

Ports & Harbors

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Conference Host: THE PORT OF LONDON AUTHORITY

Conference Theme: MARITIME HERITAGE — MARITIME FUTURE

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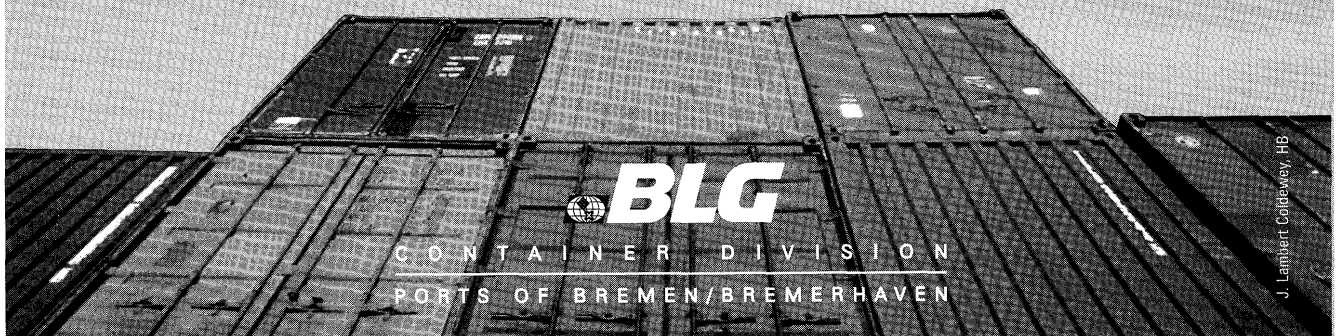
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IAPH ANNOUNCEMENTS AND NEWS

IAPH Submits Position Papers To IMO, UNCTAD

As reported in the previous issue, IAPH submitted its position papers to IMO after the papers were endorsed by the Board of Directors at the Conference in Seattle. Following our brief reference to the subjects in the previous issue, we reproduce below full texts of the position papers (submitted on 23 June 1995) from the IMO documents.

On August 1, 1995 IAPH Secretary General submitted the position paper to Mr. William A. O'Neil, IMO Secretary-General and Mr. K.K.S. Dadzie, UNCTAD Secretary General respectively, on the subject: "Arrest of Sea-Going Ships – Work by the UNCTAD and IMO Group of Experts". The paper submitted to the UN agencies together with the other two papers to IMO, namely "Draft HNS Convention" and "Revision of the 1976 Convention of Maritime Claims", which were approved by the IAPH Board at the Seattle Conference, also follow.

IMO Marine Environment Protection Committee
37th session
Agenda item 13

Prevention of Air Pollution from Ships Fuel Oil Quality Submitted by IAPH

1. The emission of sulphur dioxide (SO₂) is known to be one of the causes of acid rain and consequently a threat to the environment. IAPH therefore supports IMO initiatives to establish a globally applicable maximum percentage of sulphur content in ship's fuel oil. Ideally that percentage should be set at a level of 0.5 – 1.0 %
2. It is understood however that a commitment to achieve a sudden drastic decrease in permissible sulphur content compared to the average quality of fuel oil available on the market today will initially create financial difficulties to the oil industry.

Shipowners, as a consequence, would also be confronted with increased costs for fuel oils. These costs could be retrieved by way of increasing the freight rates. However, that would have an adverse effect on their competitive position compared with other modes of transport.

3. It is also noted that for environmental protection purposes a relatively high capping percentage level has been linked to a consequential need to establish special areas, where shipping would be obliged to make use of fuel oil with a low sulphur content, in order to keep SO₂ emissions in those areas at an acceptable level.
4. Though appreciative of that objective, IAPH is concerned that the establishment of such special areas could give rise to a distortion of the competitive position between ports which are located inside and those which are outside special areas. There may also be competitive distortions from a shipping standpoint.

Every effort should therefore be made to develop a strategy that will lead to the elimination of the need for special areas.

5. IAPH would not be opposed to the establishment of the global capping percentage at a level that approximately equals the percentage that is presently common in fuel oils. In the longer term however that level should be reviewed on a regular basis by the MEPC.

New Annex to MARPOL 73/78 on Air Pollution from Ships Submitted by IAPH

1. The report of the 24th session of the Sub-Committee on Bulk Chemicals (BCH 24/15) includes at Annex 9 the draft text of a new Annex VI to MARPOL for preventing air pollution from ships.
2. At Appendix 1 of the draft Annex, criteria are formulated which must be satisfied when Governments wish to designate a specific geographical area a special area under Annex 6.
3. IAPH is strongly of the opinion that one of criteria which needs to be met should be "cost effectiveness" and proposes therefore that the square brackets surrounding these words should be removed from the draft text where applicable.
4. Since it is only possible to determine whether a particular area can be designated as a special area if all the criteria are met, the words (or port) should be deleted from paragraph (3) of regulation 2 on page 1 of the draft text.

Reduction of port dues for environmentally friendly chemical tankers Submitted by IAPH

1. The International Association of Ports and Harbors (IAPH) has noted that an INTERTANKO submission to MSC 64 on the subject under reference has been referred to MEPC 37 for further consideration. (MSC 64/21/16).
2. The background to INTERTANKO's submission, and presumably the justification for their argument in favour of dues reductions was IMO Resolution A747 (18). MEPC 37 will no doubt recall that Resolution A747 (18) specifically addressed the subject of oil tankers as defined in MARPOL 73/78 with a view ultimately to encourage the construction and operation of SBT oil tankers.
3. IAPH takes the view that:
 - i) the circumstances underlying Resolution A. 747 (18) are not, in fact, relevant to the present INTERTANKO proposal;
 - ii) generally speaking port dues are a reflection of the services rendered to a ship which logically suggest that a larger ship should be charged a higher due than that for a smaller ship;
 - iii) the level of income needed for sustaining the successful operation of any port has to be kept in financial balance. Discriminating between port users as INTERTANKO appears to suggest will most definitely upset that balance and adversely affect a port's credibility with an acceptability to the generality of its users;
 - iv) it is most incorrect for IMO to appear to be influencing the assessment of port dues. Assessments are the result of complex processes which, to say the least, are best left to be dealt with by the parties most immediately and directly concerned.
4. IAPH believes that the INTERTANKO proposal is neither appropriate nor necessary given that the ships under reference are already equipped with SBT's for other purposes than simply the protection of the environment. No preferential treatment for such ships is therefore required.

Financing Port Reception Facilities

*(IMO Working Group on Ship/Port Interface - 4th session,
Agenda item 4)*

A General Comment

The term "polluter" as used in this paper is defined as "the entity which is responsible for the generation of MARPOL 73/78 wastes". In so far as such wastes are the direct result of the operation of a ship such as, for example, engine room sludge, bilge water, garbage the ship could be described as a potential polluter

where they are likely to be discharged other than into established reception facilities.

Port reception facilities are expected to be in a form and at a level commensurate with the port's traffic patterns.

In so far as ballast water issues are under review by IMO at the present time consideration of the consequences of providing reception facilities for ballast water is held in abeyance.

The ship should not (cannot) be held responsible for generating wastes which derive from cargo it carries. Responsibility for these should properly be assumed by the shipper of the cargo who has it in his power to minimise if not eliminate the "production" of such wastes for discharge to a port reception facility. It is possible for example for cargo wastes to be discharged directly to the terminal along with the cargo or, perhaps, to be put ashore for

storage and processing.

The Global Commitment

Shipowners should be left in no doubt that illegal discharge of wastes into the sea will be heavily punished. An enhanced effort to achieve a general adoption of MARPOL 73/78 and effective and wide-spread enforcement of its provisions will go a long way towards making that position clear.

IMO Member States should re-dedicate themselves to their commitment to provide adequate reception facilities for wastes derived from the operation of the ship or from the cargo at their ports and take active steps either alone or in concert with other (States and/or Organisations) to ensure that the requisite funding for their provision and operation is made available.

The National/Regional Commitment

National/Regional Governments should ensure that a Waste Management Strategy is in place capable of dealing with both on board and shore-side wastes. The Strategy should encourage waste minimisation, recycling where possible and include provision for ultimate disposal in an environmentally sound manner and in accordance with the requirements of international conventions and local regulations.

An element of the Strategy should be a calculation with some precision of the nature, extent and costs — installation and operational — of the reception facilities which need to be in place at ports in a normal traffic situation.

It should be borne in mind in that regard that a ship is not normally obliged to visit a specific port. Absolute guarantees of the amount of wastes to be discharged into port reception facilities are therefore unrealistic.

National/Regional Governments should make known to the owners of ships visiting ports in their localities;

1. What kind of wastes can (must) be discharged and where together with relevant costs;
2. that there is no inter-port competition in these aspects. Overall cost burdens will have been assessed — and kept under close review — and cost recovery levels will have been allocated throughout the nation's/region's port for charging purposes. Tourism of wastes should thereby be inhibited if not ended.

