For this reason, many exporters turn to seasoned professionals to handle the work.



Mr. Stuchtey Appointed To BLG Executive Board

On the October meeting, the Supervisory Board of BLG Bremer Lagerhaus-Gesellschaft appointed Prof. Dr. Rolf W. Stuchtey to the Executive Board with effect from January 1, 1993.

Mr. Stuchtey, born in 1940, is going to succeed Dr. Rolf Fastenau as Chairman of BLG's Executive Board at the beginning of 1994. Dr. Fastenau is going to retire at the end of next year.

News from Port of Marseilles-FOS Authority

Docker's Status Reform in French Ports

As announced in the international press, the law instituting the new status for dockers in French ports has been adopted by the Parliament on June 15/92 and agreements for application are now underway.

Overall, the objectives of reducing the number of dockers by 35% will probably be overfulfilled.

In Marseilles-FOS, the number of dockers will be cut by 35% (from 2,030 to 1,350)

New Shipping Services - Marseilles-FOS Far East

- The new DSR-Cho Yang full container ERA service (Europe-Middle East-East Asia) started in May with a weekly direct call at FOS. The agent in Marseilles FOS is CONTINENTAL Fret for DSR-Senator and SAS Marseilles for Cho Yang.
- CONRO service "FOS PACIFIQUE" with 2 direct calls/month in FOS for a west-bound service from Surabaya, Jakarta and Singapore.
- An eastbound full container service on ANZECs ships from FOS, transhipped in Jeddah on the P.O. service to Far East.
- Since April 1992, UASC have commenced a regular service linking FOS to the Far East (with transshipment in Malta) servicing Singapore, Hongkong, Japan and South Korea ports.

Container Railway Transfer Between FOS and Marseilles Terminals

The '92 tariffs applicable for the transfer of container by railway shuttle between the terminals of Marseilles and FOS (and vice-versa) have been published. It ranges from FF 900 (USD 180) to FF 1300 (USD 260) for 20' to 40'. Transfer by operators of a container

on the same terminal (transshipment) or from 2 terminals in Marseilles or FOS will be charged FF 300 (USD 60) and FF 600 (USD 120) respectively.

Address by Mr. Cregan On the Occasion of His election as Chairman of Cork Harbour Commissioners on 19 October 1992

Fellow Commissioners,

It is a great honour for me to accept the chairmanship of Cork Harbour Commissioners for the next twelve months. Since I was first elected a Commissioner in 1985, I have had the experience of working with two separate boards and I can say, without question, that the quality of contribution and the degree of personal commitment of individual members to this port have been unparalleled in any organisation with which I have been involved.

I am the first Labour Chairman within 30 years to attain this prestigious honour as Chairman of the Cork Harbour Commissioners, the previous Labour Chairman being the late P.J. O'Brien.

It is with particular pride that we consider the excellent cargo figures before us today but we should remind ourselves that what we are now seeing are the fruits of the work of previous boards and the equal contributions of port users, stevedores and dockers in analysing the earlier shortcomings of the port and in adopting a unified approach towards making the Port of Cork the most efficient and competitive port in these islands.

Our industrial relations record is now the envy of every other port in Ireland and I am confident that it will help us to retain a considerable share of the additional traffic being currently handled and which was previously handled elsewhere. I am conscious that we must improve our competitiveness in specific areas, particularly in the agri and dry bulk sectors. However, I am confident that when the port users obtain the benefits of the third phase of docks rationalisation, currently under negotiation, we will have gone a long way towards securing the long term future of the port.

I would like to say how much the

Commissioners appreciate the recent announcements by both Irish Ferries and Brittany Ferries regarding expanded services from 1993 onwards. This is a clear vote of confidence in the Port of Cork as the preferred entry point to Ireland for continental visitors and the choice of four departure ports in France — Roscoff, St. Malo, Cherbourg and Le Havre — should ensure an immediate and sharp upturn in our passenger throughput. I would also like to take the opportunity of joining with my predecessors in commending the outstanding achievement of Swansea Cork Ferries in establishing the viability of a cross channel service from the Port of Cork.

