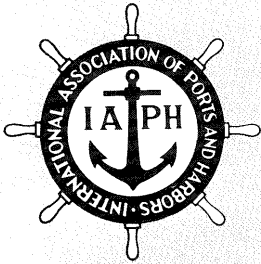
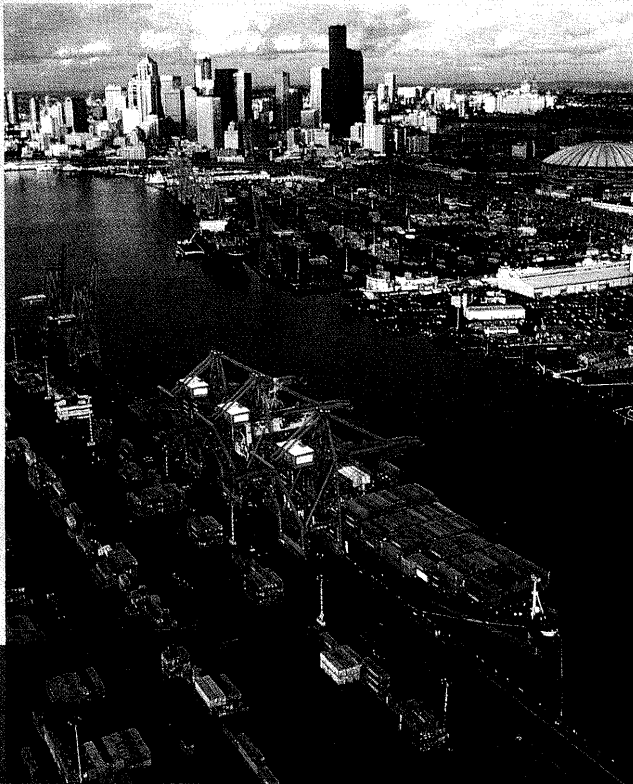


# Ports & Harbors

March  
1994 Vol. 39 No. **2**



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## Port of Seattle



(Photos by Don Wilson, Port Photographer, Port of Seattle)

# Port of Miami

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2001: Odisea del Transporte  
2001: Eine Odyssee der Transportindustrie

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# IAPH ANNOUNCEMENTS AND NEWS

## Exco Members to Meet in Copenhagen

May 30-June 3, 1994

### *Welcoming Message*

#### From Copenhagen



**Erik Schäfer**  
Managing Director  
Port of Copenhagen



**Anne Marie Nielsen**  
Chairman  
Port of Copenhagen



**Carl Veng**  
Deputy Managing Director  
Port of Copenhagen

The management of the Port of Copenhagen is delighted to welcome you to the Port of Copenhagen for the 1994 Exco and other committee meetings.

We shall do our utmost to ensure that the meetings in Copenhagen are carried out in the best possible way — and with a combination of the useful and the agreeable.

Maritime Transport — and thus the functions of the ports — is a very important issue in today's world economy. Owing to the increasing world trade the demand for port services is rapidly growing — drastically in some regions.

In our part of the world inquiries have shown expectations of an increase of container traffic of up to more than 150 percent by the year 2010. During the same period a general increase of 25 percent in port traffic is expected. Linking this prospect with the limited resources available for infrastructure, enormous problems will appear and ports will have to participate in solving these issues.

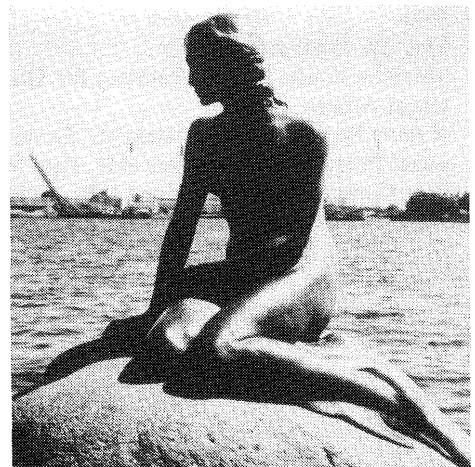
A debate is necessary in order to obtain a better resource exploitation through equal terms of competition, without subsidies, among all modes of transportation.

It is important that ports have a common policy in this respect as well as in other fields. Only in this way can proper results be achieved. We have to promote "the fine product

we sell".

Once again, welcome to Copenhagen in Week 22.

We are looking forward to showing you one of the world's finest seaports with gems like "The little Mermaid" and Tivoli — just to mention a few. The best background for a successful meeting.



The mid-term Exco meeting, the gathering of the Executive Committee members which takes place every off-conference year, is scheduled for the week starting from Monday, May 30 this year in Copenhagen, hosted by the Port of Copenhagen.

Mr. Erik Schäfer, Managing Director, Port of Copenhagen, has been making the arrangements for welcoming IAPH's participants, through close coordination with the Head Office Secretariat in Tokyo.

In order to help our host to properly prepare for the gathering, the Secretary General has circulated a letter among the Exco members, chairpersons of committees, and the other officers concerned asking them to inform the host port of their attendance or non-attendance. In this letter, the Secretary General explains that the arrangements for this year's mid-term meeting are different from previously. He says that, as a result of the change in the structure of the technical committees, the decision has been made by the President that, with a few exceptions, the technical committees will not be required to take place in conjunction with the Exco meeting in Copenhagen. It was an inevitable decision as it will not be easy to incorporate a dozen of the technical committee meetings within a limited span of time and it will be rather too burdensome to the host to handle so many groups of people meeting at one time. Nevertheless, the host is willing to accept a few committees meeting in Copenhagen and is still to finalize the schedules of those technical committees which wish to gather in Copenhagen.

The recipients of the Secretary General's circular letter of January 17, 1994 are requested to submit the completed application form to the host port at the following address with a copy to the Secretary General at the Tokyo Head Office by April 1, 1994.

Mr. Erik Schäfer, Managing Director  
Port of Copenhagen Authority (Fax: 45-33-93-2340)  
P.O. Box 2083, DK-3 Copenhagen K, Denmark

A tentative schedule and the relevant information contained in the Secretary General's letter are as follows:

### The mid-term Exco meeting

Date: Monday, 30 May - Friday, 3 June, 1994

Venue: Copenhagen Admiral Hotel

Toldbodgate 24-28, DK-Copenhagen V. Denmark  
(Tel: 01118282 Fax: 01325542)

### Tentative Schedule

Day	Date	Description
Sun	May 29, 1994:	Arrival day
	Morning hours:	Mr. D. Taddeo, for Human & External Affairs
		Human Resources Committee (Mr. Goon Kok Loon)
		Legal Protection Committee (Mr. Paul Valls)
		Port Communities Committee (Mr. Taddeo)
	Afternoon hours:	Mr. J. Smagghe, for Trade Affairs
		Sea Trade Committee (Ms. L. Liburdi)
		Ship Trends Committee (Mr. J.M. Moulod)
		Combined Transport & Distribution (Mr. G. Wenggren)
Tue	May 31, 1994	
	Morning hours:	Mr. R. Cooper for Port Affairs
	Coordinator:	Mr. P. Keenan
		Port Planning & Construction Committee (Mr. Philip

Ng)

Dredging Task Force (Mr. Dwayne Lee)

Port Safety & Environment (Mr. P. van der Kluit)

Marine Operations (Capt. J. Watson)

Cargo Operations (Mr. J. Terpstra)

### Wed Jun 01, 1994

Morning hours: Internal Committees Meetings (Membership, Finance and Constitution)

Afternoon hours: Exco Meeting Part 1: To discuss matters related to the technical committees and internal committees.

### Thu Jun 02, 1994

Exco Meeting Part 2: To discuss the 19th Conference

### Fri Jun 03, 1994: Full day technical visit and excursion

### Sat Jun 04, 1994: Departure day

### Subject Areas to be discussed

#### Day One: Association affairs

Review of the current status of finance and membership

Reporting and evaluation of activities by various committees

Reports by the Chairmen/Coordinators,  
International Liaison

Officer, and Vice Presidents

Future directions of activities

#### Day Two: The 19th IAPH World Conference

Theme, Keynote Speaker/s, Program, Working Sessions (subjects, speakers, panelists, papers), registration fees, other topics

## IAPH Launches Information Technology Award

At the initiative of Mr. David Jeffery, Chairman of the IAPH Trade Facilitation Committee, IAPH has established a new award scheme. The idea of creating this award was first proposed by Dr. Hassan J. Ansary, Executive Vice President, the Ports Canada Corporation, who is an active member of the IAPH Trade Facilitation Committee. It was examined by the IAPH President and the Secretary General, and as a result it has been officially agreed to go ahead with the project. The details of the award are hereby announced, and entries are invited from IAPH members at large.



David Jeffery

### Information Technology Award

**Name of Award:** The award will be known as the International Association of Ports and Harbors Award for the application of Information Technology in Ports.

**Concept:** IAPH plans to demonstrate its commitment and

leadership in promoting the use of information technology in ports by establishing and presenting an award for the outstanding application of information technology in a port, as decided by a distinguished panel of judges. The award will be presented annually; the first one at a gala dinner to be held in conjunction with the Ports Canada International Computer Conference, scheduled for the evening of Wednesday 8 June 1994 in Toronto.

**Award Criteria:** Any Regular Member of IAPH will be eligible to receive the award. The winner will be the member who is judged to have shown the greatest improvement in the preceding year. The improvement can be in any application of information technology within a port as judged by the Selection Committee, whether purely internal to the port authority or involving other outside organizations in such uses as EDI. The entries will be judged on their relative benefit to the port in terms of lower costs, increased revenues, improved safety or environmental protection, or efficiency enhancements. It is explicitly envisaged that these criteria will enable ports in less developed countries, with limited resources and different circumstances, to compete for the award alongside those who already use extensively the available technologies, because relative improvement for a port will be the key factor of comparison. Gold, silver and bronze plaques will be presented.

**Selection Committee:** A Selection Committee of four will receive, review and judge the merits of all entries. The Selection Committee will be made up of:

- the Chairman, IAPH Trade Facilitation Committee;
- the representative of the host port organisation at which the award will be presented (Ports Canada, for the 1994 award);
- the representative of the IAPH secretariat; and,
- a member of the Trade Facilitation Committee from a region not represented by the other three members.

**Nomination Process:** Nomination for the award are to be directed to the IAPH secretariat, which will ensure distribution to all members of the Selection Committee. The nomination must take the form of a written document substantiating the reason for the nomination, along with supporting evidence.

## ENTRY FORM

**Contacts:** For both nominator and nominee, supply name, address, telephone number and fax number of organisation and person.

### Description of Information Technology Application:

- 1 Summary — Briefly describe (up to 400 words) the application, including the business problem, the technology solution and the time taken to achieve results.
- 2 Results (up to 400 words) — Provide specific performance measurements which show the improvement brought about through the IT application, e.g. increase in revenues, decrease in costs, percentage change in results, time savings, operating impact, increased capabilities of the port.
- 3 Technology or Services Used (up to 200 words) — List hardware, software or services that were used in the application.
- 4 Obstacles Overcome (up to 300 words) — Explain the primary problems (technological, organizational, human or other) or difficulties overcome or avoided that

threatened the success of the project, and the measures used to overcome the threats.

**Language:** English

**Deadline:** Entries must be received at the IAPH secretariat by 4 pm, Tokyo time, **14 April 1994.**

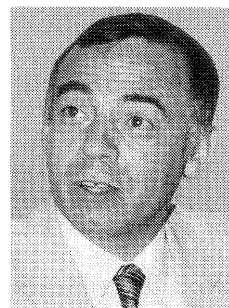
**Winners:** Winners of the gold, silver and bronze awards will be notified no later than 20 May 1994 and will be invited to attend the Fifth Ports Canada International Computer Conference to receive the award at the gala dinner on 8 June 1994 in Toronto. Ports Canada is offering free conference registration to a representative from each of the winning ports/organizations.

### Mail or Fax to:

Information Technology Award  
c/o International Association of Ports and Harbors  
Kotohira Kaikan Bldg.,  
2-8, Toranomon 1-chome, Minato-ku, Tokyo 105, Japan  
Fax: 81-3-3580-0364

## IAPH Paper on Monetary Erosion to IMO Sec'y-Gen'l

On December 20, 1993, Mr. Paul Valls, Chairman, Committee on Legal Protection of IAPH (Bordeaux), submitted a paper to the IMO Secretary-General, drawing his attention to the problem concerning the monetary erosion of the Special Drawing Rights of the International Monetary Fund, which are used by IMO as the unit of account for conventions relating to the limitations of liability in the maritime field.



Paul Valls

The receipt of the IAPH submission has been acknowledged by Mr. Magnus Göransson, Director, IMO's Legal Affairs and External Relations Division, who confirms that the IAPH document is being submitted for consideration at the seventieth session to be held in March 1994.

The IAPH paper submitted to the IMO Secretary General is reproduced here.

## SUBMISSION TO IMO BY IAPH

### MONETARY EROSION OF THE IMF's SDR AND THE AMOUNTS OF LIMITATIONS OF LIABILITY IN MARITIME TRANSPORT

The Special Drawing Rights (SDR) of the International Monetary Fund (IMF) are, at present, the unit of account on which the limitations of liability fixed by various international conventions covering maritime, air and land

transport, currently in force, are based.

The SDR value is composed of a basket of currencies, which undergoes the average erosion of all the different elements that compose it. The same thing is true for its purchasing power on the different national markets and, in consequence, for the practical value of the amounts of limitations of liability. This value is passed on, in the case of a serious accident, onto the compensation of victims, among which are the Port Authorities, with frequent damage to their personnel and their works.

The situation calls for the frequent and rapid revision of the amounts of the limitations of liability. This is, however, not the case.

### 1. The Limitations of Liability of the Carrier or Transport Owners

The liability of the means of owner of the transport (ship, hovercraft, etc) on the transport operator has traditionally been limited:

- to protect him against the consequences of major disasters, which were likely to ruin him and lead to him abandoning his activity.
- to enable him to cover his liability by insurance, for both his own interests as well as those of his passengers and shippers.

Over the years, these limitations of liability have been confirmed by:

- first, the possibility for the ship owner to free himself from all liability by abandoning his ship and freight (receipts for the voyage involved), and next by
- the definition of various amounts, established, initially, in national currencies and then by
- reference to a value that was considered to be very stable, the Gold Franc, and then finally by
- reference to the IMF's SDR.

In this way it was hoped that one could escape from the paralysis of the Gold Franc reference system, which resulted from the practice of certain States of substituting official but arbitrary values for the true value of the Gold Franc.

### 2. International Maritime Conventions from 1976 onwards

The SDR was introduced as the unit of account for the limitations of liability in the International Convention on Maritime Claims of 19th November 1976.

At the time these limitations were debated:

- in correlation with the last reference rates of the Gold Franc which certain States had given for their national currencies during the Jamaica Agreements (January 1976.)
  - as if they were going to come into force the following day.
- Simultaneously, Protocols of the same date submitted the SDR for the Gold Franc in:

- The 29th November 1969 Convention on Civil Liability for Oil Pollution Damage,
- The 18th December 1971 Convention on the Establishment of an International Fund for the Compensation of Oil Pollution Damage,
- The 13th December 1974 Convention relating to the Carriage of Passengers and their Luggage by Sea.

Since that time the purchasing power of the SDR and therefore the limitations of liability established by these conventions has undergone very heavy erosion and whilst the revision of most of the limitation amounts have been undertaken, they are still not yet in force and in no cases has the possibility of a mechanism for their rapid revision or an indexing of the SDR value been debated.

### 3. Evolution of the SDR Purchasing Power from December 1976 to July 1993

The object of the attached table is to retrace the evolution in various countries of the purchasing power of the SDR between the end of 1976 and July 1993 (the latest information available).

It was established:

- from the October 1993 international financial statistics (monthly) published by the IMF,
- and limited to the 12 countries for which statistical data is published more regularly and quickly,
- and based on the consumer price index, since the industrial price index is published more slowly and also suffer from a lack of homogeneity.

	SDR VALUE IN LOCAL CURRENCY		CONSUMER PRICE INDEX BASIS 100. YEAR 1985		SEPT. 1993/END 1976, RATIO ON LOCAL PLANE		
	END 1976	END 09.1993	NOV. 1976	SEPT. 1993	SDR VALUE	CONSUMER PRICE INDEX	SDR PURCHASING POWER
BELGIUM	41.806	49.531	58.6	121.2	1.185	2.05	0.58
CANADA	1.1725	1.8947	50.5	136.1	1.616	2.70	0.60
DENMARK	6.7241	9.278	47.6	128.5 AUG.	1.380	2.70	0.51
FRANCE	5.7740	8.0324	43.8	126.1	1.391	2.88	0.48
GERMANY	2.7448	2.2977	56.8	120.3	0.837	2.12	0.40
ITALY	1016.6	2244.1	31.1	154.4 JUNE	2.105	4.97	0.42
JAPAN	340.18	148.14	71.1	114.5	0.438	1.61	0.27
NETHERLANDS	2.8546	2.5857	68.5	115.1	0.906	1.68	0.54
SPAIN	79.34	185.91	33.9	162.3	2.343	4.79	0.49
SWITZERLAND	2.8459	2.0106	73.5	129.3	0.706	1.76	0.40
U.K.	0.682	0.9389	44.4	149.4 AUG.	1.377	3.37	0.41
U.S.A.	1.1618	1.4184	59.6	134.9	1.221	2.26	0.54

Comparison of the results of the final calculations highlights:

- a serious and general drop in the SDR's purchasing power at a local level between the end of 1976 and July 1993, i.e. nearly 17 years,
  - an even steeper drop in States whose currencies have devalued more slowly than the SDR, but where, nevertheless, the effect of some inflation has been felt.
  - an equally steep drop in countries where the stability of the currency only partially reflects internal inflation.
- Thus the fall in the purchasing power of the SDR on average is around 50% with the extreme being around 75%.

## CONCLUSION

The present study no doubt contains numerous points that could be contested both on the basis of the method used and in its calculation.

It would have been preferable to extend it to numerous other countries and, possibly, to use the industrial and/or wholesale price index, but this would have raised the delicate problem of access to statistical documentation.

However, its ambition is simply to raise a question of major importance to the maritime world and to stress the urgency with which effective solutions need to be found.

This is what the Port Authorities, who rank among the victims of all too frequent damage, wish to do in this paper.

# IAPH Survey 1994 Aims to Increase Membership Benefits

At the initiative of President Lunetta, the Tokyo secretariat has recently circulated a questionnaire among all IAPH members to identify the issues which our members consider the most important and therefore to be focused on at future IAPH conferences, to see how the members evaluate the activities of IAPH and to see what proposals and suggestions they may have in order to increase their benefits from participation in IAPH and its various work programs.

The first question asked was to identify the five major issues/challenges facing their own port/or the world port industry today. The members were asked to choose the issues from among the subject areas which include:

ENVIRONMENTAL MANAGEMENT  
FUTURE DEVELOPMENT  
PORT OPERATIONS  
INTERMODALISM/LOGISTICS  
TRADE FACILITATION  
PORT ADMINISTRATION AND MANAGEMENT  
PORT FINANCE  
HARBOR NAVIGATION  
PORT SAFETY/SECURITY  
MARKETING  
HUMAN RESOURCES  
INTERNATIONAL COOPERATION BETWEEN PORTS

## PORT-CITY RELATIONS LEGAL IMPLICATIONS

Secondly, there were questions about the rating of the work carried by IAPH to see how the members evaluate the activities and programs undertaken by IAPH committees and members or the secretariat as well as their suggestions as to how the service and benefits for the members can be further improved.

The results of the questionnaire will be compiled by the Secretariat for presentation to the mid-term Exco meeting which is scheduled for May 30 - June 3, 1994, where the Executive Committee members will discuss the future course of action to be taken and the new initiatives to be pursued by the Association, both on a short-term and long-term basis.

## African Ports Thank IAPH

The following letter dated 30 December 1993 has been received by our Secretary General from the Port Management Association of Eastern and Southern Africa (PMAESA).