The Port's Incentives

In simplistic terms the incentive for ports in this process is the assurance that the adequacy of their reception facilities and transparency of their cost recovery systems are widely publicised. Absence of such information could affect the port adversely so far as the attraction of traffic is concerned.

In some cases it may be that a specific point is made of the ports' "environmentally friendly" credentials as an element in a marketing strategy.

The Ship's Incentives

The incentives available to shipping are set against a background in which illegal discharge of wastes at sea is severely punished, and that an effective mandatory regime in which wastes are discharged to shore facilities is in place and enforced generally.

The ship's incentives should include:

- ease of waste discharge with minimal delay;
- financially transparent cost recovery systems in which there is a clear relation between amounts of waste discharged and the costs of their reception;
- an awareness that similar cost recovery systems are applied at other ports in the locality/region thereby ensuring that there is no gain in the "tourism of wastes".

Cost Recovery Systems

In so far as the contention is that costs are to be recovered from the generator of the wastes, namely the ship and/or cargo interests the charge should be a contractual matter to be resolved locally between the parties concerned with due regard to requirements which may have been set by international conventions or regulations and/or local regulations.

Calculation of costs should be against a background in which discharge of wastes ashore will be mandatory. Close monitoring of that situation is assumed. The nature and amount of the wastes to be discharged should therefore be known.

The total installation and operational cost of the reception facility and related disposal arrangements should certainly be known together with the proportion of the national/regional cost burden which is to be set against the port's overheads as described earlier.

The charge should be set accordingly.

Note: The paper, finalized at the Conference in Seattle by the committees and experts involved, submitted to IMO on June 23, 1995 by A J Smith, IAPH Liaison Officer with IMO.

IAPH Position Papers

(endorsed by the Board & Exco)

Note: The following position papers were hosted by the Legal Protection Committee and endorsed by the Board and Exco at the post-conference joint meeting. It is strongly suggested that IAPH members should be prepared to bring these positions to the attention of their governmental delegates to the IMO

IMO — Draft HNS Convention

The IAPH has noted, with interest that at the beginning of 1996 the IMO intends to convene a diplomatic conference to debate the adoption of the terms of a future Convention on the Transport of Hazardous and Noxious (HN) Substances by Sea. Because the terms of this Convention could impact on Port Authorities, it is proposed that the IAPH adopt the following positions with regard to the Convention.

Damage caused by HN Substances to Port Facilities

Port facilities (access channels, water surface, berthing works, open storage areas, silos, various tank storage) frequently are victims of damage caused by HN Substances, in transit.

Such damage effect facilities belonging to port authorities or to private enterprises and may also involve death or injury to port authority personnel.

Hence, it is recommended by the Committee on Legal Protection that the IAPH urge that the following concerns be addressed in the terms of the future Convention.

1. Identity of Liable Persons

The identity of the persons should be clearly established:

- both for the first level of compensation: whether the shipowners or the ship operators?
- and for the second level: within the HNS system.

2. Compensation Amounts

Damage caused by the transport of HN Substances, generally involve vessels with low tonnages, but can also, eventually, involve large vessels. In this respect, it should be recommended

that:

- the minimum amount be set at a very high level,
- the progression of the amount of the limitation of liability associated with the tonnage of a ship be fixed in harmony with the limitations of liability of other Conventions, e.g. The 1976 Convention on Maritime Claims.
- the HNS fund should bring into play a complement equivalent to that of the 1971 Fund Convention for Oil Pollution Damage, as revised by its 1992 Protocol.
- limitations should be able to be quickly and easily revised.

3. Radioactive Substances

Port Authorities must comply with the safety measures provided for radioactive substances.

It is essential that these measures be consistent with the qualifications on these substances, under both the 1960 Paris and 1963 Vienna Conventions, as well as by those of the HNS Convention, i.e. that the HNS Convention not introduce either a void or overlapping of regulations.

4. Levying of Contributions to the HNS System

The smooth running of the HNS system requires that there be a means of collecting the required information so that there can be a levy of contributions which are due:

- whether the maritime transport involves several stages including passage via a port for transshipment or storage or
- whether the maritime route involves ports within an inter-stage community (e.g. the Union of Europe of ALENA), where Customs services are no longer able to provide this information.

It is proposed that Port Authorities should not be involved in this levying process.

It is requested that the Board of Directors approve the positions set forth above by the IAPH in future diplomatic conferences on the Conventions of the Transport of Hazardous and Noxious Substances by Sea.

Note by the Tokyo Secretariat: This position paper was submitted to the Board and Exco Joint Meeting held on 16 June, 1995, at Seattle and duly approved.

IMO — Revision of the 1976 Convention on Maritime Claims

The International Association of Ports and Harbors has noted with interest that at the beginning of 1996 the IMO intends to convene a diplomatic conference to debate the revision of the 1976 International Convention on Maritime Claims.

This convention and the legislation adopted pursuant to the convention by the State Parties to it, governs the liabilities and burdens of compensation arising from various disasters, accidents and incidents that could occur in the life of Ports, that are not covered by conventions specific to them (such as oil pollution, or nuclear damage) or would be covered by the proposed HNS convention.

The following areas of concern have been identified as warranting comments from IAPH during any debate on the revision of the convention.

1. Death or Injury

Apart from the death of or injury to passengers or crews, there is a question regarding the death or injury to anybody who is within port limits (port authority staff, personnel from other companies), who service the ship whether on shore or aboard, or even simply within the vicinity. The Princess Irene disaster at the port of Donge or the Betelgeuse one at Bantry Bay are but two examples.

2. Damage to Property

Port works (swing bridges, locks, quays, jetties, terminals, handling equipment...) are not infrequently damaged by vessels while maneuvering.

In addition to such physical damage, grounding can result from faulty maneuvers, engine or steering failure, leaks, fire etc., resulting in consequential damages.

Both port authorities and management companies of private property on the port zone can sustain such damages. In addition, there are also other port users (ships, terminal operators, customers) whose activities or movements may be blocked.

Pollution damage from bunker fuels from ships other than oil tankers, or even damage caused by explosions of oil tankers in ballast are not included in the scope of the future HNS convention. Such claims for damage will still, therefore, be covered (as are those for a multitude of other causes) by the revised 1976 Convention.

3. Limitations of Liability that are seriously inadequate

During the deliberations at the 1976 Diplomatic Conference, the terms were debated between representatives of potential victims, including port authorities and shipowners as if the new levels of limitation were to come into force immediately. In fact, the convention did not enter into force until 1st December 1986, and during the intervening period, the monetary erosion in the purchasing power of the IMF's Special Drawing Rights, the unit of account of the convention, reflected the considerable erosion of the different currencies that compose the SDR. In many cases that purchasing power fallen by 50%, compared to the value of 1976 (See LEG 70/5/1) and in some cases by as much as 75%.

4. Proposals

It is suggested that the following proposals be made by the IAPH during the debate on the revision of the convention:

- The 1990 Protocol to the 1974 Athens Convention concerning passengers and their baggage raised the limitation from 46,666 to 175,000 units of account, per head for claims by passengers in case of death or injury. It would therefore be logical that the revised 1976 Convention, recognize the same universal amounts for the compensation amounts awarded for all other loss of life or injury and specify this in its Article 6.

- For the sake of consistency, the same coefficient ratio of 3.5 should be applied in article 6, in 1a and 15, for all figures in the series of calculations of limitations of liability.

- It would follow also that various damages to port property that occur as a result of disasters, which are currently only covered for 1/10th of their true value would still be inadequately covered.

- It is hoped that in the future, the new limitation amounts could be rapidly and frequently adjusted to the evolution in the value of currencies composing the SDR.

When making the above proposals it is suggested that the IAPH emphasize:

- It does not do so solely in the interest of port authorities, but also in the interests of all port users who have the right to enjoy maritime facilities in a perfect stage or service. Port authorities could find themselves in difficult financial situations as a result of such losses, especially in developing countries, and may not have the means to repair and put facilities back into good working order rapidly, unless they are adequately compensated for the damage that they may have sustained.

- IAPH should in the future support the requirements of compulsory insurance for all shipowners, and for the application of the "spillover" clause of the convention both ways.

5. It is requested that the Board of Directors approve the positions set forth above to be taken by the IAPH in future diplomatic conferences on the revision of the International Convention on Maritime Claims.

Arrest of Sea-Going Ships Work by the UNCTAD and IMO Joint Group of Experts

Under UNCTAD and IMO a joint intergovernmental group of experts, is responsible for the preparation of the revision of the International Convention of 10 May 1952 on the Arrest of Sea-Going Ships. Because Port Authorities could be directly impacted by the Conventions it is desirable that their positions be made known and dealt with in the Convention.

