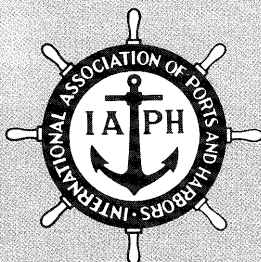


# Ports

September 7  
1994 Vol. 39 No.



# Harbors

The Publisher The International Association of Ports and Harbors



## Port of Dundee

Dundee Port Authority's modern ro-ro facility is used for the import of newsprint from Scandinavia.



Offshore rig and platform work is a major activity at the Port of Dundee.

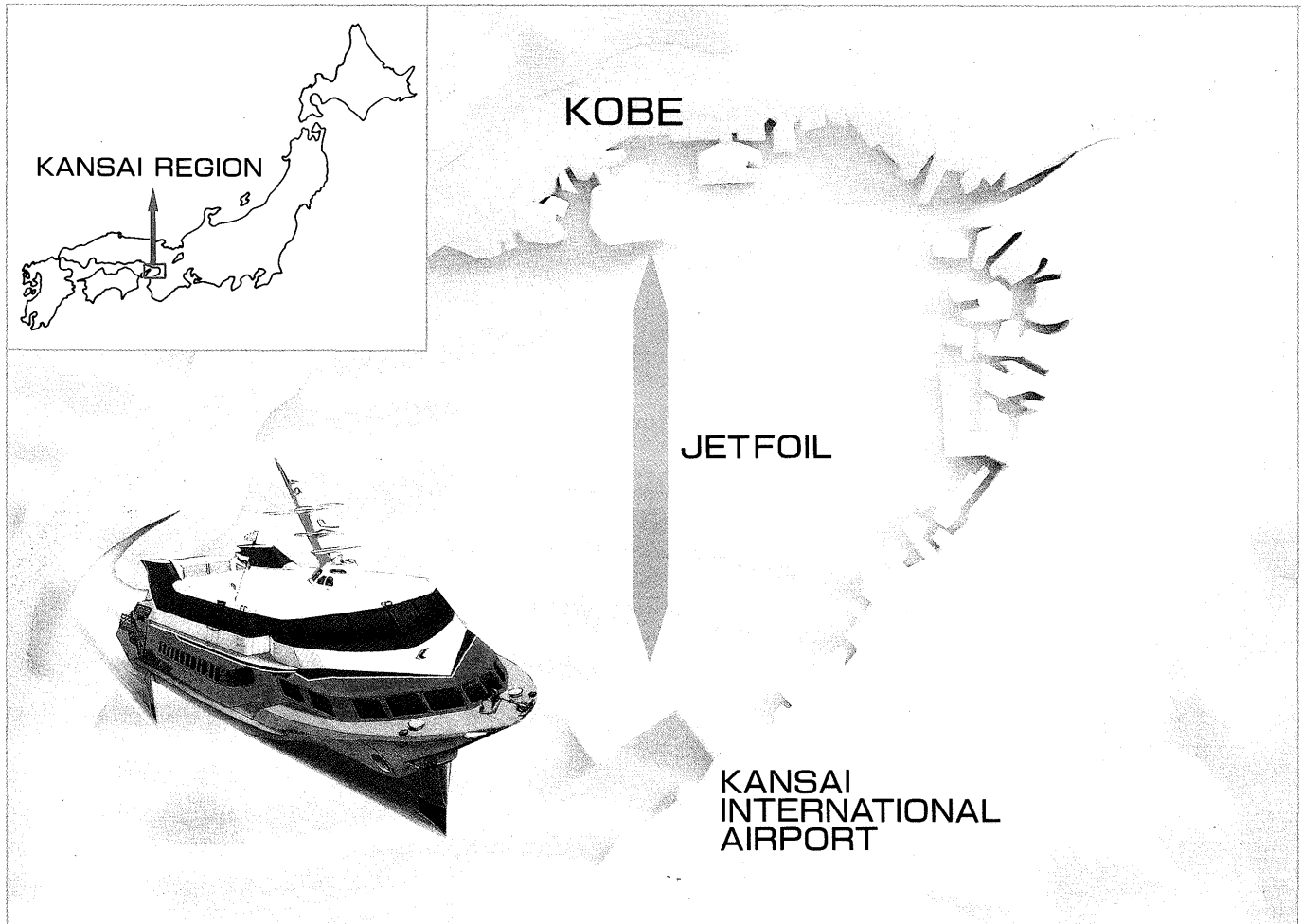


Timber from all over the world is imported through the Port of Dundee.

(the related article is carried in this issue).

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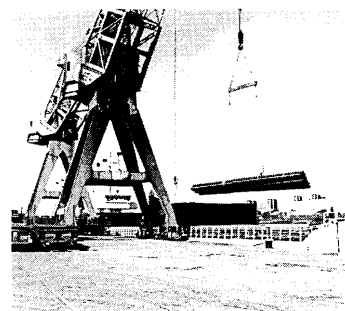
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we've got the quay...



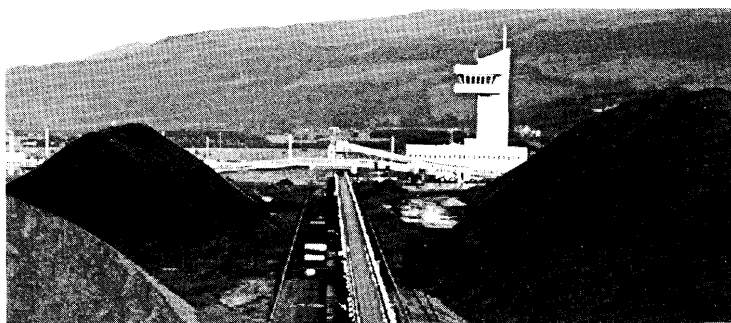
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# IAPH ANNOUNCEMENTS AND NEWS

## Membership Dues 5% Up From Jan. 1

In accordance with the decision made at the mid-term meeting of the Executive Committee held in Copenhagen on June 1, 1994, the membership dues of the Association will be increased by 5% effective January 1, 1995. This marks the first dues increase for IAPH members after an interval of three years. The Association last raised the dues by 3% in 1992.

As reported in the previous issue of this journal, at the Copenhagen Exco meeting, the Finance Committee made recommendation that the dues should be raised by 5% with effect from January 1, 1995 as a result of the Committee's scrutiny of a series of financial forecasts so as to avoid any drastic dues increase at one time. This recommendation was so adopted by the Executive Committee, which, at the same time, requested the Finance Committee to re-examine the current dues structure to determine whether more equitable system of dues payment could be developed and to submit its findings at the Seattle/Tacoma Conference next year.

The table below shows the SDR\* value per membership unit for Regular and all classes of Associate Members listing the dues for the current year and the revised dues for 1995.

The invoice for the 1995 dues will be issued by the Secretary General to all the members and applicants who wish to join IAPH effective from January 1, 1995, under the date of December 10, 1994.

**\*SDR:** The term "SDR" means "Special Drawing Rights", as adopted and applied within the monetary system by the IMF (International Monetary Fund). This is the unit which IAPH has been employing since 1980 as the basis for dues payment.

### IAPH Membership Dues

| Year           | 1994  | (Unit: SDR)<br>1995<br>(5% up) |
|----------------|-------|--------------------------------|
| <b>Regular</b> |       |                                |
| Unit/s         |       |                                |
| 1              | 1,010 | 1,070                          |
| 2              | 2,020 | 2,140                          |
| 3              | 3,030 | 3,210                          |
| 4              | 4,040 | 4,280                          |
| 5              | 5,050 | 5,350                          |
| 6              | 6,060 | 6,420                          |
| 7              | 7,070 | 7,490                          |
| 8              | 8,080 | 8,560                          |

#### Associate

|              |     |     |
|--------------|-----|-----|
| A-X-1, B & C | 850 | 900 |
| A-X-2        | 580 | 610 |
| A-X-3        | 290 | 310 |
| D            | 150 | 160 |
| E            | 130 | 140 |

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

## IAPH/IMO Interface Group Reformed

At its mid-term meeting of the Executive Committee held in Copenhagen on 3 June 1994, Exco discussed the proposal which had been made by Mr. Peter Struijs (Port of Rotterdam) concerning IAPH/IMO working relations. The proposal suggested that the existing IAPH Working Group on IMO activities should be reformed and strengthened to monitor all of IMO's ongoing and projected activities which might be port related and to which IAPH would be expected to make a positive contribution so as to enhance IAPH's influence on IMO's decision-making processes. It was also proposed that the new Group should decide on priorities for action to be taken by the IAPH Technical Committees and that the efforts of IAPH's Liaison Officer with IMO in presenting agreed IAPH opinions at the various IMO meetings should be supported.

The proposal was seconded and adopted by Exco, and as a result the following members have been appointed by President Lunetta to serve on the Working Group.

Jean Smagghe, IAPH Second Vice-President (French Ports Association) as Chairman  
from the Asian Region: Goon Kok Loon (Port of Singapore) and Tham Heng Mun (Port of Singapore) as alternate  
from the American Region: Tom Kornegay (Port of Houston) and Alex Krygsman (Stockton Port District) as alternate  
from the European Region: Peter Struijs (Port of Rotterdam) and Philippe Prevot (Port of Le Havre) as alternate  
Alex Smith, as IAPH Liaison Officer with IMO  
John Mather, IAPH Liaison Officer on International Affairs and International Organizations

According to Mr. Smagghe, the next meeting of the Group is scheduled for Thursday, 8 September in London (at the British Ports Association, Africa House).

# Interim Report of IAPH Membership Survey 1994

*The Head Office Secretariat presented an interim report of the IAPH Membership Survey 1994, conducted earlier this year, to the mid-term Exco meeting in Copenhagen. The survey sought IAPH members' perceptions of major issues and challenges facing ports, their evaluation of IAPH activities, and recommendations for enhancing the benefits derived from participation.*

*Secretary General Kusaka commented that membership responses had been so wide-ranging that further work was required to draw out their full implications. He looked to Exco's wise guidance in determining which major issues ought to be given priority.*

*In this issue, we introduce an executive summary of the interim report on the findings of the survey.*

## Executive Summary on IAPH Membership Survey

### A. Introduction

At the initiative of President Carmen Lunetta, a concept emerged in December 1993 to survey IAPH members regarding their perception of the current major issues/challenges facing the IAPH members in this rapidly changing world, possibly with a view to determining future courses of action to be taken by the Association.

In this background, a questionnaire for the IAPH Membership Survey was prepared and sent to all the IAPH members (Regular, Associate and Temporary) in January 1994, asking them to identify what the major issues/challenges are and also seeking their assessment of the Association's current activities, programs and services.

In order to elicit as frank and candid responses as possible, the questionnaire did not intentionally ask for the names of respondents and their countries to be identified, though several respondents volunteered this information.

In the questionnaire, a series of questions were raised based on the following three main questions:

- 1) "What are the five major issues/challenges facing your port and/or the world port industry today?"
- 2) "What short-term and long-term initiatives should IAPH be undertaking in the coming five years, in order to effectively focus on the issues of your choice?"
- 3) "What do you value most or least about IAPH?"

As of April 20, 1994, responses had been received from one hundred and eleven (111) IAPH members, or 32 percent of 345 members in total, plus three non-IAPH members, making the total response number 114.

The survey results will certainly provide useful and valuable insights into the IAPH members' perceptions and expectations. However, considering the diversity of relevant views and opinions expressed by the respondents, it is expected that more time and efforts will be needed to carefully

examine the implications of such views, as they pertain to various aspects of IAPH activities.

The results of the compilation and analysis of responses are briefly summarized here as the "Executive Summary".

### B. Major Issues/Challenges Facing the World Ports

Overall, as a result of a series of analyses conducted, five major issues have not been identified and determined in a clear-cut and decisive manner, as seen from the perspective of IAPH members.

In other words, it was found that the major issues and challenges were widely spread over 58 issues provided in the questionnaire, implying the diversity of issues and challenges faced by IAPH member ports scattered all around the world.

The above conclusion was supported by the remark made by a few respondents to the effect that all issues in the questionnaire are important, as they affect more or less the ports in the world.

#### B.1 Initial Analysis

Due to the mixed manners of the respondents' selection of major issues, which were divided into three groups, an analysis was conducted of each of three groups in terms of the number of response.

As far as a group of the respondents, who selected mostly 5, in some cases, more than 5, out of 58 issues provided and assigning each a priority number (Group A), is concerned, the difference in the total number of response between the top issue (Facility Expansion: 14) and the bottom issue; (Shipyards: 4) is not significant enough (only 3.5 times: 14:4).

#### B.2 Second Analysis

Nevertheless, a second attempt was made to determine the issues ranked in the upper half (50%) of the cumulative weighted response ratios for the purpose of relative comparison, as a result of which the following 23 issues emerged as the relatively preferred choices among 58 options by a majority of the respondents of Group A.

The figures in parentheses to the right show the rankings in terms of the number of responses allocated to each issue.

| Group A   |                                    |
|---|------------------------------------|
| Ranking<br>(Weighted)   | Ranking<br>(Number of<br>Response) |
| 1. Facility modernization and expansion                                     | (1)                                |
| 2. Rail/road access to port   | (3)                                |
| 3. Privatization  | (4)                                |
| 4. Pricing policy   | (4)                                |
| 5. Dredging operation   | (6)                                |
| 5. Channel deepening  | (8)                                |
| 7. Cargo handling technology  | (26)                               |
| 8. Forecasting future trade volumes   | (8)                                |
| 9. Inter-port competition   | (1)                                |
| 10. Customer survey   | (14)                               |
| 11. Intermodal facilities   | (14)                               |
| 11. Methods of financing projects   | (8)                                |
| 13. Emergency response to marine accidents                                  | (8)                                |
| 14. Balancing interests between industrial, commercial, residential sectors | (4)                                |
| 14. Environment Impact Assessment   | (8)                                |
| 14. Port labor/staff productivity   | (26)                               |
| 14. Port training/education   | (26)                               |
| 18. Computer application (trade facilitation)                               | (26)                               |

- |                                |      |
|--------------------------------|------|
| 19. Design of new construction | (20) |
| 19. Effective land-use         | (26) |
| 19. Measuring port performance | (14) |
| 22. Pollution control          | (8)  |
| 22. Cooperation with Customs   | (26) |

Similarly, the analyses of Group B (the respondents selecting and prioritizing nearly all issues within 15 wider issue areas) and Group C (respondents selecting more than 5 issues without priority assignment) respectively have almost shown the identical results, i.e. 26 issues for Group B and 14 issues for Group C.

The results of the above-conducted analyses, as indicated before, show that the major issues of concern to the IAPH members turned out to be spread more or less equally over 58 issues provided in the questionnaire, suggesting the diversity of major issues involved.

Finally, as suggested before, as nearly all issues provided in the questionnaire are important and affect ports to some extent, it appears more important for ports to identify what their core business is and to assess their future role by exploring ways to increase efficiency and productivity and by implementing the required changes, in order to survive in a competitive environment.

### C. Short- and Long-term Initiatives of IAPH

Members were asked to give specific suggestions for short- and long-term initiatives to be undertaken by IAPH in the coming years, so that IAPH can effectively address issues of interest and concern to the membership as a whole.

It was observed that some suggestions made are already incorporated in the Association's activities in one way or another, which was supposedly caused by some lack of information on and knowledge of the various facets of IAPH activities and programs currently in place.

#### Short-term Initiatives

There were a total of 63 suggestions made for short-term initiatives, focusing on the following subject areas:-

- 1) "Environment", e.g. balancing port's economic/operational needs against environmental aspirations, dredging problems, ballast water discharge, etc;
- 2) "Data Collection and Analysis", e.g. trade volume trends (forecast), port performance indicators, the world port statistics, etc;
- 3) "Sharing of information and experiences common to ports", focusing on the need for sharing common port problems and their solutions through case studies (learning from success stories);
- 4) "Training", focusing on IAPH Bursary Scheme; and
- 5) "Port Management and Administration", focusing on port reform process, e.g. privatization.

#### Long-term Initiatives

There were a total of 50 suggestions made for long-term initiatives, focusing on the following three areas:-

- 1) "IAPH organization", e.g. the necessity of improving and strengthening the international profile of IAPH.
- For this matter, two specific images were envisaged of IAPH: one is a more technical-oriented IAPH

and the other is an international presenter of well researched and balanced views on various port-related issues.

- 2) "Port Management and Administration", e.g. introduction of commercial management tools in port management and privatization; and
- 3) "Public Relations", e.g. generating greater public awareness of the port contribution to international trade.

### D. Assessment of IAPH Programs, Publications and Services

Members were asked to assess 14 items provided on a scale of 1 (least valuable) to 5 (most important), and as a result of the assessment, the following seven items turned out to be top seven rankings.

However, as with the case of the identification of five major issues facing the IAPH member ports, the rankings were as a result of relative comparison, as represented by narrow and close margin of difference between 14 options.

#### Top Ranking IAPH Programs/Publications/Services

1. Journal "Ports and Harbors"
2. Networking (interaction between members)
3. Membership Directory
4. Technical Committee Reports
5. Conference Working Sessions
6. IAPH Guidelines
7. Conference Proceedings

### E. New IAPH Programs, Publications and Services

From the standpoint of improving the current level of IAPH activities, publications and services as a whole, members were asked to make specific suggestions for improvement.

A total of forty-one (41) suggestions were made, which were summarized into the following specific categories:-

- 1) Wider distribution of points of discussion of Technical Committees;
- 2) Updating the contents of the existing IAPH guidelines to incorporate new technology trends and international port developments, etc;
- 3) Request for precise information on major work done by other international organizations concerned with maritime affairs such as IMO;
- 4) Statistical data and information on member ports, e.g. annual port throughput, tariffs, etc.;
- 5) The necessity of port-to-port cooperation, e.g. the exchange of information and staff for training and other requirements;
- 6) Global market trends and the impacts of international trade arrangements on ports;
- 7) Database for economic/technical/legal/environmental aspects of world ports addressable by EDI; and
- 8) Study on quality of port services as seen from the perspective of port users.

### F. Benefits of Belonging to IAPH

Here, the three key words to express the IAPH membership benefits in general turned out to be 1) "Networking", 2) "Access to international port information" and 3) "Exchange of opinions and experiences".

A total of 78 respondents expressed relevant comments

along the above-mentioned three themes, which were classified into the following 7 categories in order of preference:

- 1) IAPH as a forum of exchange of information and experience (36)
- 2) Networking opportunities (27)
- 3) IAPH Publications (7)
- 4) IAPH Conferences (4)
- 5) IAPH Committee Membership (2)
- 6) IAPH Bursary Scheme (1)
- 7) Enhancing Business Opportunities (1)

As the figures in the parentheses (the number of suggestions made) show, the two categories of "IAPH as a forum of exchange of information and experience" and "Networking opportunities" stood out significantly among the seven categories.

#### **G. Assessment of "Ports and Harbors"**

Turning to the specifics, the assessment of the Association's official journal "Ports and Harbors" was generally favorable. Of 114 respondents, 16 rated the journal "excellent" (14%), 67 "good" (58.8%), 25 "fair" (21.9%) and 2 "poor" (1.8%). 4 respondents did not specify.

Secondly, members were asked a yes/no question of whether or not the journal embraces sufficient and useful information and news about matters of interest and concern to them.

95 respondents (83.3%) replied "YES", 10 (8.8%) "NO" and 9 (7.9%) did not specify.

Of 10 who responded in the negative, four requested more equal geographical distribution of the three IAPH areas (Europe/Africa, Americas and Asia) in news coverage, one asked for more "port personality profiles", and the rest appeared to be in favor of more discussion papers on port management than on port operation.

#### **H. Assessment of the General Quality of IAPH Services**

As to the overall performance of IAPH, the respondents appear to be generally satisfied with the current level of services offered by IAPH.

Of 114 respondents, 11 rated the overall performance "excellent" (9.6%), 75 "good" (65.8%), 24 "fair" (21.1%) and 4 respondents (3.5%) left the question blank.

While there was no respondent marking "poor", there were still two specific suggestions or complaints regarding the following two aspects:-

- 1) Easy accessibility to IAPH Committee membership; and
- 2) Attendance of Mid-term Exco meetings by non-Exco members.

#### **I. Value for Dues**

Asked a Yes/No question of whether IAPH members are getting good value for their membership dues, 93 respondents (81.6%) replied "YES", while 10 respondents (8.8%) said "NO". 11 respondents (9.6%) left the question blank.

Of 10 who responded in the negative, 4 indicated that IAPH membership dues are expensive, suggesting a review of the dues formula.

#### **J. Overall Evaluation**

In general, a majority of the respondents felt that the Association is doing a good job, as indicated by their general satisfaction with the current programs and services offered to them.

As suggested in the foregoing paragraphs, it appears, in general terms, that the members generally expect IAPH to be a vehicle for international harmonization and understanding on port related matters by:-

- 1) playing its pivotal role in collecting and disseminating the latest news and information on world maritime and port developments; and
- 2) providing them with useful hints and suggestions as to what can be done to improve overall port performance, through the exchange of opinions and experiences on issues of common interest and concern

However, as suggested by a wide range of matters of interest and concern expressed both implicitly and explicitly in the respondents' written comments, it appears that IAPH is further expected to study carefully the implications of their suggestions, so that the positive and useful suggestions presented in this survey can be reflected in the Association's activities, programs, and services.