### VOTE OF THANKS

I am pleased to inform you that the Council of the Port management Association of Eastern and Southern Africa, at its 19th Council meeting held in Maputo, Mozambique from 29th November to 2nd December 1993 has adopted a resolution to give a warm vote of thanks to the International Association of Ports and Harbors for the generous assistance which has been offered to the Association since its inception, and which is still being offered.

Yours sincerely,

K. Appadu  
Secretary General

## Committee Name Changed

The Committee on Marine Operations and Safety chaired by Capt. John J. Watson (Dundee Port Authority) has announced that the name has been changed to "Marine Operations Committee". This change was proposed at the Officers' meeting called by President Lunetta in Miami on November 8 and 9, 1993 and was approved by the officers to take the immediate effect.

## New Appointments

On January 19, 1994, President Lunetta has approved the following appointments or changes in the Committee membership. The respective appointments have been proposed by the Secretary General based on the recommendations by the chairpersons concerned.

**Constitution & By-Laws Committee**  
(chair: K. Jurriens, Rotterdam)

Mr. Carl Veng, Director, Port of Copenhagen, in place of Mr. Lustlap, who had left the chairman of the port.

### Port Safety Committee

(chair: van der Kluit, Rotterdam)

Capt. Hojbjer of Intertanko (Norway)

### Port Planning & Construction Committee

(chair: Philip Ng, Singapore)

Mr. Farooque A. Chaudhry, General Manager,  
Planning & Development  
Karachi Port Trust (Pakistan)

Mr. Samardi, Managing Director  
Public Port Corporation IV Inc. (Indonesia)

## The IPD Fund: Contribution Report

We are pleased to note that since our last report, a total of US\$2,605 has been newly been contributed. They were from the Ports of Hakata (\$1,705), Johor (\$500) and Pusan East Container Co., Ltd. (\$400) respectively. We offer our deep appreciation to all the generous contributors whose names and the amount contributed are listed in the box below and request all members' continued support of the fund-raising campaign aiming at assisting port personnel from developing countries by providing them with possible training opportunities.

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

Contributors	Amount
<b>Paid:</b>	<b>(US\$)</b>
ABP (Associated British Ports), U.K.	3,000
Akatsuka, Dr. Yuzo, Univ. of Saitama, Japan	230
Akiyama, Mr. Toru, IAPH Secretary General Emeritus, Japan	1,000
Auckland, Ports of, Limited, New Zealand	500
Barcelona, Puerto Autonomo de, Spain	1,000
Bintulu Port SDN BHD, Malaysia	200
Cameroon National Ports Authority, Cameroon	480
Cayman Islands, Port Authority of, the Cayman Islands	250
Clydeport Ltd., U.K.	1,000
Constanta Port Administration, Romania	250
Copenhagen Authority, Port of, Denmark	1,000
Cotonou, Port Autonome de, Benin	100
Cyprus Ports Authority, Cyprus	1,000
Delfzijl/eemshaven, Port Authority of, the Netherlands	350
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
Fremantle Port Authority, Australia	250
Gambia Ports Authority, the Gambia	250
Ghana Ports and Harbors Authority, Ghana	250
Hakata, Port of, (Fukuoka City) Japan	1,705
Halifax, Port of, Canada	250

Helsingborg, Port of, Sweden	500
Hiroshima Prefecture, Japan	523
Japan Academic Society for Port Affairs, the, Japan	267
Japan Cargo Handling Mechanization Association, Japan	259
Japan Port and Harbor Association, the, Japan	493
Japanese Shipowners' Association, the, Japan	516
Johor Port Sdn. Bhd., Malaysia	500
Kawasaki, City of, Japan	1,702
Klang Port Authority, Malaysia	200
Korea Container Terminal Authority, Korea	100
KSC (Kuwait Oil Company), Kuwait	1,000
Kudo, Dr. Kazuo, Tokyo Denki University, Japan	4,000
London Authority, Port of, U.K.	500
Maldives Ports Authority, Maldives	100
Marine and Harbours Agency of the Department of Transport, South Australia, Australia	150
Marine Department, Hong Kong	500
Maritime Services Board of New South Wales, Australia	367
Mauritius Marine Authority, Mauritius	200
Melbourne Authority, Port of, Australia	1,000
Miri Port Authority, Malaysia	100
Montreal, Port of, Canada	500
Nagoya Container Berth Co., Ltd., Japan	518
Nagoya Port Authority, Japan	3,564
Nanaimo Harbour Commission, Canada	250
Napier, Port of, Limited, New Zealand	100
New York & New Jersey, Port Authority of, U.S.A.	1,000
Niigata, Port of, (Niigata Prefecture), Japan	860
Okubo, Mr. Kiichi, Japan	274
Osaka Port Terminal Development Corp., Japan	570
Pacific Consultants International, Japan	243
Penta Ocean Construction Co., Ltd., Japan	500
Point Lisas Industrial Port Development Co. Ltd., Trinidad	100
*Primer Concurso Internacional de Memorias Portuarias: Carlos Armero Sisto, Anuario de Puertos: Buenos Aires, Argentina	300
Public Port Corporation I, Indonesia	180
Pusan East Container Terminal Co., Ltd., Korea	400
Qubec, Port of, Canada	250
Shipping Guides Limited, U.K.	500
Solomon Islands Ports Authority, Solomon Islands	100
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
<b>Total:</b>	<b>US\$41,660</b>

\* 1st International Contest of Port Annual Reports sponsored by the Yearbook of the Port of Buenos Aires (Editor, Mr. Carlos Armero Sisto)

## Mr. Smagghe Becomes Inspector General of French Gov't Ministry

Mr. Jean Smagghe, Second Vice-President of IAPH, has recently written to Secretary General Kusaka, informing him that he left the Port of Le Havre as its Director General to assume the French government's new post as Inspector General, Ports and Maritime Services of the Atlantic Coast of France, Ministry of Equipment, Transport and Tourism. Mr. Smagghe says in his letter, "I



am pleased to let you know that my successor in Le Havre will be Mr. Andre Graillot who was the Managing Director of the Port of Nantes-Saint-Nazaire Authority and who is well-known within IAPH."

Mr. Smagghe has also been appointed as a member of the Board of Directors of the Port of Bordeaux Authority as Governmental Representative.

Another important post to which Mr. Smagghe has recently been appointed is the Executive Vice-President, International Affairs of the Association of French Ports (UPACCIM).

In his letter, Mr. Smagghe says, "I wish to assure you, Mr. Secretary General, that I will carry on being very active for IAPH in the coming years and I really wish, given my new functions, that I will convince all the French ports to be even more active for our Association."

Mr. Smagghe wishes to announce that his official title and contacts are as follows:

Mr. J. Smagghe  
2nd Vice-President of IAPH  
Executive Vice-President, International Affairs  
of the Association of French Ports (UPACCIM)  
8, Place du General Catroux, BP10402,  
75814 Paris Cedex 17, France  
Tel: 33-1-4227-5262 Fax 33-1-4764-1335

## Mr. Taddeo Attends Cities & Ports Confab

Mr. Dominic J. Taddeo (President & CEO, Port of Montreal), IAPH Vice-President representing the American region, was our official representative at the 4th International Conference of Cities and Ports which was held in Montreal from 10 to 13 October 1993. The event, which attracted 200 participants from 17 countries, was organized jointly by the St. Lawrence Development Secretariat (Government of Quebec) and the Le Havre-based International Association of Cities and Ports (IACP) under the theme of "City and Port: Partners for the Environment".

Mr. Taddeo delivered his speech to the gathering on the morning of October 11, 1993, immediately following the opening remarks by the Mayor of Montreal. Mr. Taddeo expressed the warm congratulations and best wishes for

success of the Montreal Conferences from IAPH, which acted as one of the sponsoring organizations. Mr. Taddeo's speech, originally given in French, is introduced below.

### Address by Mr. Dominic Taddeo

My fellow chairmen of the conference, distinguished guests of honour, ladies and gentlemen,

It is with pleasure and enthusiasm that the Port of Montreal has accepted the invitation extended to it by the Association of Cities and Ports to take part in the sponsorship committee for the Association's Fourth International Conference.

I am personally very proud that the Association has chosen our beautiful and great city to hold its first conference outside Europe.

We are especially delighted for this opportunity to welcome each and every one of you here to our wonderful city.

On behalf of the President of the board of directors and all the personnel of the port authority, it gives me great pleasure to wish you all the warmest welcome to Montreal.

I note that this conference has succeeded in drawing many distinguished participants. I am very happy for the organizers who have taken every effort to offer an excellent programme. May I also express my sincere congratulations and thanks to Mr. Rufenacht and Mr. Morrisette as well as to their colleagues from the International Association of Cities and Ports and the secretariat of the Saint-Laurence River Development Corporation.

As a vice-president of the International Association of Ports and Harbors, I am honored to have been asked to pass along its congratulations and best wishes for a successful conference.

The International Association of Ports and Harbors would also like to take this opportunity to pay its respects to the directors and members of the International Association of Cities and Ports. IAPH wishes to congratulate you on your efforts to bring together port and municipal administrations and to promote the interests of port cities.

The port of Montreal is very happy to have itself become a member of the International Association of Cities and



Mr. Antoine Rufenacht, President, International Association of Cities and Ports (IACP) (left) and Dominic J. Taddeo, President and Chief Executive Officer, Port of Montreal.

Ports. Membership of the association will enlarge our network of exchange and information sharing, which will doubtlessly prove useful to us in our continuing efforts to work together in harmony with the city.

I am proud to be able to affirm that relations between the city and the port of Montreal have never been as close as they are today, as will be vouched for by the joint committee which coordinate our planning and implementation activities.

Very recently we invited the city to take a seat on another committee whose aim is to enhance and emphasize the competitive advantages of our port.

On the occasion of your visit to us on Wednesday morning, my colleagues will have the opportunity to talk to you about the work of these committees and of the committee which jointly represents the port and the old port.

In conclusion, on behalf of all my colleagues at the Port of Montreal, I wish you a most pleasant and fruitful stay in our city.

## Mr. Wennergren Named Honorary Consul of Japan

According to the recent letter received from the Port of Gothenburg, Mr. Göran Wennergren, President of the Port of Gothenburg AB, has recently been appointed Honorary Consul of Japan in Western Sweden by the Japanese Foreign Ministry.



Göran Wennergren

Mr. Wennergren, who is an Exco member from Sweden and Chairman of the Committee on Combined Transport and Distribution, says in his letter addressed to Mr. Kondoh of the Tokyo Head Office, "I take great interest in many aspects of Japanese business and culture and therefore feel both honored and happy to have received this nomination. I believe it can be of great advantage to our own business activities." Mr. Wennergren was planning a visit to Tokyo during February 1994 to see people in the industry and friends at the IAPH Head Office.

## Combined Transport & Distribution Meetings

The Combined Transport and Distribution Committee chaired by Mr. Göran Wennergren (President, Port of Gothenburg AB), held its meetings in Amsterdam in October then in Singapore in November last year while it plans to meet in Atlanta in April this year.

Chairman Wennergren has arranged for the committee members and the Tokyo Head Office to receive the minutes of the two meetings, which we introduce below.

### The Amsterdam meeting, October 20-21, 1993

#### Present

Göran Wennergren — Port of Gothenburg,  
(Chairman) Sweden

George Keet — Port of Amsterdam, the Netherlands  
Jan Mors — Portnet, South Africa  
Daniel Loosveldt — Port of Le Havre, France  
Stefan Samuelson — Port of Gothenburg, Sweden  
(Secretary)

1. The Chairman welcomed all members to the meeting of the Combined Transport and Distribution Committee. He informed the members that this was the first meeting of the committee and that separate meetings were scheduled for November 1993 in Singapore, and in Atlanta during the Inter-modal Expo in April 1994.
2. Brief descriptions of the respective ports the committee members are from were given.
3. The plan for the committee was discussed. The group agreed on the proposed definition of combined transport and on the details of the plan.
4. George Keet put forward the idea of creating an international standard for the classification of logistic centres. The classification should be supervised by an accredited organization (i.e. VERITAS and others). The group agreed that this could be one of the tasks for the committee to elaborate on.
5. The discussion continued regarding the handout "Combined Transport, Current Trends, Major Obstacles and Scenarios".

The following was noted:

#### Current Trends

- A current industry trend is the increased competition among shippers, demanding lower costs in ports.
- For combined transport, increased speed is an important trend
- The single container solution creates inflexibility
- Seamless transportation is an important trend in combined transport.
- Ports are adding value to the shippers' goods by creating distribution centres, etc.

#### Major Obstacles

- It should be pointed out that "lack of commercialism" mainly refers to railways but also to ports around the world.
- Whether the conference systems are an obstacle or not was discussed. The group agreed not to regard them as an obstacle. The group agreed that the THC (Terminal Handling Charge) could be a major obstacle for the ports.
- Conflicts of interest in harmonisation technically and administratively exists to some extent. Companies "in charge" of the interfaces have a better position to cope with this.
- Imbalance in flows and the impact this has on empty positioning and logistic costs is an obstacle.
- The "phobia" to do everything by themselves could be an obstacle if the volumes are not enough for such ambitions. It will just create inefficiency and redundancies.
- Ports are playing on an unequal field due to different governmental regulations and different financial arrangements.
- Reliability in ports has been improved in some places by including the dockers in the group of owners.

- Lack of expertise in logistics and trade procedures in general is an obstacle.

#### Scenarios

- Environmental legislation will affect the localisation of factories. Values will be added in those countries where the sources are.
- There will be a global shift in trade since developed countries concentrate on high technology and less developed countries concentrate on basic production.
- There will be changes in the interfaces between forwarders and shipping lines (i.e. NVOCC, Non Vessel Operating Common Carriers).
- Harmonisation of load carriers and transport means reflect a degree of wishful thinking, although the situation will improve.
- Increased investment will be stimulated by long term commitment between fewer parties, but long-term commitment increases the risks in a fast-changing marketplace.
- Cofinancing from industry could become a reality from transportation companies but not from shippers.
- The group agreed to remove "possibilities to act as forwarder" from the port scenario.

### The Singapore meeting, November 2-3, 1993

#### Present

Göran Wennergren (Chairman)	— Port of Gothenburg AB, Sweden
Stefan Samuelson	— Port of Gothenburg AB, Sweden
Yoshikazu Kawasaki	— International Port Cargo Distribution Association (IPCD), Japan
John K Hirst	— Association of Australian Ports & Marine Authorities, Australia
Abdullah Alias	— Penang Port Commission, Malaysia
Ng Chee Keong	— Port of Singapore Authority, Singapore
Manjit Singh (Secretary)	— Port of Singapore Authority, Singapore

1. The Chairman welcomed all members to the meeting of the Combined Transport & Distribution Committee. He informed the members that the first meeting of the Committee for Africa/Europe was held in Amsterdam in October in 1993 while the meeting for the Americas was scheduled for April 1994 in Atlanta. This will be followed by a meeting of the whole committee in Copenhagen in May/June 1994. The Chairman assured all members that they will be welcome at the meetings scheduled for Atlanta.
2. The committee commenced the meeting by accepting the definition of "Combined Transport", the purpose of the committee's work, objectives and activities as laid out in the first paper attached to the agenda.
3. The members next deliberated on the current trends, major obstacles and scenarios affecting the industry, combined transport and ports.

#### Current Trends

3.1 It was noted that the term "industry" covered both "trade" and "manufacturing". There was a noticeable move

industry to minimise both capital and operating costs. Organisations were considering the comparative advantages of several countries and relocating segments of their operations abroad. Such "globalisation" would probably be more pronounced in the future as companies seek means of overcoming protectionists measures by certain countries.

As for combined transport, the meeting agreed that there was a discernible shift towards greater sea transport of goods. This was attributed in S.E. Asia to greater intra-ASEAN trade and to the geographical layout of the area. In Australia the concern for the environment was "pushing" heavy vehicles off the roads. As there was no standard rail gauge linking all the states, increasing amounts of cargo between states were being moved by sea. A similar trend was also evolving in Europe.

The meeting agreed that harmonisation of load carriers and transportation means would be accompanied by standardisation.

On the subject of trends in ports, increasing land costs and a shortage of land adjacent to the existing port infrastructure were identified as among the changes. The move towards inter-modalism would see greater integration between ports and railways. The introduction of information technology would present new horizons not only for applications but for interfaces too.

#### 3.2 Major Obstacles

Members agreed that shippers did not always fully benefit from improvements introduced by ports. For example, while some ports reduced tariffs and provided better services, shipping lines increased terminal charges. The meeting expressed concern about the arbitrary manner in which terminal handling charges were being introduced and varied.

The meeting noted that harmonisation of technical standards was being slowed down due to the vested interest of various segments of the industry. This was holding back the progress of standardisation in the EC countries. However, members of ASEAN were collaborating to identify and overcome obstacles and to deregulate trade.

Referring next to obstacles in the ports, all members agreed that the common problem was not one of the lack of port infrastructure but rather the lack of coordination



between port development and supporting services and facilities. For example, while several ports made extensive use of EDI, the legal framework had not been developed in tandem to define accountability and liability. In other areas, supporting roads had not been planned to match port development.

Another common obstacle concerned the skills of workers to handle new modes of operations. Training, often an expensive resource, was invariably required to upgrade the workers skills. The problem was further compounded by the lack of permanency of the workers.

### 3.3 Scenarios

The meeting concurred that an emerging trend in the industry was the formation of trading blocks followed by

changes in trading patterns. This was being accompanied by specialisation of production centres and changes in the routing of goods.

In the field of combined transport, strategic alliances would probably develop further, e.g., between shipping lines and railways, to provide the customers with door to door service. However, progress in combined transport might be hampered by growing concern on environmental pollution such as sound, dust and traffic and the movement of dangerous goods through populated areas.

In the medium term, most members anticipated their ports would venture into more downstream services such as warehousing and transportation. Ports would be increasingly active as trade facilitators and catalysts for the development of the surrounding regions.

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# Report of The Trade Facilitation Committee Meeting

**New York, U.S.A., 19 November 1993**

## By David Jeffery

### Members Present

David Jeffery	(Port of London Authority) Chairman
Keith Wicks	(Port of London Authority) Secretary
Hassan Ansary	(Canada Ports Corporation)
Yoshikazu Kawasaki	(International Port Cargo Distribution Association, Japan)
Pascal Lelarge	(Port Autonome du Havre)
Larry Sposi	(Port Authority of New York & New Jersey)

### In Attendance

Barry Aldous	(Port of London Authority)
Jean Lespérance	(Canada Ports Corporation)

### Opening Remarks

The Chairman expressed thanks to Larry Sposi of the Port Authority of New York and New Jersey for hosting the meeting and to Lillian Liburdi for allowing the use of their conference room.

It was reported that all members of the Committee had responded to the invitation to the meeting. Written and verbal contributions to agenda items has been received from some of those unable to attend. (copies of the written contributions were distributed at the meeting).

### Report to the Committee

The TFC approved the report of the meeting held in Sydney, Australia on 17 April 1993.

The Chairman reported that the membership list of the TFC and its Terms of Reference have been approved by the EXCO.

### Membership of the TFC

The TFC noted the membership (changes detailed in the papers attached to the agenda).

Thanks were expressed to Barry Aldous for his work as Secretary to the TFC which he was giving up as a result of a job change within the PLA.

The TFC discussed the comments on the mix of the committee as contained in the written communication from Joseph Bayada (Cyprus Ports Authority). Hassan Ansary agreed to take on the challenge of finding a member from South America. It was concluded that if possible a member should also be found from Africa; suggestions would be welcome.

It was agreed that TFC meetings should be held on average every six months and whenever possible to coincide with another related event. Contact with members would be developed through attendance at meetings and by exchanges of correspondence.

### Work Programme for the TFC

The TFC agreed it should not take on work already being done elsewhere. Liaison with organisations such as UNCTAD would be encouraged so that the TFC could complement their work. Contact had also been made with

UN Economic Commission for European WP.4.