The effective arrest of a sea-going ship cannot occur, within the required conditions of safety and restraint, except within a port. The arrest of a ship may be initiated by a port authority with a view to covering certain outstanding claims against her or initiated by a third party for the same purpose. Regardless of the party initiating the process the arrest of a ship raises difficulties of various kinds (commercial, safety, financial...), which require that they be taken into consideration.

IAPH reserved the right to develop its position during future sessions of the joint intergovernmental group of experts and then during the future Diplomatic Conference.

At this early stage it is proposed that the following points be highlighted:

- in all ports, large or small (such as those of the developing countries), the extended stay (and for an undetermined period), of an arrested ship, causes serious commercial hindrances to the port authority to other users, even when such hindrances can be reduced by the transfer of the ship to a waiting berth.

- the safety of the arrested ship and her cargo, her watch and her environment, impose safety, surveillance and maintenance measures, undertaken in the general interest of all the parties involved.

- frequently by substitution in the stead of defaulting parties, these measures are undertaken by the port authority.

The effects of a judgement on the arrest of a ship, which seemingly should not concern anybody but the debtor and the claimer, nevertheless, in fact, impact on the port which is the review of that arrest. It would therefore be appropriate that the Convention stipulates:

- the convocation of the port authority to the debates prior to the decision to arrest the ship, with a view toward coordinating the effectuation of the arrest.

- the payment by the party instigating the arrest, (or the shipowner or charterer), of an appropriate deposit to the port authority, to cover the costs and expenses caused by the stay of the arrested ship.

- such a provision could be renewable and the accounts settled before release of the ship at the end of the arrest.

It is requested that the Board of Directors approve the positions set forth above to be taken by the IAPH in future diplomatic conferences regarding the revision of the International Conventions on Arrest of Sea-Going Ships.

Note by the Tokyo Secretariat: This position paper was submitted to the Board and Exco Joint Meeting held on 16 June, 1995, at Seattle and duly approved.

(The paper was submitted by the IAPH Secretary General to the Secretaries General of IMO and UNCTAD on August 1, 1995.)

Technical Committee Reports Distributed To IAPH Members

Following the distribution of the various reports to the participants of the Seattle Conference, the Tokyo Head Office has sent these reports to the members who did not attend the 19th Conference in Seattle. They include the Secretary General's Report, reports from the 12 Technical Committees and the report on IAPH/IMO Interface Group Activity as well as that on IAPH/BPA representation work for the term 1993 - 1995.

As far as the Technical Committees' reports are concerned, they were published as three separate reports with forewords by each Co-ordinating Vice-President outlining the respective Committees' preceding work, and are partly reproduced below:

HUMAN AND EXTERNAL AFFAIRS GROUP (green)

Introduction by Dominic Taddeo (Montreal), Co-ordinating Vice-President

Human Resources (chair: Goon Kok Loon, Singapore)

The worldwide trend towards recognizing the importance of human resources has created momentum for the Committee to expand its role and activities in the field of Human Resources Development, and a review of the report clearly reveals that the members of the Committee have fulfilled their mandate.

In fact, the committee has adopted new terms of reference that are as broad as possible in order to facilitate and encourage the participation of the membership. Since 1993, the committee, on the same basis, has also introduced a new method of application for the Annual Bursary Program.

The Committee has pursued its liaison and cooperation with UNCTAD mainly by assisting in the production of the monograph series on port management in order to contribute to the development of management skills required for efficient port operation in developing countries.

Legal Protection (chair: Paul Valls, France)

One of the Committee's main tasks is to ensure that laws being enacted will not inhibit smooth port operations and also that ports are not financially penalized by the rights of others as well as that their other rights are protected by the law.

Since the 18th IAPH Conference in Sydney, the Legal Protection Committee has accomplished an enormous task and has prepared resolutions to IMO to be approved by the IAPH membership at this convention, namely regarding the HNS Convention, the revision of the 1976 Convention on the Limitations of Liability of Maritime Claims and Ship's Arrest.

The Committee has also monitored the Model Law on EDI and I am sure you will agree with me that pursuant to reading the report, you will find their findings most appropriate.

Port Communities (chair: David F. Bellefontaine, Halifax)

You will recall that, at the 18th Conference in Sydney, we informed you that we would undertake a survey on Public Relations. I am pleased to report that the Committee carried out this survey.

The results clearly reveal the importance of public relations

for ports, as 93% have a public relations department or an individual assigned to communication activities. It is also very interesting to ascertain that of the participating ports, 75% have a specific public relations plan and 63% an advertising plan for each year.

All ports have the common goal of improving their image and outlook vis-a-vis their many clients in addition to enhancing trust and gaining consensus for their respective activities.

Conclusion

The issues highlighted above and reviewed in detail by the Committees have a direct impact on our ports, not only for the immediate future but also in the long run, and I am sure you will concur that the information provided is most useful and will help all of us to effectively carry out our mission.

I extend my most sincere thanks to all the active members of the Human and External Affairs group and say "UN GRAND MERCI" to the chairpersons in charge of the committees.

TRADE AFFAIRS GROUP (beige)

Introduction by Jean Smagghe (Paris), Co-ordinating Vice-President

Sea Trade (chair: Lillian Borrone, New York/New Jersey)

The Committee was created in 1992. It worked a lot on a difficult item, which is the harmonization of statistical definition for cargo. The group will thus present a first report on this matter to the 19th Conference. The objective of the Committee is to extend these definitions on a worldwide scale. The Committee would also like to promote the use of an economic model set up in order to help ports who need general forecast about sea trade in various regions of the world. The Committee also wishes to initiate a study of the impact of GATT on grain traffic in various areas of the world. The Sea Trade Committee will make a presentation on its findings to the Exco meeting of IAPH on the occasion of the 19th Conference in order to get official agreement on the statistical definitions for cargo as well as on the steps to take to develop the econometric model concept they have been working on. (Recommendations related to this subject are featured later in this issue.)

Ship Trends (chair: Jean Michel Moulod, Abidjan)

The Committee has carried out some important research work on the evolution of the various kinds of ships. Its biennial report, stating the main trends in maritime transport and the situation of the merchant fleet in the world as well as stressing the main tendencies and features of shipbuilding, is now a well known document, highly regarded by all the participants in the Conference as well as the experts in the transport sector.

Combined Transport and Distribution (chair: Göran Wennergren, Göteborg)

The Committee is presenting a very interesting report made in cooperation with Japanese and Swedish university researchers who helped the members of the Committee (belonging to ports located in various regions of the world) in order to gather their findings and knowledge or experience into a synthesis of the current issue for ports now considered as providers of logistic services all over the world. The work finalized by this Committee is an achievement, considering that the group was created only two years ago, on the occasion of the Conference in Sydney.

Trade Facilitation (chair: David Jeffery, London)

The Committee has carried out its work programme by producing a report developing issues of the utmost interest for ports such as customs procedures and Electronic Data Interchange

(EDI). In addition, the Trade Facilitation Committee launched in 1994 an Information Technology Award which allows IAPH to promote the use of information technology in ports and which clearly demonstrates the commitment of IAPH to that field.

In fact, we can agree that the Technical Committees of the Trade Affairs group provide IAPH members with useful information and can help them with their strategic orientations.

In addition, the Technical Committees have another part to play in the promotion of our Association and I really think that the chairpersons of our four Technical Committees deserve our warm thanks and congratulations for all the meetings they have arranged and held in the various regions of the world during the past two years.

As for me, it is obvious that the important work carried out on the occasion of these meetings has spread all over the world clearly demonstrates the great vigor of our Technical Committees. It shows a good balance between present port concerns and IAPH activity. No doubt the structure of the Technical Committees will change again in the future, but I think that the new organisation, as decided on during the Conference in Sydney in 1993, has had a positive effect on the activities of IAPH, which is very encouraging for the years to come.

I do want to give my earnest thanks to the active members of the Trade Affairs group, with special appreciation for the four chairpersons who are in chairs of the Committees.

PORT AFFAIRS GROUP (blue)

Introduction by Robert Cooper (Auckland), Co-ordinating Vice-President

It is my privilege to provide a foreword to the reports from the Chairmen of the Technical Committees comprising the Port Affairs Group, namely:

- Port Planning and Construction (chair: Philip Ng, Singapore)
- Dredging Task Force (chair: Dwayne Lee, Los Angeles)
- Port Safety and Environment (chair: Peter van der Kluit, Rotterdam)
- Marine Operations (chair: John Watson, Dundee)
- Cargo Operations (chair: John Terpstra, Tacoma)

As you will learn from their reports and briefings during the forthcoming Working Session, these Committees have addressed a wide range of issues on behalf of the Association, and we are grateful for their efforts.

Understandably, in this the first two years of grouping the Committees under Port Affairs, Trade Affairs and Human and External Affairs, there have been occasions of overlap, potential gaps in coverage, and the possibilities of duplication of efforts. That these matters were quickly identified by the Chairmen concerned and then promptly addressed, workloads agreed and shared in consultation with others, is testimony to the robustness of the arrangements and the professionalism of those involved.