## **IAPH Paper on Night Signals to IMO**

At the initiative of Mr. John J. Watson (Port of Dundee), Chairman, Marine Operations Committee of IAPH, the following paper was submitted to IMO's Sub-Committee on Safety of Navigation.

The receipt of the submission was acknowledged by Mr. J.L. Thompson, Deputy Director/Head, IMO's Navigation Section, who confirmed that the paper will be brought to the attention of the 40th Session of the Sub-Committee.



### **IMO Sub-Committee on Safety of Navigation - 40th Session Agenda Item 2**

### **Special Signals To Be Displayed By Vessels Carrying Dangerous Goods in Port Areas.**

### **Submitted By the International Association of Ports and Harbors (IAPH)**

The 63rd Session of the Maritime Safety Committee has requested the Sub-Committee to consider and recommend on the special signals which should be displayed by vessels carrying dangerous goods when anchored or underway at night in port areas.

It may be helpful to the Sub-Committee in its deliberations to note that during 1993 IAPH conducted a survey amongst its members worldwide to establish, inter alia, the signal requirement for such situations in their respective port areas.

Responses from IAPH member ports and port organ-

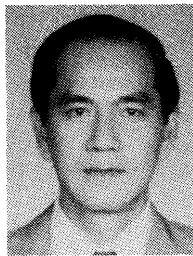
izations in some 47 countries indicated an overwhelming (90%+) requirement for an all round red light to be displayed at night. This requirement related to vessels carrying dangerous goods whether moored alongside, at anchor or underway. Operational experience suggests that there are no navigational impediments to its usage.

The type of signal is invariably included in statutory law, as may be noted, for example, in Japan's Maritime Traffic Safety Law (Law No. 115 of 1972 as amended through Law No. 78 of 1983) Section 6 Article 27, and Regulations for the Enforcement of the Maritime Traffic Safety Law (Ministry of Transport Ordinance No.9 of 1973 as amended through Ministry of Transport Ordinance No.5 of 1988) Section 4 Article 22, where it states a requirement for "a red all-around light to be visible at a distance of at least two miles and flashing at regular intervals between 120 and 140 times per minute".

6 July 1994

## Committee Action Plan Announced by Ng

Following the Committee meetings held in Copenhagen on 30 May and 1 June 1994, Mr. Philip Ng (Port of Singapore Authority), the Chairman of the IAPH Committee on Port Planning & Construction, has recently announced the action plan for his Committee, assigning specific tasks to the respective members of the Committee.



The Committee's next meeting is scheduled for 29 and 30 November 1994 in Hong Kong, where the Committee will, among the other tasks, finalize its report for the 19th World Ports Conference of IAPH in Seattle/Tacoma in June 1995.

The work areas identified by Chairman Ng in the Action Plan include the following tasks:

### A. Notes to be submitted at the Seattle/Tacoma Conference in June 1995

- A.1 Multi-Purpose Terminal Layout
- A.2 Land Issues - Unused Land for Other Uses
- A.3 Port Capacity Calculations

### B. Notes/Documents under Discussion

- B.1 Occupational Health and Safety in Port Areas
- B.2 Reference Document

### C. New Subjects

- C.1 Quality Assurance
- C.2 Port-City Relations/Public Access to Port Areas
- C.3 Maintenance
- C.4 Port Services

### D Next Meeting

Mr. Tim Frawley, Jardin Transport Services, has kindly offered to host the next Port Planning and Construction Committee meeting in Hong Kong. The Committee accepted Mr. Frawley's offer and agreed to hold the next committee meeting in Hong Kong on 29 and 30 November 1994.

## VCR Tape on AEI Still Available

At the initiative of Mr. John J. Terpstra (Port of Tacoma), who chairs the IAPH Committee on Cargo Operations, a 13-minute VCR tape showing an example of container terminals with the installation of AEI (automatic equipment identification) devices has recently been prepared and made available to the Committee by courtesy of Amtech Corporation (device supplier) and Matson Navigation (a user).

At its meeting held in Copenhagen on May 31, 1994, Mr. Terpstra introduced the 13-minute videotape on the AEI systems. The videotape showed Committee members how AEI reads the ID on an item, for instance each passing train car.

The meeting also heard that a few shipping lines, for instance American President Lines and Sea Land, are already involved in AEI and that the Port of Singapore has had some experience with the tag — it captures the identity and the weight of container prime movers entering and existing the port.

However, the Committee members were informed that labour organizations in the US are very much against the introduction of AEI on the ground that it leads to reduced employment.

It was agreed that the Committee will continue to investigate the trend for future use of AEI, for example concerning the possible use of AEI to identify a vessel approaching the harbor.

The videotape will be available upon writing to the IAPH Head Office, specifying the video system (NTSC, PAL and SECAM).

## Trade Facilitation Committee of IAPH Meets in Toronto

### Chairman's Report

By David Jeffery

#### 1. Attendance

|                           |   |
|---------------------------|---|
| David Jeffery             | (Port of London Authority) Chairman       |
| Keith Wicks               | (Port of London Authority) Secretary      |
| James Eldridge            | (Port of Houston Authority)               |
| Josep Oriol               | (Port of Barcelona)                       |
| Niels Rasmussen           | (Canada Ports Corporation)                |
| Larry Sposi               | (Port Authority of New York & New Jersey) |
| Marielle Stumm            | (INRETS)                                  |
| Leandre Amargos Torruella | (Port of Barcelona)                       |

#### 2. Opening Remarks

The Chairman welcomed those present to the meeting and in particular those attending for the first time or representing a TFC member. He expressed his thanks to Canada Ports Corporation for the successful computer conference and for organizing and providing the facilities

and refreshments for the TFC meeting. He also thanked those members who had been unable to attend but had submitted written contributions.

### 3. Reports to the Committee

The report of the TFC meeting in New York on 19 November 1993 was accepted and agreed.

The Chairman reported that when he had presented the report of the TFC to the IAPH Exco at their meeting in Copenhagen during the week 29 May/3 June 1994 they expressed great satisfaction at the successful revival of the Committee. The Exco is to next meet in June 1995 at the time of the IAPH Biennial Conference in Seattle.

### 4. Membership of the TFC

Mr. Josep Oriol of the Port of Barcelona has joined the TFC as a member.

The Chairman had approached African representatives, at a European/African Regional meeting in Paris to encourage representation on the TFC but to date he had not received any responses. Similarly there had been no success in recruiting representatives from South America.

The Chairman stated that he welcomed any representative to the Committee who is willing to participate in its work.

It was suggested that representatives from Eastern Europe should be encouraged. The Chairman said that IAPH will be considering the means by which ports in the former Eastern Bloc countries might be encouraged to join. Marielle Stumm offered to provide a contact in Slovenia and the Chairman said he had been in touch with a possible Polish contact.

### 5. IAPH Information Technology Award

The awards had been announced and presented by the Chairman of the TFC at a Gala Dinner for the Ports Canada Computer Conference on 8 June 1994. The awards were as follows: -

|        |             |
|--------|-------------|
| Gold   | Gabon       |
| Silver | Helsingborg |
| Bronze | Shanghai    |

In addition two entries were awarded 'Highly Commended Certificates'. These were from:

Santander, Spain and  
Cotonou, Benin

The Chairman reported that a number of significant difficulties had been encountered with the logistics of the award scheme. However the number of entries (10 ports) was very encouraging and the judging had proved very difficult as all of the entries were of a very high standard. Shanghai had entered two papers but for judging purposes they had been considered as one.

The award had clearly established its credibility. The objectives and criteria for the award in the future were discussed including whether the previous 12 months criteria was too rigid, originality or 'inspirational' value should be taken into account, some measurement of improvement should be established, should the award be divided into categories, should there be only one award but multiple certificates of merit, entries should be required to identify partners involved in the project and define complexities, a

scheme to evaluate benefits should be devised. It was also felt that the award should be open to Associate members of IAPH to encourage them to participate and possibly assist in recruiting new members to IAPH.

It was agreed that the following actions should take place:-

- (i) summary on each of the winning projects of the 1994 Award should be published in the IAPH journal.
- (ii) all of the entries (in full) should be included in the TFC Library.
- (iii) the Secretary is to prepare a discussion paper on the scheme of the award to include the criteria issues timetables, logistics, etc. for next year's award, for consideration by TFC.

The Chairman congratulated and thanked Ports Canada for the idea of the award, for providing the winners plaques, for allowing the award to be presented at the Gala Dinner of their Computer Conference and for providing free entry to the Toronto 94 conference for the award winners.

It was agreed that in future the TFC members should jointly sponsor the award rather than try to find a sponsor each year.

### 6. Information Model - Library

Only limited progress has been made on this project. One way forward would be to send a questionnaire to all IAPH members but it had been decided that this should be referred back to the TFC before taking any positive steps.

There was considerable concern that the operation and maintenance of such a library could be too demanding for members of the TFC to undertake. Further consideration was needed on the infrastructure of the library and its maintenance processes before its content is decided.

The Chairman reiterated that the library is intended to be a first level source of papers and advice for IAPH members. The UNCTAD monographs had been identified as suitable documents for inclusion and it was necessary to identify other similar agencies such as UNECE that might produce other suitable documentation and recommendations. It has been suggested that the IT award entries should be held in the library. Commercial/Sales type papers would not be included.

It was agreed that the following needed to be considered.

- (i) there is a need to maintain the library and keep its contents up to date;
- (ii) there is a need to compile a list of possible sources for suitable documentation e.g. U.N.;
- (iii) details of the library and its contents need to be communicated to IAPH members (e.g. through a brief but regular report in the IAPH journal "Ports and Harbors") together with contact names and numbers.

Larry Sposi indicated that the Port Authority of New York & New Jersey operates a library with a full time librarian and he said he would enquire whether they could help with the IAPH library.

Niels Rasmussen offered to provide a list of possible documents and/or address list of possible sources.

### 7. Regional Developments

Written reports had been received from the following

TFC members:-

Joseph Bayada — Cyprus Ports Authority, John Hirst — Association of Australian Ports and Marine Authorities, Eric Lui — Port of Singapore Authority

The Chairman reported on the EDI Panel of the Maritime Industries Forum (MIF) which had been set up in Europe and which he chaired. It has been operating since January 1994 and has set out a programme of areas to be addressed. Six working groups each with a leader have been set up to determine the current situation and what is needed. The final report of the EDI Panel will contain recommendations on further work to be done. He asked for copies of the recently produced Interim Summary Report of the EDI panel to go to all TFC members as well as the Final Summary Report when it is produced.

Marielle Stumm gave an outline report on COST 330, a European project on Teleinformatics links between ports and their partners. She is to provide a short summary of the work of COST 330 for TFC members. The Chairman indicated that the TFC could not participate directly.

## 8. Training Requirements

Canada Ports Corporation has sent out a questionnaire to ports and to suppliers of training. A total of 29 replies had been received from Europe, North America and Asia, the noticeable gaps being responses from Africa and South America.

Based on the replies they had produced a set of 'Comments and Observations' for TFC members. This included three suggestions for further action:-

- (i) complete the data collection;
- (ii) make the list of course offerings known to IAPH members through the IAPH journal "Ports and Harbors"; and
- (iii) continue to improve the list of course offerings by contacting other organisations.

It was agreed that Canada Ports Corporation be asked to progress these. The Port of London Authority would follow up with such organisations as ICS and IMO based in London.

As part of the process of gathering information on available courses Canada Ports Corporation had made contact with the magazine "Port Development International (PDI)" which regularly includes information on training. However they required recognition of their contribution. The Chairman indicated he was happy for the contact with PDI to continue and for their part to be recognised provided that no costs fell to IAPH.

It was agreed that the TFC should not attempt to run training courses although IAPH as a whole may need to change its approach.

The Chairman reported that one of the work groups of the MIF-EDI Panel was working of promotion of EDI and as a consequence some form of roadshow could be established.

## 9. Customs Procedures

The Chairman reported that at the Europe/Africa Regional meeting in Paris in April the need to address Customs issues had been raised. Customs can have a significant adverse effect on trade facilitation, however they can also

be a driving force for electronic trading.

In the UK, Customs now had a charter on the standards they adopt and this includes encouraging the use of electronic trading. In North America there is a similar drive towards electronic trading. In any event it was felt that Customs should be encouraged to use commercial documents. It is a recommendation of the Customs Co-operation Council that Customs should seek co-operation not confrontation.

As Customs procedures are determined by each country it was felt that the way forward for IAPH members was to give them the tools and evidence to work with and to change the attitude of their local Customs. The best way to communicate this message is through "Ports and Harbors" magazine. The CCC could be invited to contribute an article.

## 10. Co-operation with TCIEG

It was agreed that the TFC should co-operate and work with the Transportation Community Information Exchange Group (TCIEG) but ensure that the work of the two groups is complementary and not overlapping.

It was agreed that at the joint session the TCIEG would be asked:-

- (i) to outline their plans for the future;
- (ii) their relationship with the International Systems Agreement (ISA) (an EDI group set up in North America by shipping lines); and
- (iii) status and plans for the TCIEG 'Handbook of Seaport Community EDI Systems'.

## 11. Date and Place of Next Meeting

The Chairman reiterated the need for TFC meetings to take place on the back of other events, when possible, to help justify the cost of travelling. He also reminded members that he welcomed alternative representatives if members could not attend in person.

Some while ago Joseph Bayada of Cyprus Ports Authority had offered to host a meeting of TFC in Cyprus. The Chairman indicated that he would take up this invitation for the next meeting. If possible it should be held to coincide with another related event in Europe. Members were invited to let K Wicks know of any events in the October/November time frame that might offer a platform to join with a TFC meeting in Cyprus.

## 12. Work Program

Niels Rasmussen explained that the paper by the International Express Carriers' Conference attached to the agenda had been brought about by a widely held view that UN Working Party 4 had been getting too involved in EDI instead of the wider Trade Facilitation issues.

The Chairman picked up the point expressed about the volumes of information being moved for purely statistical purposes.

## 13. Joint Session with TCIEG

This session was jointly chaired by David Jeffery, Chairman of the TFC, and Peter Brown, Chairman of the TCIEG.

Peter Brown indicated that the TCIEG had held a constructive meeting (concurrent with the TFC meeting) and had identified that the TCIEG had a logical co-ordinating role on a global basis, focussing on Port Community Systems in their various roles. All of the players in the chain needed to be brought together and nobody else was carrying out

this role.

They are already in touch with IAPH, ISA and TOPAZ. In the case of IAPH there would be particular points of co-operation. David Jeffery indicated that he had been concerned about duplication of work but he was satisfied that this should not now be a problem. The TFC focus was not as wide as the TCIEG as it is specifically Port oriented.

He outlined the areas that the TFC is looking at or might influence:-

- training
- trade facilitation, not necessarily involving technology
- problems of delays by Customs in some countries; possible influence through IAPH official access to CCC
- IAPH also has official access to IMO, although a connection directly through the TFC has not yet been made.
- understanding of regional development including the European Maritime Industries Forum (MIF), its membership and function and in particular its EDI Panel. He said a copy of the MIF EDI Panel Interim Summary Report will be made available to the Secretary of the TCIEG for distribution to its members.

He indicated that in Europe dangerous goods are high on the agenda for statutory requirements and that the use of electronic information was preferred. This could provide a base from which commercial developments could progress.

Peter Brown reported that an informal meeting had been held with ISA, the day before, and they had agreed to work with the TCIEG and left an invitation with the TCIEG to participate in their activities.

At the TCIEG meeting it had been decided that through its Secretary (Jean Lesprance of Canada Ports Corporation) a letter would be composed seeking to co-ordinate activities, to go to IAPH, ISA, CCC, IATA, Road and Rail groups, SMDG.

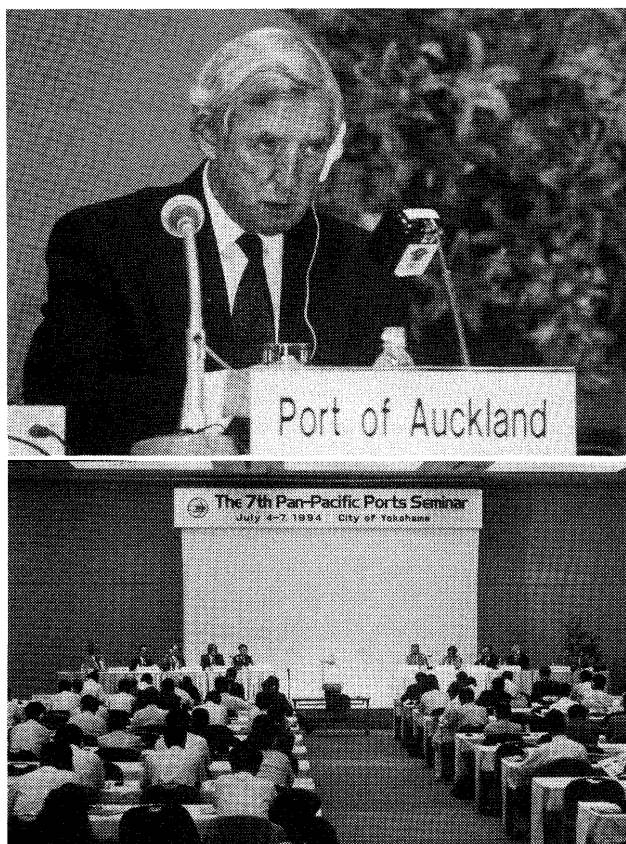
Jean Lesprance reported that the TCIEG 'Handbook' was last updated about a year ago and there is still some demand for copies. He had in recent months sent out a request for update information and he encouraged people to provide information for updating.

The TCIEG plans to hold another meeting at the time of the UN/EDIFACT Joint Rapporteurs Team (JRT) meeting in Vienna, Austria (26-30 September 1994).

The overall view of the two Chairmen was that the joint session between TFC and TCIEG had provided a useful exchange of views.

## **IAPH Vice-President Robert Cooper in Yokohama Seminar**

Mr. Robert Cooper, Chief Executive, Ports of Auckland Limited and the 1st Vice President of IAPH, citing the importance of networking among ports, delivered a welcome speech to the 400-strong audience of the 7th Pan-Pacific



Ports Seminar, held at the Pacifico Conference Center, Yokohama, which was held from 4 to 7 July, 1994, hosted by the Port of Yokohama. The theme of the Seminar was "New Developments in Pan-Pacific Trade, Shipping and Transportation and Ports — Challenges toward the 21st Century".

The Yokohama Seminar was a derivative of the port-to-port affiliation arrangements in the region but with the common factor of being related with sister-ports or friendly-ports affiliations, directly or indirectly. At the 7th gathering in Yokohama there were the delegates of 17 ports. They were the ports of Auckland, Dalian, Hakata, Hong Kong, Kawasaki, Keelung, Kitakyushu, Kobe, Melbourne, Nagoya, Oakland, Osaka, Qinhuaungdao, Shanghai, Tokyo, Vancouver and Yokohama.

There were two keynote speeches by the guest speaker. Mr. Nobuo Matsunaga, the former Japanese Ambassador to the U.S.A. & the Envoy of the Government of Japan, spoke on the subject of "the 21st Century's Dynamics in the World Economy". Dr. Peter Rimmer, Head, Department of Human Geography, Research School of Pacific and Asian Studies, the Australian National University, spoke on the subject of "Putting Pan-Pacific Maritime Transportation into Context: Towards a Vision of the Early 21st Century".

Taking part in the three sessions of "Trade", "Shipping and Transportation" and "Ports" were the port officials, the representatives of major shipping lines of APL, COSCO, Evergreen, MOL and NYK as well as various trade-related institutions such as the American Chamber of Commerce in Japan, the Japanese Shipowners' Association, the Korean Institute for International Economic Policy, International Trade Research, the Institute of the Ministry of Foreign Trade and Economic Cooperation of China, Keidanren of Japan, and Japan External Trade Organization (JETRO) and the Japan Foreign Trade Council.

# LC 1972 Amendment Group-2nd Meeting

## IMO Headquarters, London

### 9-13 May 1994

Report of Joseph E. LeBlanc, Jr., IAPH Observer

The Second Meeting of the Amendment Group of the London Convention 1972 was held at the headquarters of the International Maritime Organization, 4 Albert Embankment, London SE1, England, on 9-13 May 1994. I attended the Meeting as the IAPH observer. This report will summarize the deliberations at the Meeting and discuss the major issues of concern to IAPH ports.