Finally, I would again appeal to government to prioritise the upgrading of the Dublin - Cork roadway to European status. Such a decision would confer major benefits on Irish exporters as faster and more efficient road transport will inevitably reduce door-to-door container charges.

Gentlemen, once again I thank you for the confidence you have shown in me. I am confident that, with your support and that of management, together we will succeed.

ABP Port of Garston: Record Turnaround Rate

On Friday, 9 October, Associated British Ports' (ABP) port of Garston achieved a record turnaround rate when a 3,552-tonne cargo of steel plate and coils was discharged into the port's Stalbridge Docks Steel Terminal in under 24 hours.

The West German-managed motor vessel, 'Patziel', arrived from Taranto, Italy on Thursday evening at 22.42 hours loaded with the steel cargo and sailed light for Dublin at 22.14 hours on Friday evening.

The direct discharge of the cargo into the Stalbridge Docks Steel Terminal during daylight on Friday was undertaken by North West Stevedores Ltd. and agents Frank Armitt & Sons Ltd., the Terminal operators.

The 11,000 sq. ft. Stalbridge Docks Steel Terminal at ABP — Garston was opened in December 1991 and offers the UK's most modern steel storage facilities alongside a deep-water berth. The Terminal is equipped with two 25-tonne overhead gantry cranes and was specially designed for handling coils

of up to 25-tonne pieceweight, as well as a range of other steel products.

Additional steel storage facilities at Garston's North Dock are currently under construction by ABP in partnership with Frank Armitt & Son Ltd. and will be ready for use before the end of this year.

ABP Awards Major Fruit Terminal Contract

The contract to build a major new fruit terminal in the port of Southampton has been awarded to construction company, Taylor Woodrow Design Build.

The contract involves the development of a nine-acre site at Berth 101 in the port's Western Docks and the construction of 60,000 sq. ft. of temperature-controlled storage space featuring the latest technology. The terminal will include a further 20,000 sq. ft. of covered cargo storage space, a new lorry-park and container-handling area, weighbridge and associated facilities.

The terminal will be ready for use early in 1993, when GEEST PLC will take delivery of the first of its new, larger vessels and transfer the whole of the company's UK shipping operations to the port of Southampton.

In addition to the import of Geest's bananas from the Windward Islands and Central America, the terminal will also handle substantial volumes of general cargo exports, much of it in containers.

ABP Orders Dredger For Its Humber Ports

Associated British Ports (ABP) has ordered a new dredger for its Humber ports of Hull, Grimsby & Immingham and Goole. The contract has been awarded to a British shipyard, Appledore Shipbuilders Limited of Devon.

The Trailing Suction Dredger with a 2,800 m³ hopper capacity will be delivered in the last quarter of 1993. It will carry out most of ABP's dredging on the Humber.

The dredger will be capable of dredging from a depth of 25 metres and will be 85 metres in length, 16 metres beam and 5.2 metres draught. There will be accommodation for a crew of 14.

The contract to Appledore Shipbuilders Limited was won against stiff foreign competition.

Mr. Dennis Yell, ABP's Director of Engineering, said:

"Our dredging operations are a key element in the efficient operation of our ports. This vessel will add a new dimension to our capability; we are pleased that a British yard could provide the resources and experience at the right price to give us the dredger we need."

Mr. Jim Wilson, Managing Director of Appledore Shipbuilders Limited, commented:

"We are delighted to secure this order from Associated British Ports. It is a perfect example of how British shipyards can successfully compete with foreign contractors."

Asia/Oceania

Key Port Brisbane Plan in Place

Key Port Brisbane—the Port of Brisbane Authority's draft strategic plan for development of the port to 2005 and beyond has received strong support from government, business, shipping and public sectors since its recent release.

Minister for Transport, Hon David Hamill, officially launched the plan at a function on May 26 before 200 invited guests.

Under the plan, Brisbane will become a major port offering significant competitive advantages due to its proximity to growing Asia-Pacific markets.

Key Port Brisbane details proposed development of the port and surrounding area over the next 15 years at an estimated cost of \$300 million, funded by the Authority.