It may well be that further changes in the composition and responsibilities of some Committees will evolve, so that the needs of the times can be better addressed.

As the reports themselves outline the Committee's work, my comments are more general in nature.

There is renewed interest in the port industry worldwide, and some sectors are under scrutiny as evidenced, by way of example, in structural reform, moves towards privatisation, port state control, legislation and IMO initiatives impacting on the port interface.

At the international level there is a compelling need for the port industry to make a persuasive contribution to the consideration of these and like issues. If we do not, events will pass us by.

We should not underestimate the enormous reservoir of experience and talent within this Association; after all, no one should know the port industry better than our members. It is this reservoir which should stimulate and sustain the work of our Technical Committees as they come to grips with present and future issues.

As the coordinators for the Port Affairs Group, Pat Keenan and I have been impressed with the work undertaken by the Committees on our behalf. In commending their reports to you, I simply ask that you consider what contribution and support you and your specialist staff can give to their work. I know it would be welcomed. I believe you will find it worthwhile.

The reports included the following Annexes:

Annex: ISO 9000 Certification in Ports & Harbors

(Tim J Frawley and Robert Cochrane, Hong Kong)

Annex: Guidelines for Multi-Purpose Terminal Layout with Covered Storage (Jonh Halling, Tauranga)

Annex: Port Authority's Role in Inlet Management and Beneficial Use of Dredged Material (Joseph Lappola, Canaveral)

Annex: Green Award (Pieter Struijs, Rotterdam)

Recommendations related to Sea Trade Committee

Note: The following three recommendations submitted by the Sea Trade Committee (Lillian C Borrone, Chairperson and Fraser McKenzie, Task Group Leader, as sponsors) were endorsed by the Board and Exco meeting. They are to be studied further by the Head Office with consultation with the Sea Trade Committee for implementation.

On Port Statistics

The International Association of Ports and Harbors (IAPH) at the joint meeting of the Board of Directors and Executive Committee on 11 June, 1995 in Seattle recognized:

1. The need for ports to communicate as a pre-requisite for cooperation.
2. The need for consistent cargo statistics in order to plan port infrastructure needs.
3. An important element of both the communication mix and port facility planning efforts concerns data on port performance with respect to the transshipment of goods.
4. Many governments do not collect or disseminate statistics concerning the quantity of containers used in sea trade with their countries.
5. The Sea Trade Committee had developed draft guidelines for the collection of port cargo handling statistics.

Therefore, the Board of Directors and Executive Committee directed:

1. The Sea Trade Committee to distribute its draft guidelines to appropriate organizations in order to develop a uniform and standardized system of port statistics to be presented at the next mid-term meeting in 1996.

The Board of Directors and Executive Committee further encouraged:

1. Governments and international organizations to recognize the value of recording and disseminating statistics, includ-

ing container movements, for the purpose of port co-operation, infrastructure planning, and to assist those ports lacking the capability of acquiring these statistics themselves.

On IAPH Access to INTERNET

The International Association of Ports and Harbors (IAPH) at the joint meeting of the Board of Directors and Executive Committee on 11 June, 1995 in Seattle recognized:

1. The need for ports to communicate as a prerequisite for cooperation.
2. The vast resources and potential efficiencies which the global INTERNET affords.
3. The benefits to IAPH members in establishing the IAPH on INTERNET.

Therefore, the Board of Directors and Executive Committee directed the Sea Trade Committee and IAPH staff to jointly investigate the opportunities for the IAPH on INTERNET and to recommend a comprehensive plan of action to the Exco at the mid-term meeting in 1996.

On Sea Trade Forecasting Services

The International Association of Ports and Harbors (IAPH) at the joint meeting of the Board of Directors and Executive Committee on 11 June, 1995 in Seattle recognized that:

1. A Sea Trade Committee survey determined that a standardized forecast of sea trade is desirable to IAPH members for port infrastructure planning and other purposes.
2. The most efficient means of obtaining such a forecast is to solicit interest from public and private organizations who may have already developed such forecast and may wish to provide forecasts of global sea trade to the IAPH.
3. Other priorities preclude the dedication of considerable IAPH financial resources to the procurement of these forecasts.

Board of Directors and Executive Committee, therefore, affirmed that:

1. A global forecast of the world's major maritime trade lanes would be useful to IAPH members so long as it is provided at little or no cost to the organization; and

The Board of Directors and Executive Committee further directed that:

1. The Sea Trade Committee develop Terms of Reference and a comprehensive list of appropriate public and private organizations to receive them, and to recommend a vendor of these services at the 1996 mid-term meeting.

IMO Reports

The Third Meeting of the Amendments Group of the London Convention 1972, held in IMO's headquarters in London in April this year, was covered by Mr. Joseph E. LeBlanc, Jr., a New Orleans-based lawyer. It is with deep appreciation that we introduce Mr. LeBlanc's report on the LC 1972 meeting later in this issue.

We are also featuring the IMO reports prepared by Mr. Alex Smith, IAPH Liaison Officer with IMO, covering the 65th Session of the Maritime Safety Committee (MSC65), held in May 1995.

65th Session of Maritime Safety Committee

By Alex J. Smith

MSC 65 was held in London, UK, from 9 to 17 May 1995 under the chairmanship of Dr G Pattofatto (Italy) with delegates from 75 IMO Member States and Hong Kong as an Associate Member in attendance.

Representatives were also present from three UN specialised agencies, 5 inter-governmental organisations and 26 non-governmental organisations including IAPH.

In his opening remarks the IMO Secretary General, Mr W A O'Neil opined that MSC 65 was probably the most important held thus far bearing in mind the issues to be discussed including in particular the safety of ro-ro ships, the safety of bulk carriers and matters relating to the forthcoming Diplomatic Conference to raise the Standards of Training, Certification, Watchkeeping Convention (STCW).

The Secretary General's viewpoint was understandable in the context of a primarily ship-oriented UN Agency with the responsibility of dealing with the aftermath of recent maritime tragedies. He therefore felt strongly that there was an evident need for IMO to develop and foster a "safety culture" within the maritime trading community. Ports are integral to that process.

As is usually the case, the detail of the majority of items discussed by MSC 65 were only of marginal direct interest to ports. They do need close monitoring however for that assessment to be made. This report, in the event, touches on matters dealt with which do have a specific importance to ports and on which IAPH may at some stage be called on to express a considered opinion.

Ro-Ro Ferry Safety

The momentum of work on this subject gathered pace dramatically following the reports of the Estonia disaster in which many lives were lost. A Steering Committee and Panel of Experts were assembled in December 1994 to consider all aspects of the construction and operation of ro-ro ships with a view to improving their overall safety standards. Intensive efforts enabled reports to be submitted to MSC 65 for action. Refinements were made to a range of proposals for examination by an inter-sessional meeting of the Working Group on Ro-Ro Safety from 9 to 13 October 1995 and finalisation by a SOLAS Revision Conference to be held during the last week of November 1995. Issues such as the training of personnel on ro-ro ferries on crisis management will be examined by the STCW Conference from 26 June to 7 July 1995.

Bulk Carrier Safety

The severity and urgency of the problem is evident from the fact that there were some 15 actual and constructive total losses of bulk carriers during 1994 with the loss of 141 seamen.

The ship/shore interface with particular reference to the need for safe operations at terminals is one of six areas for special examination by the MSC which has issued a Circular on a Ship/Shore Safety Check List. The Check List, to the development of which IAPH contributed, will be embodied in a Code of Practice for the Safe Loading/Unloading of Dry Bulk Carriers which is under development.

MSC 65 has approved a draft Assembly Resolution on the Safety of Ships carrying Solid Bulk Cargoes which inter alia contains guidance for port authorities and terminal operators. One aspect of the guidance to which ports should pay careful attention encourages Port State Control officers to verify, as might be appropriate, that cargo loading and unloading is performed in accordance with the ship's loading plan and loading/unloading

plans agreed by the ship and the terminal.

Ship/port interface work on this subject will continue through an intersessional correspondence group led by the International Chamber of Shipping. IAPH should be closely identified with this activity.

Tonnage Measurement

Application of MSC/Circular 653 providing a simplified tonnage calculation method for existing ships which have not thus far been measured for a 1969 Tonnage Measurement Certificate will be discontinued after 1 July 1995.

A proposal to implement a uniform set of penalties on ships not in possession of a valid Certificate such as surcharges on port dues was not approved. MSC 65 has taken the view that it is for each Port State to decide on the action to be taken.

Piracy and Armed Robbery against Ships

Incidents of unlawful action against ships in coastal waters and within port areas are increasing particularly in the South East Asia and Latin America Regions. Security within port areas is coming under closer scrutiny and ports within which incidents occur can expect to be the subject of more frequent reporting and, evidently, adverse publicity.