#### 1. Principal Agenda Items

The two principal agenda items considered at the Meeting were (1) the procedure for a thorough review of the London Convention 1972 and whether the Convention should be amended through a protocol or new convention, and (2) proposed amendments to the Convention and/or its annexes. There was general agreement that, as a working hypothesis, the amendment package should be considered as a protocol to the existing Convention and that the alternative, i.e., the establishment of a new convention, might be considered at a later stage when the extent of the amendments agreed upon was more fully known. The Meeting decided upon the following schedule leading to a diplomatic conference in 1996 to formally adopt the proposed protocol or new convention:

- (1) July 18-22, 1994: 17th Meeting of the Scientific Group — advice on selected technical/scientific matters relating to amendments.
- (2) October 3-7, 1994: 17th Consultative Meeting (LC 17) — approval of an amendments review procedure and scope of an amended convention and discussion of negotiating texts developed by Contracting Parties.
- (3) May 1995: Third Meeting of the LC 1972 Amendment Group — negotiating session to consider all aspects of proposed amendments.
- (4) June 1995: 18th Meeting of the Scientific Group — advice on selected technical/scientific matters relating to amendments.
- (5) August 1995: Meeting of amendment drafting group (in English only).
- (6) November 1995: 18th Consultative Meeting (LC 18) — discussion of negotiating text with a view to reaching agreement on the amendment package.
- (7) February 1996: Meeting of jurists/linguists to revise draft text to ensure consistency in all official languages.
- (8) Autumn 1996: Special meeting or conference (instead of a consultative meeting) for formal approval of an amended London Convention 1972.

The Meeting took note of a list of "Issues of concern"

prepared by the secretariat (LC/AM 2/3) as to which the Secretariat felt recommendations should be made to the 17th Consultative Meeting in October 1994. The list included a number of "core issues" whose resolution the Secretariat felt would expedite the amendment process, as well as additional issues raised in the past which remain unresolved. One issue of particular importance to ports is whether "agitation dredging" and "sidecast dredging" should be considered "dumping" under the Convention. The Meeting felt it was not necessary to address these questions at this stage of the amendment process, but preferred to keep them in mind when considering the proposed amendments on an article-by-article basis. This avoided a pointed discussion of "agitation dredging" and "sidecast dredging", which in IAPH's view, do not involve "dumping" under the Convention.

The Meeting next turned to a consideration of the proposed amendments to the Convention or its annexes. The review followed the format set out in a document prepared by the Secretariat for the Meeting, an "Inventory of Proposals" submitted by Contracting Parties and of Results of the First Meeting of the Amendment Group: Article-by-Article" (LC/AM 2/4/1). The Inventory included each proposed amendment affecting the Preamble, Articles, and annexes of the Convention.

#### 2. Principal Issues of Interest to IAPH

##### (a) The Precautionary Approach

The Inventory noted the following issues relating to the definition of a "precautionary approach":

- (1) whether Contracting Parties shall "apply" or "be guided by" a precautionary approach to environmental protection;
- (2) whether appropriate preventive measures are to be taken when there is reason to believe that substances or energy introduced in the marine environment "are likely to" or "may" cause harm even when there is no conclusive evidence to prove a causal relation between inputs and their effects.

The Meeting took no action on these alternative approaches and deferred further discussion until a subsequent meeting of the Amendment Group.

##### (b) The "Polluter Pays" Principle

A proposal has been made to include reference to the

"polluter pays" principle as part of the precautionary approach. IAPH's position is that ports are not the primary polluters of dredged material and are not the types of sources intended to be covered by this principle. I made an intervention to point out the clarification at the First Meeting of the Amendment Group that the focus of this principle is upon primary polluters (LC/AM 1/9, 3.18.7) and to ask that this be noted again. Appropriate reference has been made to this limitation in the draft report of the Second Meeting (LC/AM 2/WP.6, 4.6).

After the IAPH intervention, Cliff Curtis, one of the representatives of Greenpeace, questioned me as to where in the report of the First Meeting there was a recognition that the "polluter pays" principle was limited to primary polluters. I furnished him with the appropriate reference and took this as an indication that Greenpeace does have an interest in imposing payment obligations upon ports even though they are not directly responsible for the contamination of dredged material. This highlights the need to exercise vigilance throughout the amendment process to avoid the imposition of unreasonable obligations or requirements upon port interests.

#### **(c) Best Available Techniques, Best Environmental Practice**

A proposal was made to require the use of "best available techniques" and "best environmental practice" as part of the precautionary approach. Although these terms are used in the OSPAR Convention, they are not defined in the proposed amendment to LC 72. IAPH has expressed concern about the adoption of such undefined and unknown requirements, particularly with respect to any effort to force the use of particular dredging technologies where the requirements for sea disposal have otherwise been met. An intervention to express these concerns proved to be unnecessary when this provision was deleted during the course of the Meeting.

#### **(d) Cross Media Transfer of Pollution/Option of Least riment**

A number of proposed amendments would require Contracting Parties to act so as not to transfer, directly or indirectly, damage or hazards from one part of the environment to another or to transfer one type of pollution into another. This is related to the "option of least detriment", which provides for the selection of the disposal option which will result in the least harm to the environment. Under this approach, there would be no requirement to use disposal options other than sea disposal where impacts upon the environment would be greater. This comparative approach has long been supported by IAPH. Further consideration of this issue was deferred to a later date.

#### **(e) Internal Waters**

Proposals have been made to expand the definition of "sea" to cover "internal waters". Three different approaches have been developed during the amendment process. The first would define "internal waters" as those waters so designated by the coastal state or, alternatively, waters on the landward side of the baseline from which the territorial sea is determined up to the landward limit designated by the coastal state. The second would define "internal waters"

as all lands on the landward side of the baseline of the territorial sea without a right of designation by coastal states. The third approach would not amend the definition of "sea" to include "internal waters", but would require Contracting Parties to adopt appropriate measures consistent with the purposes of the Convention to control the deliberate disposal of waste and other matter in their internal waters where such disposal would be "dumping" within the meaning of the Convention. No final action was taken on this issue. These options remain open for further consideration.

#### **(f) Inclusion of the "Seabed" in the Definition of "Sea"**

A widely supported proposal has been made to amend the definition of "sea" to include the "seabed". The United States originally opposed this change and suggested, instead, adoption of a separate definition of "emplacement of wastes" to govern the placement of material in the seabed. During the course of the Meeting, the United States withdrew its "emplacement" proposal in light of an amendment to the definition of "dumping" that addresses the United States' concerns, *i.e.*, that the Convention would not apply to the abandonment in the seabed and subsoil thereof of matter (*i.e.*, cables, pipelines, and marine research devices) placed for a purpose other than the mere disposal thereof. There appears to be a general consensus to define "sea" to include the seabed and subsoil thereof.

#### **(g) Reverse Listing**

A major change in the structure of the Convention has been proposed in the adoption of a "reverse listing" approach under which all substances would be prohibited from disposal at sea unless they are included in a list of substances approved for dumping. There is widespread support for this approach, particularly in view of the ban on disposal of industrial waste at sea adopted at LC 16 (Resolution LC.49(16)), which included a form of "reverse listing" in defining the exclusions from the definition of "industrial waste".

The general view seems to be to include a general prohibition of all dumping in the Convention and to adopt a new annex to include a "reverse list" of substances approved for disposal at sea. The Meeting also discussed the status of the existing annexes as a means of assessing those wastes for which disposal at sea would be allowed. There was general agreement that, now that a number of outstanding policy issues have been resolved (*i.e.*, relating to the dumping of radioactive wastes and industrial wastes at sea and incineration at sea), it may be appropriate to use the Waste Assessment Framework (WAF) as the basis for assessing materials approved for sea disposal. The WAF would replace existing Annexes 1, 2, and 3, with editorial changes in the text of the WAF to accommodate the existing references to those annexes and to reflect key concepts needed in the assessment process, such as "trace contaminants", "rapidly rendered harmless", "significant amounts", and "special care".

#### **(h) Basis for Amendments to the Annexes (Article XV(2))**

The Meeting considered a proposal to delete the first sentence in Article XV(2), *i.e.*, "amendments to the Annexes will be based on scientific or technical considerations", and a proposal to add at the end of that sentence the phrase "... taking account of legal, social, economic and political

considerations". The Secretariat proposed a third option which would provide that "amendments to the Annexes shall be based on scientific, technical, social and economic considerations". No decision was reached on this issue. All three options will be considered at a later meeting.

**(i) Paragraph C4 of Annex 3 (additional alternatives analysis)**

Paragraph C4 of Annex 3 currently requires a consideration of the practical availability of alternative land-based methods of treatment, disposal or elimination, or of treatment to render the matter less harmful for dumping at sea. The United States has proposed to replace this paragraph with language providing that, in the case of wastes or other matter determined to be otherwise suitable for dumping at sea, no permit for dumping may be issued unless the Contracting Party has first considered the practical availability and environmental impacts of methods to eliminate or reduce the amount of material to be dumped, methods to render the material less harmful, and alternative methods of destruction not involving dumping at sea. This would require an additional alternatives analysis even for material otherwise suitable for dumping at sea. This has the potential to impose significant additional burdens if applied to ports and would appear to be a needless additional expense if dredged material is otherwise suitable for dumping at sea and there has already been a consideration of the practical availability of alternative land-based methods of treatment, disposal or elimination under the present wording of paragraph C.4 of Annex 3. This proposal was referred to the Scientific Group to consider how it fits with the analytical process set forth in the

**3. Amendment Issues of Concern to IAPH at LC 17 (October 3-7 1994)**

Based upon the outcome of the Second Meeting of the Amendment Group, the following amendment issues remain unresolved and may be brought to the attention of the Consultative Meeting at LC 17 for further discussion and possible action:

1. Incorporation of the "precautionary approach" into the Convention.
2. Adoption of the "polluter pays" principle as part of the precautionary approach. We have clarified at both the First and Second Meetings of the Amendment Group that this principle, if adopted, is intended to apply to primary polluters.
3. Adoption of a "reverse listing" approach, including the role of the existing annexes and/or substitution of the WAF in assessing the suitability of materials approved for sea disposal.
4. Amendment of the definition of "sea" to include "internal waters" and the "seabed".
5. Cross-media impacts of pollution/option of least detriment.
6. Basis for amendments to the annexes (Article XV(2)), *i.e.*, the extent to which legal, social, economic and political considerations should be taken into account in addition to scientific or technical considerations.
7. The additional alternatives analysis proposed by the United States as an amendment to paragraph C(4) of Annex 3.

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There may also be discussion at LC 17 of some or all of the "Issues of concern" set forth by the Secretariat in LC/AM 2/3, including the Secretariat's request for guidance and action on whether "agitation dredging" and "sidecast dredging" constitute "dumping" under the Convention and whether the use of wastes and other matter for the purpose of constructing islands and other man-made structures at sea (*i.e.*, artificial reefs) is covered by the Convention. IAPH must be prepared to express its position on these issues.

## The IPD Fund: Contribution Report

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

| Contributors   | Amount        |
|--|---------------|
| <b>Paid:</b>   | <b>(US\$)</b> |
| ABP (Associated British Ports), U.K.                           | 3,000         |
| Abu Dhabi Seaport Authority (Mina Zayed)                       | 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 Autonómo 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 Autonómo 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           |
| Empresa Nacional de Administracao dos Portos, E.P., Cabo Verde | 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           |
| Irish Port Authorities Association, Ireland                    | 1,000         |
| 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               |
| Kobe, Port of, Japan  | 3,665             |
| Kobe Port Terminal Corporation, Japan   | 924               |
| 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  | 200               |
| Quebec, 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\$50,299</b> |

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

# IAPH Information Technology Award 1994 Trade Facilitation Committee

## The Gold Award Winning Paper

**Entered by L'Office des Ports et Rades du Gabon (OPRAG)  
Nominated by SYNETICS Corporation (Vienna, Virginia, USA)**

### 1. Summary

**Business Problem:** L'Office des Ports et Rades du Gabon (OPRAG) required a fully integrated computer hardware, software, and communications system to prepare them for growing global economic competition. OPRAG needed to:

- Integrated port operations at Owendo and Port Gentil,
- Establish a set of port management tools to improve productivity, and
- Provide all system users with office automation capabilities.

OPRAG desired an incrementally expandable system that would eventually interact with other ports and countries in the region.

**Solution:** The OPRAG Port Management Information Systems (PMIS) was the first introduction of computer technology that spanned their entire port authority environment. The system:

- Introduced the first office automation capabilities to the port authority staff (including text, graphic, and data processing; electronic communication, and document transfer capabilities),
- Transformed manual port management processes to automated data tracking, and
- Provided automated financial data processing to staff with access from various remote sites.

Most of the port buildings now have fully functional office automation workstations with network access to the port management database and financial system. The integrated system introduces a comprehensive automated environment for analyzing past, current, and future activities, services, resources, and requirements. In addition to the overall efficiency improvements gained by the introduction of office automation and the port management applications, the automated financial component has reduced the time required for invoicing from about a month to less than a day.

OPRAG installed a modular, open client-server solution linking the ports of Owendo and Port Gentil. The system supports users via modems and Local Area Networks (LANs) at each port, and provides access to financial processing on the RISC-6000. The design supports expansion at current locations and future integration with other ports and applications. To ensure future compatibility with other regional ports, OPRAG offered the system as a model to other



*In Toronto, Mr. David Jeffery (left), Chairman of the IAPH Trade Facilitation Committee, presents the Award to Mr. Philibert Andzember, Director General, OPRAG, Gabon.*

members of the Port Management Association of West and Central Africa (PMAWCA). The system and its ultimate integration with other regional ports was identified by the PMAWCA as the future direction of port automation throughout the region.

System development occurred on two continents. Initially, network components and port management applications were configured and programmed in the U.S. to reduce development costs and to avoid delivery and product support problems. After software implementation and network testing, the system was shipped to Gabon for final integration with the RISC-6000. The project was completed within ten months between January 1993 and October 1993.

### 2. Results

#### 2.1 Increased Capabilities and Operating Impact

The OPRAG PMIS was the first introduction of automated data processing in many areas of OPRAG. The system made dramatic improvements within three major areas in the port:

**Administration Staff:** The introduction of the open system with standard PC-based workstations made office automation processes available to the administrative staff for the first time. Data analysis, graphics, and report production is now accompanied using text processors, graphics packages, and automated spreadsheets. Internal communications are now facilitated via mail and document transfer capabilities.

**Harbor Master Office:** The PMIS transformed operations from manual procedures for capturing and recording critical data to automated information tracking.

- **Data Reduction.** An integrated vessel information database eliminates significant amounts of redundant data collection required for the variety of vessel and shipping forms.
- **Data Integrity.** As vessels and/or clients return, the historical database is simply confirmed, thus increasing the integrity of the ports database.
- **Integrated Resource Planning.** The integrated database of ship data, equipment profiles, resources, and schedules permits more effective planning and operation. Instead of treating information independently, an integrated picture of available resources is evaluated against needs of incoming ships.
- **Extended Resource Allocation.** The historical database facilitates reliable prediction of resources needed by ships before specific services are requested.

**Billing Office:** The installation of the financial processor on the RISC-6000 and its availability throughout the ports via modems and/or LAN has transformed operations in the billing office. Previous manual bookkeeping and invoicing processes are now completely automated with consistent interfaces for both console and remote users.

## 2.2 Increased Revenues & Enhanced Efficiency

The system permits the port to associate causes of delays and service requests with their respective costs. Delays, vessel movements, and special service requests resulting from clients' needs can be charged back since their liability is documented. The historical customer/client database continually expands and reconfirms critical operational data. Vessel information collected from previous visits can be confirmed and updated as needed. Eventually, the database facilitates forecasting and planning by capturing periodic and seasonal resource requirements, and specific needs of recurring clients.

Previously, manual data processing and invoicing could take as long as a month. Since the networked system permits direct immediate access to billing data from all operational areas, the billing cycle can be reduced to less than a day.

## 3. Technology or Services Used

As depicted in Figure 1, the OPRAG PMIS was implemented as a modular, open client-server system. Workstations are linked via modems and LANs at each port, and the financial package is accessed on the RISC-6000 via TCP/IP protocols. The LANs included both fiber-optic and 10-baseT cabling. Port management applications, communications, and database distribution was built upon a Lotus NOTES software environment.

### 3.1 Hardware

- Three IBM 486 network and Lotus NOTES servers (two in Owendo and one in Port Gentil) supported by Ethernet adapters, 14,400 bps Modems, and a tape backup unit.
- Twenty IBM 386 workstations with Ethernet adapters or Modems.
- RISC-6000 minicomputer.
- 12 HP LaserJet printers.
- 5 Ethernet hubs.
- 6 10-baseT/fiber-optic protocol transceivers.

### 3.2 Software

Network Protocol software:

- TCP IP
- Office automation software:
  - Microsoft DOS & Windows 3.1,
  - Lotus NOTES,
  - Lotus 123,
  - Freelance, and
  - AMIPRO.

Specialized bilingual port management applications supporting:

- Vessel Information (based on Lloyd's Registry).
- Vessel Tracking (e.g., Statistics; Entry/Department Declarations; Charges & Surcharges; Resource Requirements).
- Dredging & Hydrographics.
- Terminal Management (e.g., Bills of Lading; Declarations; Dock Receipts; Manifests; Stowage & Vessel Load/Discharge).
- Land & Equipment Tracking (e.g., Equipment Inventory, Maintenance).

## 4. Obstacles Overcome

### 4.1 Technological Obstacles

**Geographic and Environmental Constraints:** Reliable delivery and product support is unavailable in Gabon. **Solution:** The system was initially implemented, configured, and tested at contractor's U.S. office.

**Site Environmental Constraints:** System servers require programming to establish interdependencies among databases and to maintain automatic replication of data. Initially, the telephone cable quality was unreliable for transmission via a modem. **Solution:** Used local hotel telephone system to program and test components during final installation.

**Availability of qualified LAN cable installers:** No skilled installers were available. **Solution:** Utilized local telephone cable installers and maintained supervision of staff thus ensuring that differences in installation were understood and properly applied.

**Equipment Failure:** During installation, a line of the fiber-optic cabling was crushed and permanently disabled. **Solution:** The network system was designed for future expansion and safeguards, and therefore included additional reserve fiber-optic lines. One of those lines was used for transmission and additional cables were added to maintain the level of capacity for the future.

### 4.2 Organizational and Human Factors

**Multi-National Commonality:** OPRAG desired the initial system to be incrementally expandable and to eventually interact with other ports in the region. **Solution:** OPRAG offered the system as a model architecture to other countries/ports in the PMAWCA.

**Funding:** Availability of funds for the project was a major obstacle. **Solution:** Loans were obtained from local banks based on OPRAG's credit references that substantiated the port as a revenue producing organization and by securing the loan with the new equipment purchased.

**Languages:** The system users primarily speak French, while its developers primarily spoke English. **Solution:** The entire OPRAG system has been implemented in a bilingual configuration. Users may select from French or English views of the data and interactive screens while a single common database stores the data.

## Visitors to Head Office

On July 4, 1994, availing himself of the chance of attending the 7th Pan-Pacific Ports Seminar in Yokohama, **Mr. Robert Cooper**, Chief Executive, **Ports of Auckland Limited** and the 1st Vice President of IAPH, visited the Head Office to meet with Mr. Hiroshi Kusaka and his staff to discuss items of importance for the Association.

On July 6, 1994, **Eng. Vasile Pistolea**, President-General Manager, **Constantza Port Administration**, Romania, to-



*Mr. Pistolea (seated, right) with the IAPH Secretary General and staff.*

gether with Mr. Y. Matsubara, Industrial & Infrastructural Project Section of Sumitomo Corporation, Tokyo, visited the Head Office. They were received by Mr. Hiroshi Kusaka, Secretary General, and his staff, and exchanged views on items of mutual interest and concern. Mr. Pistolea was a member of the Romanian Trade Mission, led by Hon. Petru Servan Mihailescu, Secretary of State, Ministry of Transport. The Mission was visiting Japan to meet with the public and private sectors for the development of trade and with a view to boosting the transportation infrastructure of Romania.

On July 14, 1994, **Mrs. Leslie Abramson**, Commissioner, and **Mr. Gary Brush**, Director of Finance and Administration, **Fraser River Harbour Commission**, visited the Head Office, where they were received by Mr. R. Kondoh and



*Seated: Mrs. Abramson (left and Mr. Brush)*

Ms. Kimiko Takeda. Views were exchanged on matters relevant to both sides. The visitors were en route to Guam to attend the annual assembly of the Pacific Coast Association of Port Authorities there.

On July 14, 1994, at the premises of the Canadian Embassy in Tokyo and hosted by Mr. Mark Romoff, the Minister- Counsellor (Commercial) for Canada, a welcome reception for the delegation of the Port of Nanaimo was organized, to which local representatives of the public and private sectors were invited. The **Port of Nanaimo** delegation, led by **Mr. Gino Sedola**, Chairman of the Nanaimo Harbour Commission, comprised **Mr. Louis Plazzer**, Commissioner, **Mr. John R. Deelman**, Commissioner, **Mr. W.E. Mills**, Port Manager & CEO, and **Mr. Douglas P. Peterson**, Director of Marketing & Sales. The delegation was on its way to attend the annual assembly of the Pacific Coast Association of Port Authorities in Guam.

On Friday, July 15, 1994, availing himself of the chance of a brief visit to Tokyo by **Mr. W. Don Welch**, Executive Director, **South Carolina State Ports Authority** and the IAPH Finance Committee Chairman, Mr. R. Kondoh of IAPH Head Office briefly reported on the current situation and submitted an interim report on the financial matters.