The TFC had a wide debate on the areas of work that it should address. It was noted that:-

- one driving force for implementation of EDI is likely to be regulations particularly those associated with hazardous cargo;
- some bodies only work on formal regulations (e.g. IMO), whereas IAPH is a Trade body and should try to find ways to bring together commercial and regulatory requirements;
- ports only have limited need to communicate with each other;
- some issues are not strictly trade facilitation, such as hazardous regulations, but can have an effect on the flow of cargo through ports and therefore should come within the TFC work programme;
- the TFC should address issues through its work programme and become a catalyst for good solutions.

#### Information Model

The TFC agreed that it should create a library of relevant papers and documents on Trade Facilitation issues including Information Technology (IT) and EDI. This would be structured in a manner aimed particularly at developing countries having difficulty in getting started in the use of technology.

Documents to be included in the library, will need to be categorized. They should not be commercially produced 'sales' documents. A small sub-group comprising Larry Sposi, Pascal Le Large and Yoshikazu Kawasaki was put in place to review suggested documents for the library. As a start

Larry Sposi is to prepare a list of subject matters by way of a table of contents.

The view of the TFC was that the guideline \* distributed with the agenda should be regarded as a synopsis or Executive Summary and be published in the IAPH journal under the aegis of the TFC. (\* The guideline will be carried in the next issue of this journal.)

The TFC considered that member ports should be encouraged to join and help develop local or regional EDI associations. The World EDI Institute, of which Hassan Ansary is a director, was formed to bring such associations together.

#### Use of Telecommunications

The view of the TFC was that this is largely a technical issue. There are a number of Worldwide companies providing services. Some national controls are very tight. It is heavily used in the developed world but some underdeveloped countries are held back.

Larry Sposi offered to report back to the TFC on the activities of TOPAS a group looking at telecommunications issues in North America and the SMDG (Ship Planning Message Design Group).

#### Regional Developments

The TFC considered written reports relating to Cyprus from Joseph Bayada and on Australian developments by John Hirst as well as a paper on the 'History of Community networks in the United Kingdom'. (copies are attached to these minutes).

The TFC agreed that it should act as a conduit for regular reports on relevant developments. It was recognised that

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in some areas reports on a Regional basis could prove problematical and for these areas reports by Country would be more realistic.

The TFC felt that such reports on developments should be included as a regular item in the IAPH journal. Members are to be encouraged to provide reports which should be fairly short and indicate key developments. They are to be sent to Keith Wicks as Secretary to TFC and he will forward them to 'Ports and Harbors'.

The Chairman outlined the role of the Maritime Industries Forum EDI Panel being set up in Europe. He had been appointed chairman of the panel and will report its progress to the TFC.

#### **Status and use of EDI (message) developments**

The view of the TFC was that the reporting of message developments should be included with reports on regional developments.

The TFC discussed manifest messages. Jean Lespérance reported on the Edifact Manifest Message Implementation Guide prepared by TCIEG. He is to draft a letter to register common interest with a group of shipping companies in the USA that is developing a similar message and guideline, initially for X12.

It was reported that in Europe it is planned that the manifest be used as a source of information for statistics and this is stimulating interest in electronic manifests.

#### **Directory of Port 'systems'**

Jean Lespérance outlined to the TFC the status of the Handbook produced by TCIEG. To produce it he had taken the information he received and copied it. The price of C\$100 is largely to pay for the costs of copying and distribution. He expressed the view that the time was probably right for another update. He reported that IATA has a similar document.

The TFC would encourage IAPH members to contribute information on their systems to the TCIEG Handbook.

#### **Training Requirements**

In considering training the TFC agreed it should focus on training related specifically to port issues. It could provide a cataloguing role on who is offering training. IAPH Members should be asked to provide information on relevant training including training tools. Canada Ports Corporation would help by bringing to the attention of the TFC planned training.

It was suggested that IAPH is generally behind other similar organisations in generating revenue through courses and seminars. It is possible that the TFC could consider arranging a seminar and hold a meeting in conjunction.

#### **IAPH Information Technology Award**

The TFC discussed the proposal put to IAPH by Hassan Ansary of the Canada Ports Corporation for an award (details distributed with the agenda). The view of the committee was that it is a good idea and it was hoped it would be a catalyst for interest in IT by developing ports.

The Canada Ports Corporation had agreed to sponsor the first award therefore there would be no cost to IAPH. The view of the TFC was that future awards could be sponsored by other TFC members and therefore not be a financial drain on IAPH.

The main conclusions of the TFC on the award are:-

- it would be open to all full IAPH members; system

suppliers would not be able to participate directly but could have a secondary involvement.

- it was important that the award should not be broken down into classes. The award would be for achievement which would be relative to their starting point. Major ports would have to show a major leadership role and not just an amount of spend. The selection committee will decide on the degree of achievement.

- the applications would have to indicate the role that the port took in developing/introducing the system or trade facilitation issue.

- the period of achievement would be the previous calendar year.

- the award would be for Trade Facilitation including but not limited to EDI or IT.

- the award would be made to the organisation not to an individual.

- the frequency of award would be annual. The first award being made in Toronto in June 1994 for achievements in 1993. Every other year the award would be made at the IAPH Biennial Conference.

- the award could be a trophy and/or a plaque.

- the Selection Committee would comprise:

- Chairman of TFC
  - representative from country where presentation is to be made
  - representative from IAPH Tokyo
  - representative from the TFC from a region not already included in the selection committee.
- in the event of a candidate being from the same region as a member of the selection committee then that representative must abstain from the decision process.

Hassan Ansary offered to document the suggested criteria within a couple of weeks of the meeting. Once agreed these would be communicated to the Secretary General, President and EXCO of IAPH.

#### **Any Other Business**

The Chairman agreed that copies of the new IAPH organisation chart be distributed to TFC members.

The Chairman reported that the EXCO is due to hold its mid-term meeting during the week 29 May to 4 June 1994 in Copenhagen.

The Canada Ports Corporation introduced the 'TECST (Total Electronic Commerce Service for Transportation) Prospectus' to the TFC for their interest and information. It was agreed copies would be distributed with the minutes.

#### **Next Meeting**

The Chairman reported that he planned to hold the next meeting of the TFC on 10 June 1994 in Toronto at the invitation of the Canada Ports Corporation. It will be held during Toronto 94 which includes the Ports Canada Computer Conference 8/9 June 1994 and Business Conference 13/16 June 1994.

The Canada Ports Corporation offered complimentary attendance at both conferences for all TFC members. They must however still send in registration forms but clearly mark them 'IAPH TFC member'.

It was reported that the Federal government had invited Ministers of Transport from around the world to hold a summit at the same time in Toronto.

Close

The Chairman thanked those present for their participation and also thanked those who could not attend but had nevertheless provided contributions to the meeting.

He also expressed his appreciation of the hospitality and assistance given by the Port Authority of New York and New Jersey.

## **IMO Meetings Working Group on Ship/Port Interface**

**Report by Alex J. Smith**  
**IAPH Liaison Officer with IMO**

The Working Group held its 2nd meeting in IMO, London from 6 to 10 December 1993, under the chairmanship of Captain H-J Roos (Bremen, Germany).

The meeting was attended by delegations from 18 Member States, including Hong Kong as an Associate Member and representatives from 12 intergovernmental and non-governmental organisations including IAPH.

Participation by Member States and intergovernmental organisations was down from the number present at the first meeting in December 1992. It is interesting, in the event, to speculate why that should be, given the increasing importance and sensitivity of the Ship/Port Interface to safety and environment protection. Perhaps it was that there continues to be uncertainty as to the Working Group's future status which will not now be confirmed before mid-1994.

Suffice to say that the meeting's tone in its initial stages, was negative. As practical issues came more to the fore in discussions, the mood changed, leading to very positive results at the conclusion of the meeting.

### **Objectives and Terms of Reference**

The official IMO view of the role of the Working Group is clear. It should serve as a clearing house for all port-related matters in which IMO might reasonably have an interest. Material already available from other sources should be examined and modified as necessary. Where gaps evidently exist, work should be initiated. The eventual goal would be to produce standards for ports against which they could measure and/or improve their performance so far as safety and environmental matters are concerned.

In discussion there was an attempt to equate "standards" with the development of a classification or rating system for ports, to which concept IAPH expressed strong opposition.

It was generally agreed, however, that the availability of standards developed by, or with the full cooperation of the international port community, did have the virtue of allowing ports to evaluate their respective performances in terms of safety, pollution prevention and facilitation of maritime traffic.

In the event, Draft Terms of Reference, including Objectives and Working Methods were agreed for approval by appropriate IMO Committees during 1994.

### **IMO's Strategy for Ship/Port Interface**

The scope of IMO involvement in port-related subject areas will determine the Strategy to be adopted. Scope, however, depends on the definition of a "Port" for IMO purposes, and the location of port/ship activities falling within the legitimate purview of IMO.

Whilst it was generally conceded that the Strategy should relate to ports visited by sea-going ships to which IMO Conventions apply, it was recognised that in some respects, for example in a cargo-packing context, the strategic operation may well be carried out at a remote inland location. Provision therefore will need to be made for each prospective Ship/Port Interface activity to be judged on its merits.

A Draft Resolution on a Strategy for Ship/Port Interface was approved for adoption, in due course, by the IMO Assembly.

### **Inventory of Port-related Documentation**

IAPH, with other organisations, responded positively to an IMO Circular for information on codes, recommendations, guidelines, manuals and the like, which had been developed by IAPH Technical Committees for general acceptance by ports.

A preliminary inventory of data received was prepared by the Working Group for general circulation to port authorities and other interested parties. It was generally agreed, however, that a continuing opportunity should be provided to interested parties to inform IMO of the existence of other relevant documentation. Accordingly, therefore, a draft Circular was agreed for that purpose. The Circular will also re-emphasize the need for respondents to bring forward proposals for topics which need urgent attention by IMO, together with explanations of the related problems.

### **Subject Areas of more Immediate Interest to IAPH Technical Committees**

IAPH members will recall that an extensive list of subject areas in which IMO could be presumed to have a legitimate interest, had been prepared by the first meeting of the Working Group in December 1992.

The continuing uncertainty regarding the Working Group's future status made it unrealistic and premature to determine work programme priorities for the listed subject areas, including specific topics put forward by IAPH, amongst others, as needing urgent attention. Even so, there is every reason to suppose that a decision on the Working Group's status will be taken during 1994. It may then be expected that a work programme will be drawn up for necessary action by the Working Group.

In anticipation of that situation, the attention of appropriate IAPH Technical Committees is drawn to certain issues, set out in Annex 3 attached, on which it is advisable that an IAPH response and/or input should be prepared for early use.

Particular attention is drawn to topics which were raised by the IAPH representative, and agreed for inclusion in a future IMO work/programme for the Ship/Port Interface. These are:

### **Reception Facilities**

The IAPH Port Safety & Environment Committee are already aware that the lack of, or deficiencies in the availability of port reception and waste disposal facilities was a continuing constraint on the successful implementation of MARPOL 73/78 worldwide. There is therefore an evident

and urgent need to develop policies which can be applied internationally, regionally and nationally, leading to the sustainable provision and financing of reception and waste disposal facilities at ports.

#### Technical Cooperation

IAPH's Human Resources Committee will agree that port-related aspects of IMO's global rules and standards are not well understood by a significant number of ports, particularly those which are located in developing countries. Effective implementation of these rules and standards is thereby placed in doubt.

It is therefore essential, in the first instance, that port personnel should be made familiar with those IMO rules and standards which are relevant to their port operational functions.

To facilitate that objective, IMO's Technical Cooperation Sub-Programmes should be examined from the standpoint of port operations. A rational approach can then be taken to the development of appropriate training programmes to meet perceived needs, with provision being recommended for such funding as may be seen to be necessary.

#### Port State Control (PSC)

IAPH's Marine Operations Committee is aware that while the professional calculation of technical standards of design, construction and equipment of ships for PSC is largely beyond the competence of port personnel, there is every reason for ports to be concerned at the port operational implications of PSC. The arrival of sub-standard shipping in port waters and their detention by PSC inspectors; the reception of disabled ships in ports and the presence of ships which have been abandoned by owners and/or crews can pose serious problems for ports.

A coherent and constructive IAPH position paper on these matters would provide a helpful lead-in to resolution of the problem area.

## Report by Bursary Recipient

*on the 29th International Seminar on Port Management  
International Institute for Infrastructural, Hydraulic and  
Environmental Engineering (IHE), Delft, the Netherlands,  
May 11 - June 18, 1993*

**Amie M. Sey**  
Administrative Manager  
Gambia Ports Authority, The Gambia

#### Introduction

The International Seminar on Port Management is one of the regular short courses conducted each year at the International Institute for Infrastructural, Hydraulic and Environmental Engineering (IHE), in Delft, the Netherlands. The 29th session was held from May 11 to June 18, 1993.

I was selected by my employers The Gambia Ports Authority to attend this year's seminar. To enable me to attend the seminar, I was privileged to be a recipient of a

bursary granted by the IAPH with additional assistance from the Gambia Ports Authority to cover air fares and complementary living expenses.

#### The Seminar

The seminar was well attended, bringing together twenty participants from the following countries: Kuwait, Malaysia, Nigeria, Cameroon, Australia, Ghana, Indonesia, Israel, Nicaragua, Mozambique, Tanzania, Uganda and the Gambia. Participants came from various disciplines of port management. These included areas such as engineering, operations, port development and planning, policy planning, finance, personnel and administration. This multi-disciplined group was found to be very talented and experienced as was evidenced by each individual's contributions during the six week period.

Twenty-one port experts specializing in port management, planning, and engineering disciplines delivered lectures and papers during this period. They came from the Netherlands, Switzerland, France and the UK.

The seminar took the form of formal lectures, tutorials, group discussions, visits and study tours to various ports in Holland, France and Belgium.

Topics covered during the study period were wide and varied. These began with an introduction to the philosophy, developments and practice of intermodal transport. This was then followed with in-depth lectures in the following areas:-

- 1) Aspects of containerization;
- 2) Hinterland connections;
- 3) Port management;
- 4) Systems approach to port problems;
- 5) Responsibilities and liabilities in port organizations;
- 6) Environmental aspects of port operations;
- 7) Maintenance dredging;
- 8) Port planning and design;
- 9) Port equipment (selection and maintenance);
- 10) Port tariffs;
- 11) Port strategy and competition; and
- 12) Resource control management.

To provide participants with practical firsthand experience of modern port management techniques and practices, the formal lectures were laced with study visits to ports in three different countries, i.e., Amsterdam/Rotterdam (the Netherlands), Rouen/Le Havre/Boulogne/Calais/Dunkirk (France) and Ghent (Belgium). During these visits participants were given guided tours of a variety of specialized terminals and DistriCenters. The highlight of these port visits was the opportunity to explore at first hand the newly completed ECT Delta Terminals at Europort.

#### Benefits

This course was very useful in that it exposed participants to a diverse mix of theoretical and practical approaches to modern port management. It also offered the opportunity for participants from a wide variety of countries to share with each other operational/management experiences of their ports and also to engage in a continuous dialogue in order to seek solutions to common port management problems.

On a more personal note, the lectures on port strategy and port competition were of particular interest to me, and I can recall that they generated vigorous debate during and after lectures. The course also offered me the unique op-

portunity to gain an insight into modern container terminal operations and to witness the scale and scope of operations in what can only be described as large and fascinating ports.

Literature received during lectures and visits have proved to be quite a valuable point of reference upon my return home.

### Conclusion

It is my sincere opinion that this course has, to a significant degree, provided me with an insight of the experience and knowledge necessary to better face the challenges of modern port management. I intend to utilize the knowledge and experience gained to the benefit of the port of Banjul.

For this I would like to take this opportunity to thank and express my sincere appreciation to the IAPH for awarding me a bursary, to the IHE Delft for the hosting of the seminar and the support they gave me during my stay in the Netherlands. Finally, I would also wish to thank the Gambia Ports Authority for sending me on this programme and providing me with additional financial assistance.

### A Brief on the Gambia Ports Authority

The Gambia Ports Authority was established under the 1972 Ports Act as a statutory public corporation.

Within the provisions of the Act, the Authority is mandated to "provide and operate in any Port such port facilities best calculated to serve the public interest; maintain, improve and regulate the use of the Port of Banjul and the port facilities transferred to the Authority under this Act, to such extent as appears to it expedient in the public interest". The Act also makes it mandatory for the Authority to conduct its affairs on sound commercial lines.

Since the establishment of the Authority, further legislation has been enacted known as the Public Enterprises Act 1989, whose principal objectives are to regulate the powers and duties of Public Enterprises and to promote improved performance, profitability and efficiency.

Whilst operating within these two Acts of Parliament, Government further contracted with Gambia Ports Authority under a Performance Contract in 1987, providing a formal statement of intentions and obligations between Government and the Authority, so as to encourage maximum performance of the Enterprise, consistent with its role and objectives as a publicly owned body. In effect, it provides the mechanism for Government to assess fairly the performance of the Enterprise and its Management. The Contract provides appropriate rewards for, above normal performance and sanctions for poor results.

It is widely recognized that the Authority has performed exceptionally under the performance contract as evidenced by its attainment and in many cases surpassing of both operational and financial targets that are set annually under the contract.

During the aforementioned periods the Authority tenaciously pursued policies which have since continued to yield significant benefits. Prominent among these were:-

- \* The modernization of port operations and cargo handling techniques. It will be recalled that this period witnessed massive improvements in port infrastructure which included additional berthing and storage facilities, complemented by the acquisition of modern cargo handling plant and equipment.
- \* Introduction of various staff and management re-

forms. This took the form of reorganization of the Authority's management structure, as well as the introduction of training and retraining exercises at all levels, especially in-house training for operative staff. This has resulted in the improvement of the quality of the management team.

These reforms amongst others have laid the foundation for modern and efficient port operations into the twenty first century. It is recognized however that the evolution of international seaborne trade now places the port and the community that it serves, in a position to play a wider role than in the past.

The competitive advantages of the Gambia, i.e., political stability, economic discipline, liberal banking and customs regime, good world wide communications combined with high efficiency and productivity at the port of Banjul, makes the Gambia an ideal place for any company wishing to establish a regional distribution center.

In this vein, the Authority is currently embarking on the Third Banjul Port project. This will involve the upgrading of port facilities at a cost of approximately US\$33 million. These developments will give the port of Banjul the facilities and capability to handle all types of cargo and service the needs of the sub-regional market. This subsequently will enhance the role of the port as a service center and enable it to become a major drawing force in the development of trading activities in the Gambia.

## Visitors to Head Office

On January 7, Mr. Walter A. Abernathy, who is now President, Pacific Merchant Shipping Association in Oakland, California, visited the Head Office where he was received by Secretary General Kusaka and his staff. Mr. Abernathy was visiting Japan on his way to Shanghai.



The photo was taken after lunch near the IAPH Head Office in Kasumigaseki from left, K. Takeda, Mr. Abernathy, Nancy Putney, K. Kusaka and K. Nagao.

On February 1, Mr. Jonathan Sam Ignarski, Regional



Mr. Ignarski autographs an IAPH guest book. Standing are Mr. Kondoh and Mr. Pak (right).

Manager (Asia Pacific), Through Transport Mutual Services, TT Club's Hong Kong Office, and Mr. Felix C.K. Pak, General Manager, Throughtrans Services (Asia) Limited, in Hong Kong, visited the Head Office. The visitors met Mr. R. Kondoh, Dy Secretary General, to exchange views and information on subjects of mutual interest, especially how best the expertise of TT Club, an Associate Member of IAPH, can be reflected in the work of IAPH.

## Membership Notes:

### New Members

#### Associate Member

**Nippon Tetrapod Co., Ltd.** [Class A-3-1] (Japan)  
 Address: Shinjuku Dai-ichi Seimei Bldg.  
 2-7-1, Nishi-Shinjuku-ku  
 Tokyo 163-07  
 Mailing Addressee: Dr. Taiji Endo, Director  
 Overseas Consulting Department  
 Telex: 02322625 NTETRA J  
 Tel: 03-3342-0159  
 Fax: 03-3342-8995  
 President: Mr. Yasuo Hisada  
 Director of Overseas Consulting Department:  
 Dr. Taiji Endo

#### Changes

**Port of Copenhagen Authority** [Regular] (Denmark)  
 Chairperson: Mrs. Anne Marie Nielsen

**Autoridad Portuaria de Barcelona** [Regular] (Spain)  
 The telephone and facsimile numbers have been changed  
 as (34)-3-443 13 00 and (34)-3-441 23 81 recently.