Key points include:

- 80% increase in trade to 29 million tonnes by 2005;
- 3,640 new jobs in the region;
- \$640 million boost to local economy during construction phase;
- \$870 million annual economic output after completion;
- extra 10 berths at Fisherman Islands, with five built by 2005.

Currently, the port's cargo handling activities — stevedoring, towage, pilo-

tage, port management, road and rail transport, shipping companies etc. — employ nearly 6,000 people, who earned \$80 million in 1990/91. This will increase dramatically if Brisbane can capture a greater proportion of the growing Australia-Asia/Pacific trade.

Authority Chairman, Mr. Ian Brusasco said the plan provided for FI expansion to meet expected growth, particularly for container and general cargo trade, plus bulk cargoes.

"This means doubling the current container/general cargo berth length and building a new berth upstream of the coal wharf to handle clinker imports and possibly silica sand exports," he said.

Industries to develop in the FI area will include container parks, warehousing and distribution and a commercial centre serving the port.

Over \$70 million will be spent by federal and state governments, Queensland Rail and the Authority to build a standard gauge rail link from the national network to FI terminals. This will reduce double handling and boost the flow of interstate cargo

through Brisbane.

In addition, a rail-road interchange facility will be required at FI to service the container terminals.

The plan also identifies the need for major upgrading of port road links to help traffic flow as trade activity intensifies.

Key Port Brisbane will ensure substantial economic and employment benefits for the region, while considering the likely impact on the natural environment, local residential communities, commercial and amateur fishing and other recreational uses of Moreton Bay and its surrounds.

"In 1991/92, the PBA invested over \$500,000 in its environmental management programme," Mr Brusasco said.

"This includes studies and impact assessments to ensure port development can proceed in an environmentally sensitive manner with minimal impact on existing natural habitats and the visual appeal of the region," he said.

"In fact, over 300 hectares of mangroves in the FI area will be retained in their current state."

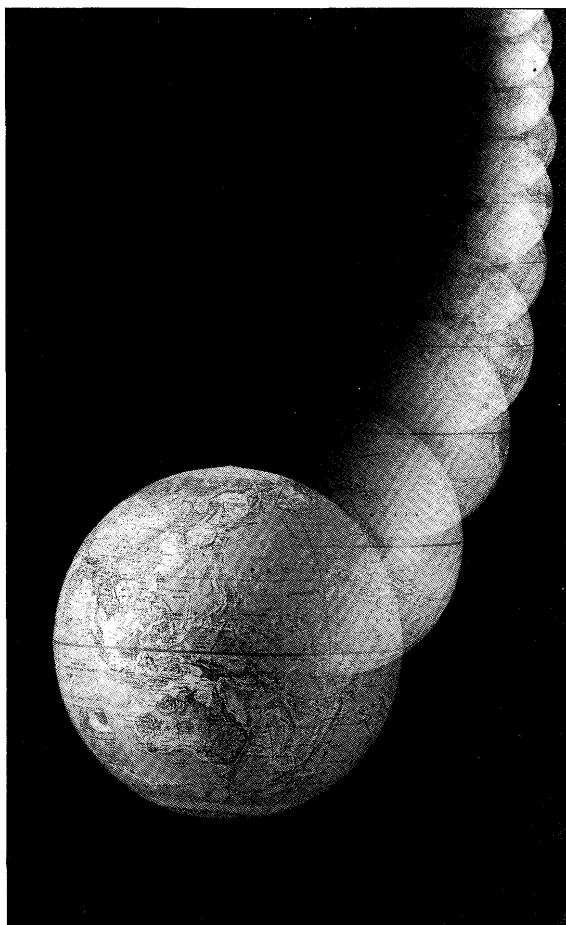
One of the most important features of the plan is its flexibility, which allows changes to be made for unexpected developments and trade variations.

"This plan has been prepared in close consultation with key port users and stakeholders. We intend to review it every three years — it is not cast in stone." *(Brisbane Portrait)*

Sea Cargo Automation: Trial at Brisbane

Sea Cargo Automaton (SCA), a new system devised by the Australian Customs Service (ACS) for reporting, screening and clearance of all types of cargo entering Australia will be trialled in Brisbane from December 1 this year.