International Ship Information Database (ISID)

MSC 65 has recommended, subject to agreement by the 37th session of the Marine Environment Protection Committee, that IMO's Council should establish an ISID direct access to which would only be available to the IMO Secretariat for the time being. IMO Member States would be able to link with ISID only to transfer casualty and pollution reports and Flag State comments as electronic files.

MSC's Work Programme

In approving the work programmes of MSC's Sub-Committees MSC 65 has insisted on their strict adherence to a rigorous examination of the need for each item's inclusion. Even then, included items will be prioritised on the basis of carefully evolved guidelines.

These rulings are the result of IMO's determination to maximise the use of its scarce resources coupled with current pressures on Member States to take all possible steps to implement existing IMO Conventions, Regulations, Recommendations and the like.

Financial constraints have also curtailed the number of meeting weeks allocated for the 1996 - 97 biennium. A number of Sub-Committees have also been merged.

Ship/Port Interface Matters

IAPH's interest in IMO's approach to ship/port interface matters has been widely publicised in reports submitted to the Seattle Conference. Reports on the three meetings of IMO's Working Group on Ship/Port Interface (SPIWG) have been published in Ports and Harbors. Members will therefore know that MSC 65's consideration of the subject was of especial significance.

In approving the report of the 3rd session of SPIWG (see January/February edition of Ports and Harbors) MSC 65 authorised the issue of MSC Circulars on the Working Group's recommendations dealing with inspection programmes on freight containers, other cargo transport units and vehicles carrying danger-

ous goods; on falls at corrugated bulkheads in general cargo ships; on thorough examination of the cargo lifting plant of ships. MSC 65 also shared the Working Group's concern as regards dangers associated with the securing of containers aboard ship and endorsed the need for more widespread use of dual function twist-locks. As a follow-up action MSC's Sub-Committee on Design and Equipment has been asked to prepare recommendations on suitable design arrangements as a long-term solution to the dangers of container securing operations aboard ship.

MSC 65 then considered the future of SPIWG.

It will be recalled that IAPH had expressed strong support for the SPIWG's continued existence and had submitted a paper to that effect.

A substantial number of Member States expressed views ranging from immediate disbandment to retention of the status quo. A large majority however supported SPIWG's own recommendation that it should be brought under a widened scope of IMO's Facilitation Committee (FAL) so as to provide a single focal point for issues within SPIWG's remit. Such a solution obviates SPIWG's current need to report directly to three separate IMO Committees as at present which was generally agreed as being a time-consuming and demotivating requirement.

That majority view was agreed by MSC 65 with the proviso that all safety-related ship/port interface matters would be referred by FAL to MSC for consideration. It may be presumed that a similar view will be expressed by MEPC 37 when discussing a similar agenda item in September 1995.

In light of MSC 65's decision the 4th session of SPIWG will now be held from 8 to 12 January 1996 to coincide with the dates set for the FAL Committee meeting.

MSC 65 did however revise the SPIWG's work programme and deleted items which were not considered to fall within the Group's remit. The revised work programme will undergo further scrutiny by MEPC 37 and FAL. At this moment however the following items are included with target completion dates:

- 1 Establishment and operation of reception facilities including funding mechanisms (under the supervision of MEPC) 1996
- 2 Revision of the IMO/ILO Guidelines on packing cargo in freight containers, other transport units and vehicles (in co-operation with BC) 1996
- 3 Inventory of training courses for cargo handling in port areas 1995
- 4 Identification of training areas and preparation of course guidelines for model courses for port operations 1995
- 5 Risk analysis in port planing and port operations 1996
- 6 Emergency preparedness and response in port areas 1996
- 7 Promotion of EDI in matters relating to safety and efficiency of the ship/port interface 1996
- 8 Updating of the bibliography list Continuous

Next Meeting Dates

It was agreed that MSC 66 would be held from 28 May to 6 June 1996 and MSC 67 from 2 to 6 December 1996. Substantive items for inclusion in the agendas of these meetings are set out in the attached paper.

IMO Work Programme

Substantive items for inclusion in the agendas for the sixty-sixth and sixty-seventh sessions of the Committee

Note by the Secretariat

1. Substantive items for inclusion in the agendas of the sixty-sixth and sixty-seventh sessions of the Committee are proposed hereunder.

Sixty-sixth session of the Committee (28 May to 6 June 1996)

Decisions of other IMO bodies (including decisions of the 1995 STCW, STCW-F and SOLAS Conferences)

Consideration and adoption of amendments to mandatory instruments

[Ro-ro ferry safety]

Bulk carrier safety

Stability, load lines and fishing vessel safety (report of the thirty-ninth session of the Sub-Committee)

Fire protection (report of the fortieth session of the Sub-Committee)

Safety of navigation (report of the forty-first session of the Sub-Committee)

Ship design and equipment (report of the thirty-ninth session of the Sub-Committee and outstanding matters from LSR 26)

Dangerous goods, solid cargoes and containers (report of the first session of the Sub-Committee and outstanding matters from BC 34)

Radiocommunications and search and rescue (report of the first session of the Sub-Committee and outstanding matters from LSR 26)

Bulk liquids and gases (urgent matters emanating from the first session of the Sub-Committee)

Flag State implementation (report of the third and urgent matters emanating from the forth session of the Sub-Committee)

Technical assistance subprogramme in maritime safety

Role of the human element in maritime casualties

Piracy and armed robbery against ships

Survey and certification

Implementation of instruments and related matters

Relations with other organizations

Existing ships' safety standards

Work programme

Any other business

Sixty-seventh session of the Committee (2 to 6 December 1996)

Decisions of other IMO bodies

Consideration and adoption of amendments to mandatory instruments

Bulk liquids and gases (report of the first session of the Sub-Committee)

Flag State implementation (report of the fourth session of the Sub-Committee)

Training and watchkeeping (report of the twenty-eighth session of the Sub-Committee)

Stability, load lines and fishing vessel safety (report of the fortieth session of the Sub-Committee)

Safety of navigation (urgent matters emanating from the forty-second session of the Sub-Committee)

Fire protection (urgent matters emanating from the forty-first session of the Sub-Committee)

Technical assistance subprogramme in maritime safety

Role of the human element in maritime casualties

Piracy and armed robbery against ships

Survey and certification

Implementation of instruments and related matters

Relations with other organizations

Work programme

Any other business

Review of the *INF* code

Action requested of the Committee

2. The Committee is invited to consider the above proposed substantive item lists for the agendas of MSC 66 and MSC 67 and decide as appropriate.

LC 1972 Amendment Group – 3rd Meeting

IMO Headquarters – London, England

24-28 April 1995

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

The Third 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 24-28 April 1995. I attended the Meeting as the IAPH observer. This report will summarize the deliberations at the Meeting and the action taken on the amendment proposals of concern to IAPH ports.

The key documents used for discussion purposes were the article-by-article compilation of amendments (LC AM 3/2) and list of outstanding issues (LC AM 3/2/4) prepared by the Secretariat.

1. Plenary Discussion of Amendment Issues

The opening session differed from previous meetings in that there was substantive discussion of the issues at the outset, with immediate referral of the major issues to drafting groups. A summary of the plenary comments is set forth below.

(a) **Format of the Amendments.** The consensus of the Meeting was that a Diplomatic Conference would be the most appropriate mechanism for adoption of amendments, with a decision as to whether this will be done by a Protocol or a new Convention to be resolved after further progress on the amendments. The majority of delegations favored a conference at which only Contracting Parties would have voting rights but to which all UN member states would be invited as observers.

(b) **Incorporation of the WAF.** The Federal Republic of Germany introduced its paper proposing incorporation of the Waste Assessment Framework (WAF) into the Convention (LC AM 3/2/3). This issue was referred to the Scientific Group for further consideration.

(c) **Regulation of Offshore Oil and Gas Activities.** The Netherlands introduced its paper (LC AM 3/2/7) proposing to delete Article III (1) (c) (i) of the Convention, which excludes regulation of offshore oil and gas activities. The Netherlands did not suggest a need for regulation at this time, but wants to "keep the door open" for the future. The proposal was widely opposed by countries involved in offshore oil and gas operations.

(d) **Article II Issues.** There was extensive discussion of the proposed amendments to Article II of the Convention to include incorporation of the "precautionary approach" and reference to the "polluter pays principle."

(1) **Precautionary Approach.** – The debate continued to focus upon the "shall apply" versus "shall be guided by" introductory language and the "likely to cause" versus "may cause" harm standard. An overwhelming majority of delegations expressed support for the "may" language. This was quite a surprise and was most alarming. I reiterated IAPH's support for the "likely to" standard and asked that, in connection with further discussion of the "may" language, the Meeting clarify it was not intended to create an impossible burden. The Chairman thereafter proposed acceptance of the "may" standard based upon its widespread support. This prompted pointed objections by the United States and Japan, which joined in the concern that this may create an "impossible" standard. The Chairman observed there was obviously different thinking on the meaning of the "may" standard. He did not believe any countries intended

this to create an impossible burden. A drafting group was formed to clarify this point.