**PSO (Technical Services) Ltd.** [Class D] (U.K.)  
 (Formerly The Ports' Safety Organisation)

## OBITUARY

### Viscount Simon dies at 91



Lord Simon, who was chairman of the Port of London Authority for 13 years until 1971 and was the 6th President of IAPH, died at the age of 91 in Devon, U.K., on December 5, 1993.

The sad news only reached the Tokyo Head Office on January 18, 1994 via Mr. Toru Akiyama, a Secretary General Emeritus of IAPH, who has reportedly received a letter to this effect from Lady Simon.

As many of IAPH members who participated in the 1981 Conference of IAPH held in Nagoya commemorating our 25th anniversary will recall, Lord Simon, who served as the 6th President of our Association (1965-1967), was a guest speaker and was one of the 13 individuals who were invited by the Association to receive the silver jubilee commendation in honor of their meritorious service toward the development of our Association.

Secretary General Kusaka, jointly with his senior staff members, sent a letter of condolences to Lady Simon (address: 2 Church Cottages, Abbotskerswell, Newton Abbot, Devon TQ12 5NY, England, U.K.)

For the benefit of our members, we reproduce partially the news release issued by the PLA, which was obtained through Mr. A. J. Smith of our London office.

### LORD SIMON

(from the PLA News)

He was appointed full-time chairman of the Authority in 1958 — the halcyon days for London when all berths in the enclosed docks and at the riverside wharves were always full.

Later through he presided over the early days of new technology — and his board approved Dudley Perkins' ambitious plans for the Port's first container berth on the Tilbury extension, which also incorporated the three packaged timber terminals.

Lord Simon was a great supporter of THE PORT Newspaper and, but for his determination in the early days of 1967, the paper might not have got off the ground.

But then Lord Simon was always a great communicator and he was regularly seen around the Port chatting to dockers and staff.

In fact, when he retired as the PLA's last full-time chairman in 1971 he included his address in Devon in the PLA staff magazine with the note "Drop in if you happen to be passing."

He and his wife, 'Jimmy', a former ballet dancer, took a great interest in all PLA staff activities, giving their support to the horticultural and drama societies in addition to the various sports clubs.

Lord Simon was also a major national ports figure — and was a member of the National Ports Council.

Prior to joining PLA he was managing director and deputy chairman of the P & O shipping line.

After retiring from PLA he made frequent appearances in the House of Lords where he took the Liberal whip.

He is survived by his wife, daughter and a son.

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# OPEN FORUM

## The role of inland waterways in the European transport policy

*(Reproduced from "HINTERLAND", published by the City of Antwerp and the Port of Antwerp Promotion Association)*

**Introduction by Mr. Willem de Ruiter,  
Head of the Section Inland Navigation in DG Transport  
of the European Commission**

**at the TRANSCALDIA-Symposium  
On Inland Navigation**

**Antwerp, 20 October 1993**

### **1. Introduction**

I would like to congratulate the Port of Antwerpen Promotion Association on its initiative to organize a waterway seminar in the margin of the TRANSCALDIA exhibition. I am happy to be able to use this opportunity to briefly summarize the Commission's inland navigation policy, and to present the issue in the context of the present economic situation.

Although there has been little growth in the waterway market over the last 10 years, inland waterway carriage still plays a very important role in the European transport system.

On an annual basis roughly 420 million tonnes of freight are carried by waterway, of which almost 200 mio tonnes in domestic traffic in Belgium, Germany, the Netherlands and France and over 220 mio tonnes in border crossing traffic. There is increasing resistance from the population to pollution, traffic noise and poor road safety and traffic jams.

However, over the last few decades, growth of the European transport market was almost entirely concentrated in the road sector. The detrimental effects of the one sided growth in road transport are becoming increasingly apparent.

A better division of transport between road, rail and water (including coastal navigation) is called for. The railways have growth potential but enormous investments in infrastructure are needed to boost capacity, whereas inland waterways have growth potential now.

The railways are also struggling with other structural problems such as increasing pressure from the governments to reduce their deficits and the need to adapt their huge

organisations to changing conditions.

The waterways do not have such problems. It is a private sector characterized by thousands of medium sized and small operators who are flexible and can adapt to market developments. In this innovative spirit, all sorts of special vessels have been introduced, designed especially for the carriage of specific products, such as containerships, car carriers, double skinned tankers for dangerous goods, etc.

### **2. The present economic climate**

Despite the strong points of the sector, inland carriage is not exactly going through a boom period. On the contrary, there are considerable problems in the sector, which are partly structural and for another part caused by the present recession.

The recession has left deep traces. Since mid-1991, transport prices have dropped strongly, both in the dry cargo and in the tanker market and there is no sign of improvement yet. According to the Market Observation System for Rhine navigation, the price index for dry cargo dropped in two years from 120 to less than 80 and in liquid cargo from 200 to 80. In both markets, prices are now back at the low level of 1987 (which was considered a crisis period), whilst costs have gradually increased.

The drop in prices is much stronger than the drop in demand. Complete statistical information is not available yet, but according to a recent report from NEA consultants the decrease in transport volumes was only marginal.

The inland waterway operators are the victim of their

own success. They have been really successful in modernizing the fleet and in boosting the productivity. But now that there is a modest reduction in demand it is this on-going productivity increase, resulting in overcapacity, that pushes prices down further and further.

Of course, the waterway sector is not unique in this respect. Many sectors of the economy are suffering from overcapacity at present. To mention another example in the transport sector : the aviation market.

Practically all European air carriers are in deficit and all are in the process of cutting costs. But there is also an important difference between the economic problems in the two sectors. If air carriers reduce prices because of fierce competition, they automatically generate extra demand for their services because many more people would like to fly if they could afford it. In the waterway sector, on the contrary, demand is rather inelastic. Therefore lower prices cannot be compensated by carrying more.

It is probably because of this fundamental difference that the two sectors respond in quite a different way to the current overcapacity. In aviation, the fierce competition leads to merging of companies, cooperation and concentration, resulting in mega carriers that can profit better from economies of scale. In waterways, the opposite evolution is observed. The bigger companies, in so far as these still exist, are in the process of selling their vessels to private owner operators, who can only survive by working long hours with their families. This on-going "atomisation" of the supply side adds to further internal competition. The fact that even well-managed modern shipowner companies have to give up, is a sign of impoverishment of the sector as a whole.

### **3. Commission's policy**

Turning now to the Commission's waterway policy, both as regards the long term objectives and in relation to the present economic situation, three main fields of activity can be distinguished:

- a- structural improvement measures to reduce overcapacity;
- b- completion of the internal market;
- c- external relations.

#### **ad -a- : Structural measures**

In April 1989 — on a proposal from the Commission - the Council adopted Regulation No. 1101/89. This Regulation was designed to reduce the existing overcapacity by joint scrapping actions and, secondly, to curb investment in new vessels during a period of five years. Under this programme more than 1.1 mio tonnes of old capacity has been taken out of the market, corresponding with 8.3% of the Communities dry cargo fleet and 13% of the tanker fleet. For a period this intervention led to improved market conditions. However, it became evident that the old-for-new rule was not as effective as initially expected. A considerable number of new vessels were brought into service as soon as the market conditions improved. It was intended that in such cases an equivalent tonnage of old capacity would be taken out of the market by the owner. However, experience showed that it was sometimes difficult to find compensatory tonnage and therefore many operators preferred the other option of paying a special contributions to the scrapping funds.

In the course of 1992 it came about that of all new constructions in the dry cargo sector 67% was compensated

by scrapping whilst the corresponding figure for the tanker sector was only 26%.

The Commission — in consultation with the Member States and the profession — acted quickly to remedy the situation. A new Commission Regulation No. 3690/92 entered into force on the 1st of January 1993, which provides that all special contributions received by the Funds are immediately used for scrapping of old tonnage. From that date, it is ensured that all new tonnage brought into service will be compensated by scrapping either on behalf of the owner directly or shortly afterwards on behalf of the Fund.

The old-for-new rule expires on 28 April 1994 but the Regulation also provides for the possibility of a prolongation. Within the Commission services, work is underway to allow for such an extension. Given the present economic and political climate, there seems to be no reason to anticipate particular problems with the proposal. It is generally felt that the endeavour to establish a global equilibrium between demand and supply should be pursued. The details of the system can be further improved on the basis of the experience gained. Obviously, the system is only of a complementary character. The operators in the sector continue to bear the full responsibility for the planning of their investments in line with the evolution of demand. The Communities rehabilitation programme should assist them in making the right decisions.

#### **ad -b- : Single Market**

The future organisation of the common waterway market is another major issue on the agenda. Liberalisation and harmonisation are key elements in the Common Transport Policy for all modes of transport. In the waterway sector an important step towards an integrated common market was made when the Council adopted the Cabotage-Regulation No. 3921/91 in December 1991.

Under this Regulation all Community carriers will have the right of free access to domestic traffic in any Member State as from the 1st of January 1998; interim measures entered into force on the 1st of January of this year.

A next question is whether the existing price fixing and cargo sharing arrangements, which are currently operational in certain segments of the EC-waterway market, can continue to exist. The Commission has never expressed much sympathy for such systems. Already in an opinion of 17 February 1976 addressed to the Belgian government on the organisation of the North-South market, the Commission warned against negative consequences of extending the tour-de-role system, pointed at the economic inconveniences for the transport users and stated that such action was not in line with the general orientation of the common transport policy. On the other hand, the Commission is aware of the particular socio-economic problems of the waterway operators and of the structural weakness of the sector. For these reasons, the Community's scrapping scheme and the old-for-new measure were launched as a first priority project to improve the structure of the sector. The fact that the main part of the international waterway market, in particular the Rhine market, is already subject to a free regime also played a role in fixing priorities. Further liberalisation in waterways is a matter of timing, accompanying measures and transitional periods.

Recently, the French government presented for opinion a draft law, which provides for gradual liberalization of the national waterway market in a period of 6 years with accompanying measures designed to make carriage by wa-

terways more attractive to shippers and also to give support to elderly operators who decide to leave the business. In its opinion of 23 October 1992, the Commission did not object to this approach.

In an extensive study on behalf of the Commission, dated November 1991, the experts of NEA and PLANCO also advocated a scenario of what they called "balanced liberalization". The consultants arrived at the conclusion that the existing regulatory system makes waterway carriage less attractive to the users. They estimated that a gradual liberalization of the sub-markets concerned could generate an extra demand of at least 6 mio tonnes per annum in the specific markets concerned.

As a next step, the Commission has been asked by the Council to present a report on the compatibility of the tour-de-role and price fixing systems with Community law. In this context, the judgement of the European Court of Justice on a related case concerning price fixing in road haulage is awaited. The Court's Judgement is expected in the next few months. The Commission's report to the Council should serve as a basis for discussions within the Council on the further political orientation.

In the framework of the completion of the Single Market, a number of harmonisation measures have been adopted by the Council. There is for instance Directive No. 87/540 laying down uniform criteria for access to the profession of inland waterway operator and Directive No. 91/672 on the mutual recognition of national boat masters certificates. The Commission services are now preparing a new proposal on uniform requirements for the issuing of boat masters certificates. As announced in the Commission's recent White

Paper on Transport, further proposals on manning requirements and technical harmonization will follow at a later stage.

#### **ad -c- : External relations**

As a consequence of the forthcoming completion of the Single Market, the Member States in the framework of the Council decided to act jointly to establish commercial waterway relations between the Community and third countries. Last December, the Council authorized the Commission to open negotiations with countries in Central and Eastern Europe with a view to concluding a multilateral agreement laying down the rules for traffic between these countries and the Community. This agreement should replace the bilateral agreements concluded by Member States, insofar as these exist. There is a need to harmonise and simplify the procedures for East-West traffic in order to facilitate the development of this market. At present, East-West traffic is still a small market of only a few million tonnes per annum.

The Commission is aware of the great differences in cost structures and working methods which still exist between Western and East-European companies. The Commission will therefore act with great caution in the negotiating process.

I hope that it is clear from what has been said before, that the Commission has an understanding for the difficult situation of the inland waterway operators and will therefore act to serve the interests of the sector in the best possible way. Thus helping to ensure that the waterways play a really efficient role in the Community transport scene.

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## **The Meeting of the UNCTAD Intergovernmental Group of Experts on Ports could not be more timely,**

**Says Lillian C. Liburdi (United States), Elected Chairperson**

*(Reproduced from "UNCTAD PRESS RELEASE: TAD/INF/2376/2378)*

An Intergovernmental Group of Experts on Ports today started a one-week meeting under UNCTAD auspices which will focus on ways of improving the management and sustainable development of ports. Ms Lillian C. Liburdi (United States), Director of the Port Department, Port Authority of New York and New Jersey, was elected Chairperson. Ms Liburdi is President of the International Cargo Handling Coordination Association (ICHCA) and plays an active role in the International Association of Ports and Harbors (IAPH) and the American Association of Port Authorities (AAPA).



*Lillian C. Liburdi*

The meeting could not be more timely, Ms Liburdi stated upon her election. "Ports today are in a position where we must meet the demands of increased trade in a

hyper-competitive environment where business can be shifted quickly and arbitrarily, and in which we are compelled to commit more and more resources and/or alter our operations in ways to meet society's larger environmental protection goals". As regards the first point she explained that in parallel with the expansion and acceleration of world trade, power in the maritime industry continued to be concentrated in the hands of fewer players, with a few large concerns having unprecedented market control. A minor routing adjustment by one of the mega-shippers could leave a port swamped in cargo or stranded.

One way for ports to face their collective challenges resided in a strategic planning approach to their business, an approach which should be promoted at the present meeting. The process of strategic planning, which the Port of New York and New Jersey have been applying for two decades, was a mechanism that ports could use to evaluate their competitive position and evaluate options for the

allocation of their resources. Ms Liburdi made three inter-related recommendations in this respect drawing on her own experience: "Get top-level support. Be specific. Make sure there is a follow-up." She added that it would be useful for the intergovernmental Group to consider the dramatic strides accomplished by Far Eastern ports as reflected in their investments in successful projects. Issues of privatization and commercialization along with the role of authorities would also be discussed.

One of the important questions faced by ports when taking decisions on investment and business development was the uncertainty inherent in trade. For Ms Liburdi the answer lies in the development of business alliances. Ports needed to work with one another beyond their terminal boundaries to serve the customers they had in common and also to protect their positions in the maritime industry.

As regards the protection of the environment, Ms Liburdi noted that ports, by their nature, are located in the midst of environmentally sensitive properties. Meeting the environmental challenge required a partnership between ports and the communities and cities in which they operate. This should take account of the interconnectedness of all aspects of life in the metropolis — including a recognition that ports and maritime-related economic activity should be protected along with the environment.

### **Introductory statements by the UNCTAD secretariat**

In addressing the Intergovernmental Group at its opening session, the UNCTAD Secretary-General, Kenneth K.S. Dadzie, welcomed the presence at the meeting of many high officials and port directors coming from many countries, including the representatives of very large port organizations. There was a clear link between efficient management and sustainable development of ports and the strengthening of capacities for trade.

This Group is the only forum for multilateral discussions

at intergovernmental level. It brings together government representatives from over 50 countries from all regions, as well as terminal operators from the public and private sectors and port users. Non governmental organizations present at the meeting include IAPH, ICHCA, the Permanent International Association of Navigation Congresses (PIANC), Centro Nacional de Formacion y Capacitacion Portuaria (CENFOCAP), the Pacific Forum Secretariat and the Port Management Association of Eastern and Southern Africa.

The issues on port organization to be discussed relate to privatization, commercialization, deregulation and existing legislation. Those on port management encompass human resources development, strategic planning, marketing, sustainable development and investment requirements. In introducing the main agenda items, the Director of UNCTAD's Services Development Division, Rainer Vogel, stated that the UNCTAD secretariat, on the basis of 20 years of experience in dealing with ports, was convinced that the most serious difficulties encountered in this field in both developing and developed countries derived from inadequate organization and poor management. In Africa, for instance, port executives are very often unable to achieve the expected results due to a too heavy interface between the port and the central government. Restructuring, commercialization and privatization were valuable methods for improving a port's organization and management. Whatever the choice, a modern port should be totally market-oriented and financially viable.

Port legislation and sustainable development were two major topics for the present meeting, which called for increased cooperation among port authorities. The Intergovernmental Group will also assess the UNCTAD programmes of technical cooperation and training. One of the present projects, funded by UNDP and carried out in cooperation with the World Food Programme (WFP), is the operation and rehabilitation of the port of Mogadishu and other Somali ports.

## **Experts adopt recommendations for modernizing Port Policy and Management**

At the end of a one-week session (25-29 October), the UNCTAD Intergovernmental Group of Experts on Ports unanimously adopted a series of recommendations on port policy and management aimed at "preparing ports for the millennium" (TD/B/CN.4/GE.1/L.2). The meeting brought together high officials and port directors from 66 countries from all regions, as well as a number of non-governmental and intergovernmental entities. It was chaired by Lillian C. Liburdi (United States), Director of the Port Department, Port Authority of New York and New Jersey. Ms. Liburdi noted that the meeting reflected the general recognition that the role of ports was changing to deal with today's new economic environment. Ports needed to respond by adopting new, market-oriented strategies and customer-oriented solutions. However, they would not be able to play their new role fully if governments had not recognized that change.

In this regard, the Group "recommends reflection by Governments on the importance of the role of their ports and their great potential for fostering trade and development", and recommends "the use of long-term (or

master) planning and strategic business planning methodologies". Two major areas covered by the recommendations are environmental concerns related to port activities and the need for adequate port legislation.

The recommendations should be seen against the background of the dramatic changes in world trading which are taking place "in a competitive environment resulting in great trade volatility generating risks and opportunities for ports". A fundamental task of the Intergovernmental Group was precisely "to determine the factors which can contribute to a successful vision for the future through the efficient management and sustainable development of ports and related port services".

### **Call for guidelines and mechanisms on port-related environmental concerns**

It is clearly stated that "there should not be any competition between ports based on the lack of protection of the environment". For this purpose, pollution norms and environmental pricing systems should be assessed in

accordance with the problems to be solved and the cost to be actually covered.

The Group recommends the establishment of a focal point for environmental matters in every port in order to collect and disseminate information on accidents, data, laws, etc. Such a focal point should contribute to the formulation and implementation of the port's environmental policy. A coordination mechanism such as an Environmental Committee should be created to coordinate action, and involve all interested parties. It should seek the advice of representatives of relevant national authorities, the port operator, port users, and people living in the vicinity of the port.

### Port modernization to be supported by legislation

The Group recognizes the need to modernize port organization and management structures and stresses the need for an appropriate legal framework to support the modernization process. Such a framework "will take into account the most adequate division of responsibilities between central, regional and local levels, the role to be played by national and foreign private entities and the role of port labour as ports become more capital/technology oriented".

The Group supports the conclusions and recommendations formulated by legal experts who met informally in UNCTAD on 20 November 1991 (see annex I of document UNCTAD/SHIP/639), and in particular the reference to the creation of an international body of port jurists.

Privatization and commercialization could be of value in certain areas, but cannot be seen as an end objective, in and of itself; other approaches may be equally useful depending on the local government and social conditions

prevailing in the country. The Group had an extensive discussion on this topic, based on a document prepared by the UNCTAD secretariat including case studies (UNCTAD/SHIP/646), and on presentations of the experiences of two different restructuring methods, one by M. Rajasingam, General Manager of the Kelang Port Authority, Malaysia, the other by Mohamed Hassad, Director of the Port Operations Office of Morocco.