The six week trial will target all import goods and involve shipping companies and agents, slot charterers, container terminal operators, container unpacking depots, freight forwarders, non-vessel operating cargo carriers (NVOCCs), custom brokers and importers, Tradegate/Paxus, Australian



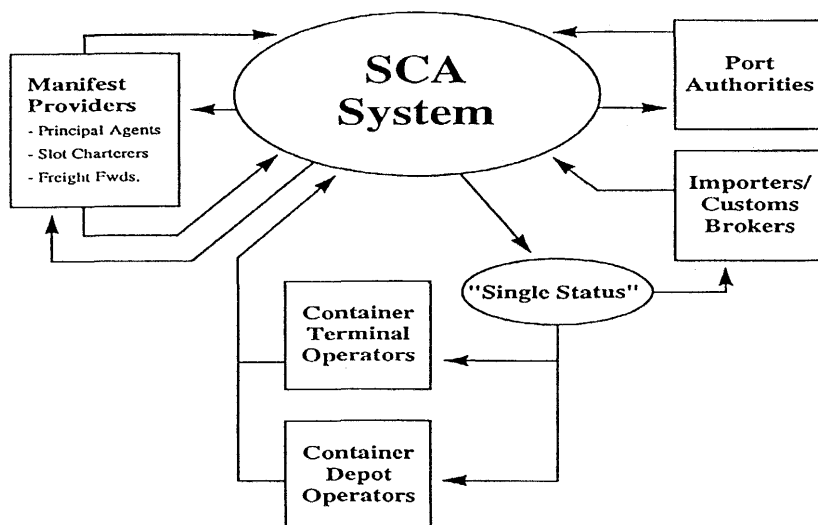
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SEA CARGO AUTOMATION

Quarantine Inspection Service (AQIS), port authorities and public sector unions.

Under SCA, shipping agents, slot charterers and freight forwarders will supply only one set of electronic manifest information prior to cargo arriving in Australia. This information will then be screened by AQIS and ACS, vastly improving existing clearance procedures.

SCA uses electronic versions of paper notices sent to shipping companies and container terminal operators eg. permit

to unship, cargo stopper notices and permit to move goods under bond. All possible situations that may arise during importation will be covered by the integrated ACS and AQIS set of electronic reports.

SCA will also revolutionise processing of imported cargo for the ACS and business by achieving major gains in efficiency and effectiveness. Reliance on paper documentation will be reduced and the ACS/AQIS link will allow genuine facilitation and speedier collection of cargo. *(Brisbane Portrait)*

is pending for the stevedoring maintenance area.

"EBAs provide for improved productivity, multi-skilling, training and career pathing, overcoming inefficient work practices," Mrs Sanderson said.

Additionally, the EBAs encourage skill-based classification and the flexibility necessary for the 24-hour operation of the Port.

Fremantle Port is now being referred to as the "Fremantle model", and is currently being studied around the country by a cross section of industries.

The introduction of these EBAs have allowed for major improvements in productivity. Ship turnaround times have been cut from 60 to 48 hours and the average number of containers handled per crane per hour is up to 21, with one stevedore reporting up to 30 being handled on occasion.

Time awaiting berth has also been slashed from 12 hours in 1989 to two hours, which shows the FPA's commitment to becoming a more efficient and reliable Port.

(Fremantle Port News)

Port of Yokohama Growing with the Times

Since the Port of Yokohama was opened more than 130 years ago, it has been adapting constantly to meet the times. Up to the post-World War II period, Shinko and Osanbashi Piers were its two main terminals. Yamashita Pier then became the port's most advanced facility, and was displaced 20 years ago by Honmoku. Today, Honmoku handles 60% of the total freight processed through Yokohama's public berths. Now Daikoku Pier is open, and it will be the center of the port's activities during the coming decade. But reclamation work has already begun on Minami Honmoku Pier.