(2) **Polluter Pays Principle.** There was widespread support for including a reference to this principle in the Convention, although some delegations felt that the "polluter" should be precisely defined and others expressed support only so long as the concept did not extend to liability issues or imply State responsibility. I re-urged IAPH's position – which was recognized at the first two amendment group meetings and at last year's consultative meeting – that the polluter pays principle applies only to "primary polluters". The "primary polluter" concept has been recognized as excluding State liability, but I asked for clarification that the principle would not apply to ports with respect to sediment contamination caused by others. The issue was referred to the Article II drafting group.

(e) **Internal Waters.** Delegations were divided as to whether to include internal waters within the definition of "sea" and whether to allow "equivalent control" over such waters rather than require strict compliance with the provisions of the Convention. A drafting group was formed to address this issue.

(f) **Definition of "Pollution"**. The Meeting accepted the proposed definition of "pollution" as meaning the "introduction" of substances and energy into the environment, rather than the "ambient" state of the environment.

(g) **Reverse Listing.** A drafting group was established under the chairmanship of John Campbell, the head of the Scientific Group, to review the latest draft text of a reverse list (LC AM 3/2/1), the relationship of the reverse list to the WAF, and the relationship of both the reverse list and the WAF to existing Annexes 1, 2 and 3.

(h) **Addition of the Word "Eliminate"**. An amendment has been proposed to have the Convention apply to pollution prevention, control and "elimination". A number of delegations expressed concern that "elimination" means "remediation," which they felt would go beyond the pollution "prevention" purpose of the Convention. Supporters of the proposal explained the term was only intended to apply to the "introduction" of pollutants, as reflected in the definition of "pollution." Although there was discussion of defining "elimination" to exclude "remediation", no decision was taken on this issue.

2. The Outcome of Drafting Group Deliberations

The overriding issues of concern to IAPH are those relating to the "precautionary approach" and the "polluter pays principle." The meaning given these concepts will govern the application of the Convention and will define how the WAF, the Dredged Material Guidelines (DMG), and any reverse list will be applied.

(a) The Article II Working/Drafting Group

(1) **The Precautionary Approach.** The Netherlands, Germany, and Denmark were forthright in conceding that they seek to impose a "stronger evidentiary requirement" through use of the "may" standard. I emphasized IAPH's concern that such a standard may, as a practical matter, be impossible to meet, and reminded the Group of the extensive deliberations leading to

adoption of the "likely to" standard in Resolution LDC44.(14) at the Fourteenth Consultative Meeting. This consensus approach should be retained. John Campbell, as Chairman of the Scientific Group, and the United States reiterated the practical impossibility of using the "may" standard and said that, in actual practice, the "likely to" standard would have to be applied. It appeared a breakthrough had been achieved when the Netherlands, Germany, Spain, and Norway indicated they could accept use of the "shall apply" language with the "likely to" standard as a compromise. Sweden and Brazil, however, continued to insist upon the "may" standard.

The following options remain open on this issue:

- (i) The existing language of Resolution LDC44. (14) ("shall be guided by" and "likely to").
- (ii) The Swedish proposal ("shall apply" and "may cause").
- (iii) Combine the "shall apply" and "likely to" language as a compromise.
- (iv) Combine the "shall be guided by" and "may" language.

(2) The Polluter Pays Principle. The discussion focused upon what this principle would mean in the context of dredged material disposal since that will be the major activity regulated under the Convention. The Swedish delegation listed various costs associated with issuance of a permit for disposal as examples of the "costs" that would have to be "internalized" under the PPP. The United States developed an alternative proposal related to permit costs. I expressed IAPH's support for this approach, since it would make clear that the PPP would apply only to the costs associated with obtaining a permit for ocean disposal, and would not be used to require remediation of past pollution or clean-up of sediment contamination caused by others. In the event this "permit link" is deleted, IAPH must seek recognition that (i) ports are not considered the "primary polluter" with respect to sediment contamination caused by others, and (ii) ports do not have the responsibility to pursue upstream sources of pollution. IAPH's position has been that, while ports uniquely situated to take such action would be encouraged to do so, most ports do not have the legal authority to take such action.

The drafting group presented three alternatives: (i) the original Swedish proposal setting forth a general statement of the PPP; (ii) the United States proposal referring to permit costs; and (iii) the United States proposal with reference in the Preamble to the Convention to the polluter pays principle itself (suggested by the UK).

(b) The Reverse List Drafting/Working Group. Dredged material is included on the "reverse list" of material that may be considered for ocean dumping. The Working Group adopted a preamble to the reverse list that requires it to be implemented by rigorous application of the WAF on a case-by-case basis, with particular attention to avoidance of dumping at sea in favor of environmentally preferable alternatives and the consideration of "inherent uncertainties" in the dumping. The WAF, in turn, requires application of the "precautionary approach". This highlights the importance of adopting a statement of the precautionary approach that is practical and workable, since it will govern application of the WAF to items on the reverse list, including dredge material.

(c) Internal Waters. The debate on the inclusion of "internal waters" remains divisive. There is strong opposition to including internal waters in the definition of "sea" and growing support for the United States' proposal to require only equivalent protection for such waters. The drafting group brought forward three alternatives to the plenary body, i.e. (i) include internal waters, and (ii) exclude internal waters, and (iii) exclude internal

waters and provide equivalent protection.

3. Further Consideration of Amendment Proposals

The Meeting noted the following schedule for the adoption of amendments to the Convention:

- (a) Scientific Group Meeting (10-14 July 1995)
- (b) 18th Consultative Meeting (4-8 December 1995)
- (c) Linguist/Jurist Meeting (12-16 February 1996)
- (d) Diplomatic Conference (4-15 November 1996)

The Scientific Group meeting in July is envisioned as the final input of the Scientific Group on the amendment proposals. The following amendment issues remain of vital concern to IAPH:

(a) The precautionary approach – IAPH must continue to urge adoption of the "likely to" standard. If the "may" standard is adopted, IAPH must seek qualification of the concept of "harm" to refer to "serious and long-term" or "serious and irreversible" damage, consistent with Article 16 of the Rio Declaration.

(b) The polluter pays principle – IAPH should continue to support a statement of the PPP in terms of costs associated with obtaining a dredged material disposal permit. If this "permit cost" limitation is deleted, IAPH should press for clarification that the concept (i) does not relate to liability; (ii) is not to be applied to the remediation of past pollution; (iii) is limited to "primary polluters"; (iv) ports would not be considered "primary polluters" with respect to sediment contamination caused by others; and (v) ports do not have responsibility for pursuing upstream sources of pollution (although they would be encouraged to do so where they are uniquely situated to take this action).

(c) Incorporation of the WAF into the Convention and relationship to the existing annexes – IAPH must remain actively involved in the discussion of (i) the relationship between the WAF, the reverse list, the existing annexes to the Convention, and the precautionary approach; (ii) how the WAF would accommodate a reverse list approach, rather than a prohibition approach; (iii) whether the existing annexes should be retained; and (iv) whether the WAF should be adopted as an annex to the Convention.

(d) Adoption of the word "eliminate" – IAPH must continue to follow the proposal to extend the Convention to the "elimination" of pollution to assure this does not go beyond pollution prevention and include remediation.

(e) Further consideration of the Dredged Material Guidelines – The draft Dredged Material Assessment Framework (DMAF) adopted at the recent intersessional meeting in Los Angeles provides that it requires application of the precautionary approach and will have to take into account decisions on this issue during the amendment process. It is essential that IAPH have input on how amendment decisions will affect application of the DMAF, particularly with respect to the precautionary approach and the polluter pays principle.

4. Conclusion

As IAPH approaches the last stages of the amendment process, a number of major issues are still unresolved. IAPH can anticipate that the negotiation process will be ongoing and major decisions may be made at any of the remaining meetings. IAPH must continue to follow these issues closely. It is also clear that IAPH cannot expect other delegations to take an active role in protecting port interests. It is IAPH that must frame the issues in terms of the impact upon port operations.

(May 5, 1995)

Dredging Task Force Chair Dwayne Lee Resigns

For Dwayne Lee, who has headed the Dredging Task Force for the past four years, the 19th Conference in Seattle was the last IAPH Conference to preside over the DTF meetings and present his report. At the close of the Seattle Conference, he was leaving the Port of Los Angeles to work for a private sector engineering/construction firm in South California. He has represented IAPH at the London Dumping Convention meetings of IMO and produced a number of position papers on behalf of our Association. At the Closing Ceremony, IAPH expressed its deep appreciation to Mr. Lee for his dedicated service which greatly contributed to the work of IAPH. In his letter addressed to the Secretary General, Mr. Lee states, "The opportunity I have had to serve as Chair of the Dredging Task Force and to work closely with IAPH and member ports has been an especially rewarding one for me. A great deal of the credit is due to your leadership and the energy and competence of your staff. Personally I will miss the associations and friendships I have made. I will look forward to the opportunity in the future for our paths to cross again."