## Membership Notes:

### New Members

#### Regular Members

**Penang Port SDN. BHD.** [Regular] (Malaysia)

Address: No.1, King Edward Place  
10300 Penang  
Mailing Addressee: Mr. Abdullah Alias  
Managing Director  
Telex: PELPIN MA 40157  
Tel: 604-612211  
Fax: 604-613336

**Malta Freeport Corporation Ltd.** (Malta)

Address: Freeport Centre, Kalafrana  
Mailing Addressee: Mr. Marin Hili  
Chairman  
Tel: (356) 650200  
Fax: (356) 684814  
Chairman: Mr. Marin Hili

### Changes

**Hualien Harbor Bureau** [Regular] (China)

Mailing Addressee: Mr. Han, Te-An  
Director

**Keelung Harbour Bureau** [Regular] (China)

Mailing Addressee: Mr. C.T. Huang  
Director

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# OPEN FORUM

## World Trade Depends on Sustainable Port Development and Open Navigation Channels

*Presented to the Executive Committee Meeting of IAPH  
Copenhagen, Denmark, June 1, 1994*



**By Erik Stromberg, President  
American Association of  
Port Authorities (AAPA)**

Free and fair trade is generally acknowledged throughout the world as a legitimate and important objective, even if in practice its application still tends too frequently to be distorted by other national priorities. However, for world ports, the reduction of trade barriers wherever they are found reflects our fundamental values in an open global trading system. Free and open trade among nations promotes a growing and efficient world economy, and a better allocation of scarce resources. With the increasing globalization of trade and commerce, and the growing importance of exports and imports to the nations of the world, restrictive, protectionist trade policies become more conspicuous and troublesome. The implementation of the North American Free Trade Agreement and the completion of negotiations in the General Agreement on Tariffs and Trade are signs that we are making some progress.

In 1992, at the request of AAPA, the International

Association of Ports and Harbors (IAPH), adopted a resolution favouring open trade policies based on doctrines of fairness among the world's trading partners. The resolution recognizes not only the importance of trade to world ports, but also underscores ports' role in promoting free trade policies and opposing protectionism wherever it is found.

However, ports and the communities and commercial interests they support will not be able to reap the full benefit of the documented burgeoning international trade if we do not convince our respective publics that port operations and port expansion, can be achieved in an environmentally responsible fashion. AAPA is concerned that international and nation state initiatives, including amendments to the London Convention, will result in more, not fewer environmental restrictions on port development activities and, especially, on the management of dredged material.

Ports in the international community have a collective responsibility to ensure that there is a more receptive general awareness of the importance of the ports' role in the expansion of world trade and economic growth. If world ports can work together to build support for sustainable port

development, we have a better chance to ensure that international, as well as individual nation state initiatives, do not restrict dredging of vital navigation channels that serve as the international highways for commerce.

I would like to take this opportunity to outline several initiatives that AAPA is currently undertaking to address these concerns. I hope IAPH could support similar initiatives on the international level.

- \* First, we are working for the adoption of a "National Dredging Policy" that recognizes the pivotal role of ports and the need for dredging to ensure we keep our navigation channels open to trade.
- \* Second, we support initiatives that encourage good environmental management of ports and related development activities. However, environmental regulation should aim to achieve maximum environmental benefits at minimal cost. For example, port activities should not be subjected to rigid and expensive mandates, compromising our mission to promote trade and economic growth, while achieving little if any significant environmental benefit.
- \* Finally, we continue to implement our public awareness initiative, as well as related education programs. A widespread understanding of the ports' role in supporting increased trade and economic opportunity is essential if we are going to be successful in accomplishing the first two objectives.

I believe that is important for AAPA and IAPH expand our mutual efforts to date to develop complementary initiatives on the international level.

### **National Dredging Policy**

At the AAPA Annual Convention in Halifax, N.S., Canada in September 1993, the Association adopted a resolution calling on the U.S. Government to adopt a National Dredging Policy. In essence, that resolution calls for three things: (1) a commitment from the highest government level to support dredging of our nation's navigation channels; (2) administrative and regulatory reforms to streamline the project approval and permit process and to ensure a consistent and coordinated response at the local, state and federal level; and (3) legislative changes to ensure a national commitment to share the cost of disposal and management of dredged material not suitable for open water disposal.

Through our financial contribution and the participation of Dwayne Lee, Deputy Executive Director at the Port of Los Angeles, as Chairman of the AAPA Dredging Task Force, AAPA continues to work with IAPH technical and legal participation in the London Convention. AAPA has raised our fundraising goal to support these activities from \$100,000 to \$150,000 in anticipation of increased activity internationally and in the U.S. We have greatly appreciated the generous contributions from IAPH to our fundraising efforts. Even more fundamentally, it is through IAPH, that AAPA participation in the activities of the London Convention is possible as together we seek to ensure that domestic options for open water disposal of dredged material are not foreclosed by international treaty.

All port partners in the international community share a common interest in deliberations of the London Convention. It is crucial to maintain IAPH participation in the Convention deliberations and, perhaps more importantly,

by direct and active involvement in the development of the positions of our representative nation states participating in the Convention. That is particularly important at this time because Convention participants are currently considering revisions to the dredging guidelines, as well as proposals by Greenpeace and other environmental groups to further restrict open water disposal of dredged material.

Although President Bill Clinton's Administration is widely recognized as being sensitive to environmental concerns, we have found that it is also very responsive to AAPA's calls for increased focus on the ports' role in trade and the importance of navigation to commerce. In a recent letter to AAPA, President Clinton expressed the following:

*"Our nation's ports are a key link in the intermodal chain and can only realize their full potential as magnet for shipping and commerce if our nation's harbors are dredged and open for trade.*

*"Too often, dredging projects are caught up in a regulatory tangle. My Administration will work to develop improved long term management plans that will help to avoid delays in important navigation projects without compromising the environment ..."*

In a related initiative, under the direction of U.S. Department of Transportation Secretary Federico Peña, the Administration has formed an Interagency Working Group on the Dredging Process to develop recommendations on how to improve interagency coordination and promote predictability in the dredging process. We believe these actions go a long way toward achieving the first two objectives of our proposal for a National Dredging Policy. We hope that legislative changes will also be adopted during the balance of this Congress and in the next (the 104th) that are needed to support the mission of our ports.

AAPA's legislative focus in the U.S. has been largely on environmental laws and the restrictions that increasingly place limits on port development and dredging activities. In many cases, these restrictions result in the unnecessary delay of projects and significantly increase costs with little, if any, concomitant environmental benefit. Therefore, as discussed in more detail in the following section, AAPA has urged that the Administration commit itself to the "sustainable development" of our ports. Because we as a nation must have port expansion and dredging of navigation channels to meet the demands of commerce, we should focus on how to achieve that development with the least impact on the environment (given cost and technological feasibility).

### **AAPA Policy on Environmental Protection and Sustainable Development of Ports**

One of AAPA's primary goals is environmentally compatible port development. AAPA is committed to an environmental policy that sets out a more explicit statement of the ports' affirmative support for environmentally sustainable port development and operations.

According to AAPA's annual surveys, environmental restrictions and regulatory costs consistently place among the top major issues for the public port community. The inevitability of coastal population growth and the resulting environmental stress on highly visible and sensitive nearshore areas assures that ports will continue to be confronted with difficult environmental issues. Perhaps the best way to prevent new regulations on port activities in the future is to ensure that existing regulations are enforced, pollution

prevention measures are implemented and responsibility for the cost of cleanup is placed on the polluter.

Ports not only need to be responsible for good environmental management practices at their own facilities, but it may be advisable to encourage responsible practices by upstream polluters and encourage enforcement (including funding) of existing regulations on discharges into our waterways. U.S. laws make it difficult, however, to duplicate initiatives like those at the Port of Rotterdam which, however laudable, focus on control of upstream sources of pollution.

The essential components of an AAPA environmental policy includes the following principles:

- \* Ports are committed to environmental protection as public custodians of land and marine resources;
- \* Environmental priorities should be established based upon dedication of limited financial resources to achieve the maximum environmental benefit;
- \* We need to improve intergovernmental coordination and, wherever possible, consolidate and streamline environmental permit review to avoid unnecessary, counterproductive and costly project delay; and
- \* Ports support efforts to identify sources of pollution and to prevent pollution, including work to identify enhancements for local pollution prevention and water pollution control problems.

### **AAPA's Public Awareness Campaign**

AAPA is committed to increasing awareness of public ports and their importance to international trade, transportation and national security throughout the Western Hemisphere. Accordingly, in the last three years the Association has developed an extensive Public Awareness Campaign under the direction of its Officers, Public Relations Committee and headquarters staff.

The Public Awareness Campaign's primary objectives are two-fold: to educate various target audiences about the economic impact of public port activities; and, more specifically — at least for the time being — to develop widespread public appreciation of the need for dredging and finding solutions to the dredged material disposal problem.

Our key message is that public ports facilitate waterborne commerce, through which they generate significant local and regional economic growth, and create millions of jobs. For example, in 1991, through cargo activities in the U.S. alone, commercial port activities provided employment for 1.5 million Americans. Port activity contributed \$70 billion to the U.S. Gross Domestic Product (GDP), and personal income of \$52 billion. Port activity accounted for federal taxes of \$14 billion, and state and local tax revenues amounting to \$5.3 billion. Similar economic benefits are cited by AAPA's Canadian, Caribbean and Latin American members as well.

AAPA's Public Awareness program is ultimately designed to influence public opinion and, subsequently, public decision-makers on the issues of greatest importance to ports. For example, the 1993 Strategic Issues Survey of AAPA members indicated what they thought were the major challenges facing U.S. ports today. Seventy percent of AAPA member ports responded to the survey, including ports in the U.S., Canada, Puerto Rico, Hawaii, Guam and Saipan. Of greatest concerns were:

- \* Port facility development and capital requirements;
- \* Environmental regulation and dredging and dredged

material disposal;

- \* Pricing pressures/new revenue sources; and
- \* Railroad and highway intermodal access.

Our public awareness initiative, through aggressive media relations, newsletters, and speeches and presentations given by headquarters staff, is intended to generate the visibility needed in order for our issues to be placed on the public's agenda. The Association provides information and tools so that individual ports can make the same case to local port "stakeholders", including employees, labor, tug and barge operators, shippers, brokers and forwarders, insurers, bankers, etc.

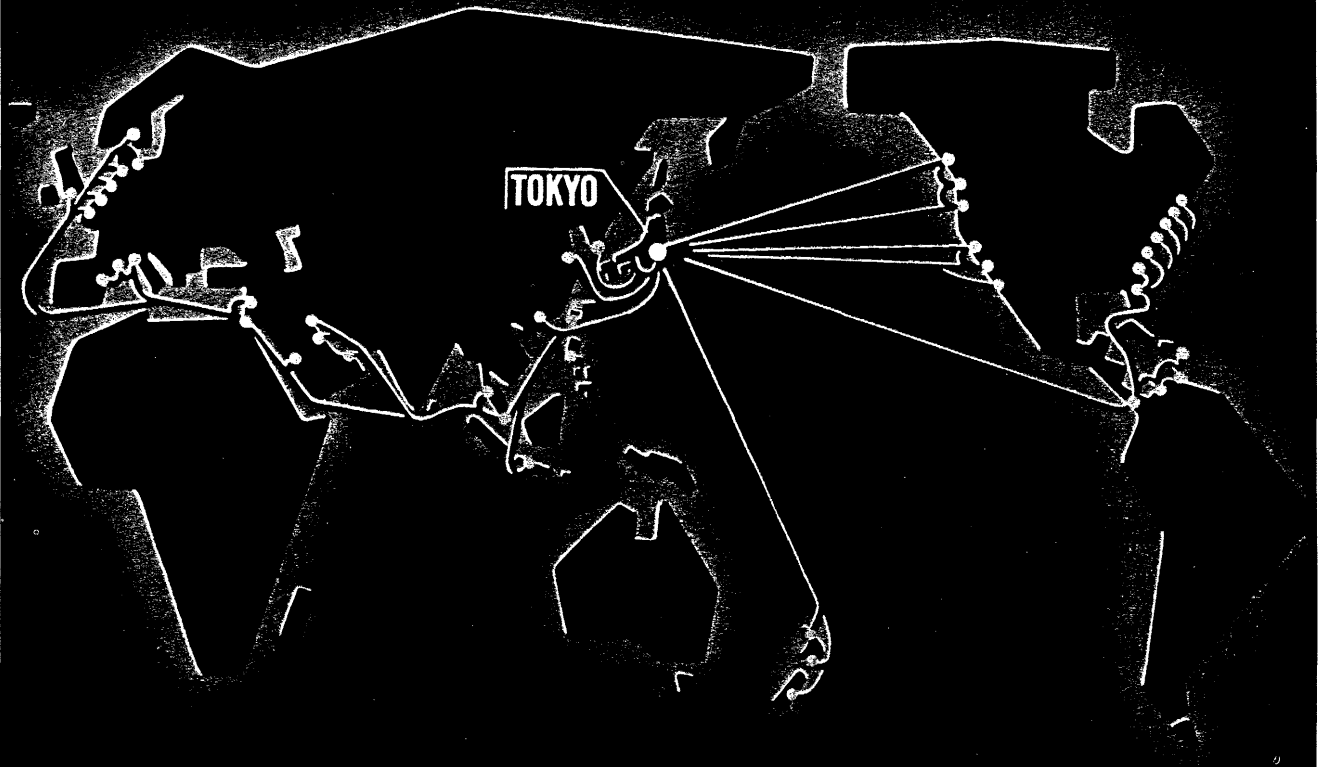
Fundamentally, AAPA's Public Awareness Campaign activities help reinforce and influence AAPA's legislative and regulatory agenda through the development of grassroots support. For its U.S. members, AAPA has achieved substantial credibility and influence in Washington, D.C. based principally on the accurate information we provide, the aggressiveness with which we forward port issues, development of effective issue-based coalitions and, not least important the fact that we represent public agencies. However, it is through our individual ports — the actual constituents of Congressional members — that we can have the most effective influence. To say it another way, AAPA Headquarters staff is able to open the door, but to change a vote — that takes a constituent phone call, letter or visit. Consequently, AAPA can best advance its federal agenda by providing our members and their stakeholders with the appropriate material and motivate them to use it. The Association's grassroots network helps AAPA and all those interested in waterborne commerce and economic development maximize their ability to make a difference in Washington, D.C.

As I mentioned above, keeping navigation channels open through dredging and dredged material disposal is the single most pressing environmental issue identified by ports in the U.S. and Canada. Among other activities to help communicate the need for dredging, AAPA and the U.S. Army Corps of Engineers (Corps) have distributed over 1,000 eight-minute videotapes which outline the importance of ports and need to keep channels open. Groups which have used the videotape include ports, local economic development groups, the Corps, related maritime associations, universities, and others. AAPA also produced a companion brochure on dredging which was distributed to similar audiences.

Following formation of the Dredging Caucus in 1993, AAPA produced public information kits on "Open Channels for Trade — A Proposal for a National Dredging Policy." The kits contain background information and checklists for action on helping to implement a National Dredging Policy. AAPA members, associations, maritime and labor interests are using the kits locally and with their members of Congress. Headquarters staff works with local port interests to develop the grassroots and media support for a National Dredging Policy.

While a national-based public awareness initiative is more straightforward than an international program, I believe we can create substantial momentum in the individual countries represented by IAPH member ports by developing a model action plan and making appropriate materials available to those ports. AAPA would be pleased to work with the IAPH Executive Committee, its relevant technical committees and Headquarters staff to implement such a program.

**WORLD-WIDE CONTAINER SERVICE**



# **GATE OF JAPAN PORT OF TOKYO**

**TOKYO PORT PROPOSES TO BECOME  
THE LEADING ACTOR ON THE STAGE  
OF INTERNATIONAL TRADE.**



**BUREAU OF PORT & HARBOR  
TOKYO METROPOLITAN GOVERNMENT**  
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SHINJUKU-KU, TOKYO 163-01, JAPAN  
TEL.03-5320-5546

# International Maritime Information

# WORLD PORT NEWS

## New Publications

### The Principles of Modern Port Management, Organization

By the UNCTAD Secretariat. TD/B/C.4/AC.7/13. Geneva: United Nations, 1992. 80 pages. Figures. Annexes. Order from: Sales Section, Palais des Nations, 8-14 Avenue de la Paix, 1211 Geneva 10, Switzerland. Fax: 011-41-22-917-0027. Price: US\$15 + \$5 (handling). Checks in U.S. dollars should be made out to "United Nations, Sales Section."

This era of rapid fire economic, technological and social change challenges ports "not only as regards to their infrastructure and equipment, but also in the areas of organization and management," declares this thorough and authoritative study. Ports are evolving into "veritable logistic platforms for international trade" whose "organization and management must be commensurate with that of other parties involved in transport operations if they [the ports] are not to lose traffic through lack of competitiveness."

The four chapters focus on port organization, objectives and decision making, "the tools of port management," and methods of evaluating managerial performance.

The report examines the various port authority forms and structures, port privatization, the theory of total quality control management, human resources development, criteria to be considered in selecting "port decision makers" and "the principal causes of port deficiencies or problems." Ultimately, port decision making should be governed by the principle that "the customer is king" — that the demands of ports users (i.e. cargo interests and passengers) "must be the principal concern of those in charge of the various phases of production of port services."

The appendices include a reference bibliography, example economic and social indicators extracted from a report by the national port agency of Morocco,

and case studies of port governance in the United Kingdom and New Zealand.

(AAPA Advisory)

### Strategic Planning for Port Authorities

By the UNCTAD Secretariat. UNCTAD/SHIP/646. Geneva: United Nations, 1993. 26 pages. Figures. Annex. Order from: Sales Section, Palais des Nations, 8-14 Avenue de la Paix, 1211 Geneva 10, Switzerland. Fax: 011-41-22-917-0027. Price: US\$15 + \$5 (handling). Checks in U.S. dollars should be made out to "United Nations, Sales Section."

Though a centuries-old practice in the military arena, strategic planning was adopted by private corporations only in the 1960s and a decade later by public sector organizations, among the first of which was The Port Authority of New York and New Jersey. During the 1980s, interest and use of strategic planning became increasingly widespread among public port agencies in the United States, Canada, Australia, and Europe.

This study seeks "to advise senior port managers, particularly in developing countries, on how to make the best use of the technique of strategic planning" and to correct a perceived "lack of understanding of this process by port managers ... in some regions."

Strategic planning differs from other forms of port planning in "its emphasis on understanding changes taking place in the organization's internal and external environment." Rather than budgeting and financial controls or infrastructure needs, it focusses on "public image, labor relations, organization performance, community support, and human resource development." Also considered are "economic, competitive, social, political, technological, demographic, and legal factors."

Strategic planning is described as "a dynamic process" in which its principal phases or stages "overlap and blend together," with "any stage able to lead

directly to another." These "stages" are:

- 1) Setting objectives
- 2) External appraisal and analysis of the environment
- 3) Appraising strategic advantages
- 4) Developing alternative strategies
- 5) Implementing the strategy
- 6) Evaluating and control of strategy

The report devotes a chapter to each step with elaborate illustration from professional literature (including AAPA's *Strategic Planning: A Guide for the Port Industry*), port experiences around the world, and a case study of the "outstanding success" of strategic management at the Port of Singapore Authority.

"Objective-setting" is "the beginning and ending of the strategic process" since it is impossible to formulate strategies "if you do not know where you are going." It is the means by which organizations "justify their existence" and "legitimize themselves in the eyes of governments, customers, and society at large."

Objectives are "a planned short-term set of accomplishments, quantitative where possible, of stages necessary to move an organization along a path to reach its goals." These goals are enunciated in a mission statement, which "is the first element of a strategic plan" and "should reflect the sense of mission that staff have and hence their commitment to the business."

The "external or environmental appraisal" is used to identify "present opportunities and threats to the organization" by "monitoring the economic, governmental, technological, suppliers and market settings in which it operates."

External factors seen as having the most effect on ports are: increased competition (between ports and export products); technological change (increased investment in infrastructure, superstructure and human resources); changing labor requirements (resulting from technological change); and institutional change (deregulation and privatization, for example).

"Appraising strategic advantage"

entails an evaluation of an organization's strengths and weaknesses "in order to capitalize on the positive points and to minimize or eliminate the negative ones." Strategic advantage areas that port managers can use in their analysis are: personnel and management; operations; finance and accounting; organizational structure; and marketing.

"Developing alternative strategies" weighs the comparative advantages of stability, expansion, retrenchment, or some combination thereof.

"Implementing the strategy," once it is agreed to by the management and governing board of the port, is the responsibility of "the chief executive," who is:

...the link between the organization and the environment, is the nerve center of key information, has full charge of the strategy making system, [and] performs at unrelenting pace. His work is characterized by brevity, discontinuity and variety. He concentrates on more active and more concrete elements, has a preference for verbal media.

The hazard is superficiality and lack of use of management science. The great danger for the chief executive is the lack of time to prepare the strategy of the firm.

The decision to change will be taken if top management perceives a gap exists, if executives focus on the gap, if there is motivation to reduce the gap and if there is the belief that something can be done.

"Evaluation" is the final phase in the strategic management process. It is the phase in which top management seeks to ensure that its "strategic choice is implemented properly and is meeting the objectives of the port authority." This means comparing the results with objectives, which underscores the importance of establishing quantitative and qualitative criteria that allow "a feed back of results to be monitored and to provide motivation through reward for performance."