In a summary of the informal discussions (TD/B/CN.4/GE.1/4, Annex), the Chairperson, Ms Liburdi, notes the governments adopt different approaches to port organization. The Malaysian Government, within the scope of its National Plan for Privatization in the second part of the last decade, has opted for the privatization of the Port of Kelang through the sale of movable assets and the leasing of land to private concerns for 21 years. Mr. Rajasingam explained that port services related to cargo and ship handling as well as those involving a bailee responsibility were taken over by the private sector. Fixed assets, such as quays, warehouses, silos, remained in the realm of the public sector and the development of the port remained the responsibility of the port authority. In order to combine local expertise with foreign investment, Malaysian law allows foreign interests to acquire a share of not more than 30% if local expertise is available in the country, but there is no limitation when no local know-how is available.

Morocco, on the other hand, has opted for a reorganization of its ports sector during the last decade while maintaining it in the public sector. A public company has been given responsibility for the provision of ship and cargo-related services. Mr. Hassad explained that the

(Continued on Page 24)

## TO BUSINESS OPPORTUNITY AND LOGISTICAL EFFICIENCY

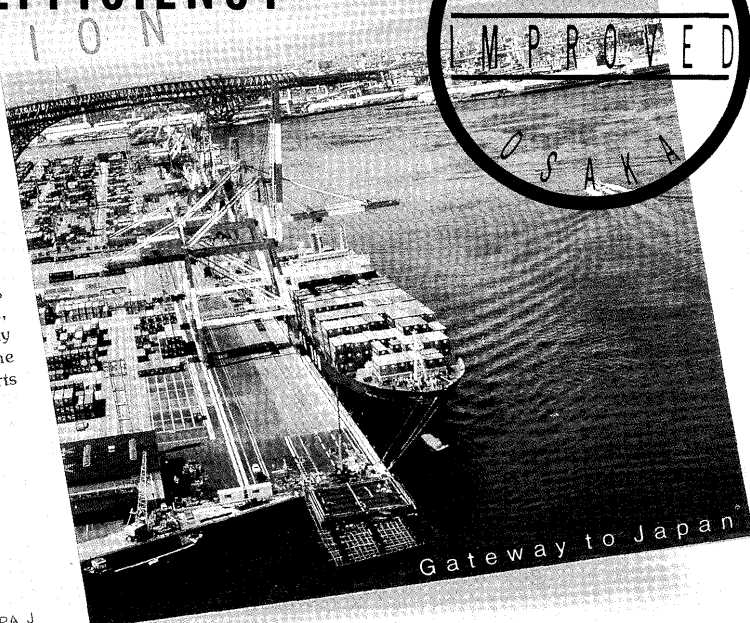
INVITATION

The Port of Osaka:  
The Osaka hinterland: a small country  
unto itself with 20 million consumers  
and 3% of the world's GDP. A grand  
highway system and Japan's largest  
ferry and domestic liner network linking  
Osaka with all of western Japan. Rapid,  
failsafe port services and distribution  
facilities linking air, land and sea,  
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of the most talked about container ports  
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**Port of Osaka**

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OSAKA PORT PROMOTION ASSOCIATION  
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# International Maritime Information

# WORLD PORT NEWS

## 28th PIANC International Navigation Congress

Placed under the high patronage of His Royal Majesty the King Juan Carlos of Spain.

Seville, 21-27 May 1994.

Congress Center.

**Attendance:** PIANC members, non-members and their companions are qualified to register.

### Congress Programme:

Main Technical Sessions on:

#### Section I — Inland Waterways and Ports:

1. Management of inland ports and seaports (common to Section II)
2. Modern management and monitoring systems
3. Toward a renewed competitiveness of navigable waterways
4. Compatibility between nature preservation and waterways
5. Rehabilitation and modernisation of older structures

#### Section II — Maritime Ports and Seaways:

1. Contaminated dredged material
2. Ocean engineering and navigation (including the influence of the marine environment on

structures, navigation and operations and vice versa)

3. Design and construction of port facilities and structures
4. Coastal zones (including the different methods of organizing protection, the nature of such protection works, etc)
5. Social and legislative aspects of sport and pleasure navigation (common to Section I)

#### Other special technical session:

Spanish ports, Environmental concerns, navigation in Latin America, ...

Official Languages: English, French and Spanish with simultaneous interpretation. Technical documents will be published in English or French with a summary in the other language.

Technical Visits: Huelva, Algeciras, Cadiz, ...

Programme for Accompanying Persons: Seville, Cordoba, Granada, ...

Post-Congress tours: Spain and Portugal

International Port Exhibition: "Portuaria Sevilla '94"

Theme: "The Port: Key piece of the Economic Development"

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Secretariat: Colegio de Ingenieros de Caminos

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## Mr. Shaver Chosen as New CCC Secretary Gen.

At its 81st/82nd Sessions, held in Arusha (Tanzania) in July 1993, the Council unanimously acclaimed Mr. James W. Shaver (United States) as its next Secretary General, succeeding Mr. T.P. Hayes, AO. Mr. Shaver will commence his term of office on 1 January 1994.

Mr. Shaver has served in a number of senior posts in the United States Customs Service. In 1982, he was appointed Regional Commissioner for the South Central Region of the United

## Experts adopt recommendations—

(Continued from Page 23)

company is a public authority which is however managed in such a way as to behave as a private company operating in a competitive environment, with individual ports competing for business among themselves in terms of the quality of service offered, but not in terms of quoted tariffs, and with competition within the same port through the creation of autonomous production centers. The success of the process, known as "commercialization", is to a large extent attributable to active support by the Government, the freedom of the company to fix tariffs by negotiation with users without government interference and the introduction of good financial management.

As a result, Morocco has achieved higher productivity, measured in ship's waiting time and tonnes per hour, for ship and cargo handling. In Malaysia, a 25% increase in efficiency was attributable to a similar increase in salaries. Other examples were given by experts, for instance in Callao, the main Peruvian port, productivity measured in cost terms

decreased from US\$18 to US\$3 per tonne for bagged cargo.

## Priority activities for the UNCTAD secretariat

The Group called for wider distribution of the UNCTAD publications in the ports field, which it found "highly satisfactory". Studies are currently being prepared by the UNCTAD secretariat on strategic port pricing and a comparative analysis of privatization, commercialization and deregulation in the port field, and future studies will be on potentialities for regional cooperation in the ports field, and on financial aspects of port management. New priorities set by the Intergovernmental Group for further studies are a survey of national port systems, an analysis of the relationship between the city and the port, and case studies on human resource development in ports.

Training is seen as one of the most important domains of assistance by the UNCTAD secretariat and new activities were identified. The Intergovernmental Group also strongly recommends that donor countries and ports contribute to the project undertaken by UNCTAD in cooperation with the World Food Programme, and sponsored by UNDP, to rehabilitate the Somali port system.

States Customs Service, directing all Customs activities in that region from the headquarters in New Orleans.

Since 1983, Mr. Shaver has served as Assistant Commissioner (International Affairs), directing the international aspects of the US Customs Service's work. In that capacity, he has participated regularly and very actively in the work of the CCC and in the deliberations of its senior bodies (the Finance Committee, the Policy Commission and the Council). He has an extensive knowledge of the organization and its activities.

## **IAASP Feasibility Study On Maritime Fraud**

At the 23rd Annual Conference of the International Association of Airport and Seaport Police, Scheveningen, The Netherlands, June 1-5, 1992, Mr. J.F.M. Strampraad, Criminal Investigation Department, Naval Branch, Dutch National Police, gave a paper on Maritime Fraud.

Mr. Strampraad's remarks captured the essence of the world-wide problem of maritime fraud, estimated to be in the thousands of millions of dollars, a problem not limited to any one country or part of the world.

Mr. Strampraad concluded his remarks with a challenge to the IAASP by stating: "It is an illusion to suppose that Maritime Fraud can be eradicated. This fraud can indeed be combatted provided there is satisfactory cooperation between the police, judiciary and the business world at national and international levels. I would like to encourage the exchange of information between the judicial (police and law enforcement) services which are members of the IAASP engaged in combatting criminal activities in seaports."

The Board of Directors of the IAASP asked Mr. Donald N. Cassidy, Director General, Ports Canada Police, retired, the founder and former President of the IAASP, to develop this Feasibility Study on Maritime Fraud.

The Feasibility Study is divided into three parts:

**Part I — Maritime Fraud** — outlines the world-wide problem of maritime fraud and the attempts made by the United Nations, private enterprise and the police to bring it under some

measure of control.

**Part II — IAASP Criminal Intelligence Network (IAASPNET)** — outlines a proposal for the establishment of a IAASP intelligence network designed for the purpose of exchanging criminal intelligence on members of organized crime involved in maritime fraud, and major criminal activity, such as, terrorism, drug trafficking, extortion, bribery, cargo theft and the smuggling of stowaways.

**Part III — IAASPNET EDI System** — outlines a proposal for the establishment of an in-house IAASP operated EDI system for the exchange of the criminal intelligence, using a secure and relatively inexpensive system.

The Feasibility Study makes these recommendations:

**Recommendation No. 1** — the IAASP should establish a world-wide internal information network for its members for the exchange of information to combat maritime fraud, major criminal activity and organized crime.

**Recommendation No. 2** — the IAASP should establish an internal, operational criminal intelligence network, called IAASPNET, for the purpose of developing and exchanging intelligence information among its members to combat maritime fraud, major criminal activity and organized crime.

**Recommendation No. 3** — the IAASP should develop and implement an Electronic Data Interchange (EDI) system that is secure, relatively inexpensive, instantaneously response, computer based, telecommunications system, to be also called IAASPNET, for the interchange, among its members, intelligence on maritime fraud, major criminal activity and organized crime.

## **New Publications**

### **Port and Transport Logistics — Port Management Textbook Volume 4**

The fourth volume of the ISL "Port Management Textbook" series, the last for the time being, has been published now. While the first three volumes deal with general aspects of port management, intermodal transport systems and port marketing, the new one, edited by Prof. Dr. R. Stuchtey in cooperation

with the Port and Transport Consulting Bremen GmbH, describes several aspects of port and transport logistics and related EDP systems. In the following the eleven contributions which make up the Textbook, will be briefly presented.

The first article "The Role of Ports as Decisive Factor of Land/Sea Logistics" highlights the background of port logistics. Traditionally, seaports have always played a substantial role in the storage and distribution of goods and products as part of the whole transport chain. Therefore, seaports are most suitable to be used as central areas for the collection and distribution logistics. The next item is headed "Logistics and Transport". The necessity of the application of logistics to transport problems is shown. This relation is explained with the Port of Rotterdam as example. At the time of conventional liner shipping port selection strategies were simply reduced to the question whether the revenues would cover the costs of the port; "Qualitative Aspects of Port Selection Strategies in the Area of Container Shipping" deals with the characterization, manifestation and determination of alternative port selection strategies in the field of container liner shipping. The author distinguishes between three different types of port selection strategies, the load centre strategy, the multi-port strategy and a combination of both.

"Electronic Data Interchange as a Tool in Short Term Port Simulation and Long Term Range Planning" describes the rapid challenges and advancements of EDI for the ports in the future. Together with less expensive and more efficient computer and communication technology, the simulation of port and terminal operation has become more accessible to port managers. The next contribution tries to respond to some questions concerning "Port Management Information System (PMIS)". What does the term PMIS mean in general and what are the objectives of PMIS? What are the prerequisites? What shall PMIS produce, to whom shall it be presented and what shall management do with it? "The Information Process of Dangerous Goods" deals with the steps necessary for the implementation of a successful management information

system, which guarantees an optimized nautical infrastructure and an effective information process for dangerous goods. The next article is headed "VCOS/\* The Integrated Control System". It describes a comprehensive container and cargo management system, called Van Carrier Optimizing System (VCOS), developed and used by the Bremer Lagerhaus-Gesellschaft. It integrates all activities of the container terminal as well as the container freight station, provides on-line data and accelerates and streamlines the operation of these facilities. VCOS comprises a yard and ship planning module, an equipment allocation and control module, a landside and vessel operation module and a container management information system.

The next two contributions "Optimized Port Logistics for International Supply of the Automobile Industry" and "The Car Manufacturing Industry — A Logistic Challenge for the Port Industry" show the significance of a successful port information system for a very important branch, the car industry. The seaport as an international transit terminal has to develop global logistic services to satisfy its customers. High information standards can solve many problems. The electronic identification of the vehicle, for example, enables direct access of the port operator and prevents short-shipments or over-shipments. The integration of different subsystems in a complete network is necessary. Logistic services are the key to cooperation between port operator and customers. Several examples for such logistic systems as TELEPORT, CAR, CARIN and Bremen Port Telematic are described in detail. Traditional resource management tasks can be found in all companies. Such tasks will be performed either manually based on the planner's experience or by tailor-made EDP systems. But with new logistic systems and a more global way of thinking the requirements to overcome such isolated solutions are rising. So the authors of "Cooperative Port Resource Management" discuss a new model which is applicable to all kinds of resource management tasks. "SCUSY - Simulation of Container Unit Handling Systems" deals with a basic concept of a modern simulation system, which is able to analyze numerous influencing

factors of technical, commercial and transport components and their interactions. Essential parts of SCUSY for example input, simulation and output are described and different applications of the system in port and transport industry are presented.

The contributions collected in this Port Management Textbook give a rough survey of the various applications of logistics in the port and transport industry. Problem solving possibilities are offered and discussed.

Dr. Marion Hockmann  
Economist

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### Ports at Risk

PORTS have always been the targets for criminals. Over the years, the crimes committed have changed and developed but many port attitudes to crime have not kept pace with the changes. A new book, published recently, reviews the new threats and highlights the part that must be played by good security management in the running of an efficient port.

*Ports at Risk*: Edited by Eric Ellen Q.P.M. is published by the International Chamber of Commerce. 363 pages. Available from the ICC, 38 Cours Albert 1er, 75008 Paris, France. Fax: +33 149 53 29 24, or International Maritime Bureau, Maritime House, 1 Linton Road, Barking, Essex IG11 8HG, UK. Fax +44 81 594 2833. Price £25.00

## The Americas

### NAFTA: Now Mexico Can Buy What Georgia Sells

From the 1950s until 1987, Mexico shut the door to trade with Georgia and the rest of the United States. High tariffs, quotas and other non-tariff barriers that sometimes doubled the price of goods, made it nearly impossible for American-made goods to be sold in Mexico, despite the need for high quality American-made tools and products.

But in 1987, the Mexican government started lowering some of its tariffs. The result: A startling increase in exports from the U.S. to Mexico. In Georgia alone, merchandise exports to Mexico have increased by 329 percent since 1987. A significant share of these increased exports came from small and medium-sized companies, at last able to sell their products in Mexico without having to suffer sky-high tariffs.

The North American Free Trade Agreement (NAFTA) will continue that progress by lowering and eventually eliminating tariffs and other barriers on hundreds of products. With the passage of the NAFTA, the U.S., Canada and Mexico will represent a combined free market potential of 364 million people and \$6.2 trillion. The result will be a growth of jobs in the U.S. and Georgia. Vital Georgia industries will benefit from the NAFTA, including:

- Scientific and measuring instruments (1992 Georgia exports to Mexico—\$58.5 million): The NAFTA will eliminate Mexican import licenses and tariffs as high as 20 percent, as well as open up Mexican government procurement.

- Industrial machinery and computers (1992 Georgia exports to Mexico—\$55.2 million): The NAFTA will eliminate tariffs (e.g., 10-20 percent for computers), improve protection of intellectual property, and open up Mexican government procurement.

- Chemical products (1992 Georgia exports to Mexico — \$53.2 million): The NAFTA will eliminate tariffs of 10-20 percent, eliminate non-tariff barriers such as import license re-

quirements, open up Mexican government procurement and improve protection of intellectual property.

- ▶ Transportation equipment (1992 Georgia exports to Mexico — \$40.9 million): The NAFTA will open up Mexican government procurement and eliminate Mexican tariffs, quotas and local content requirements (which require the use of Mexican manufacturing components) on auto parts.

- ▶ Primary metals (1992 Georgia exports to Mexico—\$30.5 million): The NAFTA will eliminate tariffs (which average 8.2 percent on a trade-weighted basis), open up Mexican government procurement, and expand the Mexican economy, increasing infrastructure growth and demand for steel.

- ▶ NAFTA will also open up Mexican markets to Georgia farmers by, for example, eliminating import licenses on corn, eggs, and dairy products, and eliminating tariffs (e.g. peanuts, 20 percent; poultry, 10 percent; soybeans, 15 percent (seasonal); tobacco products, 15-20 percent; cattle and beef, 15-25 percent) either immediately or over time.

The potential for Georgia jobs is enormous. Over 45,367 Georgia jobs depend on manufactured exports to Mexico and Canada—29,009 of these having been created since 1987. The NAFTA will accelerate this positive momentum. (*Georgia Anchorage*)

## NAFTA AT A GLANCE

(Reproduced from "GEORGIA Anchorage")

The North American Free Trade Agreement will create a tariff-free, \$6.5 trillion market of 360 million consumers. By uniting the U.S. with its first- and third-largest trading partners, it is expected to increase U.S. exports to Mexico alone by 16.7% and create 130,000 new U.S. jobs. (Source: IIE)

The following are among NAFTA's key features:

- Tariffs: NAFTA will eliminate tariffs on all goods the U.S. and Mexico trade within 15 years, 65% of those within five years.

- Business Travel: NAFTA will permit business people to cross intra-NAFTA borders more freely for extended periods.

- Rules of Origin: NAFTA will de-

fine a good as "North American made" if enough value is added to the good in North America so as to change its tariff classification. The following are key modifications to this rule: a 62.5% "local content" rule for autos (60% for auto parts), a 3.9% external tariff on computers entering from non-NAFTA countries, and a "yarn forward" rule for textiles and apparel items.

- Government Procurement: NAFTA will open Mexico's \$18 billion government procurement market to increased foreign competition.

- Services: NAFTA will open Mexico's services market further to U.S., Canadian and foreign-owned subsidiaries that meet a North America residency test. Mexico agreed to remove certain curbs on financial services firms.

- Investment: NAFTA will loosen many of Mexico's curbs on foreign investment, including "performance requirements" in the motor vehicle sector. (Energy is a key exception.) NAFTA will raise Mexican foreign investment screening requirements in most sectors from a \$25 million threshold to a \$150 million threshold.

- Dispute Settlement: NAFTA would create a bi- and tri-national panel system similar to that in the U.S.-Canada free-trade agreement. Mexico has committed to overhauling its judicial system so that it resembles the U.S. and Canadian systems.

- Standards: All three countries agreed not to lower environmental or health and safety standards under NAFTA. In addition, all three agreed to create mutually recognizable (voluntary) industrial standards.

- Intellectual Property: NAFTA will strengthen Mexican and Canadian protection of U.S. patented, trademarked and copyrighted goods.

## North Fraser Harbour Names New CEO

In a move to position the North Fraser Harbour Commission to be more reflective of the land use changes along the North Fraser, the Commission has appointed General Manager George Colquhoun to the position of Chief Executive Officer.

"We're moving into an intensive planning and development phase where we're looking more closely at foreshore

development," said Commission Chairman Irene Frith. "We've completed an extensive strategic planning exercise, and we've been shifting our management capabilities since then. George is the ideal person to take on these management changes because he's been with us for nearly 17 years and has taken the Commission successfully through many changes."

Colquhoun will retain his duties as General Manager/Harbour Master and is responsible for all of the Commission's management and operations on and along the North Fraser. He will also oversee the new planning and development function at the Commission which will include some foreshore and upland real estate development. The Commission will continue its internationally recognized Habitat Management Program as a part of the development.

"The North Fraser has always been a 'working river', and we see that continuing," said Frith. "People like seeing fish boats and tug boats plying their way on the river — it's a part of our marine heritage. But many people fail to recognize these vessels are representative of the tremendous economic benefit the Province and region derives from the North Fraser — over a billion dollars worth! We're also becoming more of an urban river. This type of development brings a different kind of benefit and we want to be prepared for that too."