HONMOKU PIER: Opened in 1970, Honmoku Pier now consists of four jetties — A, B, C and D — handling both container and conventional ships. Equipped with both public and exclusive container berths, it is an all-around terminal. 250 hectares, Honmoku has 33 berths including eight public container berths operated by the city, and six container berths by the Yokohama Port Development Public Corporation.

In 1991, 30 million tons of cargo passed through Honmoku, 63% of

Improved Productivity At Port of Fremantle

A further two Enterprise Based Agreements for the Fremantle Port Authority have been approved by the Australian Industrial Relations Commission.

This adds to the previous total of three Enterprise Based Agreements, which are designed to remove demarcations at the Port as part of the waterfront reform process. EBAs are essentially industrial agreements designed to meet the needs of a business, and the FPA has been at the forefront of using these.

Of the two latest EBAs, one is for FPA port operations, covering such areas as small craft, mooring gangs and port control officers, while the other is for the FPA's Infrastructure Maintenance area.

FPA General Manager Kerry Sanderson said that in Port Operations, staff had been reduced from 58 to 37, while in Infrastructure Maintenance, staff numbers decreased from 137 to 71.

The Waterfront Reform Industry Authority released funding at the end of July to enable 30 surplus stevedoring maintenance workers to leave the FPA.

This has enabled the FPA to reduce staff numbers from around 650 at the time of the Ministerial Review of its operations to 440, consequently decreasing the FPA's overhead costs.

"The EBAs, which allow for multi-skilling and flexibility of the workforce, will overcome long established demarcations originally resulting from a multiplicity of unions," Mrs Sanderson said.

So far, the EBAs ratified include the Port's gate check clerks, container depot/bond store and an application

the port's public pier total. The Port and Harbour Bureau is now filling in the waters between B and C Jetties for a public container berth with a spacious container yard to increase cargo sorting space for C Jetty. First-stage reclamation will begin in spring of 1993. It will be opened as a container yard in early 1994 when 12 hectares has been out-fitted.

DAIKOKU PIER: Reclamation work on Daikoku Pier was completed in 1990, resulting in 321 hectares of land. The island is connected to Tsurumi on the mainland by Daikoku Bridge and to Honmoku Pier on the other side by the Yokohama Bay Bridge, opened in 1989. In fiscal 1991, 11,260,000 tons of cargo passed through Daikoku, approximately 24% of the total handled by the Port of Yokohama's public piers.

The pier has 22 berths — 12 public berths and 10 managed by the Yokohama Port Development Public Corporation. As more containerships call, the Port of Yokohama has been expanding its facilities to meet the new demand, including sheds and warehouses. Berth C-3 will be opened for use in October this year, with the Maersk Line as the lessee. T-9 is scheduled to open as a public berth next April.

MINAMI HONMOKU PIER: Yokohama's next generation pier will be rising soon out of waters to the south of Honmoku Pier, a 10-year reclamation project which will create Minami Honmoku Pier on 2,170,000 square meters of land. Berths will be 350 meters long, with pierside water depth of 15 meters. Four berths will be designed to handle the advanced containerships of the next century. An air cargo terminal will make it and all-around sea-land-and-air cargo complex, designed to play a leading role in the Yokohama of the 21st century.

(Yokohama Port News)

Port Is Vital Part of Fremantle Economy

The future development of the City of Fremantle and Fremantle Port is in good hands.

Fremantle Chamber of Commerce's new President Bob Shields is keen to develop closer links between residents and business, and sees the Port playing a major role in this.

"The Port of Fremantle in particular is a place where new jobs can be generated through growth in trade, so basically, we want the Port to overflow with trade," Mr Shields said.

"We want to create a business environment in which new jobs are created. More trade creates the need for new jobs in transport, warehousing, freight forwarding and other associated businesses.

"Passenger liner visits have increased from six in 1991 to 21 expected this year. Such non-trading vessels, as well as tuna boats and navy vessels are very important to the Port and Fremantle businesses.

"Currently, a report is being compiled by the Fremantle City Council, the Fremantle Chamber of Commerce and the Fremantle Port Authority detailing the economic impact of the Port to the health of Fremantle's economy.