In summary, strategic planning offers port authorities a means "to anticipate changes, to prepare for them and to implement them when beneficial."

(AAPA Advisory)

## Shipping in Canada/ Le Transport Maritime au Canada 1992

By Statistics Canada. (Ottawa: February 1994). 184 pages. Tables. Order from: Marketing Division, Sales and Services, Statistics Canada, Ottawa, Ontario K1A 0T6, Canada. Tel: (613) 951-7277. Fax: (613) 951-7277. Price: Canada — C\$41.00; United States — US\$49.00; Other countries — US\$57.00.

Canadian shipping activity in 1992 is profiled in exhaustive detail in this review by Statistics Canada. The agency is Canada's counterpart to the U.S. Bureau of Census.

Coverage extends to domestic and international cargo movements, port activity, containers, vessel movements, and financial and operating data pertaining to "Canadian domiciled marine carriers." This year's edition also presents a "special study" of "marine-rail intermodal commodity flows in Canada, 1984-1990."

Included, too, are regional analyses showing cargo and vessel traffic patterns by province as well as waterborne trade flows between Canada and its foreign trading partners.

Data highlights include the following:

- Domestic and international cargo totaled 327.7 million metric tons, down 6.3 percent from 1991.
- International throughput totaled 223.2 million tons, a drop of 4.7 percent from 1991 to its lowest level in six years.
- Cargo loaded for "overseas" (i.e., non-U.S.) destinations amounted to 118.0 million tons, down 10.1 percent from 1991. Inbound cargo from "overseas" increased 3.9 percent, to 37.3 million tons. The export drop was largely a result of a "substantial decline" in coal shipped from Vancouver to Japan.
- Waterborne trade with the United States, at 67.9 million tons, was virtually the same as 1991, with an increase in inbound cargo offsetting a drop in outbound traffic.
- The "top" 20 Canadian ports accounted for 75.0 percent of total cargo tonnage handled in 1992.
- Canada's seven "busiest" ports ranked by international (i.e., export and import) cargo tonnage were Vancouver, Port Cartier,

SeptÎles/Pointe-Noire, Saint John, Prince Rupert, Québec/Lévis, and Montreal/Contrecoeur.

- Canadian ports handled 12.6 million tons of "international" container cargo in 1992, an increase of 4.0 percent compared to 1991. Nearly 97 percent of the 1992 tonnage was handled at the ports of Montreal, Vancouver, and Halifax. (AAPA Advisory)

## PDI China Ports Publication

The China Ports Publication will include:

- \* Contact data for
  - Chinese Authorities
  - Foreign Investors
- \* Terminal Operators
- \* Description of location, role and hinterland served
- \* Investment plans
- \* Traffic handled/Statistics
- \* Vessel Access/Navigation
- \* Breakdown of Facilities & Equipment
- \* Shipping Agents

Port Development International (PDI)

102-108 Clerkenwell Road  
London EC1M 5SA England  
Tel + 4471417 0073  
Fax + 4471417 0075

## Container Supply/ Demand to 2005

The results of a major new study into the future prospects for container manufacturing and for the world box fleet, include extensive growth in annual production levels. From the 1993 world total of approximately 1.0m TEU, and an estimated 1.06m TEU in 1994, the volume is projected to reach 1.3m TEU p.a. by the end of the 1990s, and almost 1.7m TEU p.a. by 2005.

The new study\* is the result of a joint project between UK market analysts Ocean Shipping Consultants and Container Industry Research.

The following is a summary of the main findings of the highly detailed Report.

## Summary: Future Container Production

- \* The overall forward profile for

total world container production is one of extensive growth. The annual total is projected to rise to 1.3m TEU p.a. by the end of the 1990s, and to almost 1.7m TEU p.a. by the end of the study period — this from the 1.0m TEU recorded in 1993 and an estimated 1.06m TEU in 1994. Even under restrictive growth conditions, the annual aggregate is projected to reach 1.5m TEU by 2005, following some short-term decline in output levels.

\* New box demand arising from trade growth is expected to increase from the 1993 level of around 0.65m TEU to over 0.7m in 2000 and almost 1.0m TEU in 2005.

\* For box replacement volumes, from the 5% averaged so far in the 1990s future volumes are set to account for an average of around 4.6% of the existing fleet by the end of the decade, and approximately 4.25% by the end of the study period. In annual terms, this translates to growth from 0.38m TEU in 1993 to over 0.58m TEU in 2000 and 0.725m TEU in 2005.

\* On a regional level, the main feature expected is the continued dominance of Asia, with the current approximate 75% share of the world total set to be continued throughout the vast majority of the study period. This involves the Asian production total rising from the 0.8m TEU of 1994 to almost 1.0m TEU by 2000 and to over 1.25m TEU by 2005.

\* Within the Asian aggregate, there is set to be a variety of individual country development profiles. This will essentially be based on the continued expansion of the new producers such as PR China and Indonesia, and the continued decline in production volumes for the regional majors of recent years — South Korea and Taiwan.

\* For individual box types, recent years have witnessed the emerging significance of reefers, and this is likely to continue to be notable, most especially at times of generally low newbuild demand.

\* The Report projects that the demand for market-specific boxes such as the US domestic and the Euro pallet-wide containers, will continue to be strong. Demand for tank containers is set to continue to increase, whilst the recent years' experience of large-scale expansion in the folding flatrack sector, is set to continue to be associated with

demand decline for fixed-end and platform flatrack units.

\* Despite the growth in 'specials', standard dry freight units will continue to heavily dominate production at the global level. The increased emphasis placed on container age that has been witnessed over the past 1/2 years is likely to continue to feature strongly in box demand development in the leasing sector throughout the forward period.

\* Elsewhere, total West European container production is projected to remain at around current/recent levels of 0.10/0.11m TEU p.a. in the short-term, with growth to around 0.125m TEU by the end of the 1990s. In East Europe, the forward period is likely to witness increased output, although the scale of production growth realised is set to be relatively small-scale. Considerable expansion of output is expected for C/S America, largely in line with recent and on-going capacity developments, whilst in North America, production levels will continue to be challenged by lower cost output elsewhere, but increased specialisation and trade growth will fund some production expansion. Production growth is anticipated in Africa — both in the existing producer country South Africa, and in new producers in the north.

#### **Summary: Future Container Fleet**

\* The world container fleet is projected to increase from 8.5m TEU in 1994 to 11.5-12.5m TEU in 2000 and 15.5-17.0m TEU in 2005.

\* The scale of projected expansion is large — with growth of 35-50% by 2000, and 80-100% by 2005.

The highly detailed 140 page Report contains analysis of all aspects of future container industry development, and is essential reading for all parties with an interest in the container sector.

\* *Container Supply/Demand to 2005*  
Available 25th July 1994.

Details from:  
Study Sales Department  
Ocean Shipping Consultants Ltd  
Ocean House  
60 Guildford Street  
Chertsey  
Surrey KT16 9BE  
England  
Tel: (0)932 560332

Fax: (0)932 567084

Telex: 94070113 OSCLG

Price £475 (UK) or US\$760 (overseas).

## **The Americas**

### **Mr. Tessier Elected ICHCA's New President**

The International Cargo Handling Coordination Association (ICHCA), the world body that represents the transportation industry worldwide, announced the election of Mr. Jean Michel Tessier as International President. Mr. Tessier was elected at the Association's General Assembly held on June 13, 1994, replacing the outgoing President, Ms. Lillian Liburdi of the Port Authority of New York/New Jersey.

Mr. Tessier is President and Chief Executive Officer of Canada Ports Corporation, the Federal Agency that administers Canada's commercial ports. He is also Chairman of the Chartered Institute of Transport in Canada, Chairman of the National Transportation Week 1993-1995, director of the American Association of Port Authorities, director of Westron Transportation Advisory Council (WESTAC), director of Société de développement économique du Saint-Laurent (SODES), and director of Through Transportation (TT) Club.

"In the increasingly interdependent transportation world of today," said Tessier, "ICHCA is uniquely qualified to play a pivotal role as a catalyst on a global basis. My aim is to facilitate this role over the next two years."

### **Montreal Port, Unions Sign New Agreements**

The Montreal Port Corporation announced at the beginning of this year that its labour unions have signed new collective agreements whereby the salaries of all unionized employees have been frozen for the duration of the contracts.

Salaries of non-unionized port corporation employees have been frozen since July 1, 1992.

The labour unions agreeing to new

contracts are: the Public Service Alliance of Canada, representing white-collar professionals; le Syndicat national des employés de bureau du port de Montréal (CSN), representing white-collar clerks and secretaries; the blue-collar section of le Syndicat national des employés du port de Montréal (CSN), representing grain-handlers and maintenance and operating personnel; the railway operations section of le Syndicat des employés du port de Montréal (CSN); and le Syndicat international des marins canadiens.

Four of the collective agreements run from January 1, 1993, to December 31, 1994, while the contract for the railway operations section is from January 1, 1993, to December 31, 1995.

"During this period of economic hardship and increased competition in the maritime industry, port management and employees together have made concerted efforts in order to help stimulate port activity and make the entire Port of Montreal system even more competitive," said Mr. Dominic J. Taddeo, president and chief executive officer of the port corporation.

"The signings of these collective agreements, which provide more job flexibility, are an integral part of these efforts. They are part of the measures we have had to take to rigidly control costs in order to provide all our clients and users with efficient and effective facilities and services at the most competitive costs."

To a large degree, cost control has allowed the port corporation to institute measures such as a tariff incentive program, introduced in 1986, to encourage as much containerized general cargo traffic as possible through port facilities, and a general tariff freeze for 1993 and 1994.

Cost control also has allowed the port corporation to maintain a sound financial position to help ensure the improvement and development of port installations.

"The institution of measures such as these would be impossible without the partnership and collaboration of our employees, and we are proud and thankful," Mr. Taddeo said. "Their contribution enhances the overall competitiveness of the entire Port of Montreal system."

The Montreal Port Corporation employs close to 350 people.

## **Cartagena and the Port in Profile**

### **Brief History of the City**

On June 1, 1533, Spanish Conqueror Don Pedro de Heredia laid the first cornerstone on the inland of a beautiful and naturally protected deep bay near a settlement called Kalamari by the local aborigines of the "caribe" tribe. This was the beginning of a period of constant progress and fortification of the village, thus becoming a prosperous urban center with a well developed and active economic life. This fast development was due mostly to its strategic location and secure bay with respect to the continent in the shipping of riches to the Old World. Cartagena de Indias reaches the peak of its splendor in the second half of the seventeenth century as it becomes the main gold shipping harbor of the New World. At the same time the city becomes the preferred site for pirates and corsairs, undergoing many memorable attacks and sieges by: Sir Francis Drake, Sir Edward Vernon, Jean Bernard Des Jeans' (Baron de Pointis), John Hawkins, Robert Baal's and many more. The continuous fierce attacks to which the city was subjected made necessary the construction of an impressive system of stone walls and fortresses, true masterpieces of military engineering of the time, still standing today. Cartagena and its walls, churches, fortresses and mansions stands out as the most important work of Spanish architecture in America. For this reason the UNESCO declared the city Historical and Cultural World Heritage in 1985.

### **Touristic Attractions**

Cartagena's geography is extensive and varied, full of beaches, islands and hills. Tourists will find many attractions such as its history, the warmth and hospitality of its people, its varied creole and international cuisine, all styles of hotels, bars, casinos and the magical Caribbean sun. Cartagena and its beauty has turned the city in a frequent port of call of cruise lines such as Dolphin, Holland America, Regency, Princess, and Cunard, brining almost 200,000 passengers last year. The city holds many interesting events all year round such as the Bullfight Season, the

Caribbean Music Festival, Fishing and Sailing Contests, the City Carnivals, the National Beauty Pageant, and many more. Due to its privileged condition of shipping harbor and tourist center, Cartagena offers wide shopping possibilities. Emeralds, pre-Columbian sculptures carved in clay, handcrafts from all over the country and fine leather garments are available at competitive prices. For all of these reasons Cartagena is a place which must be visited.

### **Industry**

The privileged location of the Port of Cartagena and its nearness to the Panama Canal, makes the city a starting point for the Caribbean and Latin American industrial expansion. Today 15% of Colombia's exports are manufactured in Cartagena, in an industrial area called Mamonal. This industrial complex is home of a Petroleum Refinery that processes more than 80,000 barrels of crude oil per day, has two available piers with capacity to receive ships up to 85,000 tons and exports up to 2.5 million barrels of petroleum and derivatives per month. Many important petrochemical plants have been built around this refinery producing polypropylene, polystyrene, PVC, black fume, bio oriented plastic films, ammonium, fertilizers and agrochemical products. On the other hand an important fishing industry has developed specializing in the catch and process of shrimps, tuna and many other marine species. Many other types of factories and plants are also located in Mamonal including production of cement, salt, malt, metallurgy and vegetable oils.

### **Bay Port Area**

Cartagena's bay is big and deep, offering ships security and tranquil waters for mooring, where no major tides or currents are present. The main channel is accessible 24 hours a day, has a minimum draft of 41 feet, it is 150 meters wide and is well demarked with light buoys. A complete variety of port and harbor services are available in the city: Ship Chandlers, Harbor Pilots, Tugs, Insurance Offices, Surveyors, Container Rentals and Repair, Water and Fuel Supply, Communication Services, etc.; guaranteeing all the ships needs. Moving more than 13

million tons of cargo last year, Cartagena's bay area is by far the most important port in Colombia and the Caribbean. Major lines like Maersk, Hapag-Lloyd, Lykes, Crowley, Ned-Lloyd, Laser, Croatia, Polish Ocean, Seaboard, CGM, Marfret, Aquille Lauro, Nordana, Grancolombiana, Uniline, Spanish Line, Agromar, Baltic and many more offer regular services between Cartagena and major ports all over the world. Several types of private, public and specialized terminals are found around the bay offering facilities for all classes of cargo. To position for the coming century Cartagena's port is growing stronger and expanding and upgrading the landside terminal facilities, with an intensified effort to expand international trade and support and sustain new opportunities for economic growth through waterborne commerce.

#### **Sociedad Portuaria Regional de Cartagena S.A.**

On behalf of new port regulations in Colombia, new private administrative companies have been created to run and operate the formerly government owned and run port facilities. The Sociedad Portuaria Regional de Cartagena S.A. is now managing the once called "Terminal Marítimo y Fluvial de Cartagena (Colpuertos)" for an initial period of 20 years. Today we are proud to show high operative efficiency and top security to the cargo we handle in only several months of operations. We provide the following wide range of service: service 24 hours daily, 365 days yearly; totally automated operations, 33,000 square meters of warehouses, 170,000 square meters for container areas, highly competitive charges and port fees; 8 berthing points, draft: 32 feet, attending all kinds of ships and cargo, including cruise ships and Ro-Ro's. We will be dredging the port area to 40/42 feet and acquiring modern container gantry cranes. These projects will let us participate in the business of international transshipment, receive bigger container ships (Panamax) and attend them faster. Today our terminal is handling about 86,000 TEUs (71% of our cargo moves in containers) per year and a total tonnage of about 1,300,000 tons per year; about 55% of our cargo are imports and 45% are exports.

The reforms and privatization of Colpuertos port system was based on the law 01 of 1991 dictated by Colombias President Cesar Gaviria Trujillo, with the following main objectives: to face the opening of Colombia's economy to the world market; to modernize rapidly the port system in our country; to allow free competence and avoid monopoly in the port business; to reduce port tariffs, charges and fees to international levels; and to reduce labor costs, union strikes and lack of efficiency in port operations. All Colpuertos terminals were privatized (Santa Marta, Barranquilla, Buenaventura and Cartagena). Other private terminals for public use have been constructed, specially in Cartagena. One is called Muelles El Bosque S.A. and the other one is called Contecar S.A. They should be handling around 250,000 tons per year each and they handle mostly containers and general cargo. We really don't have much information about Barranquilla, Buenaventura and Santa Marta; as I said before these ports are run by different private companies.

#### **AAPA Survey Shows Top Port Concerns**

The top issues facing the public port community are facility development and the associated capital requirements and environmental regulation, according to a recent survey conducted by the American Association of Port Authorities (AAPA).

Seventy percent of AAPA members responded to the strategic planning survey, which was conducted in November 1993. Respondents included ports in the continental United States, Canada, Puerto Rico, Hawaii, Guam and Saipan.

Respondents were asked to rank the most pressing issues their ports face. Seventy-six percent of the ports polled indicated that facility development and capital requirements are among their top concerns. Fifty-eight percent counted environmental regulation among their five most-pressing issues, and 54 percent listed dredging and dredged material disposal as a top concern. Forty-nine percent ranked pricing pressures and new revenue sources among their top five issues, while 43 percent listed railroad and

highway intermodal access.

#### **Tougher Economic Times**

In a similar poll in 1992, AAPA members reported their top five issues were environmental restrictions and regulatory costs, lack of public awareness, trade protectionism and landside access to port facilities.

"The result of our strategic issues survey is, I believe, a reflection of tougher economic times not only in the U.S., but in Canada and throughout the hemisphere," said AAPA President Erik Stromberg. "There are limited funds available to build new infrastructure that is needed to support existing port facilities. Ports also need to maintain the financial independence to generate and use their own revenue."

Other issues identified as significant in the most recent survey were land acquisition and site development, pressures on use of waterfront property, labor costs and union work rules, federal legislation and policies, and pressures from state and local government.

#### **Shortage of Capital**

Regarding facility development and capital requirements, respondents said extensive capital investment is needed for facility upgrade and expansion, as well as maintenance. Government budgetary constraints, they said, are limiting capital funding sources and opportunities, while obtaining outside funding for capital projects is becoming increasingly difficult. Other ports said funds are needed to capitalize on technological advances in cargo handling and port operations.

Founded in 1912, AAPA represents virtually every U.S. public port agency, as well as major port agencies in Canada, Latin America and the Caribbean. AAPA members are public entities mandated by law to serve public purposes. Port Authorities facilitate waterborne commerce and contribute to local, regional and national economic growth. *(Port of Houston)*

#### **Ocho Rios Cruise Ship Terminal Extension**

The Port of Ocho Rios consisting of Reynolds Pier and Ocho Rios Cruise Ship Terminal is the most active terminal in Jamaica with the most vessel visits and cruise passengers count.

Despite its high-activity level, the berthing facilities at the Ocho Rios Terminal are inadequate to accommodate both the large megaliners, the current large volume of passenger and vehicular traffic which utilizes the terminal on cruise ship days.

Under the Jamaican Northcoast Development Project financed jointly by the Overseas Economic Cooperation Fund (Japan), United States Agency for International Development and Government of Jamaica, the Ocho Rios Cruise Ship Terminal will be expanded to allow it to overcome the current shortcomings and thereby retain its status as a principal port-of-call for large liners.

### Proposed Development

The proposed development includes:-

- Extension of berth #2 by 210 feet to accommodate vessels up to 900 feet;
- Extension of the car park by approximately one acre through land reclamation;
- Widening of access roadway;
- Repair of spalled-off concrete and pile muffs on berth #1;
- Extension and structural upgrading of berth #1 to accommodate vessels up to 720 feet;
- Construction of revertment and shoreline protection;
- Dredging of sections of the turning basin;
- Provision of additional mooring dolphins.

Projected completion date is December 1995.