## Container Program OKd By Long Beach City

The Long Beach City Council has authorized the establishment and implementation of a Maximum Weight Container Program for the City. The program establishes a test area within which trucks will be able to carry containers weighing up to 95,000 pounds, in excess of the state's 80,000 pound gross weight limit.

The test area includes the Harbor District and is bounded by, but does not include, the Terminal Island Freeway on the west, Pacific Coast Highway on the north and the Long Beach Freeway on the east. The minimum term of the test program will be three years, with a report to the City Council annually.

## Portland: Container Rate Of Growth Impressive

A growing container market in the Pacific Northwest and strong intermodal exports continue to push Port of Portland container rate of growth well ahead of other West Coast seaports.

For the first ten months of 1993, containers across Port of Portland docks were 9.1 percent ahead of the previous year — outpacing the 2 percent West Coast growth rate average.

Portland's continuing container growth is even more impressive because the Port registered a 24 percent increase during 1992 — when the West Coast average was 7 percent. During 1992, Portland handled 217,422 TEUs (twenty-foot equivalent units).

Also after ten months, rail moves at the Port of Portland's 34-acre, on-dock intermodal rail yard at Terminal 6 were up 18.6 percent — reflecting strong west-bound intermodal rail traffic.

Port Marine Director Bob Hrdlicka says Portland has the ability to continue container growth without congestion.

"In addition to having land available adjacent to our container terminal for expansion, we are planning a phased development that will double the capacity of our intermodal rail yard at Terminal 6. This project will be pursued as traffic volume warrants.

"Also at Terminal 6, we are expanding crane capacity to add a Post Panamax container crane which will be ready in 1995. Both improvements are looking to the future and will help us handle increased container liftings with continued high productivity," Hrdlicka said.

Looking to the future, Hrdlicka said the Port is in the process of acquiring 700 acres of prime waterfront on the 40-foot navigation channel at West Hayden Island, immediately adjacent to the Port's Terminal 6, for marine development.

"This will be the premier marine development site on the West Coast in the years ahead," Hrdlicka said.

Also supporting the Port of Portland's continuing container growth was completion last spring of the new navigation lock at Bonneville Dam — which has the potential of doubling the capacity of the river system.

During 1992, there were more than

25,000 container-on-barge moves on the Columbia/Snake river system to and from the Port of Portland's Terminal 6.

About 20 percent of Portland's export containers come by barge, down river to Terminal 6 from the ports of Lewiston, Idaho; Pasco, Wash.; and Boardman and Umatilla, Ore.

More refrigerated containers, carrying frozen french fries, vegetables and beef, are moving on the rivers, adding significant value to Northwest agricultural products.

Hrdlicka says this trend can be expected to continue to increase and add to Portland's future container growth.

Hrdlicka says these and still more transportation infrastructure improvements strengthen Portland's position as the Pacific Northwest's leading port/transportation/distribution center.

Portland is served by three trans-continental railroads (Union Pacific, Burlington Northern and Southern Pacific railroads) in addition to the Columbia/Snake river inland waterway.

*(Portside)*

## NORTHWEST

### APEC Office in Seattle?

SEATTLE (AP)—The Port of Seattle says its Central Waterfront Project is ideal space for a North American headquarters of the Asia-Pacific Economic Cooperation countries.

APEC, a trade-discussion forum for Pacific Rim nations, held its week-long conference in Seattle last month, with President Clinton using the forum to meet with Asian leaders and heads of state.

Port Executive Director Mic Dinsmore, in two letters to Clinton, offered space for \$1 a year in facilities to be built as part of the port's Pier 66 project.

Dinsmore offered 10,000 square feet of office space to house a North American APEC headquarters, or "secretariat," which would co-exist with the secretariat established in Singapore in 1992.

The port project includes an international conference center equipped with simultaneous translating equipment for all APEC languages.

The center "will allow Seattle to support conferences as large as APEC

or as small as individual meetings among business people from Pacific Rim trading partners," Dinsmore told Clinton.

*(Seattle Daily Journal of Commerce)*

### After APEC: Seattle's Role

As host of November Asia-Pacific Economic Cooperation meetings, Seattle is in a prime position to capitalize on the growing importance of U.S.-Asian trade and to become a hub of East-West international business and educational activity.

President Clinton, in his major APEC address here, made two specific proposals that Seattle's business and government leaders could pursue to ensure the city's continuing prominence in what Clinton has termed "the Pacific community."

The president called for formation of an Asia-Pacific business roundtable to, as he put it, "promote greater discussion within the region's private sectors." He also said he would ask APEC leaders "to promote the establishment of an Asia-Pacific education foundation to promote understanding and a sense of community among our region's young people."

The economic and cultural climate here is well-suited for the city to become the site for either one or both of the potential new initiatives.

As Clinton also said, Seattle has been recognized as "the best city in American in which to do business." What better place then for an Asia-Pacific business roundtable?

Public schools in Seattle and elsewhere in the region, many with significant Asian student enrollments, already are involved in Pacific Rim studies. Higher education here, most notably at the University of Washington, has a well-earned reputation for Asian scholarship. An Asia-Pacific education foundation in the Seattle area, therefore, also makes good sense.

The Port of Seattle, meanwhile, has extended a formal invitation to APEC to locate a North American office here using port facilities.

Robert Kapp, executive director of the Washington Council on International Trade, who was deeply involved in APEC forum planning, agrees there should be "an enduring institutional legacy" here as a result of last week's

meetings.

Seattle attorney Stanley H. Barer, who for many years has been involved in U.S.-Asia business transactions, suggests that Seattle seek to become the premier location for business discussions and agreements between American and Asia traders, utilizing the community's banking, legal, accounting, insurance and transportation resources and creating new jobs in the process.

Barer's idea for making Seattle "a transactional center" involves inviting Asian trade representatives to establish permanent offices here and to convince American business enterprises to regard Seattle as their window on the Pacific Rim for their Far East business activities.

Those all are good ideas and there undoubtedly are others. What's needed now is a coalition of government and business leaders to harness the energy generated by the APEC meetings to produce continuing Seattle-Asia relationships that have global status and worldwide recognition.

*(Seattle Post-Intelligencer)*

## Africa/Europe

### Large Investments in Polish Ports Expected

*(Rotterdam Maritime Group Press Release of January 18, 1994)*

The World Bank has commissioned the Rotterdam Maritime Group (RMG) to carry out a substantial number of investment studies which should result in strengthening the strategic position of the major Polish ports (Gdansk, Gdynia and Szczecin-Swinoujscie). This assignment is part of a modernisation study that has been in progress for over a year and has been carried out by RMG inter alia together with Maritime Economic Research Centre Rotterdam.

The investment proposals have been developed in close co-operation with the Polish port authorities. The proposals are for a large part aimed at improving the maritime accesses and the hinterland connections of the ports. Proposals are also being worked out with regard to restructuring of old port



areas and the strengthening of industrial and distribution functions. Realisation of all proposals are expected to require a capital investment programme of some US\$400 mln.

#### Investment Proposals

The development of the Gdansk and Gdynia ports is very much impeded by their bad access to the main road systems. A considerable part of the investment proposals concern the creation of through roads from the port areas to the hinterland.

The fast growing Gdansk North Port is proposed to be connected directly with the E77-E75 by a new bridge across the Martla Wisla River. In this way the road traffic generated within the port area will not have to pass directly through the city center of Gdansk in order to reach the highway system.

In Gdynia the yet unfinished fly-over near the Baltic Container Terminal will be completed and a new highway will be built connecting the terminal to the main road system around Gdynia. This will enable Gdynia to accommodate expected growth in container traffic estimated at some 300,000 TEU in 2005. Moreover, the container terminal will be modernized and expanded.

As part of the modernization proposals a plan is made to establish a Distri-Park near the port area. This park is to enhance the distribution function of the port and attract so-called value-adding industries. The port area of Gdansk-Gdynia is very well located for transit to and from Belarus, Ukraine and Central Europe. Other proposals include the construction of a new ro-ro terminal and the modernisation of the old East Port of Gdynia, including new equipment and construction of modern

storage facilities.

The proposals for the ports of Szczecin and Swinoujscie represent a complete restructuring of the road and waterway connections of these ports. Large investments will be required in order to restructure the maritime access and the fairway between Szczecin and Swinoujscie. This fairway has become silted due to a lack of maintenance dredging during recent years. This reconstruction entails a number of related projects such as the improvement of the maritime access, deepening of the fairway, development of a vessel traffic management system and new aids to navigation. This restructuring is also necessary due to the planned construction of an LPG/Fuel oil terminal at the river entrance at Swinoujscie. Moreover, the highway connection between Swinoujscie and the road system around Szczecin will be modernised including the construction of a new bridge connection near the village of Wolin.

For Szczecin, the road and rail connection between the port areas and the hinterland will be considerably improved. Plans are developed for the construction of two bridge connections and doubling of the present rail connection to the port area. Part of the existing port area will be reconstructed as a light industry park. In view of the vicinity of the German hinterland, Consultants expect a great interest of western enterprises to commence operations in this area. Execution of the plans is anticipated to result in the resuming of Szczecin's traditional function as the main transit port of the Berlin area.

#### Forecasts

Based on extensive macro-economic

and traffic studies made during 1993, Consultants analysed the growth potential of the Polish ports. This potential depends on a variety of often uncertain factors. The prospect of Poland joining the European Communities is one of the most important thereof. Based on the economic forecasts and the policies of the Polish Government, Consultants expect this to happen in the beginning of the next century. At present, the wage difference between Poland and Western Europe is considerable. This difference will decrease during the next decade, but will not fully disappear. Thus, the Polish economy will remain very competitive and the average economic growth will be higher than in Western Europe. The Polish production will be focused on the traditional industrial activities such as metallurgical and chemical industry, means of transport and textiles. It is also expected that the agricultural sector will grow considerably after the implementation of sectoral reforms. This will result in Poland becoming a net exporter of agricultural products. The Polish economy will be characterised by high growth, relatively low wages and growing exports.

The long term prospects of the Polish ports show an increasing turn-over. The ports will be confronted with large imports of crude oil, oil products and LPG. Exports of industrial and coking coal will stabilise, considerable quantities of steamcoal are expected to be imported for use in power plants. Imports and exports of conventional cargoes will increase somewhat while a considerable increase in container

handling is predicted.

Within the central macro-economic scenario the turn-over of Gdansk will grow from 17 mln tons in 1991 to some 36 mln tons in 2005. Forecasts indicate the handling volume of Gdynia will grow from 7.6 mln tons in 1991 to 15 mln tons in 2005. This growth will occur mainly in the general cargo sector. Turn-over of Szczecin-Swinoujscie will increase from 17.2 mln tons in 1991 to approximately 26 mln tons in 2005. This increase will occur in various goods categories.

### **Institutional problems**

Apart from the outdated port infrastructure and the inadequate hinterland connections, the Polish ports are confronted with institutional problems. Main aspects are unclear ownership relations with respect to port land, financial relations between ports and the State, unclear responsibilities of the port authorities and unclear relations between the ports and private operators in the port areas.

Privatisation processes in the Polish ports are also very confusing. All three main ports have a different approach towards the issue, ranging from a cautious one in Gdynia to full privatisation of all former port departments in Gdansk. Consultants have concluded that the last approach is not necessarily the best one.

Within the framework of the institutional analyses Dutch Consultants, together with Belgian and English ones, have developed a Ports Bill. Contrary to the existing Polish draft, this Bill proposes a port authority in which the local communities have the major in-

fluence. The State will participate in a minority role. National interests will be coordinated at a central level by a National Ports Commission, a temporary body that will advise on national investment policies for the port sector and the improvement of hinterland roads, rail and waterway connections. The ports will operate within a framework compatible to (continental) Western European port management models. Private enterprise will be responsible for carrying out the vast majority of port operations. The port authorities will concentrate on the management and exploitation of the port area (landlord function).

Finally, Consultants have concluded that further development of the major Polish ports is being impeded by the absence of the balanced port management structures, with a firm legal basis. It is therefore necessary that the Polish Parliament should take the applicable legislative measures as soon as possible.

### **Helsinki Developing Vessel Traffic Service**

The traffic in the Port of Helsinki has expanded greatly during the last years. Especially in summer the lively traffic south across the Gulf of Finland and the great number of cruising vessels have, together with varied other traffic in the Port, caused crowding in the sea-routes to Helsinki.

The present crowding demands more efficient monitoring and an improvement in the accessibility of information concerning the position of the vessels

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(Vegetable oil capacity :4.2million tonnes  
Hazardous cargo capacity :2.4million tonnes)

Johor Port Sdn. Bhd., P.O.Box 151, 81707 Pasir Gudang, Johor, Malaysia . Tel: 07-512601/8. Telefax: 07-510291/512609

in the Port itself and along the sea-routes. For safer traffic, a VTS system (Vessel Traffic Service) is being developed for the sea-routes off Hel-sinki. This is accomplished in coop-eration with the shipowners and the marine authorities. The first step in developing VTS is improving the pre-sent system of traffic reports and the accessibility of information needed by the vessels.

These services and safety measures should be operative by next summer.

## Le Havre: Investment For Cross-Channel Trade

**THE HISTORY:** Starting, on the one hand, from the technical need for developing new infrastructures to ac-commodate the cross-channel trade in the outer-harbour and, on the other hand, from the wish expressed by the Le Havre City to redevelop the areas of entry to the city along the "Bassin Vauban" and its continuation called the "ilot Citadelle", an overall project of redevelopment of the Manche-Ci-tadelle area was studied as early as 1991. This site is of essential interest to the Port and the City:

- \* For the port as the whole area opens onto the outer-harbour offering an evident advantage to catch the trades which look for shortening the time spent in port transit.

- \* For the city because this area which is located at the interface of the city and the port is in the core of the Le Havre history.

**THE PROJECT:** It is the result of joint reflection between the Le Havre City, the Port of Le Havre Authority and the Town-Planning Agency of the Le Havre Region. The main objective consists in grouping together all the cross-channel activities (England and Ireland) in a single site near the city and the port and offering the means to develop to this activity in order to fight against the competition of the Channel Tunnel.

**DESCRIPTION OF THE OPERATION:** It includes:

- \* The transfer of the "Terminal d'Irlande" of the Irish Ferries

Company from the "Môle Central" to the "Bassin de la Manche" at the present location of "P & O Ferries".

- \* The construction of a new berth and a new terminal in the "bassin de la Manche" for the "P & O Ferries" Company.

**THE WORK:** It mainly includes :

- \* The improvement of the nautical accesses.

- \* The construction of a new berth in the "quai de Broström" for "P & O" made up of four berthing dol-phins, a mooring dolphin and two bearing piles designed to support a double rampway. This work started in early November.

- \* The purchase and the setting-up of a new double rampway for this new berth.

- \* The development of a new terminal over surfaces reclaimed after the re-splitting of the Eastern end and the Southern part of the "Bassin de la Citadelle" which especially in-cludes the construction of a new Passenger Station. This work also started in early November.

- \* The transfer of the "Terminal d'Irlande" onto the facilities of the "quai de Southampton" after alter-ation of the berthing edge and ad-justment of the existing double rampway.

- \* Urban and landscape arrangements intended for enhancing the site. The investment cost exceeds 200 million francs. The financing of this scheme is carried out by the local and regional authorities for 60% (Upper-Nor-mandy Region, Department of the "Seine-Maritime", Le Havre City) and the EEC via "FEDER" (Euro-pean Fund of Regional Develop-ment), the remaining cost being borne by the Port of Le Havre Authority.

The major part of this work should be completed by spring 1994.

## Passenger Terminal Under Construction

The final decisions taken concerning the traffic plan of the MANCHE/CITADELLE area made it possible to definitely decide on the

location of the Passenger Terminal.

The work actually started on the site a few weeks ago, and, the date of 15 May 1994 is headed for, as the next tourist season is the imperative objec-tive.

Designed for the ships of the new generation carrying up to 600 cars and 2,000 passengers, the passenger termi-nal which is 90 metres long and 20 metres wide, has a useful surface of 2,300 s.m. on three levels, broken down as follows :

- \* Hall for passengers: 1,400 s.m.

- \* Company Offices and operating premises: 750 s.m.

- \* Technical premises: 150 s.m.

The building is constructed in a metal framework : its design is emphasized by faces in aluminium fittings with reflective glasses westward, a hull-shaped roof covered with alumi-nium sheets, a base and front panels in red bricks punctuating the frame of the construction and in harmony with the close environment.

The heart of the Passenger Terminal is unquestionably the big public hall on the ground floor, wrapped into a vast esplanade especially intended for foot passengers, on the North and North-East faces; this is the compulsory way for foot passengers who often come with their relatives and friends : all the services to passengers are available there : booking office, change, infor-mation, telephone, etc...

Through its design, the big hall prefigures the inner atmosphere of a ship: great height with a curved ceiling under the roofing, wood-panelled like a ship hull, cross walkways set up on the various levels for access to the lifts.

On his way through, the passenger will then reach the upper level where he will stay while awaiting embarkation, in a hall with a wide open view onto the inner harbour, with leisure amen-ities: lounges, bar...

From this hall, the passenger will get access to the ship by the gangway for foot passengers, after complying with the checking formalities of the Police and Customs services.

Similar facilities are made available in the South/South-East side of the building to the other passengers who directly drove aboard with their own vehicle — car or truck — and who have no longer access to the public area as

they have already carried out the checks of pre-embarkation.

The P. DUFLO Design Agency is the Project Manager and the main contract has been entrusted to the EIFFEL Company.

The total cost of this operation will be around 19 million francs.

### **System for Displaying, Processing Signals**

Without radar a vessel is blind. Without radar port's traffic controllers cannot guide a vessel into harbour. Back in May 1973 the Port of Le Havre adopted two systems that were highly advanced for the times, one being designed to display radar echoes on a screen, while the other, known as SETER (the French initials of "radar echo extraction and processing system") processed the echoes and worked out a vessel's course and speed.

Designed originally to meet traffic requirements for about ten years, the two radar systems have contributed for very much longer to the fundamental task of keeping traffic moving smoothly and safely, not only in the vicinity of the ports of Le Havre and Antifer, but in the inner harbour and out in the Seine estuary as well, enabling vessels to reach their berths unhindered, whatever the visibility or the state of the sea.

20 years later, almost to the day, the engineers in the port authority's electrical department, in consultation with the harbourmaster's office, have brought into service a completely new, indeed unique, system for processing and displaying radar intelligence, and in doing so have managed not only to finish the job with several weeks in hand, but without ever impeding the work of the Control Station, as radar coverage and round-the-clock vessel guidance were never disturbed.

#### **Versatility**

The overriding concern of the designers, the Norwegian company "Norcontrol" and the port's own electrical department, to satisfy the requirements of the traffic controllers and port officers, resulted in a system of great flexibility, providing for:

- the display of radar echoes in real time on colour screens;
- the automatic tracking of a vessel's

course, updated in real time at each rotation of the radar antenna, together with its bearing, speed and distance;

- the ability to record plots (unidentified echoes) and tracks (identified vessels);

- the use of different display systems on the radar screen, with each controller free to switch at will from basic radar information (ships' echoes, approach channel buoys, etc) to a complete video picture incorporating coastlines, tidal data and channel positions;

- a zoom option, with recourse to a vast range of scales for displaying areas under radar coverage, whichever one of the three scanners in service (la Heve headland, Outer Harbour, Tidal Basin) is supplying the information.

In all cases a graphic screen is used to ensure high definition of the radar picture.

#### **Dependability**

Regardless of this extraordinary flexibility, which allows each traffic controller to work on screen data of his own choosing, while providing the port officer responsible for vessel movements with an overall view of the situation, any system must first and foremost be reliable.

The three scanners, as well as the signal masts and the positioning lights, are all operated by means of an advanced remote control system, which means that all the navigational aids are under permanent surveillance, guaranteeing round-the-clock reliability.