"Once and for all, the report will blow away any misconceptions that the Port is drying, and prove that it is a vital part of the economy of Fremantle and Western Australia.

"The report may identify some areas of the Port could become available for development, and the Chamber is keen to have a say in this."

The Port has the capacity to increase trade in its present location, and Mr Shields is keen to encourage both Government and private enterprise to promote more trade — both imports and exports.

Mr Shield said that a further 5,000 housing units were expected to be built in and around Fremantle in the short term.

"There is a surge in residential development, particularly in the inner city. We want to balance it with commercial development, ensuring there is a correct mix," he said.

"These people will need jobs in the area, so our Chamber has a major role in finding these.

"Fremantle can become a vibrant port city, with the right mix of commercial, hospitality and residential activities. Many European port cities have realised this blend creating a unique environment."

The Fremantle Chamber of Commerce has 283 members, and has seen a growth of 23 per cent last year due to its increased activity and enthusiasm for greater involvement in the Fremantle community.

The Chamber has several portfolios which cover all the main industries in Fremantle. These are shipping/trade, commerce/industry, manufacturing, visitor/retail and finance.

"There are various industries that make up business in Fremantle; the Chamber has had a low profile in recent years, and I now see the Chamber's role as that of initiator — to promote Fremantle as a viable and attractive business city," Mr Shield said.

"The visitor/hospitality industry will grow by itself. Fremantle is a place that attracts people because it is different to other cities.

"But there are tremendous opportunities for businesses which will create employment for Fremantle residents."

(Fremantle Port News)

First Bulk Terminal for Manila Within a Year

Within a year, the port of Manila shall have its first bulk terminal facility. The floating terminal will be put up and operated by the Manila Floating Silo Corporation (MAFSICOR).

The facility, actually a vessel anchored within the Manila Bay area, will discharge 1,000 metric tons of cargo per hour.

Bulk shippers are given the option to use the facility or continue with the present system of discharging shipments unto largest tied up alongside the vessel.

The operation of a floating terminal is an intermediate solution. Plans are being finalized to construct a land-based grains facility to handle 1,750,000 tons of wheat and 550,000 tons of soybean meal, other bulk products passing through the port yearly (1991 figures).

The specialized facility will reduce ship time in port, consequently leading to reduction in shipping expenses.

(Port Trends)

321 Million Pesos Yearly for Ports: PPA

The Philippine Ports Authority spends an average of P321.48 million every year to fund construction projects, buy capital-intensive port equipment, and repay foreign loans contracted for development projects.

For the ten-year period 1981 to 1990,

37.99% of total revenue is funneled back to provide the needed infrastructures and handling equipment which could otherwise not be purchased by handling operators.

Another 10% or an average of P41 million funds dredging and repair and maintenance of ports.

Infrastructure Development

Among the significant foreign-assisted construction projects completed during the period are the expansion and rehabilitation of the ports of General Santos and Cagayan de Oro, construction of the Polloc port, expansion of Sasa wharf in Davao, the modernization of the ports of Cebu, Iloilo, Zamboanga and Cagayan de Oro into international ports, and the expansion of Manila's international container terminal.

Twelve provincial ports were rehabilitated and developed: Calapan, Tagbilaran, San Jose, Nasipit, Surigao, Tabaco, Legaspi, Bauan, Puluan, Sta. Cruz, Cagayan de Oro and Pulupandan.

These projects facilitate the movement of goods and services from the rural areas to the metropolis.

The PPA completed other infrastructure projects financed entirely out of the earnings of the Authority. These are the port constructions in Cotta, Pasacao, Balanacan, MICT, Masao, Ormoc, Siasi, Pagadian, Culasi, Dumaguete, Virac, Toledo and Jolo.

For the ten-year period, the PPA used up P42.33 million to embark on these projects.

Feasibility Studies

The port agency completed 21 port feasibility/detailed engineering studies.