### Cruise Ports '93 : AAPA

More than 12 million revenue cruise passengers and 9,800 cruise ship calls were accommodated at U.S. ports in 1993. The count for Mexico was 1.9 million passengers and 2,024 ships and for Canada, 683,000 passengers and 519 cruise vessels. Comparisons with 1992 are shown below:

#### Cruise Passenger/Vessel Activity 1993/1992

|        | Revenue           |           |                |       |
|--------|-------------------|-----------|----------------|-------|
|        | Cruise Passengers |           | Cruise Vessels |       |
|        | 1993              | 1992      | 1993           | 1992  |
| Canada | 683,261           | 638,818   | 519            | 577   |
| Mexico | 1,912,668         | 1,814,668 | 2,202          | 2,026 |

U.S. 12,386,658 11,959,919 9,717 9,413  
Source: AAPA Survey

#### Canada/Mexico/United States Cruise Vessel/Revenue Passenger Traffic, by Port 1993

| Country/Port            | Revenue<br>Passengers | Vessel<br>Calls/<br>Sailings |
|-------------------------|-----------------------|------------------------------|
| <b>Canada</b>           |                       |                              |
| Charlottetown(PEI)      | 7,749                 | 23                           |
| Halifax(NS)             | 38,917                | 47                           |
| Montreal(PQ)            | 39,626                | 41                           |
| Prince Rupert(BC)       | 1,789                 | 7                            |
| Québec(PQ)              | 38,642                | 88                           |
| Saint John(NB)          | 12,379                | 18                           |
| St. John's(NFL)         | 197                   | 2                            |
| Sydney(NS)              | 19,616                | 30                           |
| Vancouver(BC)           | 519,942               | 235                          |
| Victoria(BC)            | 21,404                | 28                           |
| <b>Mexico</b>           |                       |                              |
| Acapulco(GRO)           | 132,743               | 112                          |
| Cabo San Lucas(BCS)     | 224,068               | 231                          |
| Cozumel(QROO)           | 764,100               | 630                          |
| Ensenada(BC)            | 344,830               | 629                          |
| Manzanillo(COL)         | 1,334                 | 5                            |
| Mazatlan(SIN)           | 197,371               | 180                          |
| Vallarta(JAL)           | 211,435               | 197                          |
| Zihuatanejo             | 36,787                | 42                           |
| <b>United States</b>    |                       |                              |
| Alexandria(VA)          | 3,000                 | 6                            |
| Anchorage(AK)           | 4,169                 | 4                            |
| Baltimore(MD)           | 3,271                 | 15                           |
| Bar Harbor(ME)          | n/a                   | 46                           |
| Bellingham(WA)          | 50,786                | 581                          |
| Boston(MA)              | 16,120                | 20                           |
| Charleston(SC)          | 13,418                | 27                           |
| Galveston(TX)           | 32,076                | 86                           |
| Grays Harbor(WA)        | 2,874                 | 3                            |
| Gulfport(MS) (fy)       | 240                   | 2                            |
| Hampton Roads(VA)       | 5,157                 | 10                           |
| Honolulu(HI)(fy)        | 76,492                | —                            |
| Juneau(AK)              | 304,000               | 252                          |
| Ketchikan(AK)           | 306,435               | 303                          |
| Key West(FL) (fy)       | 255,577               | 306                          |
| Los Angeles(CA)         | 848,763               | 417                          |
| Miami(FL)(fy)           | 3,157,100             | 1,279                        |
| New Orleans(LA)         | 60,097                | 65                           |
| New York(NY)            | 437,203               | 219                          |
| Palm Beach(FL) (fy)     | 228,534               | 485                          |
| Philadelphia(PA)        | 8,042                 | 10                           |
| Port Canaveral(FL) (fy) | 1,061,603             | 698                          |
| Port Everglades(FL)(fy) | 2,312,646             | 1,587                        |
| Port Manatee(FL)        | 34,733                | 49                           |
| Portland (ME)           | 9,112                 | 14                           |
| St. Croix (VI) (fy)     | 30,390                | 65                           |
| St. Petersburg(FL)      | 2,996                 | 25                           |
| St. Thomas(VI) (fy)     | 1,111,991             | 1,308                        |

|                   |         |     |
|-------------------|---------|-----|
| San Diego(CA)     | 322,109 | 447 |
| San Francisco(CA) | 41,529  | 33  |
| San Juan(PR)      | 968,059 | 789 |
| Seattle(WA)       | 2,751   | 12  |
| Sitka(AK)         | 174,607 | 263 |
| Skagway(AK)       | 194,006 | 180 |
| Tampa(FL) (fy)    | 200,185 | 117 |
| Wilmington (NC)   | 1,100   | 1   |

Note: Except where noted, includes port calls as well as traffic generated by homeported cruise ships. Includes day cruises of longer duration.

Source: AAPA survey, port publications, and Puertos Mexicanos.

(AAPA Advisory)

### Environment Safeguards Instituted by GPA

With regulations on environmental safeguards in the workplace becoming more stringent, many companies are putting together long-range plans to comply by stated deadlines which lie years in the future. The Georgia Ports Authority (GPA) has taken decisive steps to comply with regulations in advance of those deadlines.

As mandated by the Federal Clean Water Act, companies must have a plan in place to minimize and control pollutants, according to GPA Director of Maintenance Coleman Hilderbrand. This law requires qualifying U.S. facilities to have in place a "Best Management Practice Plan" by mid-1994. Under the plan, maintenance is to be consolidated and streamlined, with methods and equipment planned or in place to minimize potential pollution. Recognizing it was in the best interests of the community, port users and its employees, the GPA has formulated an extensive action plan and taken steps to minimize pollutants from various materials commonly used in equipment maintenance.

The GPA Maintenance Division performs preventive and incidental maintenance for a multi-million dollar fleet of vehicles and equipment which includes container cranes, mobile and gantry cranes, rubber-tired gantries, cars and vans, trucks, forklifts, yard jockeys, tow tractors, modified toplifts, empty container handlers and locomotives.

Two years ago, an antifreeze recycler was put into use at the Garden City Terminal. The system reconditions used

antifreeze with additives so that it can be used in other machinery.

The GPA also recycles engine oil and freon for other uses within the port. Portable freon recycling systems capture the used material and recharge vehicle and building systems without exposing ozone-depleting freon to the environment.

To help eliminate emissions, the GPA has converted a significant number of handling vehicles from gasoline to propane. To date, 25 forklifts have been converted, with more planned.

To further comply in advance of federal regulations, all cleaning solvents that are not environmentally friendly have been eliminated from GPA use. According to Hilderbrand, the GPA is one of the largest generators of scrap metal in the Savannah area, routinely recycling used parts and cargo handling.

The GPA has upgraded three of its underground fuel storage tanks to include monitoring wells, overspill protection and automatic leak detection. Meeting all 1998 regulations in 1992, the three 8,000-gallon tanks have been fitted with double-walled pipes and a card-controlled access system. The remaining underground storage tanks at GPA facilities have been closed and removed to prevent any chance of pollution before being upgraded to future standards.

Newest among the GPA's material-recycling systems is a "mechanical zero-discharge closed-loop wash water recycling system." Simply, the system is a steam cleaner for vehicles and machinery which recycles the wash water, preventing the runoff of hazardous materials into the ground and/or water. The vehicle or machinery is driven onto a concrete pad and steam cleaned; the runoff is captured, filtered of heavy metals and hydrocarbons and stored for future cleanings.

The GPA has purchased and installed one unit at the Garden City Terminal and one at Ocean Terminal. A third unit will be placed in Brunswick for use by the Ports Authority's four terminals there. (*Georgia AnchorAge*)

## FIP Feared Affecting Long Beach, Los Angeles

The ports of Long Beach and Los Angeles have released preliminary re-



## Long Beach: ITS Moves 3 Millionth Box

International Transportation Service, the "K" Line subsidiary in the Port of Long Beach, moved its three millionth container across its Pier J facility in May of this year.

ITS opened its gates for business in September of 1971, when 1,297 containers were handled by the company;

last year, ITS moved 206,268 boxes through the terminal.

Congratulating Mike Fumoto, President of ITS, on the historic achievement is Paul E. Brown, Assistant Executive Director of the Port of Long Beach.

sults of a study of the economic impact of the proposed EPA Federal Implementation Plan (FIP) on marine vessels and San Pedro Bay ports. Scheduled to go into effect in 1995, the FIP will be used to achieve air quality standards for the South Coast Air Quality Management District. The plan is required by a court order authorized by the federal Clean air Act.

The study indicates if vessels do not comply with modifications to reduce air emissions, fees would be imposed which could run as high as \$106,000 per vessel call, totalling \$447 million every year. Port use fees would dramatically increase... a 170 percent increase for a ton of cargo and a 159 percent cost increase per twenty-foot container. Up to 40 percent of San Pedro Bay cargoes could be diverted to other ports resulting in economic losses of 57,000 jobs, \$2.5 billion in wages, \$6.0 billion in sales and \$987 million in local, state and federal taxes by the year 2020.

## Miami Eyes Mainland for Cruise Facility Expansion

The Port of Miami is looking to its mainland roots for plans to expand its cruise ship capacity by 40 percent. The project, dubbed Maritime Park, incorporates a unique design concept to build four new passenger terminals integrated into a waterfront park setting on the Bicentennial Park/FEC property in downtown Miami, the original site of the city's seaport.

Maritime Park is to be capable of berthing four cruise ships simultaneously — three of them 2,600-plus-passenger "mega-ships" — on the traditional cruising days of Monday, Friday, Saturday and Sunday, for a total of 12 ships per week.

The Port of Miami, already home to 17 cruise ships and handling nearly 3.2 million cruise passengers a year, must expand in order to accommodate the 5 million annual cruise passengers

anticipated by the end of the decade. The project, while achieving a long-term vision for completion of a waterfront park system, would create a facility with an annual economic impact on the local community of \$1.6 billion.

The construction of the project would be developed in two phases, with a total cost estimated at \$240 million. Next fall, Phase I of the project will be put before Dade County voters in the form of a \$124 million General Obligation Bond Issue which is, in essence, a "loan" that will allow the Port to jump-start the project.

Phase I is expected to be completed by winter of 1996, when cruise ships would begin operating from the facility.

Plans call for a three-tiered underground facility — housing port facilities, cruise ship operations and more than 2,000 parking spaces — with a park stretching from Biscayne Boulevard to Biscayne Bay situated on top. The facility also is to feature more than 200,000 square feet of retail and entertainment space, complete with shops, restaurants, museums and theme parks.

With further anticipated development of the downtown Miami area, Maritime Park will become the hub of a self-contained tourism attraction, opening a whole new market for pre- and post-cruise opportunities.

Future development projects under proposal include an overhead walkway over Port Boulevard to Bayside Marketplace, an East/West, Airport/Seaport rail connector and a high-speed rail from Orlando to Miami with Maritime Park as its terminus. The mainland site also would allow for the return of visiting naval vessels to Miami's seaport.

## **Seattle WTC License Acquisition Announced**

The Port of Seattle and the Greater Seattle Chamber of Commerce have announced their joint acquisition of the World Trade Center (WTC) license for Seattle.

"The Port of Seattle has been pursuing the World Trade Center license for several years and we are particularly pleased to announce our union with the Greater Chamber of Commerce and the local business community in this initiative. By joining together in

the franchise, we can offer the greatest impact to both the public and private sectors," said Port of Seattle Executive Director, Mic Dinsmore.

The City of Seattle and Metropolitan-King County Government are expected to join Port - Chamber partnership in this effort to enhance the region as a place of international business. These four groups, along with organized labor, comprise the Trade Development Alliance of Greater Seattle. The Alliance will operate the license in the near future while decision are finalized on the WTC location.

## **NY/NJ On-Dock Facility To Increase Efficiency**

Construction is scheduled to begin this fall on a new \$8 million on-dock ExpressRail facility that will bolster efforts to develop the New York-New Jersey ports' intermodal cargo business and bring new economic and environmental benefits to the region.

"The ExpressRail terminal will greatly increase the efficiency of our handling of cargo destined for or originating in the Midwest or eastern Canada," said Lillian C. Liburdi, Director of the Port Authority's Port Department. "When completed in mid-1995 at the Elizabeth-Port Authority Marine Terminal, the dockside facility will be capable of handling 100,000 ship-to-rail containers yearly."

Liburdi noted that the new terminal will come on line just as the present interim facility approaches its maximum capacity of 65,000 containers a year.

"The temporary ExpressRail operation opened in August 1991, shortly after Conrail started double-stack rail service to the Midwest from Port Newark/Elizabeth," she said. "Providing daily service to and from points in the Midwest served by Conrail and in eastern Canada by joint Conrail-Canadian Pacific rail service, the terminal handled its 100,000th container in October 1993."

## **Meeting Market Demands**

All ExpressRail trains have double-stack capability — stacking two oceanborne containers on top of each other in a single rail car. The new ExpressRail terminal will greatly in-

crease the use of efficient double-stacked train service that delivers twice the volume of goods from dockside to inland destinations than a single-stacked train-load of the same length. ExpressRail trains give shippers in these inland markets second-day access to containerized international cargo.

"One of the port's brightest spots continues to be the flow of containerized traffic to and from the Midwest — traffic that more than doubled between 1988 and 1993," Liburdi said. "The permanent ExpressRail facility will further spur traffic to growing markets in the Midwest, a region that leads the nation in projected retail sales and industrial production."

## **Site and Services**

The new facility will cover approximately 32 acres, although contingency plans allow for additional expansion should future traffic warrant. If expanded, the facility's throughput could reach 150,000 containers annually.

"After considerable analysis, we decided to locate the permanent ExpressRail operation somewhat east of the interim facility, parallel to Bay Avenue," Liburdi said. "The site has many advantages — it is centrally located, permits future expansion, minimally intrudes on existing container terminals and road traffic and has good alternative access possibilities."

## **Africa/Europe**

## **Work Begins on Antwerp North Riverside Berth**

Antwerp's City Council has awarded the construction of the North riverside Container Terminal to a consortium formed by Franki, Herbosch-Kiere, and Antwerpse Bouwwerken Verbeeck. The new tidal container berth comes with a price tag of BEF 1,710 million.

Antwerp's flourishing container trade, combined with the success of the first riverside container terminal, known as the Europa Terminal, has inspired the construction of a second container berth before the locks, just north of the Zandvliet Lock.

The overall length of the terminal

will be 1,375 m, which includes the space needed for a ro/ro pontoon. The useful length of the berth is 1,070 m with a depth of 14 metres of water at the berth. A 320 m lighter berth is being built on the land side of the terminal where it fronts Canal Dock B3. The total area of the terminal will be about 570,000 m<sup>2</sup>, representing a capacity of 600,000 TEU per annum. There is also room to expand the terminal by a further 100,000 m<sup>2</sup> in the future.

The contract requires the construction work to be completed within 30 calendar months and delivery in mid-1996. (*Hinterland ANTWERP*)

### **Slow to React to Portnet Introduction**

The Portnet data system, which gives information about timetables, freight, IMO etc., was introduced on 1/6/1994. The start is slow. Shipping companies and shipping agents, who feed the system, and the ports themselves, are only now planning when to put the system into operation. Both parties have the same reasons: At first they must adapt their own data systems to giving and receiving data in new form. After having agreed with the Port the shipping companies may then give their ship reports via Portnet and get rid of the corresponding paperwork.

As soon as Portnet has been put to use, the system must be changed. If Finland joins the EU, customs declarations will no more be needed within the inner market of the EU. This means the ports have to think about alternative ways of determining goods charges. One solution is to use, with modifications for each port, the National Board of Navigation's goods classification, which is included in the Portnet system. In this case the shipping company or agent will add the payer of each shipment to the cargo data in the shipping report. The sender or receiver mentioned in the manifest is then substituted for the present payer of the invoice, i.e. the customs clearer.

Or else, the shipping company or agent could pay a simplified goods charge based on tons and add it to the freight charge. This would do away with searching for someone else to pay.

A new model for invoices is being worked out, and negotiations on this

matter are going on with shipping companies and agents.

### **New Cross-Channel Terminal at Le Havre**

The new berth of the "Broström Quay" built in the "Bassin de la Manche" for the three daily calls of the freight and passenger mixed ships of P & O European ferries was used for the first time on 22 June by the new car-ferries of the shipping line, the *Pride of Le Havre* and *Pride of Portsmouth*.

On the occasion of the thirtieth anniversary of this shipowner taking over and resuming the service between Le Havre and England, in July 1964, further to the stoppage of the round trips by Southern British Railways, another important stage is achieved in favour of the development of cross-channel trade in the port of Le Havre.

The new facilities are made up of a berth equipped with a double rampway in order to embark and disembark vehicles, a gangway for foot passengers, a harbour terminal, 90 metres long and 20 metres wide, with a useful surface amounting to 2,300 s.m. over three floors, fenced open areas for the parking of trailers and private cars; the whole terminal offers an overall surface of about 8 hectares.

The cost of this investment exceeds 200 million francs; it was equally financed up to 60% by local authorities — Upper-Normandy Region, Seine-Maritime Department, Le Havre City Council and EEC via the "FEDER"—, the remaining amount being borne by the Port of Le Havre Authority.

### **BLG Reports 45% Container Traffic Boost**

BLG, the largest port operating company in the Ports of Bremen/Bremerhaven, reports a 45 percent increase in container traffic to and from Far East/South East Asia and Middle East in the first quarter of 1994 compared with the previous year.

Since the decision of Maersk and P & O to bring the 4th string of their Far East-Europe Services into Bremerhaven in January 1994, Germany's only container main port located di-

rectly at the open sea, provides six calls per week to and from Far East on a scheduled bases. All the important economic centers in Asia are linked by these services with Germany and it's European hinterland. Bremerhaven's position as an Intermodal Hub for Asian exporters and importers among the other major Northern European ports is growing. In total the container throughput in Bremerhaven grew by more than 12 percent in the first quarter of 1994.

"Our goal is to guarantee fast handling and easy access to the Bremerhaven Container Terminal for even the largest containerships at any time, regardless of tidal conditions. Financing has already been allocated to deepen the navigation channel into the Bremerhaven Terminal," explains BLG Chairman, Professor Dr. Rolf W. Stuchtey and continues: "The post-Panamax container ships, some with a capacity of over 4,800 TEUs, that are under construction worldwide demonstrate the importance of long-range planning of port capacities. The Bremen Institute for Maritime Economics and Logistics (ISL), which I directed until joining BLG, recently determined that 208 new container ships with a capacity of around 5.9 million tons are now on order. Shipping capacity will increase by more than 10 percent in 1994 and 1995. With the extension of the BLG Container Terminal in Bremerhaven, which has already begun and will be completed in 1997, we intend to further strengthen Bremerhaven's position as 'Intermodal Hub' for Asian importers and exporters in Europe."

When construction is completed, Europe's largest single container terminal will offer ten berths for large container vessels along a 3,000 meter (almost 9,850 foot) long quay. At the same time, the navigation channel into Bremerhaven will be deepened to 14.5 meters (47.5 feet).

Bremerhaven's success is based to a large degree on its excellent intermodal transportation connections to the German and European hinterland, including Scandinavia and Eastern Europe. Daily feeder calls link the Bremerhaven Container Terminal to Denmark, Norway, Sweden, Finland, Russia, the Baltic State and Poland. "Together with our business partners we are becoming more strongly in-

volved in the transport chain in connection with our main business. Consolidation of container transportation to and from the seaport is one example how a port can gain long-run competitive advantages" explains the BLG chairman. Recent developments including BLG's partnership in the Inland Container Terminal in Dortmund, the container shuttle by barge between Bremerhaven and Bremen, operated by BLG's subsidiary SCL, and the daily feeder service Bremerhaven and the Hamburg freeport demonstrate BLG's commitment to eliminate weak points in hinterland connections.

The importance of good transportation links can be seen particularly clearly when one considers that around 75 percent of the containers handled by BLG in Bremerhaven are transported on into the German and European hinterland. The most important means of transport for long-distance transportation in Central Europe—that means anything over a distance of more than 200 miles—is the railroad, which carries about 80 percent of the cargo. On weekdays, an average of thirty container trains connect the BLG Container Terminal with the economic centers in Germany and Europe. For instance, there are regular direct connections to Austria, Switzerland, Italy, Denmark, Poland, the Czech Republic, Slovakia and Hungary. "We are confident that this level will increase further in the future," says Dr. Stuchtey.

Due to the highway system access truck services provide a fast, efficient and flexible service to all European economic centers. As the most important link in the entire chain of transportation, a modern port can no longer just concentrate on the land-sea interface. To remain competitive, the seaport must also become engaged in transportation to and form the port—for example through intensive cooperation with transportation businesses, by taking on tasks of planning and coordination, or by organizing integrated service packages for shippers and shipping lines.

### **Hamburg Port: Poland's Gateway to the World**

Rapid growth in Polish transit traffic through the Port of Hamburg. Fast

hinterland connections and a high frequency of overseas liner services offer Polish shippers key time advantages on routes via the Port of Hamburg.

Poland's increasing involvement on world trade is becoming noticeable in the Port of Hamburg. The volume of cargo handled in 1993 was considered higher than the previous year, particularly in freight traffic from all over the world passing through Hamburg on its way to Poland. In the first four months of 1994 alone rail cargo turnover carried, among other routes, on the Polzug rail link between the Port of Hamburg and Poland increased by some 40%. However, this growth does include transit traffic with the Baltic States, Russia, Byelorussia and the Ukraine passing through Poland. Exports exceed imports in this rail traffic.

The economic ties between Poland and Hamburg stretch back to the Middle Ages. In recently years they have been characterized by dynamic growth. The liberalization of Poland's foreign trade has had a very positive impact on the Port of Hamburg cargo turnover. In 1993 more than one million tonnes of sea-borne cargoes travelling to or from Poland were handled by the Port of Hamburg, in transit and third-country traffic the figure was around 400,000 t. To this we also have to add German-Polish trade by feeder ship, mainly bulk cargoes such as coal, iron and steel. This year has seen another favourable development in cargo turnover. In all this, Hamburg is benefiting from its role as the last stop for the big lines, direct block rail links with Eastern Europe and numerous feeder services (four liner departures a week and numerous charter links). Warsaw is only around 880 km from Hamburg by road and dozens of forwarders offer regular and reliable just-in-time distribution services to every corner of Poland.

### **Fruit Investments in Gothenburg Free Port**

The Port of Gothenburg is to invest SwKr 43 million (US\$5.5 million) in its Free port facility to improve the conditions for the important fruit import at the port. The investment programme is already underway.

Investments include the acquisition



*Port of Gothenburg, Sweden*

of two pallet movers, one of which has been commissioned and one is due to be delivered later this year. An existing shed, No. 105, will be fitted with climate control for heating and cooling. Weather-protected shuttle wagons will cover the transit of pallets from the pallet mover to the shed.

Also, the terminal lay-out is to be improved. The ground level is to be raised and a new surface fitted. A new gate is to be installed, and lorry parking facilities enhanced.

The Gothenburg Free Port is the centre of the deep-sea import of bananas to the Nordic area. About 260,000 tons a year arrive from Central American countries for distribution to all Sweden, Finland and Norway from Gothenburg.