#### **A Remarkable Piece of Equipment**

Saving the audio and video recordings for a few days means that if any incident should occur, as when a vessel is manoeuvring, there is a record available for consultation, whether for a damage survey or for determining the possible responsibility of the different people involved, i.e. ships' officers, pilots, tug masters, port officers and traffic controllers. The radar intelligence processing and display system also incorporates a parameterized unit on which the entire sequence of events can be replayed, with all the parameters, such as speeds and vessel bearings, "reactivated".

The end result is a remarkable piece of equipment, now operational in Le Havre for the benefit of all vessels using

the port or the Seine estuary, as well as for the pilot stations of both Le Havre and Rouen.

*(Flashes: Port of Le Havre)*

### **New Passenger Terminal For 1995: Marseilles**

The Board recently approved plans for the new Passenger Terminal in the Grande Joliette Dock. Development work will start in December on the Morocco Quay, where sheds will be demolished, land surfaces remodelled etc. The new land surfaces will facilitate freight handling and storage in addition to passenger and vehicles access, checks and embarkation.

This vast programme is to cost over 316 MF and should provide a modern and functional Terminal for passengers and vehicles by July 1995.

The maritime development work has started at the Sainte Marie Tower and on the Break water mole.

The wine storage tanks are currently being transferred and work on transferring the livestock pens started in October. The earth moving work is due to commence in April. *(Europort)*

### **Dr. Fastenau Retires As Chairman of BLG**

The President of the Bremen Senate, Mayor Klaus Wedemeier, speaking at the celebration held in honour of the retiring Chairman of BLG, Dr. Rolf Fastenau, drew the audience's attention to the latter's long-standing service with the company. To date, this amounts to nothing less than 30 years and 63 days. Five hundred well-known personalities from the business and politics, as well as numerous guests and friends from home and abroad did not miss the opportunity to send off the BLG head into retirement.

Dr. Fastenau started his BLG career in Bremerhaven after a short training period at headquarters. In 1964 he was assigned responsibility as director of what used to be called the "BLG Kajeanstalt" in Bremerhaven. His close links with shipping arose primarily through the development of container traffic in the Bremen ports and through the many years in which he managed the sales divisions of the BLG. As Mayor Wedemeier pointed out, the



During the retirement celebration for Dr. Rolf Fastenau, Chairman of the BLG. (From left to right Prof. Dr. Rolf W. Stuchtey, Dr. Rolf Fastenau and Klaus Wedemeier, Mayor of Bremen)

Shipping Museum in Bremerhaven was therefore "in many respects an excellent choice of venue, one with a multitude of associations".

Fastenau was appointed to the Board in 1967, and in 1978 was asked by the Supervisory Board to take over the post of Deputy Chairman. Finally, in 1986, he became the Chairman of the BLG Board.

Professor Dr. Rolf W. Stuchtey is replacing Dr. Fastenau as Chairman of BLG in January 1994. Dr. Stuchtey first joined BLG in 1968, managing the areas of transportation policy and marketing, and becoming manager of shipping sales in 1972. He also held the position of managing director of the BLG subsidiary PTC, Port and Transport Consulting Bremen, Ltd.

From 1987 to the present, Stuchtey has been professor of transportation sciences at the University of Bremen, simultaneously holding the position of leading director of the internationally renowned Institute for Ocean Transport & Logistics (ISL).

Mayor Wedemeier and Dieter H. Berghöfer, Chairman of the Supervisory Board, thanked the retiring BLG Chairman Dr. Fastenau in their farewell speeches for his decades of successful engagement for the Bremen ports, referring once again to the highlights of this involvement. The name Fastenau is intimately associated with the establishment and development of the Bremerhaven facilities especially. Fastenau played a key role in establishing the container and car terminal in Bremerhaven, today an important element in the city's economy and geography. Leading positions in Europe have been gained in both these transportation markets, with the terminal standing as a symbol for high per-

formance and competitiveness. In Bremen, Fastenau is acknowledged as a co-initiator and important promoter of computer-integrated logistics in the transport business. BLG's special distribution concepts, the creation of the highly efficient port facilities in Bremen's Neustadt Harbour, not to mention the expansion of the latter, all bear his signature.

Both the Mayor and the Chairman of the Supervisory Board emphasised once again the key role that the BLG Chairman traditionally plays in the city. The ports are still at the very heart of Bremen's economy, as they have always been in the past. Nor will this change in the future. The position of BLG Chairman demands a high degree of credibility and reliability, qualities that Dr. Fastenau personifies. Mayor Wedemeier also praised the retiring Chairman's "eye for relevant issues, his awareness of the world's ways, his tolerance and his humour". The Mayor closed his speech with the words, "A great and competent guy is leaving the business. He will be sorely missed."

## Bremerhaven Improves Far East Position

It was more than just a move in 1991 when the ACE group member lines Kawasaki Kisen Kaisha, Neptune Orient Lines and Orient Overseas Container Line decided to change to Bremerhaven's Wilhelm Kaisen Container Terminal as their only German port of call. At that time it was for time and cost reasons which caused the move, as the number of ships in service could be reduced from nine to eight vessels.

For BLG — Bremer Lagerhaus-Gesellschaft, operating company of the Container Terminal Bremerhaven, it also marked a move into a new era. "For us it was another break through to increase our market share in handling Far East cargo", remembers Manfred Kuhr, Managing Director Sales of the Container Division, who started BLG's Far East activities 1987 with a new team.

Since that time far East cargo via the ports of Bremen/Bremerhaven has steadily increased. In 1993 alone the increase will be more than 20%.

"We shall end up with handling approximately 230,000 TEU's this year", says Wolfgang Stöver, BLG's Director Sales Asia. Nowadays 11 container shipping lines offer almost daily shipping opportunities to and from Far East via Bremerhaven.

So it was indeed more than just a move for BLG when, on November 19th, 1993 the "K" Line vessel MV "Normandie Bridge" handled the 100,000th container in 1993. It was a remarkable moment in the 20 years' history of the Wilhelm Kaisen Con-



(From left to right) Wolfgang Stöver, BLG's Director Sales Asia; Manfred Meier, Deputy Director OOCL Germany; Steven S.W. Lai, Liner Representative of NOL; Koichi Otaki, Managing Director "K" Line Germany and Manfred Kuhr, BLG's Managing Director Sales of the Container Division.

tainer Terminal. And it reflected the ACE group's member lines strength in the central and northern European markets, offering nowadays biweekly sailings from and to Bremerhaven.

Currently BLG is working on the extension of the terminal to offer 700-m additional berth, equipped with five additional post pan max container gantry cranes (four are already in operation) within the next years. "In 1997 we shall be in a position to offer mega carriers a mega terminal, able to receive any fourth generation container vessel independent of tidal conditions and at any time, following the deepening of the channel to Bremerhaven to 14.5 m", explains Manfred Kuhr.

So for gantry crane no. 12 on Container Terminal Bremerhaven it was just a container move. However, for the successful partnership between ACE group member lines "K" Line, NOL and OOCL it was more than just a move and marked another mile stone of the intensive relationship.

## **Hamburg: World's No. 8, Great Plans for Future**

*Hamburg is Europe's leading cargo-handling centre for industrial and consumer goods travelling to and from Scandinavia.*

The world's No. 8, Europe's No. 2 and the No. 1 in Germany — Hamburg's national and international significance as a container port is clearly shown by these figures. But the Port on the Elbe is more than just a container port. As a highly complex service centre, it can offer precisely what is needed for every kind of cargo, including of course the goods handled in the expanding trade with Scandinavia.

Hamburg also has great plans for the future. By the year 2000 it wants to double its cargo turnover and thus expand its position as a European Main Port. The prospects for achieving this goal are favourable: East Asia and Scandinavia, the most important trading routes, are showing upward trends, thus ensuring high cargo turnover in the long term.

Scandinavia has its closest and most direct link to the transport flows in overseas trade via the Port of Hamburg. What's more, the Port on the Elbe is also Scandinavia's gateway to the

German market and to Central and Southern Europe.

As the Atlantic's most easterly port, Hamburg is the turn-around point for big container ships. Liner and other feeder services, good rail links and a tightly-woven network of ferry links and motorways ensure fast pre- and post-shipping connections between Hamburg and Scandinavia. Smaller container ships or multi-purpose vessels with a capacity of between 80 and 400 TEUs are mainly used for these feeder services. An average of five sailings a day depart for Scandinavian ports, putting Hamburg at the top of the continental seaports' league in frequency terms. Besides, land-based feeder services are gaining market shares thanks to the rail concepts offered by Dan Link and Scan Link and the bridges and tunnels presently being built or planned.

Trade between Scandinavia and Central, Southern and Eastern Europe has increased in the past 10 years. This is especially true of trade with Germany, which increased dramatically after reunification. One may expect this trend to continue and be extended to Central and Eastern Europe as the economies of the ex-COMECON countries reach market-economy normality. The creation of a European Economic Area by the EC and EFTA has also opened up new prospects for the growth of traffic in this huge region.

In 1991 and 1992 the Port of Hamburg handled more containers in trade to and from Scandinavia than Rotterdam and Bremen's Ports together (market shares: Rotterdam 20.6%, Bremen's Ports 22.1% and Hamburg 57.2%). In 1992 Hamburg's total container turnover in trade with Scandinavia rose by 19.5% to 378,617 TEUs. Incoming container traffic rose by an above-average 24.6% whereas outgoing traffic increased by "only" 12.3%. Container turnover in the first nine months of 1993 was already an impressive 331,628 TEUs, up 19.1% on the same period last year (278,350 TEUs). What's more, the very important land-based feeder traffic is not even included in these figures. All in all, trade with all four Scandinavian countries, especially Finland, has grown significantly this year.

In the list of Hamburg's most important transit partners in 1992 Den-

mark took the top spot with 1,299,243 t (up 12.4% on 1990) followed by Sweden with 1,064,964 t (up 2.58% on 1990). Finland was fourth with 954,595 t (up 27.1% on 1990) and Norway sixth with 462,842 t (up 10.4% on 1990). But Scandinavia's transit cargo turnover with other European countries (e.g. Sweden-Hungary via Hamburg) is not even included in these figures so the actual cargo turnover accounted for by Scandinavia is even higher.

## **Natural or Synthetic? EC Rubber Trade Center**

*Even today in the age of plastics and synthetic products raw materials such as natural rubber, or caoutchouc, still play a significant role. With a cargo turnover of some 200,000 t a year the Port of Hamburg is by far the most important rubber port in Germany, and also the centre of Europe's trade in these kinds of goods. Transit traffic accounts for around 20% of total imports. For over a century the rubber has played an important role in the Port of Hamburg's development.*

The word "caoutchouc" is probably derived from the Indian word "caa-huchu" which means "weeping tree". Originally the rubber tree only grew in the tropical rain forests of Brazil. Both the Aztecs and the Mayas knew how to make shoes, protective rain-capes or even balls from coagulated latex taken from certain types of trees.

Though these rubber-like balls attracted the attention of the Spanish conquistadors, it was not until about two centuries later that reports reached Europe about the possibility of making durable vessels from latex taken from the Para rubber tree. Then in 1839 the invention of the hot-vulcanization process by Charles Goodyear brought a big boost to natural rubber's technical usefulness.

Rubber trees have only been cultivated for about a century. Most plantations are located in South-East Asia and nowadays Thailand, Indonesia and Malaysia are the world's leading natural-rubber producers. Global production of natural rubber and latex was around 5.3 m t in 1992, thus slightly exceeding demand. In 1992 220,000 t



*Taking samples — an important precondition for quality controls in international trade*

of natural rubber were used in Germany.

Natural rubber reaches the market in two forms. First as liquid latex (mixed with ammonia as a stabilizing agent). It is transported to the users in tanks. A dip-forming process is used to make, for example, surgeon's gloves or teats from this latex.

The second form is solid caoutchouc, which accounts for 90% of natural-rubber production. If latex is

mixed with acetic acid, it sets within hours. The solid matter conglomerates into clots and is then pressed into sheets several millimetres thick by huge rolls. The subsequent drying process takes place either in a smokehouse over a period of several days or mechanically.

Only latex with very few impurities is used for the air-dried sheets (ADS) that are turned into rubber products that come into contact with food.

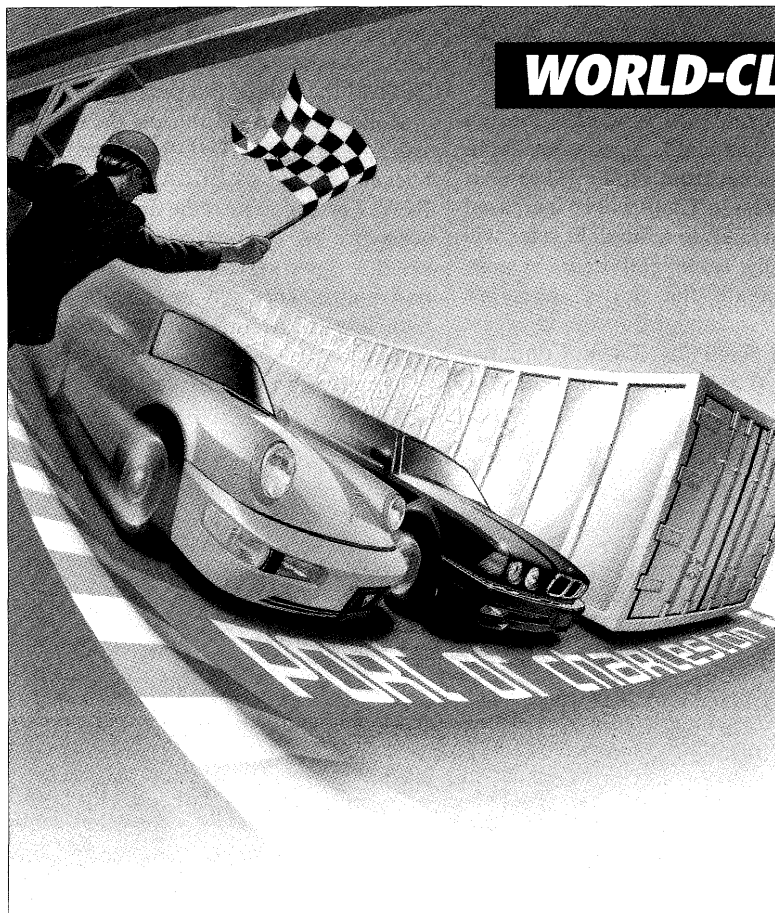
The ribbed smoked sheets (RSS) are

used for any rubber product where the physical qualities rather than the light colour of natural rubber are required. RSS are delivered in 100 kg bales.

Technical Specified Rubber (TSR) is specifically used in the tyre industry. After a mechanical drying process TSR is pulverized and pressed into 25-kg rectangular bales. With a market share of around 70% the tyre industry is Germany's biggest consumer of natural rubber, followed by manufacturers of conveyor belts.

Just like coffee, cocoa or cotton, natural rubber is traded on commodity exchanges of which the most important are in Singapore, Tokyo, Kuala Lumpur, New York and London. Supply and demand determine the price.

Nearly 85% of natural rubber is transported in containers so that in a port it is mostly a case of transshipment to some other carrier. Fewer and fewer consignees are served by conventional means. Natural rubber can be stored virtually anywhere. In the Port of Hamburg the rubber trade is dominated by four firms which not only store rubber but also provide vital quality controls.



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## Dredging for Boosting Cork's Container Traffic

Cork Harbour Commissioners have awarded a IR£2 million dredging contract to the Danish company ROHDE NELSEN to deepen the approach channel to the Port of Cork's Tivoli Container Terminal. The dredging is designed to ensure that steadily increasing short sea container vessels, some of which now exceed 500 t.e.u. capacity, can be handled at any stage of the tide.

The contract is due to commence in the first week of January and will be of 20 weeks duration. On completion, the channel from the lower reaches of Lough Mahon to Tivoli will have a depth of 6.5m C.D. compared with 5.2m C.D. at present.

The project qualified for IR£1.7 million E.U. Cohesion Fund assistance and is the first Irish port development to be undertaken under this programme.

In announcing the contract, Mr. Jim Cregan, Chairman, Cork Harbour Commissioners said that this latest investment was further evidence that the Port of Cork was committed to providing the best possible facilities for the container lines and shippers using the port. Mr. Cregan pointed out that the Port of Cork was Ireland's fastest growing container port and, leaving aside 1992 when the port enjoyed a major upsurge in container traffic due to a dock labour dispute at Dublin, the 1993 figures to date show that Cork was running 44% ahead of the corresponding period for 1991. He said that the dredging decision would undoubtedly stimulate further growth in the port's container throughput. He said that the Port of Cork offered more lift-on lift-off sailings to mainland Europe than any other port on the south coast of Ireland and that, furthermore, the lines serving Cork offered larger and faster vessels providing shorter crossing times to major European ports such as Rotterdam.

Mr. Cregan welcomed the E.U. Cohesion Fund assistance and he said that the early approval of the Tivoli project was a measurement of the importance which the E.U. attached to the Port of Cork in servicing the requirements of Irish exporters. Mr. Cregan also paid tribute to the De-

partment of the Marine for their assistance in promoting the project with E.U. officials.

### No Rate Increases in 1994

Mr. Cregan announced that, for the second successive year, there would be no increase in the port's published Schedule of Tonnage and Goods Rates, Pilotage Rates or Service Charges. This, he said, was in keeping with the Commissioners' objective of providing the most efficient and cost effective services and facilities for all port users.

### First E.U. Cohesion Fund Project

Less than three weeks after the announcement of E.U. Cohesion Fund grant aid for Irish infrastructural projects, the Port of Cork awarded a IR£2 million dredging contract on the approaches to the port's Tivoli Container Terminal — the first project to commence under the new Cohesion instrument.

The dredging start-up coincided with the signing of a contract between Cork Harbour Commissioners and a major European dredging company, ROHDE NELSEN of Copenhagen at the Commissioners' boardroom on 11 January, 1994.

The contract is of 20 weeks duration and, on completion, the design depth of the channel from Horse Head near Passage West to Tivoli will be increased from 5.2m C.D. to 6.5m C.D. This will enable fully laden 500 t.e.u. vessels, which operate the port's short sea services to mainland Europe, to access or depart from the Tivoli Container Terminal at any stage of the tide.

Eight sailings per week are provided by Seawheel/Rheintainer Linie, BG Freight, Bugsier Line, B and I Line and Holland Ireland Line to Rotterdam, Antwerp, Le Havre, Zeebrugge, Hamburg and Bremen in addition to regular services to Southampton.

The port, which already provides the fastest direct lift-on lift-off and roll-on roll-off crossings to mainland Europe, is committed to providing the most modern and efficient port facilities to assist Irish exporters to offset their geographical disadvantage on the western edge of the European market.

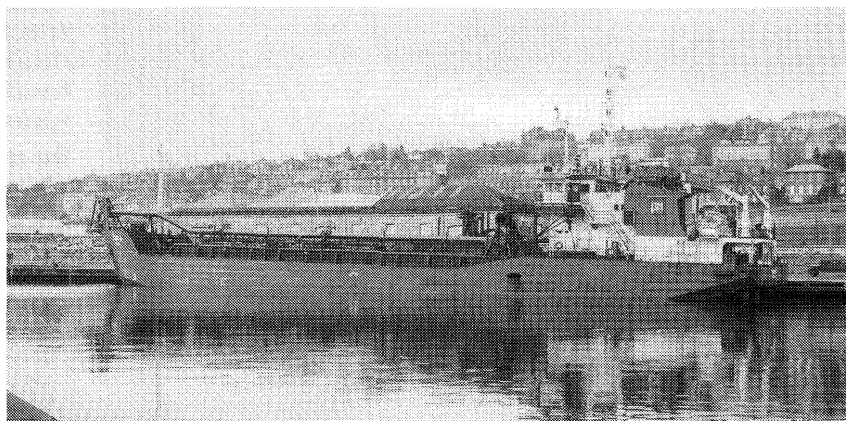
An indication of the port's commitment to serve Irish exporters was the advanced planning which enabled it to award a substantial dredging contract so soon after the E.U. announcement of Cohesion Fund support for port projects.