These include the 4th IBRD ports package, Manila South Harbor rehabilitation project, Batangas port development project, Manila North Harbor rehabilitation study, North Harbor service road, port of Davao (Sasa Wharf) development-phase I, Davao gulf master plan study, computer feasibility study, port of Irene project, domestic container terminal project, management information system (MIS) improvement study, inter-island passenger sea transport study, integrated systems on coastwise shipping statistics project, integrated systems on foreign shipping statistics project, nationwide siltation study, port

cargo handling and maintenance equipment project, port of San Fernando development study, port of Tacloban project, Mindoro port project, second Manila port rehabilitation, Manila bulk terminal project and port tariff rationalization study project.

Equipment Investment

In support of the massive physical port expansion and improvement, the Authority invests in capital intensive port equipment.

Among those procured are three level luffing cranes of 35 and 25 tons capacity and four forklift trucks with spreaders of 25 and 15 tons capacity from Japan, servicing the international ports of Cebu and Cagayan de Oro.

Other equipment acquired include a dredger fleet of four suction hopper type dredgers and two attendant vessels from Japan, and two German-made self propelled suction hopper split type dredgers.

From 1981-1990, the PPA invested a total of P8.2 billion for port equipment.

Repair and Maintenance

The PPA spent P476.62 million for repair and maintenance projects for the past ten years, or an annual average of 5.93 percent of the total revenue during the period. The Authority completed 3,411 repair and maintenance projects in ports nationwide.

The PPA constantly maintains its port facilities and structures to prevent breakdown and rapid deterioration, thus, ensuring the efficient and continuous delivery of port services.

Dredging

During the last decade, 34.64 million cubic metres of silt and spoils were dredged in various ports of the country, costing P395.90 million.

The Authority carries out maintenance dredging to provide ideal depths of water alongside berths to allow more ships and accommodate larger ones to use berthing facilities in the country's ports.

(Port Trends)

PSA Signs Contract for 37 Gantry Cranes

The Port of Singapore Authority (PSA) has awarded a contract to Mitsui Engineering & Shipbuilding (MES)/

Keppel Engineering Pte Ltd and Ssangyong Corporation for the design, construction, delivery, testing and commissioning of 37 rubber-tyred gantry (RTG) cranes. The combined contract value is approximately \$73 million.

The contracts were signed between Mr Philip Ng, Director of Engineering, PSA and Mr Takeshi Sasaki, Deputy Director & General Manager, Material Handling Machinery Division, MES/Mr Toh Siong Hoe, Executive Director, Keppel Engineering and Mr Kim Duck Hwan, President, Ssangyong Corporation on 1 October 92 at noon, at PSA Building.