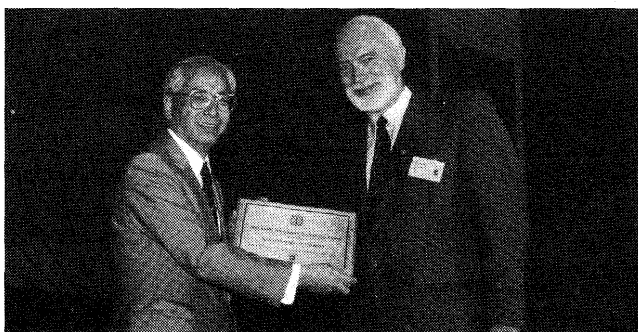
Information Technology Award '95

Sundsvall and Nagoya Win Gold and Silver

At the final day's Working Session for the Technical Committees in the "Trade Affairs" Group held on the morning of Friday, 16 June in Seattle, the presentation ceremony for the 1995



Owe Linton receives the Gold Award in Seattle.



Akio Someya receives the Silver Award in Seattle.

IAPH Information Technology Awards took place towards the end of the presentations by the Trade Facilitation Committee headed by Mr. David Jeffery (London). In this issue we feature the two award-winning projects, namely the Port of Sundsvall's Information System (Gold) and Nagoya Port Vessel Traffic Information Center (Silver) in its "OPEN FORUM" column.

Keith Handley Represents IAPH at ILO Seminar

IAPH was represented by Mr. Keith Handley, Group Manager-Personnel, Ports of Auckland Limited, at the ILO seminar held at Pattaya, Thailand from 15 to 21 March 1995, through the kind arrangement of Mr. Robert Cooper, the PAL's Chief Executive, who is now the President of IAPH.

We are grateful to Mr. Handley for accepting the role of IAPH's representative and for having made a report on the seminar in Pattaya available to us, as introduced in this issue.

A Report on the Maputo Conference

By Alex J Smith,
IAPH European Representative

IAPH accepted an invitation from the International Hydrographic Bureau to be represented at a Conference on Regional Cooperation in Hydrography, Aids to Navigation and Other Services for the Safety of Navigation in Southern Africa held in Maputo, Mozambique, from 24 to 28 April 1995.

Joint sponsors of the Conference were the International Hydrographic Organization, the South African Navy Hydrographic Office, Portnet, IALA and INAHINA the National hydrographic department of Mozambique.

Some 46 participants from 14 countries including the coastal states of Southern Africa from Angola to Tanzania and Island States of Indian Ocean took full advantage of the opportunity to gain a clear insight into the problems faced by the Region in mak-



The Hon Mr P Muchanga, Minister of Transport, Mozambique opening the Maputo Conference, 24 to 28 April 1995. On his left is Mr Albano A Gove, Director, INAHINA the Hydrographic Department of Mozambique and to his right Commodore Neil R Guy, South African Hydrographic Office and Conference Chairman.

ing its maritime trade routes safer. Discussions were lively and opinions expressed were constructive. The technical detail included in Conference presentations was impressive.

The conclusions of the Conference understandably reflected, in the main, the need to follow-up proposals for improving the Region's hydrographic situation. Implementation of a Recommendation to form a Regional Hydrographic Commission for Southern Africa and adjacent Territories will give an early boost in that regard.

Much could also be expected from the formation of an ad hoc Regional Cooperation Group with representation from the Region's States and relevant international organizations. In that particular regard direct IAPH participation in the Group and/or the involvement of associate organisations such as the Port Management Association of East and Southern Africa would warmly welcomed.

In a port operational context the provision of an advisory service on capacity building, aids to navigation in port waters including vessel traffic services, channel dredging and training facilities generally would be of immediate benefit to the deprived and under resourced ports of the Region in addition to securing safer navigation for ships serving these ports.

Current thinking within IAPH as to the feasibility of holding workshops for the ports of developing countries if translated into action would be a welcome first step in making progress for the ports of Southern Africa.

Japanese Members Review 19th Conference in Seattle

On the afternoon of 26 June 1995, a meeting of Japanese IAPH members was held in the Kasumigaseki Building in Tokyo on the initiative of the IAPH Head Office and sponsored by the IAPH Foundation. The purpose of the meeting is to promote of IAPH activities among IAPH members and those in the maritime and transport businesses in Japan. The meeting was attended by some 120 people, among whom were a number of the Seattle Conference participants. The four-hour meeting was designed to enable those attending to hear reports from those who had participated in the June Conference in Seattle from the Ministry of Transport and the Ports of Nagoya, Osaka, Tokyo and Yokohama and a report from the Secretary General focussing on the Working Session.

The gathering was followed by a reception, where the partici-

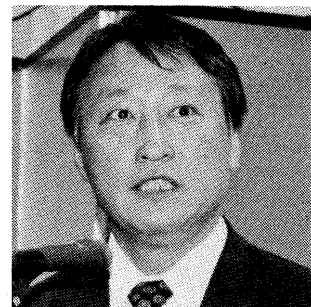


IAPH Japan seminar attracts 120 participants

pants enjoyed viewing a video shot, taken by Mr. Masao Ohno, a delegate from the Japan Ports Consultants. In addition, photographs taken by the Seattle participants were shown and exchanged among those concerned.



Mr. Shizuo Asada, the President of the IAPH Foundation, welcomes the seminar participants



Mr. Hideki Toshima, an IAPH Exco member from MOT, Japan, addresses the gathering

Membership Notes:

New Members

Regular Members

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38001 - Santa Cruz de Tenerife
Islas Canalas
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Tel: 34 22 605420
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President: Mr. Pablo Montoro
Port Director: Mr. Miguel Pintor

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Executive Manager (Commercial): Capt. J.T. Mors

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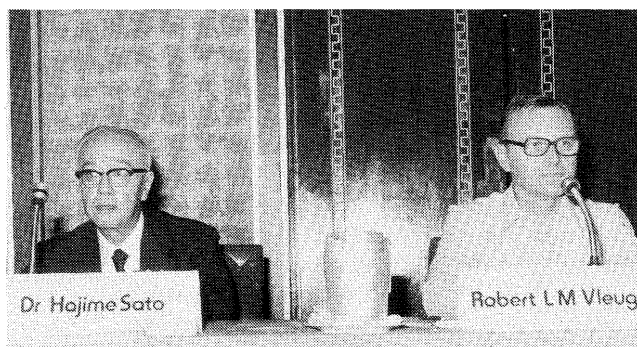


Vice-President Taddeo presents an IAPH Certificate to the newly joined member Marrielle Stumm in Seattle.

Australian Maritime College [Class D] (Australia)
Address: P.O. Box 986, Launceston,
Tasmania 7250
Mailing Addressee: Mr. Rodney F. Short
Chief Executive Officer
Tel: (003) 354711
Fax: (003) 266493

More Condolences Concerning Dr Sato

It was our sad duty to announce Dr Hajime Sato's passing in the previous issue. In doing so, due to limited space, we only introduced the message from President Robert Cooper. Here are additional messages which have been received and forwarded to Mrs Sato from Dr Sato's IAPH friends of long-standing.



Dr. Sato attending a meeting during the Singapore Conference in 1975.

Dear Mrs. Sadako Sato, London, 2 July 1995

It was with profound sorrow that I received the news that my esteemed friend and colleague Dr Hajime Sato, Secretary General Emeritus, IAPH, had passed away.

My friendship with Sato-san began with our meeting during his visit to London during 1969 on the occasion of his attendance

at a meeting of IAPH's Committee on Large Ships.

It was a memorable meeting for me in many respects. In particular it exposed me for the first time to the world of IAPH and allowed me the unrivalled opportunity to begin to understand the complexities of that organisation with the benefit of your dear husband's wise and considerate advice.

In over 25 years my friendship with Sato-san has never wavered. As I became more involved in IAPH affairs my respect for him continued to grow. But I also have marvellous memories of his humor and the many kindnesses which he has shown to both my wife and myself over the years.

We recall with much happiness for example how fortunate we were to have enjoyed his company during a brief holiday in Mexico after IAPH's Houston Conference.

This is a sad occasion for you and your family. Please know however that our thoughts and best wishes are with you at this time.

Yours sincerely

Alex J Smith
IAPH European Representative

Dear Mr. Kusaka, Seoul, 3 July 1995

Acknowledging the receipt of the sad news from you that the former Secretary General Emeritus of IAPH, Dr Hajime Sato has passed away, I, on behalf of the IAPH colleagues in Korea who know him well at the Seoul Conference in 1987, would like to extend my deep condolences to the bereaved family.