### **New Helsingborg-Riga Direct Traffic Started**

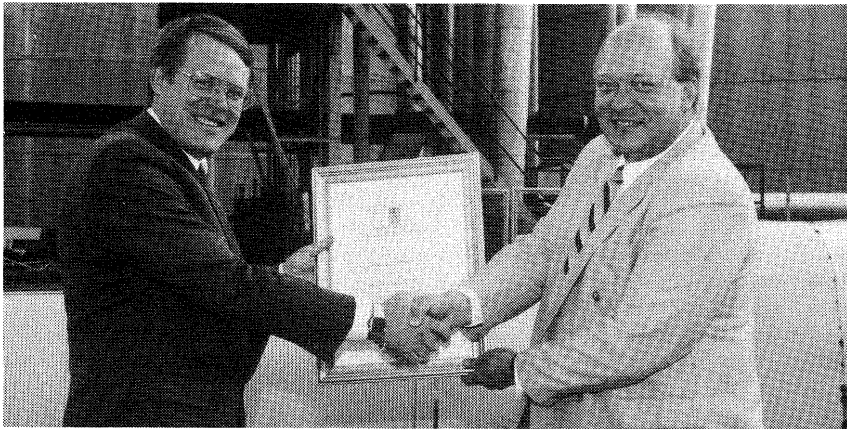
The Latvian shipping company Latvian Shipping Co. started a direct RoRo traffic Riga — Helsingborg on the 4th of May. The first vessel to call the West Harbour in Port of Helsingborg was *Inzeniers Kreilis*.

The route Helsingborg — Riga is served by both Latvian Shipping Co. (RoRo) and Maras linija (LoLo).

There is a large potential to develop the direct traffic to the Baltic countries further and the south Swedish industry have shown a great interest in this transportation alternative.

### **Quality Certificate for Gothenburg Oil Harbour**

The oil harbour of the Port of Gothenburg AB has received an ISO 9002 quality certificate by Det Norske



The head of the Port of Gothenburg's oil port, Mr Nils Birgander (r), receives the oil port's ISO 9002 quality certificate from Det Norske Veritas representative Dag Fogelfors. The head of the Port of Gothenburg's oil

Veritas. The oil harbour operations within the Port of Gothenburg represent two-thirds of the cargo turn-over at Gothenburg. The quality certificate is the first one awarded to an oil harbour in Sweden.

An all-round port like Gothenburg is a complex and multi-faceted organisation. The Port of Gothenburg has

chosen to have its different types of operation quality certified individually. The first port sector to receive an ISO certificate was the Älvsborg roll on/roll off harbour (including the STORA forest product export terminal). The oil harbours, as number two, will be followed by the Skandia container harbour next year.



### Four-millionth Container at EUROKAI

On Monday, July 11, the EUROKAI Terminal in Hamburg handled the four-millionth container since container traffic started using the facilities in 1969. And yet it is only two years since the three-millionth container was handled. The latest record was set by a container loaded onto Hyundai Pioneer, a 3,014-TEU container ship owned by the Korean Merchant Marine Shipping Company in Seoul. The container, which was full of machine parts, was bound for the South Korean Port

of Busan. In Hamburg the ship also took on paper, machinery, chemicals and refrigerated goods for a number of destinations in Asia.

Hyundai has been a EUROKAI customer since 1986 and is now the Terminal's biggest customer in cargo-handling terms. 52% of the EUROKAI Terminals's container traffic is accounted for by Far Eastern routes, a considerably higher proportion than in the Port of Hamburg as a whole (42%).

### Grimsby & Immingham To Handle More Cars

Associated British Ports (ABP) Ports of Grimsby & Immingham received a further boost when it was recently announced that GEFECO (UK), international freight forwarders, will be using Grimsby's Alexandra Dock to import some 18,000 Peugeot and Citroen cars in June and July this year. The vehicles are destined for the company's new Regional Distribution Centre at Sandtoft on the M180, 30 miles from Grimsby.

Between them Grimsby & Immingham, two of the UK's premier vehicle-handling ports, expect to handle approximately a quarter of a million vehicles this year for a wide range of vehicle manufacturers which include Audi, BMW, Citroen, Peugeot, Saab, Toyota, Volkswagen and Volvo. In addition, large quantities of parts and spares are shipped through the ports, particularly to Scandinavian manufacturers.

Dennis Dunn, Port Manager, Grimsby & Immingham, commented:

"GEFECO's decision shows a growing confidence by the motor industry in the facilities we provide at Grimsby & Immingham and we are pleased to accommodate and handle this traffic."

### Offshore Supply Base At Port of Immingham

Associated British Ports (ABP) recently signed a contract with Humber Offshore Supply Link Ltd (HOSL) to develop an offshore supply base at ABP's Port of Immingham. ABP will develop the area of the port's former drydocks for HOSL at a cost of £750,000.

HOSL, a joint venture between major offshore supply group, Asco, and stevedoring and transport company, European Integrated Carriers (EIC), will deliver supplies to oil rigs exploiting new North Sea oil exploration and production licences.

Mr Dunn said: "Immingham is strategically placed to serve the North Sea oil and gas industry and this development opens up substantial opportunities for future new business."

Mr John Edwards, Director, HOSL, commented: "This development will

not only provide major logistical benefits to offshore customers but also offer local companies with the relevant services the opportunity to become involved."

## New Dundee Warehouses For More Growth

The Port of Dundee is now competing even more effectively to win new business in what are literally growing markets, following the official opening of two new warehouses.

The new sheds, totalling 60,000 sq.ft., have been specially-designed for storing grain and forest products shipments, of which ever-larger quantities are passing through Dundee.

Lord Provost Thomas McDonald JP of the City of Dundee cut the tape at a special ceremony to open the new warehouses, in the presence of Mr J Stuart Fair, chairman of Dundee Port Authority, senior Port officials, contractors and shipping agents.

The new sheds, built at a cost of nearly £1 million, were originally included in the Port's capital investment programme for 1994. But such was the increase in imports and exports last year that construction was brought forward to maintain the Port's competitive edge.

"The demand for quality warehouse accommodation is at its highest for more than a decade," said Mr Fair, "and our recent successes, especially the dramatic increase in forest products imports, led us to advance the construction of these vital new additions to the Port's infrastructure.

"While both are eminently suitable for a range of cargoes, one in particular has been built with specially-designed grain walling. Our plan is to use this for the increasing tonnages of agricultural products coming through the Port, which in turn will release other warehouse space to accommodate the rapidly-growing forest products trade," he added.

### Dundee Port Authority

Dundee Port Authority has increased both profits and turnover, and is 18 months into a five-year plan to invest £10 million on new infrastructure.

The Authority's latest Annual Review (released in February 1994) shows that turnover last year increased by 3% to just under £5.05 million, while profits rose by an impressive 8% to £825,000. In addition, some £1.8 million was invested in the construction of new warehouses and the refurbishment of others, on dredging, and on a new lock-gate and crane.

"It was a very satisfactory year", said Captain John Watson, DPA chief executive, "and one which I am sure has prepared the ground for further fruitful development of the Port of Dundee well into the next century. Competition for trade remains fierce, and we face an additional challenge as a result of the recent privatisation of two other major Scottish ports, which have altered the environment within which we operate."

"Nonetheless, we are performing well overall. We have launched a substantial investment programme to upgrade our existing infrastructure and facilities, and cargo volumes throughout 1993 and the early months of 1994 have been encouraging", he added.

The five-year investment programme got under way in 1993 with some £925,000 being spent on re-sheeting and re-roofing warehouses throughout the Port estate. In particular, two sheds were refurbished for the use of subsea engineering contractor Stolt Comex Seaway, which has set up its main North

*Paper and pulp is an increasingly important cargo at the Port of Dundee.*



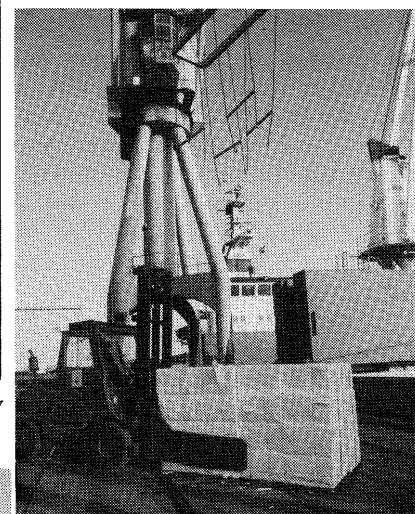
*Dundee Port's recently upgraded ro-ro facility is regularly used by Britain's armed forces for the movement of vehicles and equipment.*

Sea base in Dundee. Construction also began on two new sheds with a combined capacity of more than 60,000 sq.ft. (5,575 sq.m.). After completion Spring in 1994, one will be used for general storage and the other, featuring specially strengthened grain walling, for bulk cargoes.

The project to install a new caisson gate and bridge in Camperdown Lockway, totalling £600,000, is well advanced and will help to preserve the integrity of the Grade A listed inner Camperdown and Victoria Docks.

Another significant capital project is the £200,000 programme of dredging currently under way to enable selected wharves to cope with the trend towards larger offshore-related vessels calling at Dundee. DPA has also placed an order worth £900,000 for an additional mobile crane, scheduled for delivery in the summer.

While overall import and export



tonnages last year were down slightly on 1992 — mainly due to the recession — imports of textiles, timber, paper and pulp, grain and other general merchandise improved markedly last year.

Paper and pulp imports from Scandinavia and the Baltic rose by nearly 30% to 126,500 tonnes, and timber by 42% to 4,250 tonnes, with cargoes destined for distribution throughout Scotland and as far south as Manchester.

Dundee also strengthened its role as eastern Scotland's leading grain port, with imports of animal feedstuffs and malting barley up by more than 40% to 51,200 tonnes. Exports travelled as far afield as Russia, Japan and Canada.

Oil-related activities in Dundee experienced a welcome expansion during 1993, reflected in a doubling of oil-rig supply exports to 5,440 tonnes. As well as becoming Stolt Comex Seaway's new UK base, Dundee was chosen by Western Petroleum from 12 possible candidates as the ideal base port for the Western Renaissance — the world's most advanced well-stimulation vessel.

MacGregor Engineering continued to advertise the attraction of Dundee for rig repair and maintenance, with a series of visitors including the Western Pacesetter IV, the Sedco 703, and the Uncle John arriving during the year.

The recently upgraded ro-ro facility at Eastern Wharf was extensively used during the year for importing newsprint and motor vehicles, and by the military to move equipment and personnel to overseas manoeuvres.

Two trades in particular showed encouraging signs of a resurgence during the year, with the first bookings by cruise liners for some years, and a doubling of the amount of salt imported through Dundee for distribution throughout Scotland and northern England.

In the first case, Dundee is set fair to strengthen its position as one of Scotland's leading sea-cruise destinations in 1994. Following three visits by two different liners last year, the Port Authority has received its first booking for the coming season. The cruise liner *Explorer*, on charter to SAGA Holidays, will call at Dundee in June and again in July as part of the company's programme of round-Britain cruises.

"This is a very encouraging start to

the year", said DPA marketing manager Fiona Wilson. "It's a vote of confidence in Dundee as a cruise-ship destination which will give a tremendous fillip to our efforts to promote the Port to the international cruise industry."

Fiona represented Dundee at the huge Seatrade Cruise Shipping Convention, in Miami, Florida, 1-5 March. The conference attracted hundreds of exhibitors and delegates from all over the world, offering an unrivalled opportunity for ports such as Dundee to promote themselves face-to-face to a major industry.

DPA exhibited at Miami as part of Cruise Europe, a cooperative marketing organisation which represents 35 European ports. Cruise Europe was set up to raise the profile of northern European waters, especially around the UK and Scandinavia, as an attractive cruise destination.

DPA joined Cruise Europe more than two years ago, and exhibited with them at last year's Seatrade event. The effort paid off with two visits by the cruise liner *Illiria*, and one by the Funchal during 1993 — the first cruise visits to Dundee for many years.

The American-owned *Explorer* will be using Dundee this year to set down and pick up passengers on cruises round the coasts of Britain. She will be docking at DPA's purpose-built passenger terminal at the Port's King George V Wharf, which has full customs facilities and is only a few minutes' walk from the city centre. It is also ideally placed for tours taking in not only the attractions of Dundee itself, but also the scenery and historical locations of Angus, Perthshire and Fife.

"We are offering riverside berths on one of the most beautiful estuaries in Britain, which ships can reach without having to negotiate lock gates or other delaying factors," said Ms. Wilson. "I am confident that the *Explorer* will be the first of many cruise visitors in the years to come."

In the other growing trade, a total of ten vessels discharged more than 50,000 tonnes of salt at Dundee during 1993, up by more than 100% from the five vessels and 24,000 tonnes recorded during the previous year. Already in 1994, up to the middle of March, five vessels have called, discharging nearly 35,500 tonnes.

Most of the salt is imported from as far away as Israel and Spain, and

is used for spreading on icy roads, although a fair proportion goes to the animal hide and fish curing industries.

Further information from:

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## London: Cargo Thruput May Double by 2020

In 1993 a total of 50.5 million tonnes of cargo passed through the Port of London, the UK's largest port, a rise of 4% on the 48.7 million tonnes throughput in 1992. The number of vessel arrivals and departures was 25,390, an increase of 626 on the previous year.

"It was a satisfactory year with trade holding up well despite continuing economic recession," reported Sir Brian Shaw, Chairman of the Port of London Authority (PLA) in the 1993 Annual Report and Accounts.

Financially self-supporting the PLA disclosed an operating profit of £2m in 1993. The accounts are the first since the PLA divested itself of all responsibility for the management of docks following the sale of Tilbury and the financial reconstruction agreement with the Government.

"Freedom from direct involvement in cargo handling has given us the opportunity to focus more sharply on our statutory role and on a much wider range of port activities and future opportunities," commented Sir Brian.

"Getting closer to Port users and operators is important to us — and to them. We need to understand their needs and plans, not only to support their present operations but also to be able to help them take the right decisions for the future."

"Much time and effort has been directed to supporting initiatives that might provide opportunities for the regeneration of the use of the River Thames. We predict that with organic growth alone the Port of London could double its current cargo throughput by the year 2020".

The PLA has undertaken a major new global marketing initiative for cargo trade. This, along with a similar initiative aimed at the cruise and tourist trade, is designed to develop joint-

marketing and promotional strategies with the private operators on the Thames to develop existing services and attract new shipping lines to London.

"I attach great importance to the development of a strategic plan which will take the UK's largest port forward to play an even more significant part in the commercial and social life of London and the nation," said Sir Brian.

Echoing Sir Brian, the PLA's Chief Executive, David Jeffery recorded that "the year under review was very much a year of change, with the PLA altering its focus and public profile to meet the challenges ahead".

## Asia/Oceania

### Brisbane Users Satisfied With Facilities, Service

"Almost all port users interviewed in a recent survey were satisfied with both the facilities and the service offered through the Port of Brisbane," said Mr Greg Martin, Chief Executive Officer,

"Indeed, one in two port users is very or extremely satisfied with the port," he added.

Mr Martin was commenting on a survey conducted by Staddon Consulting Services of 100 port users, consisting of export/import companies, freight forwarders, customers brokers, shipping agents and transport/container companies.

The purpose of the survey was to monitor port users current usage and satisfaction with port facilities and service and to provide updated information for the continuing development and review of the Authority's corporate plan.

The 1994 survey follows up on the port users study conducted in 1992 which was part of a thorough review and analysis of port operations, customers and economic trends. This information was then used in the development of the Authority's *Strategic Plan to 2005 and Beyond*.

"Although many of those interviewed felt they were not in a position to rate the comparative performance of Brisbane with ports of Melbourne and Sydney, the over 50 percent that did

comment rated Brisbane as better in most respects," Mr Martin said.

One of the few criticisms levelled at the port was more restricted shipping schedules than the southern ports.

"The frequency of schedules is a direct result of lower container throughput compared to the more populous southern cities. The Authority has an aggressive marketing campaign directed to shipping lines, and coupled with improvements in road and rail transport to the southern states, this problem should be resolved within the foreseeable future," Mr Martin said.

Regarding corporate performance, the majority of port users believe the Authority has performed well in terms of meeting its current objectives of encouraging trade development, ensuring port performance, prudent corporate management and in developing appropriate port infrastructure for the long term.

Mr Martin concluded by saying that the Authority would repeat the survey in two years to ensure that customer satisfaction is maintained after corporatisation and to obtain feedback on a number of corporate issues affecting the Authority. (*Brisbane Portrait*)

### No Increase in Fremantle Port Charges for 94/95

Transport Minister Eric Charlton has announced there will be no increase in Fremantle Port Authority charges from July 1.

Consequently, when taking into account CPI increases, port charges would be reduced in real terms. This should also ensure that Fremantle continues to be the best practice in Australia in terms of the competitiveness of port charges as identified in a recent report by the Bureau of Industry Economics.

While the FPA was committed to changing its system of charges in the future to achieve equity and simplicity, Mr Charlton said the FPA had decided to delay the introduction of the proposed system to replace tonnage charges for 12 months. In this time, the FPA would undertake a full review of its pricing policies.

Based on discussions with customers, the FPA agreed that the basis on which the tonnage levy should be levied would be addressed in the review.

"The FPA is committed to facilitating

trade through Fremantle as well as looking after the interests of its customers," Mr Charlton said.

"The FPA is also determined to 'get it right' in terms of equitable distribution of charges among users of services and facilities."

The FPA's current system is based on ship tonnage and hourly related charges. The proposed system was based on cargo loaded or discharged for vessels exchanging cargo, and time alongside for non-trading vessels.

Mr Charlton indicated that the current system of charging meant that the FPA's revenue base would continue to be eroded by further improvements in ship turnaround time. However, further reductions in operating costs and the promising trade projections for next financial year meant that a delay in changing the port pricing system could be accommodated in the short term.

The FPA has consulted with the Australian Chamber of Shipping (ACOS) and the WA Shippers Council regarding the need for the port pricing system at Fremantle to change.

Mr Charlton said that the FPA and its customers both believed that more work needed to be done to determine methods of smoothing the introduction of a new system.

ACOS indicated that continuing to operate on the present system, pending the total review, should ensure that those shipping lines using the port will continue to do so on current or increased frequency.

(*Fremantle Port News*)

### Melbourne Study Finds Port's Role Great

According to the findings of a newly completed Port Economic Impact Study, the port has a key role in the state in the areas of jobs, and Gross State Product.

The study undertaken by the National Institute of Economic and Industry Research revealed that:

- Port operations supported a total of 19,200 jobs in Victoria, gross output of \$1.9 billion and state tax revenue of \$28 million.

- The port provided a cost advantage over alternative transport modes of \$126 billion in 1992/1993.

- State-wide, the port contributes \$4 billion to Victoria's Gross State

Product, supports 83,000 jobs, has a gross output of \$8.7 billion and state tax revenue of \$123 million.

● Melbourne's port industry had a turnover of \$974.5 million in the 1992/93 financial year, and consisted of 677 firms with a total of 8,200 employees.

The study also looked to the future, and states that the net effect of a 10 per cent cost reduction in all port services would increase Victoria's Gross State Product by \$209 million and employment by 4,900. (*Perspective*)

## **New Road Enhances Melbourne's Efficiency**

One of the key factors in the Port of Melbourne's efficiency — the interface between the port and land transport modes received a boost with the opening of the new Docklink road in March.

The purpose-built road links Melbourne's container facilities at Swanson and Appleton Docks, with the National Rail Corporation's Melbourne Freight Terminal at South Dynon and cuts the distance travelled by trans-shipped containers from 2.5 kilometres to 0.6 kilometre. The new road means containers can be carried directly from the dock to the rail terminal by internal transfer vehicles.

According to the National Rail Corporation, the elimination of time consuming road movements and rail shunting between the docks and rail terminal will reduce costs by 30 per cent. (*Perspective*)

## **Newcastle: Land Use Amenable to Residents**

To facilitate growth in the general cargo trade through the Port of Newcastle, the Hunter Ports of Authority is pursuing a program for the redevelopment of the Carrington Basin area.

A Land Use Interface Strategy Plan is to be implemented to ensure that the proposed port development is compatible with the environment of the surrounding suburb of Carrington.

This study will concentrate on the noise, traffic and visual impacts in the Carrington area arising from the Basin Redevelopment Project. Improving

Carrington's residential amenity by physical and visual separation of port-related activities from residential areas is the primary objective of the Plan. This will clearly define the Basin port area, improving security, with a rationalisation of the access routes to the Basin area to ensure the efficiency of access linkages for road and rail.

Hunter Ports Authority Managing Director Mr Geoff Connell said, "Our efforts to facilitate trade growth through the Port of Newcastle will in turn increase vehicle traffic through the Ports precincts. As a responsible corporate citizen, we will ensure that a harmonious existence between commercial and residential activity takes place at all times.

"The complexity and detail of the Land Use Interface Strategy Plan reflects that the Authority is not opting for a bandaid approach by planting a tree here and there." Mr Connell said, "It is a concerted effort to identify and act upon the key issues likely to impact on residents."