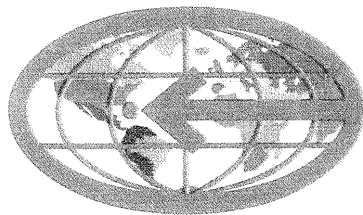
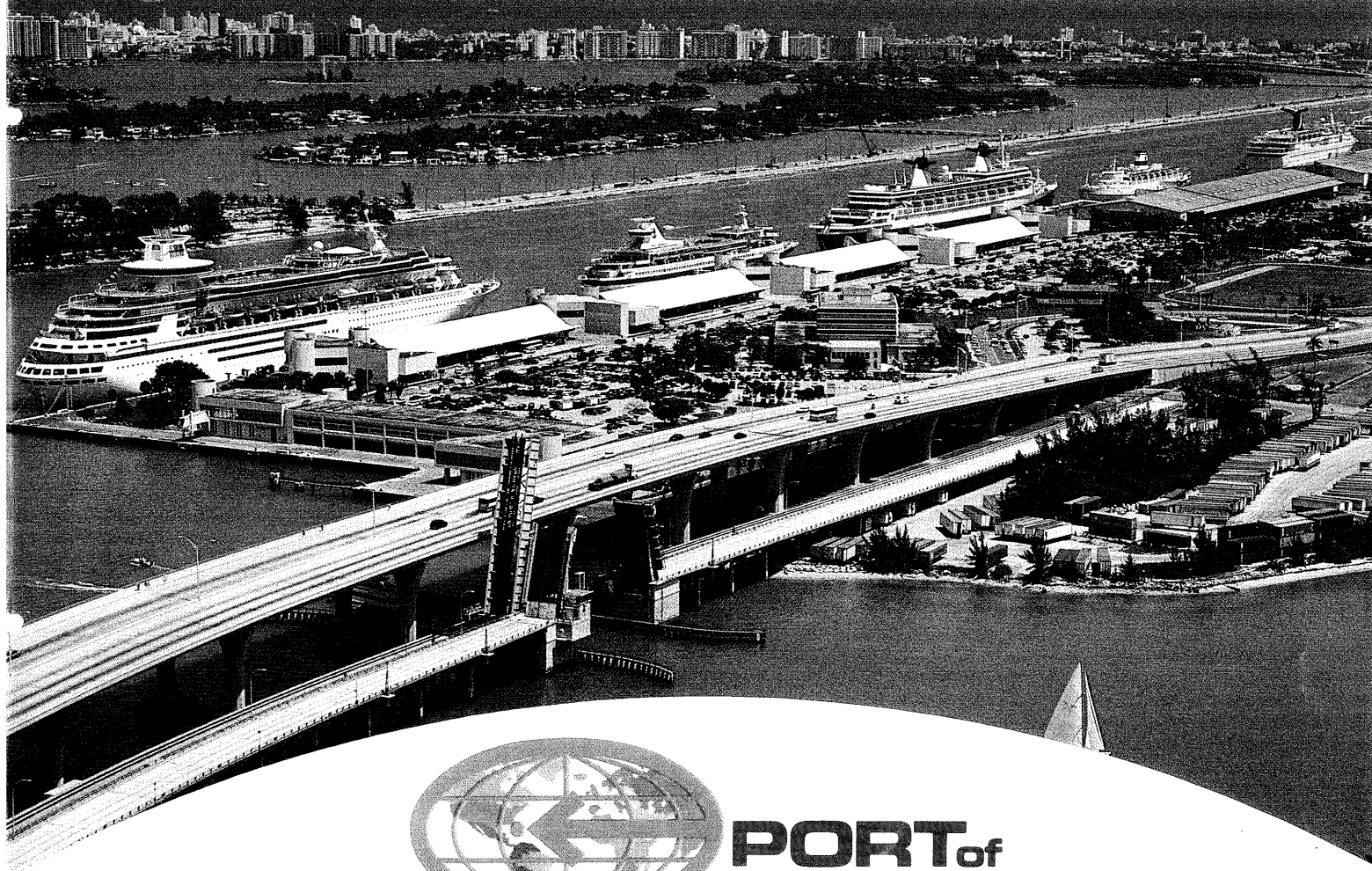
MES will supply 26 units of the RTG cranes for Brani Terminal. All cranes will have Automatic Position Indication and CCTV systems. These features will enable PSA to achieve higher productivity in container handling. Each crane will also have a control module for training technical staff on handling its drive system. The cranes will be fabricated at Keppel Engineering in Singapore. The new cranes will be delivered in batches between July 93 to January 94. Since 1981, Mitsui Engineering has supplied 106 RTG cranes to PSA.

Ssangyong Corporation will supply 11 units of RTG cranes. Eight are for use in Brani Terminal and 3 at Keppel Distripark. They will also have Automatic Position Indication and CCTV systems. The cranes will be delivered in two batches between August 93 and October 93.

The eight cranes for Brani Terminal will be fully manufactured in Korea. The three units for Keppel Distripark will be partially, manufactured in Korea and shipped to Singapore in knocked-down condition. The parts will then be assembled on site at Keppel Distripark. This is the first time PSA has appointed Ssangyong Corporation to supply RTG cranes.

There are presently 40 RTG cranes at Brani. When Brani Terminal is completed, it will have 108 RTG cranes working on 15,000 ground slots to cater for up to 4.8 million TEUs annually.

When completed in 1993, Keppel Distripark will complement PSA's existing container operations at Tanjong Pagar Terminal and Brani Terminal. Costing a total of about \$400 million, it will further enhance Singapore's status as a global distribution centre.



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