The Port of Cork is Ireland's fastest growing container port and container throughput has increased by 30% since 1991 when a second gantry crane was provided at the Tivoli Container Terminal.

Significantly, increased competition between container lines has led to reduced door to door and quay to quay rates and, together with renowned labour stability, should ensure continued container growth at the Port of Cork to the end of the century.

Rohde Nielsen are utilising the trailer suction dredger, THOR-R and the bucket dredger ALEKSANDR UVAROV. The company is the first dredging company to operate a sophisticated satellite signal system for its navigation positioning. This gives an exceptionally high level of accuracy in its dredging works.

The decision to provide IR£1.7 mil-



Trailer Suction Dredger "THOR-R" at Cork quays.

lion Cohesion Fund assistance is a measurement of the importance which the E.U. attaches to the Port of Cork in catering for the requirements of Irish shippers.

## Gothenburg: More for Mediterranean Traffic

The Port of Gothenburg has seen the introduction of three lines in the Scandinavia-to-Eastern Mediterranean traffic lately. All three lines — one Spanish, one Italian and one Swedish — have vehicles and forest products as their main cargoes southbound.

Flota Suardiaz is a Spanish operator that started calling at Gothenburg last spring. Calls are made every month at Portuguese and Spanish ports as well as Ashdod, Istanbul and Piraeus at the Mediterranean.

Late in the autumn of 1993, the Italian roll on/roll off pioneer Grimaldi Lines opened a service from Gothenburg to the same area. The service was introduced using a brand new

vessel, the m/s *Spes*, a modern roll on/roll off vessel with multi-purpose capabilities.

Swedish Orient Line, a veteran in Scandinavia-to-Eastern Mediterranean shipping, made a test call at Gothenburg's Skandia Harbour in December. The line has used Gothenburg irregularly over a number of years, but the call by the chartered-in ro/ro vessel is hoped by the Port to start a more regular pattern in the line's calls.

## Volvo Production Needs More Flow of Vessels

Swedish car manufacturer Volvo is putting pressure on the transport system between its Gothenburg, Sweden and Ghent, Belgium bridgeheads. The result is a system with an increased number of vessels working with a higher frequency, served by night-time loading

and unloading in both ports.

Volvo has production facilities in Sweden as well as Belgium and the Netherlands. There is a vivid exchange of components and finished cars between the two production areas and markets. In an effort to cut delivery times — two weeks from salesroom order to delivery anywhere in Europe is the ambition — Volvo needs a more frequent flow of vessels.

Tor Line, the main North Sea operator, is therefore planning to increase the number of vessels on the Gothenburg-Ghent trade from two to four and to increase sailing frequency from seven to twelve a week.

Transit speeds will be normal, while port times will be kept at a minimum. Both Ghent and Gothenburg will have six-hour calls, typically from nine pm to three am. The night stevedoring is necessary because of the rhythm of production in the manufacturing stages, according to Volvo.



The Grimaldi Lines' m/s *Spes* loaded her first cargo at Gothenburg, also inaugurating the new Gothenburg-Eastern Mediterranean service of the company.

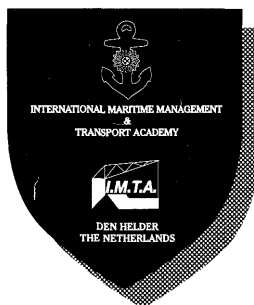


The flow of Volvo components and cars between Sweden and Belgium will increase the number of ships and departures in the trade.

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## Southampton Handles Record Shipments

Associated British Ports' (ABP) Port of Southampton has handled its largest ever shipment of crude urea (fertiliser) and this season's largest export shipment of grain.

Twenty thousand tonnes of crude urea for UK distribution were imported in the 22,000-DWT vessel "GEORGIOS", and discharged at Continental (UK) Ltd's facility at Berth 107 for Usbornes Grain Ltd. (UGL).

Mike Adams, Managing Director, UGL Micheldever, said:

"In this trade, the quality of goods is all-important. The Port of Southampton's excellent facilities and deep-sea characteristics made it the obvious choice for fast turnaround and extensive distribution."

The largest export shipment of grain this season was loaded at the grain terminals in Southampton's Eastern Docks where 35,000 tonnes of wheat were loaded aboard the m.v. "SWEET LADY", a 38,000-DWT vessel.

Jock Cullen, General Manager — Southampton, Continental (UK) Ltd, said:

"Despite difficult trading conditions worldwide in the grain market, the Port of Southampton continues to operate successfully — thanks to a combination of deep-water facilities and the co-operation of shipowners, terminal operators and road haulage contractors."

Other bulk-handling activities at the Port of Southampton include the importation of construction materials, liquid bulks and animal feedstuffs.

## Port of Hull to Build In-dock Storage Shed

Associated British Ports' Port of Hull has announced its first new capital investment project for 1994. This is a scheme designed to provide new open and covered storage accommodation to the north east of the port's King George Dock.

The principal feature of the scheme is a new timber storage shed of 6,650 m<sup>2</sup> which, following the conclusion of a new commercial agreement with Ahlmark Lines, will be dedicated to that service. Ahlmark Lines operates reg-

ular sailings from the Swedish Baltic Ports and the Swedish Lakes to Hull. Their cargo throughput at Hull has increased five-fold since their first full year of operation in 1988.

Bo Wärmling, Managing Director, Ahlmark Lines said:

"The new arrangement with ABP will increase the undercover storage devoted to Ahlmark cargoes at Hull to 20,000 m<sup>2</sup>. This is good news for softwood importers who increasingly depend on undercover storage for kiln-dried products."

The Port of Hull is now handling around 15% of the UK's softwood imports with an estimated 975,000 m<sup>2</sup> entering the port during 1993. About one half of this cargo originates from Sweden.

In addition to the new shed, 9,300 m<sup>2</sup> of new paving is also being provided for the less sensitive timbers and other weatherproof cargoes.

Mike Fell, Port Manager, ABP-Hull, said:

"This further investment is part of an overall programme designed to improve storage facilities at the east end of King George and Queen Elizabeth Docks where cargo throughput generally has increased by over 75% in the past three years."

## Harbour Revision Order For Western Solent

Associated British Port (ABP), the statutory Harbour Authority for the Port of Southampton, have lodged a formal application with the Department of Transport for an extension to the existing Southampton harbour area.

The Port of Southampton Harbour Revision Order, if confirmed by the Secretary of State, would incorporate the commercially important Western Solent and Needles Channel into the harbour.

The application follows a nine-month period of extensive informal consultation with a wide range of commercial and recreational interests, together with local authorities, other Solent Harbour authorities and professional marine organisations, such as the Royal Navy and Trinity House.

ABP believe that provision in the Western Solent of the same comprehensive range of professional marine

services (including radar and Vessel Traffic Services) as is already available throughout the rest of the Solent, will significantly improve navigational safety for all users of the area, including recreational craft, and will reduce the risk of incidents which might result in damage to the environment.

## Asia/Oceania

## Geelong: More Oranges Bound for Russia

Top quality citrus fruit has become an increasingly familiar sight on Port of Geelong wharves during recent times.

Oranges and lemons sourced from northern Victoria and southern New South Wales are regular export cargoes handled through Geelong, often bound for Russia.

Melbourne-based food export company, Austimpex Pty Ltd, despatched a 400 tonne cargo of oranges to Vladivostok on Nikon Karpenko.

Although better known in Geelong for their meat export business, the company occasionally caters for the large demand for citrus products from Russia.

Soon after the fruit was picked at Mildura in Victoria's far north-west it was transported by road to Geelong and shipped at between six and eight degrees on the 17 day journey to Vladivostok.

Austimpex citrus shipments normally range up to 1,000 tonnes. (*Portside*)

## Port Users Benefit From MSB Corporate Plan

The 1993-1996 Corporate Plan released by the NSW Maritime Services Board (MSB) sets out a range of measures to benefit port users, focusing on reductions in port user charges and further service improvements for port and waterways customers.

The MSB's Chief Executive, Mr Wayne Gilbert, said that the new plan continues the MSB's extensive reform program of recent years. The Minister for Ports, Mr. Ian Armstrong, MP, welcomed the plan and said he looked

forward to its role in the promotion of business opportunities for New South Wales.

Mr Gilbert said two recent developments were of particular significance for the 1993-1996 period. "Firstly, the main 1993-1996 targets reflect the MSB's ongoing shift away from hands on port operations towards a lower profile role of port landlord, which is appropriate as we plan ahead as an organisation".

Mr Gilbert said this new role requires the MSB to be a smaller organisation staffed with different skills, a process of change which is currently being implemented within the December 1993 MSB Enterprise Agreement, to result in a staff level of below 700 by 30 June, 1994.

"Secondly, the MSB aims to phase out wharfage on private wharf cargoes by 1 July, 1995, subject to agreeing with NSW's private wharf owners an appropriate commercial return for their continued rights and privileges. The impact of these two initiatives will greatly benefit both our customers and the government".

The MSB intends to abolish the vestiges of tax on cargo passing through these facilities, with two provisos — a substitute charge reflecting the value of benefits for individual wharf owners, and a negotiated wharfage rate capability if the owner prefers to pay for benefits as a tonnage based charge.

In the overall area of pricing reform, MSB prices for port customers will continue to ease, reflecting the MSB's improved performance. After a 30 percent fall in the average cost per tonne of cargo to MSB port users since 1989, a further 30 percent fall is anticipated within the 1993-1996 period.

National and international price competitiveness is a key MSB objective. After reductions in MSB/Sydney Ports Authority charges from 1 July 1993, Sydney is now competitive with Brisbane and Melbourne, while the other two MSB port authorities continue to constantly compete in the price-sensitive bulk trades.

The new corporate plan recognises this situation, particularly in the sensitive areas of container charges and private wharfage, and the MSB's ongoing reform will reduce charges in both of these income areas, boosting NSW trade.

Mr Gilbert said that, building on recent progress, the new corporate plan will continue to improve the MSB's overall customer service. "This is an initiative which we have entered into for the long term as a key component of our corporate strategy".

Additionally, through a range of initiatives, Mr Gilbert said the three port authorities will continue to refine relationships with commercial port customers, including the recent publication by each subsidiary of a guarantee of service statement.

Contacts between port authorities and their local communities will broaden during the plan period, with a current example being the liaison over the present land use study being undertaken by the MSB Sydney Ports Authority.

In the area of port development, as a 'landlord' the MSB intends to concentrate on capital investments consistent with this role — eg. dredging, breakwaters, access roads and services infrastructure — and is largely seeking capital funding for port development from the private sector. The success of waterfront reform, due to the efficiency and throughput of existing port facilities, has postponed any immediate need for major construction projects.

The Sydney Ports land use study will be completed early in the Plan period, establishing a framework on which key port related decisions can be based. Simultaneously, the MSB was involved with the landbridging study for the National Rail Corporation and is seeking upgraded rail access to the Botany Bay container terminals. Benefits from this will include reduced freight traffic on port roads and growth in interstate landbridged cargo business.

Within the plan, the MSB forecasts an 8.5 percent increase in the volume of trade to a level of 128.9 million revenue tonnes in 1995/96, reflecting higher steaming coal exports to Asia and increased exports of aluminium and wheat among other leading commodities.

The Maritime Services Board is committed to facilitating the efficient exchange of trade through NSW's seaports, ensuring safe and balanced usage of the State's harbours and navigable waters and protecting the unique marine environment in NSW ports and waterways. The MSB oper-

ates through a Sydney head office and four subsidiary authorities: the MSB Hunter Ports Authority, MSB Illawarra Ports Authority, MSB Sydney Ports Authority and the MSB Waterways Authority.

## **Partial Privatisation Success at Auckland**

The Ports of Auckland Limited became one of the few partially privatised ports in the world with the sale of 20% of its equity to almost 5,000 individual New Zealanders and institutions. The Waikato Regional Council decided to sell its shareholding — the other 80% is held by the Auckland Regional Services Trust — to reduce its loan structure costs.

The sale of shares was well over-subscribed and the organisers, Fay Richwhite and Company, chose the recent international option of asking major script buyers such as insurance companies to bid within a framework of potential prices for the shares and so set a strike price. This was \$1.60 — about 14% price earnings ratio, an acceptable figure on the New Zealand Stock Exchange.

The Ports of Auckland is the third of New Zealand's 14 ports to partially privatise and be quoted on the Stock Exchange.

"It is an excellent discipline," said Mr Robert Cooper, Chief Executive of the Ports of Auckland. "While we feel we have done quite well to date, the market regard should sharpen our performance, especially as most of our employees, including myself, now have shares in the company."

"As a general cargo port, indeed the leading one in the country, we have a stability somewhat above other commodity related ports."

"But we continually strive for more and better trade. We are looking to understand better what our customers want and how we can deliver."

When it listed in August, the Ports of Auckland Limited was, by market capitalisation, among the top 20 companies in New Zealand.

Most financial analysts commenting on the sale of the 39,751,864 shares, said the company had been restructured successfully and had a good future.

*(Ports)*

## S'pore: Feeder Services To 3 Malaysia Ports

### Shipping Services

The three main container ports in the Malay Peninsula are Port Kelang, Penang Port and Pasir Gudang. All three are connected to Singapore by more than 30 operators. Dedicated feeder operators like Maersk, Sealand, APL, Evergreen and TSK serve mainly their own line haul vessels. The other lines use common feeder operators to connect their boxes. The more established names in this feedering trade include Indratic Line, Josindo, OK Shipping, MISC, Pekanbaru Shipping, PIL, RCL, Samudera, Sea Consortium, Strait Link Shipping, Thong Soon and Vigour Pacific.

We have about 30 sailings a week from Singapore to Port Kelang, 20 to Penang Port and 10 to Pasir Gudang. This means that every day, shippers may choose from four vessels to Port Kelang, three to Penang Port and two to Pasir Gudang. Services to other Malaysian ports (eg Kuantan, Kuching, Sibul and Bintulu in Sarawak; Kota Kinabalu, Labuan and Sandakan in Sabah) are also available from Singapore.

### Combined Services

Due to stiff competition in services to Malaysia, Sea Consortium and Thong Soon have formed partnerships. Merging their schedules they increase their capacity without having to deploy additional vessels. Their vessel utilisation also improved significantly. This means lower operating cost and a higher profit margin per box. *(Port View)*

## Dangerous Goods Leakage Exercise

By Rahman Kamin

Marine Environment Department  
Port of Singapore Authority

Marine Environment's Dangerous Goods Emergency Procedure provides guidelines for handling various types of emergencies involving dangerous cargo. PSA held its first Dangerous Goods Leakage Exercise at Tanjong Pagar Terminal. A container contains dangerous cargo toppled while being unloaded from a vessel, causing leakage of poisonous chlorine gas from one of

the cylinders within.

The quay crane operator altered the PSA Police, Fire Service and Hazardous Materials section immediately. The firemen in their protective chemical suits quickly got to work. One group dispersed the poisonous gas by hosing down the affected area while another set to prevent further leakage. The Police cordoned off the area and diverted traffic. Occupants of office buildings in the vicinity were informed to stand-by for evacuation.

When the leak had been successfully stopped, the Port Chemists surveyed the damaged cylinder and assessed the "damage" to the atmosphere within the vicinity before declaring the area safe.

*(Port View)*

## Westgate Cold Store Proves Major Success

Westgate's new wharf-side cold store is already proving a major success, consolidating existing business and attracting new business that would otherwise not have been possible at Port Taranaki.

Construction of the new \$4 million store, which is located on Blyde Wharf, began in February, 1993, and it received its first consignment of cargo in July. The store has the capacity to hold up to 5,000 tonnes of product at temperatures down to minus 25 degrees Celsius and meets all the stringent standards required by the EC and USA regulatory authorities, including environmentally controlled all-weather loading areas.

The impetus for the establishment of the cold store was provided by the opening of the North American frozen beef trade to conventional refrigerated shipping as an alternative to containerised shipping. The subsequent conventional refrigerated shipping services operated through Port Taranaki by Lauritzen and Kyokuyo, and supported by Lowe Walker and Affco, highlighted the need for facilities to optimise the efficiencies of the unitised loading

system and maximise the benefits of shipping through the port closest to the point of production.

For the users of the cold store, it presents a further welcome opportunity to save on land transportation and handling costs.

Westgate's investment in the new facility again demonstrates the company's commitment to develop port facilities which not only assist and encourage trade, but which do so in the most efficient way to service the requirements of the producers and processors in the Taranaki region, said Westgate chairman Ralph Latta when he officially opened the cold store.

"It has been designed specifically as a modern transit store to facilitate the rapid and efficient movement of frozen cargo to and from shipside, while maintaining the integrity of the cold chain.

"The pre-assembly of cargo prior to a vessel's arrival, or the discharge of cargo straight into a wharf-side store, are pre-requisites for maximising the efficient movement of cargo across the wharf and minimising the time and cost of ships staying in port."

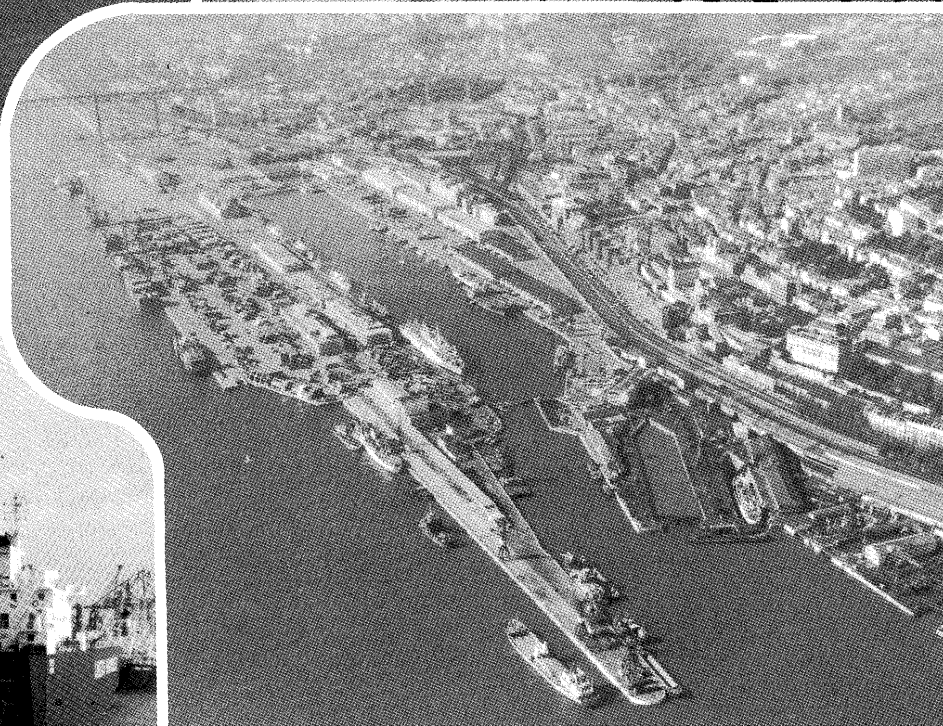
Westgate's modern and versatile cold storage facility is located on Blyde Wharf, adjacent to Blyde No. 1 berth.

The facility comprises three cold rooms connected to two large environmentally controlled all-weather loading areas. The design enables product to be simultaneously handled across the wharves and to or from road/rail.

The store is directly serviced by both road and rail, and refrigerated trucks and rail wagons are able to be loaded or unloaded totally under cover inside a loading area which features a ventilation system to extract exhaust fumes.

The three cold rooms are independently controlled and are all capable of maintaining an operating temperature down to minus -25°C. The facility meets all the standards required by the United States and European Community regulatory authorities.

	Area (m <sup>2</sup> )	Volume (m <sup>3</sup> )	Packing (pallet size mm)	Capacity (pallets)
No. 1 Coldstore	895	7,411	1080 x 1080 x 2100	1,080
No. 2 Coldstore	693	5,738	1200 x 1000 x 1500	1,160
No. 3 Coldstore	715	5,920	—	1,320
Loading Areas	929	5,297	—	—
TOTAL	3,232	24,366	—	3,560



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