The Plan is currently being prepared by EJE Landscape and should be completed by the end of August, when the Authority will act upon the prioritised issues identified. (*Scuttlebutt*)

## **CCC/DEFIS Seminar Held in Suzhou in April**



**By Li Ming Gui**  
Secretary General  
China Ports & Harbors  
Association (CPHA)  
Shanghai, China

Mr. Cai Meiyi, Deputy Port Director, Shanghai Port Authority (representing Mr. Tu Deming, Port Director) and I attended the CCC/DEFIS Seminar in Suzhou from 19 to 22 April 1994 at the invitation of the China Customs General Administration.

The seminar was jointly sponsored by CCC and the China Customs General Administration. About 80 delegates from China's provincial or mu-

nicipal customs offices, transport organizations, post and telecommunications offices, chemical industry, medicine industry, etc., participated in the seminar. CCC expert Mr. Peter Woosnam briefed us on the organization and responsibilities of CCC, and the importance of efficacious measures for preventing illegal drug-trafficking, with special emphasis on the MOUs (Memorandum of Understanding) signed between CCC and a number of international trade associations seeking cooperation in drug-trafficking prevention. Among them is the MOU signed between IAPH and CCC in August 1987. Mr. Peter Woosnam and Japanese customs officials Mr. Motomiya Tadafumi and Mr. Yokoyama Takaaki made presentations about the British and Japanese experience of preventing drug trafficking in accordance with the MOUs. Their experience has shown that these MOUs are very effective.

Copies of the MOUs signed between CCC and 13 international trade associations including IAPH were distributed at the seminar.

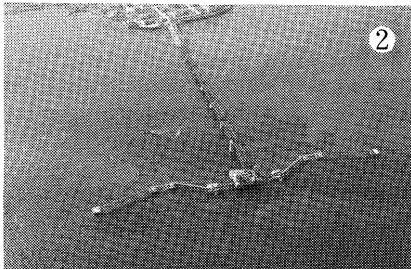
After the presentations and discussions, the participants felt very well-informed. Illegal drug trafficking is a global issue, and can be prevented effectively only when the nations concerned join hands and cooperate. The Chinese government has been paying constant attention to drug prevention. China has ratified the UN convention for preventing illegal drug trafficking. We feel the signing of MOUs between CCC and trade associations is a good way to ensure drug trafficking prevention through cooperation. Cooperation is the key to success in drug prevention.

The CPHA and the eight IAPH member ports will follow the MOU between IAPH and CCC. We will work closely with the Chinese customs offices and the transport organizations concerned, and will make our contribution to the global endeavour for drug prevention.

The CPHA is going to convene a meeting of its IAPH member ports in mid-May in Guangzhou, at which I will brief them on the CCC/DEFIS Seminar. Together we will explore ways of cooperating with other organizations concerned with preventing illegal drug trafficking.

## The Port of Qingdao in Pictures

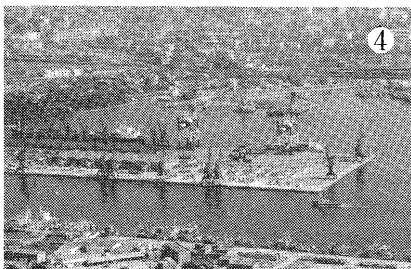
Following the article entitled "The Port of Qingdao - A Pearl in the Yellow Sea" which appeared in the previous issue (on pages 45/47) of this journal, we have received photographs showing various scenes of the Port of Qingdao from Mr. Chang Dechuan, President of the Port. As these photographs did not reach Tokyo in time for inclusion in the July-August issue of the journal, we are including them in this issue.



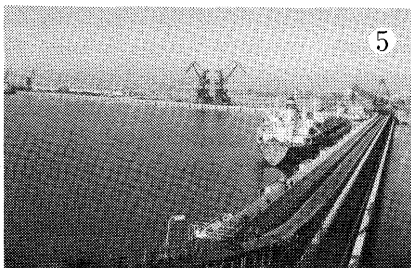
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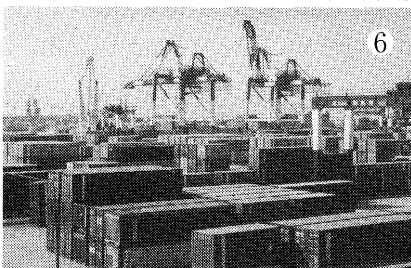
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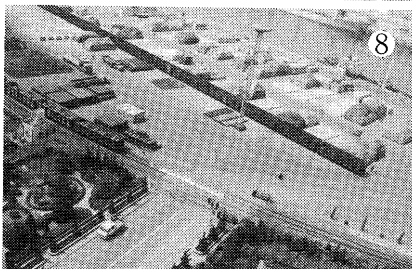
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### Photo captions:

1. Mr. Chang Dechuan, President, Port of Qingdao
2. The 200,000 ton-class crude oil terminal of the Port is the largest one in China.
3. Bird's eye view of the Old Harbor Area
4. Wharf No.8 in the largest bulk and general cargo terminal in China
5. Qianwan Harbour coal terminal
6. Container terminal
7. Harbor Office Building
8. Orderly and tidy foreyard
9. A corner of Wharf No.1

## An Introduction to Jardine Transport Services

**INTRODUCTION** Jardine Transport Services\* with a workforce of some 3,000 staff operates a comprehensive network of transport-related businesses in 14 countries throughout the Asia-Pacific Region. Working in close co-operation with each other, these offices provide a full range of expertise and skills to owners, operators, charterers and cargo interests. It is part of the Jardine Matheson Group, which together with its affiliates, has become a multinational business employing more than 200,000 people in over 30 countries around the world.

**SHIPPING AGENCIES** Jardine Pacific represents many leading international shipping lines including the Australian National Line, Cho Yang Line, Compania Sud Americana de Vapores S.A., DSR-Senator Lines, Transportacion Maritime Mexicana, Orient Overseas Container Line, P & O Containers, South African Marine Corp., and United Arab Shipping Company. The Shipping Agencies activities are co-ordinated through head office in Hong Kong. Apart from liners, agencies also handle 2,400 tanker and bulk carriers per annum through their network as well as representing many leading passenger and cruise carriers including Cunard Line, NYK Cruise, Norwegian Cruise Line, Royal Viking Line, Regency Cruises and Sun Line. Jardine Pacific also acts as Lloyds agents in Taiwan and Honolulu. In Hong Kong, the link with mainland Chinese national and regional shipping companies is particularly strong. With permanent representative offices in Beijing, Shanghai and Guangzhou, Jardine Pacific enjoys close relationships and has established joint ventures with many transport organisations in mainland China.

**TERMINAL OPERATIONS** Jardine Pacific's subsidiary, Hoi Kong Container Services, is one of the leading midstream break bulk cargo and container operators in Hong Kong, serving the growing mainland China transshipment cargo and Asian interport markets.

Jardine Pacific also has a network of inland container depots, container

freight stations and container yards throughout Asia. In terms of size and throughput its regional operation is one of the world's largest.

In Taiwan, the company trades under the name of United Terminals Limited. Apart from operating the largest container freight station in Taiwan it also operates a large container yard with on-site repair and maintenance facilities. The facility also has its own dedicated rail siding where container trains are block stacked.

In the Philippines, Jardine Pacific has established through Jardine Davies a container freight station, container yard and road haulage company in Paranaque, Manila. This operation trades under the name of United Terminals Services.

Jardine Pacific operates on a joint venture basis container freight stations and container yards in the Chinese ports of Shanghai and Tianjin as well as in Hong Kong.

In Malaysia, Jardine Pacific has a substantial interest in a container yard, Kaypi Logistics Depot, located in Kuala Lumpur's main port of Klang.

The company also operates a major warehousing complex in nearby Petaling Jaya.

In Singapore, the company operates a container freight station within the Port of Singapore Authority's Keppel Distripark under the name of United Terminals Limited.

All of Jardine Pacific's container and warehousing businesses are coordinated from Jardine Transport Services Group Head Office in Hong Kong.

**PORT REPRESENTATION** Given Jardine Pacific's long established and widely based regional presence, it is well placed to represent the interests of major overseas ports. It currently represents the ports of:-

- Marseilles, France
- Melbourne, Australia
- San Diego, U.S.A.
- Vancouver, Canada

The company is also a member of the International Association of Ports and Harbors. It contributes to the work of the Association by its active involvement in the Association's com-

mittees on:-

- Port Planning & Construction
- Sea Trade

**SHIP MANAGEMENT** Jardine Ship Management provides a broad range of technical services to ship-owners from its Hong Kong and United Kingdom offices, including pre-purchase vessel inspection and assessment, new-building specification review, new-building construction supervision, insurance placement and claim administration, manning and full technical management of a wide range of different types. Jardine Ship Management also operates an oil major approved survey and consultancy business in Singapore, London, Korea and Taiwan. The consultancy service is known as Pacmarine.

**FEEDER VESSEL OPERATIONS** Jardine Pacific is actively involved in inter-Asia container feeder services. Through its various subsidiaries, Jardine Pacific is currently operating or managing regular services from Hong Kong to Tianjin, Kaohsiung, Keelung and Manila, as well as from Singapore to Yangon.

**FREIGHT FORWARDING** Under the name of Jardine Freight Services (JFS), the sea and air freight forwarding business is co-ordinated from Hong Kong. JFS now operates a total of 35 wholly-owned offices in nine Asia-Pacific countries, supported by a worldwide network of very reputable agents such as Muller Freight Services in Holland. A strategic alliance has been established with the Radix Group of Companies in the United States through a joint venture under the name of Jardine-Radix International. Radix provides excellent coverage with 23 offices throughout the United States.

Apart from handling commercial cargo, Jardine International Movers, a division of JFS, specialises in project cargoes, removal of household goods, factories and offices, and transportation of freight for shows and exhibitions.

\* Associate Member of IAPH



### **China's 4th-generation Container Vessel**

On January 12, 1994, the China's first fourth-generation container vessel M.V. *Zhen He* began her maiden voyage from the Port of Tianjin. M.V. *Zhen He* is 275 meters in length and 32.2 in beam. Her deadweight is 50,800 tons with capacity of 3,801 TEUs and a range of 19,000 nautical miles.

The maiden voyage of M.V. *Zhen He* opened a new era in the development of Chinese ports towards increased capacity. The Port of Tianjin is the first international trade port which can receive fourth-generation container ships in China.

### **Trade Records Broken At Port of Tauranga**

Records were broken at the Port of Tauranga during May with trade for the month reaching 779,945 tonnes.

The previous record was 663,000 tonnes set in May 1992.

The trade record was achieved through a combination of events including the single biggest ever shipment through the port — set with the loading of 51,687 tonnes of woodchips on the *Pearl Venus* destined for Hachinohe, Japan. A record 18 log ships moved through the port, compared with a monthly average of 12 or 13 vessels.

A new arrival and departure record was also established during the month. A total of 91 vessels arrived at the port, breaking the previous record of 87 vessels set in May 1992. A total of 91 vessels departed, breaking the previous record of 80 departures set in July 1993.

Company Secretary for the Port of Tauranga, Athole Herbert, said other trades included in the record trade figure were kiwifruit (88,167 tonnes), steel, onions, apples and squash. Imports of fertilisers continued to be strong, reaching 37,530 tonnes for the month.

Mr Herbert said the port was a trade facilitator and as such reflected the buoyancy in the New Zealand economy in general.

### **Tauranga Ltd: Improved Net Profit for 6 Months**

The Port of Tauranga Ltd has reported a \$3.06 million net profit for the six months to March 31, 1994 — an improvement of 2.9 percent on the same period last year.

"This is particularly pleasing when last year's record log export levels are taken into account," Port of Tauranga chairman Fraser McKenzie said.

"Despite lower cargo levels for the period, we have been able to achieve an increase in after-tax profit through the changing mix of cargoes, increasing our property rentals and continuing to control our costs."

Mr McKenzie said with log export levels now showing signs of improvement, the company expected to meet its budget projections for this commodity by year end.

"We are also on target to meet our budget projections of a double-digit percentage increase in after-tax profit by year end, compared to the last financial year."

The increased net profit was achieved

on trade volumes for the first six months of the year of 3,096 million tonnes. Export volumes, exclusive of logs, were down 1.4 percent on the same period last year. Imports increased by 9.4 percent to 886,587 tonnes.

Chief executive John Halling said log exports through the Port in the first six months of the financial year dropped by an anticipated 31.1 percent over the same period last year.

"This reflects the lower log export levels recorded late last year, however, indications now are that this trend is improving and we expect to meet our targets for this commodity by year end," he said.

"Also encouraging was the 3.3 percent reduction in operating expenditure over the period, along with continued falls in depreciation and financial costs."

Mr Halling said the reduced operating costs were achieved by the commitment of staff to a 21 month industrial agreement with a 2.5 percent wage increase, as well as through the programme of asset maintenance.

Increased areas of port land and buildings leased to customers has also has a significant impact on the result with a substantial increase in that revenue to \$1.52 million.

Mr Halling said other positive trends included a 2.6 percent increase in container trade and a move by several of the Port's larger clients to consolidate their cargo at Tauranga.

"We also exported our first shipment of onions from Pukekohe, reflecting increasing exporter enthusiasm for the Port of Tauranga, as well as a doubling of cruise vessel visits."

Fertiliser imports continued to grow, mirroring an improvement in rural confidence and dairy products export increased by just under 18 percent.

The Port's directors had recommended a fully imputed interim dividend of 2.0 cents per share, similar to the interim dividend last year, with non-resident portfolio investors also receiving a supplementary dividend of approximately 0.35 cents per share.

Directors expected the final dividend, barring any unforeseen circumstances, to be similar to that paid out last year.

"With a robust New Zealand economy now evident and growing signs of optimism internationally, the Port of Tauranga Ltd is confident of its

position for the remainder of the financial year," Mr Halling said.

### **1993 Another Good Year For Port of Singapore**

In 1993, the Port of Singapore had chalked up another year of good performance. Shipping tonnage rose 8% to 623.8 million gross registered tons when 92,655 vessels called at the Port.

Container throughput in 1993 grew by 20% to a record 9.05 million TEUs, accounting for about 8% of the world's throughput. The good growth in 1993 was registered on the back of a yearly 22% expansion in Singapore's container traffic during the last ten years.

Despite the strong growth in shipping tonnage, the Port of Singapore Authority (PSA) has again shown that productivity growth and high service levels can be maintained at the world's busiest port. 1993 saw PSA achieving good productivity growth with value-added per employee reaching S\$202,000. This represents a 12% increase over 1992 and four times above the national average.

As a responsible corporate citizen, PSA is committed to a policy of maintaining a safe and clean marine environment for the enjoyment and benefit of Singaporeans.

PSA continually develops navigational systems and safety procedures to provide for safe and efficient movement of vessels. Round-the-clock patrol of all anchorages and fairways ensures pollution-free waters.

The financial performance of the Group operating income rose by 11% to S\$1,457.2 million. Income from container-handling services formed the bulk of the growth and accounted for 57% of total income.

Operating surplus increased by 19% to S\$578.2 million. The Group's net surplus after including non-operating income and before tax amounted to S\$690.3 million, an increase of 18%.

The Group's capital expenditure increased by 155.6% to S\$1,147.0 million in 1993. Expenditure in container handling equipment and container berth facilities amounted to S\$924.0 million. This included development expenditure on the new container terminal at Pasir Panjang.

Rate of return on turnover increased

from 36.8% in 1992 to 39.7% in 1993, the highest since 1989. Return on fixed assets and on shareholders funds rose marginally by 0.1% to 13.6% and half a per cent to 12.9% respectively.

## New Sludge Treatment Plant on Pulau Sebarok

A tender for the design and construction of a new tanker sludge treatment plant on Pulau Sebarok was called by Singapor CleanSeas Pte Ltd on 12 January 94 to replace its existing plant which is reaching its economic lifespan. The tender closed on 8 March 94. The new sludge treatment plant will be larger and will be capable of handling and treating 20,000 tonnes of bunker sludge per annum.

Singapor CleanSeas expects to award the tender in July 94. The completion of the new treatment plant is expected to be in mid-1995.

Singapor CleanSeas Pte Ltd is a joint venture company formed between Singapor Logistic Services Pte Ltd and Joint Shipyard Investment Pte Ltd. It operates the slop and sludge reception and treatment facilities on Pulau Sebarok. The Port of Singapore Authority will continue in its present enforcement of ships arriving in Singapore and see that they discharge their wastes in a proper manner to the approved reception facilities at Pulau Sebarok. Singapor CleanSeas' investment in a new plant will ensure that all slop and sludge from tanker cleaning operations in Singapore will continue to be properly disposed of. This will help maintain a clean and pollution-free marine environment.

## PSA Tariff Revision Implemented on 1 July

The PSA has held lengthy discussions between 28 Feb and 22 Apr prior to the implementation of its tariff revision with the following to explain the rationale for the tariff revision and to discuss the various tariff changes:-

Singapore National Shipping Association  
Singapore National Shippers Council  
Singapore Freight Forwarders' Association  
Singapore Lorry Owners' Association,

Singapore Manufacturers Association  
Singapore International Chamber of Commerce  
Singapore Chinese Chamber of Commerce  
Singapore Malay Chamber of Commerce  
Singapore Indian Chamber of Commerce  
Association of Singapore Marine Industries  
Singapore Federation of Chambers of Commerce & Industry

In addition, PSA also explained the tariff increases in reply to correspondences from the shipping and trading communities.

Following discussions and negotiations with the relevant parties, concessions were made by PSA to eleven items (see Appendix 1).

In view of the associations' concern over the timing of the implementation, the PSA has decided on a three-month deferment of three items as follows:

- a Store rent on transshipment and re-export containers/cargoes;
- b Professional pilotage fees; and
- c Tug services.

The implementation of these three items would be delayed till 1 Oct 94 to give the shipping and trading communities some time to adjust their operations. All other tariff revisions will take effect on 1 July 14.

The tariff revision was originally planned for implementation in the second half of 1993. It was, however, postponed to allow the shipping community time to adjust to the introduction of Goods and Services Tax although most of PSA's tariff items, including those affected by the revision, are zero-rated i.e. the GST rate for these items is zero.

PSA has assured the shipping lines that the average increase resulting from this tariff revision would be about 9%. This takes into consideration the entire basket of services received from PSA; and was based on a study of more than 600 vessel calls in Apr 94.

The PSA has been giving rebates and concessions amounting to \$2 billion since 1985 despite increases in its operating costs over the years. The tariff revisions are necessary to recover part

of its costs increases. This adjustment would also serve to further optimum utilisation of PSA's facilities and resources.

The PSA will continue its dialogue with members of the associations to ensure that they continue to enjoy efficient and cost-effective service in the Port.

## Appendix 1 Concessions made by PSA to eleven items were as follows:

- (1) Reduction in composite port dues
  - (a) for vessels which overstayed in port from the 26th to 30th day from \$5.50 to \$5.00 per 100 GRT per 24 hours
  - (b) for drill ships from 3 to 2 times the normal rates
  - (c) for vessels undergoing repair at the shipyards with tariff remaining at status quo
  - (d) for non-SBT tankers with the withdrawal of the intended 10% surcharge
- (2) Reduction of pilotage fees by about 10%
- (3) reduction of transshipment stevedorage base rate from \$110/\$160 per 20'/40' to \$105/\$155
- (4) Retention of the fast connection rebates for containers transhipped within 24 hours
- (5) Retention of transshipment status for transshipment containers incorrectly nominated
- (6) Extension of the free storage period for transshipment containers/cargoes from 10 days to 14 days
- (7) Withdrawal of intended lashing/unlashing charge of \$4.00 for containers carried by cellular vessels
- (8) Extension of the grace period for FCL (laden), FCL (empty) and transshipment containers before levy of consolidation charge from 3 to 5 days, 2 to 5 days and 10 to 14 days respectively
- (9) Reduction of shifting of container charge from \$150 to \$125 per container
- (10) Reduction of dockage charge at Sembawang Terminal from \$0.80 to \$0.60 per 100 GRT per nearest hour
- (11) Accommodation of request to retain tariff structure for supply of water from mains and supply of water from waterboats

# SEEKING POSSIBILITIES ?

# PORT OF NAGOYA



JAPAN'S GATEWAY  
TO THE WORLD



**NAGOYA PORT AUTHORITY**

8-21 Irifune 1-chome Minato-ku Nagoya 455 JAPAN

Tel: 81-52-654-7840 Fax: 81-52-654-7995

# PORT OF KOBE

Leading host port candidate  
for the IAPH World Ports Conference in 1999



Future Image Figure of Kobe Port

The Port of Kobe has been a leading seaport trading with many countries all over the world. It is also known as the largest container cargo port in Japan, with its two large-scale man-made islands.

Since the organization's foundation, the Port of Kobe has been closely associated with IAPH. Also, Kobe has all the necessary facilities for holding full-scale international conferences and meetings. I believe that the Port of Kobe will be able to organize and conduct the 1999 Conference of IAPH and to meet all participating members' expectations.

I earnestly ask for your understanding and support in selection of the Port of Kobe as the venue of the 21st IAPH World Ports Conference in 1999.

*Kazutoshi Sasayama*  
Kazutoshi Sasayama  
Mayor of Kobe

 **Port and Harbor Bureau, City of Kobe**

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