One of my most favourable memories concerns the close personal relationship I developed with him. When I recall the cherished moments I spent with him, I am reminded of his warm personality and hospitality.

In particular, in his late years he made a very significant contribution to the development of IAPH. His energetic activities through his entire life journey will be remembered forever.

Dr. Sato will be remembered among us a long time as our association, IAPH, progresses to further prosperity.

Yours faithfully,

Yeun-Sei Cheung
Chairman & President
Korean Register of Shipping

Dear Mr. Kusaka, Glassgow, 11 July 1995

Having been unwell since returning from my trip to Seattle I am only now back to the office and able to reply to your recent letter advising of the untimely death of Dr. Sato.

As you know I asked after him closely from all Secretariat Members during our recent Conference and I was deeply saddened to hear of his passing.

Dr Sato was a man of great courage and integrity but above all brought warmth and friendship to our affairs during the years which I knew and worked closely with him. He set high standards for the conduct of our business in IAPH and his guidance and counsel will I know be missed by everyone around the world.

I would ask you and your other colleagues to accept my sympathy and understanding at this time and would ask you personally to convey my condolences to his widow and other members of his family.

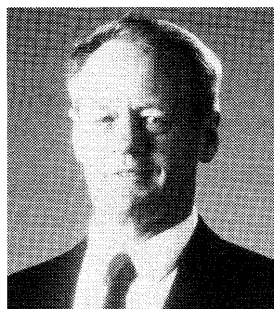
With kind regards

John Mather

Report on ILO tripartite seminar on the social and labour effects of structural adjustment in the port industries of selected Asian and Pacific countries

Pattaya, Thailand, 15-21 March 1995

By Keith Handley
Group Manager-Personnel
Ports of Auckland Limited
New Zealand



INTRODUCTION

I was honoured to be able to represent The International Association of Ports and Harbors at the recent ILO conference in Thailand and now set out my report for your consideration.

I have attached a copy of the draft report of the seminar and a list of attendees prepared and circulated by the directing staff of the ILO. A copy of Convention 137 is also included.

The ILO report is comprehensive and sets out the background and purpose of the seminar.

The report covers:

- opening statements by the International Labour Organisation (ILO), Economic and Social Commission for Asia and the Pacific (ESCAP), and the Royal Thai Government;
- a presentation of a report which had been prepared by Professor H Haralambides of Erasmus University, Rotterdam, to guide the work of the seminar;
- comments in plenary on the report and port reform;
- the terms of reference for the three working groups that met to formulate the bulk of the report; and
- a consolidated text setting out the agreed outcome of the working groups.

During discussion at the plenary session, the following points arose that in broad terms became the focus of discussions at the seminar:

Place of the ports industry within the economy

It was clear that a number of delegates, and perhaps the ILO itself, wished to concentrate on the ports industry, and the effects

of port reform on workers within the industry, while ignoring the wider economic effects of the industry, and the social and employment needs of others in the economy. This was particularly the case from many of the speakers representing employee-groups.

Supported by the New Zealand Government representative, I made it clear that in New Zealand, and, it was understood, in other countries, the reform of the port industry was generally part of a package of wider economic reforms designed to increase economic efficiency and improve international competitiveness. The need for efficient ports was particularly important in New Zealand given our geographical isolation, small population, and reliance on trade in order to generate economic growth.

In another approach, a number of developing countries noted that the greatest driving force for port reform in their countries was the IMF and World Bank who were placing preconditions on the availability of development capital and loans. These preconditions included improving the efficiency of ports.

Privatisation

There were a number of observations about the effects and consequences of privatisation. Some commentators noted that there had been widespread opposition from the unions, port users and potential purchasers to the privatisation of ports. It is obvious that this attitude remains.

Other experiences of privatisation were not so negative. The Malaysian delegation was united in supporting the privatisation at the Port of Kelang. In large part this was because Malaysia's extensive economic growth and previously underdeveloped port infrastructure had meant that the privatised port was able to support all of the workforce used pre-reform. Employers and purchasers had been confident enough about growing labour demands to agree to a Government suggestion that there be no redundancies in the first three years after privatisation. There were mixed feelings about the UK experience, with several employee representatives pointing to severe labour retrenchments, while others noted the impressive efficiency gains that had taken place. One of the observers, the representative of the International Transport Workers Federation (ITF) claimed that privatisation was dogma and was not supported by workers as it leads to job losses, poorer working conditions, and the removal of decision

making by elected representatives at ports.

Casualisation -

Discussion took place over casualisation of the port industry. In general, employee representatives linked port reform with a move away from guaranteed employment, and an increase in casualisation. Some employers saw it as an inevitable trend in an industry with seasonal peaks and troughs, and which in many cases could use relatively unskilled labour.

ILO Convention 137 -

This Convention was made in 1973 following the introduction of containerisation, and was designed to provide a mechanism whereby the labour adjustment required as a result of containerisation could be softened.

Ratification of this convention by as many countries as possible is a priority for the ITF, and it was not surprising to hear complete support for the convention from employee delegates. Only one country present at the seminar had ratified the Convention (Australia) and there was at best lukewarm reaction to the Convention from Governments.

The convention prescribes the establishment of labour pools, the workers of which would have preference for work on the waterfront. The convention reads remarkably like the situation that was in place in pre-reform New Zealand and if ratified could create a considerable impediment to reform.

It is worth noting that whilst Australia has ratified the Convention, it does not have law in place to support it. The Australian Government promoted such a law last year, but it was defeated in the Senate. An Australian union representative was the most vociferous proponent of the Convention at the seminar.

Training and Redeployment -

One of the consistent themes pursued in the seminar by employees was the need for employers, or Governments, or both, to provide adequate training for port workers – training that would assist them on the job, but would also be of benefit during periods of retrenchment. The same concerns were expressed over redeployment options not being available to workers in some countries.

Reports from Working Groups

Most of the time at the seminar was spent in working groups, and in plenary session discussing the outcome of working group discussions. The agreed text arising from these discussions is set out in pages 9-12 of the official report of the seminar.

After lengthy discussion and redrafting, the groups were able to reach consensus on all points. One issue of contention was whether the group should recommend explicitly that the ILO should promote ratification of ILO Convention 137 and its associated recommendations. It was agreed that this matter should be discussed in the plenary.

The major points of debate in preparing the final report were:

The original draft arising out of working group 2 indicated that experience shows that the most successful and lasting reforms have been fully discussed and agreed with the social partners.

Working group 2 also proposed that working hours and rest periods should be in accordance with national legislation and, in its absence, international instruments adopted by the ILO (by way of example in New Zealand these matters are determined by negotia-

tion between employers and employees). This was amended so that a country would only need to comply with ILO instruments where they had been ratified by that country.

There was a major debate over a proposal that the creation of labour pools should be considered to ensure the proper structure of conditions in the event of an increase in casual labour. After pressure from Government and port representatives, this was amended so that labour pools were only one measure that could be considered.

A proposal whereby Governments would define criteria for establishing severance pay was amended to provide that Governments would set the framework within which employers and employees negotiated severance pay.

Reference to the ILO having a role in promoting relevant conventions, in particular ILO 137, was amended to remove the reference to that particular convention, while still recognising that a role of the ILO was to promote conventions.

The final report, while not perfect, represents a considerable improvement on the first draft.

General Comments

There are a number of points arising from the meeting:

There are disadvantages in the strictly tripartite forum in which the ILO functions. These relate not only to the interaction


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between the parties themselves, but also to the absence of other groups that have a concern over the matters being discussed. The complete absence of the views of users and customers of ports was evident during the seminar, apart from the efforts by a small minority of delegates to place the industry within a wider economic and transport framework, and to stress that the port industry was a service sector to its customers.

The ITF was particularly well organised for the seminar.

I understand from the ILO that the port reform issue will be addressed at a conference that the ILO intends to convene in Geneva in December this year. It will be important to ensure proper representation. Further employer representatives should be

encouraged to present themselves in a more coordinated manner to balance the influence of the ITF.

I was asked by Mr Kondoh to request the ILO to create a glossary of terms for future correspondence to provide absolute clarity of terms used by them. This need was acknowledged by the directing staff and they promised to provide such a glossary.

In closing let me once again express my appreciation for being able to represent IAPH at this conference. I was also representing the New Zealand Employers Federation and I am convinced that this additional status assisted me greatly throughout the conference. Please do not hesitate to contact me should you require any more information in this regard.

Report of the Seminar (draft)

Background

The ILO Tripartite Seminar on the Social and Labour Effects of Structural Adjustment in the Port Industry of Selected Asian and Pacific Countries was one activity of the Second Phase of the Transport and Communications Decade for Asia and the Pacific. The seminar was held as a project activity of the Programme for Economic Reform through enhanced Transport and Communication Services funded by the United Nations Development Programme (UNDP).

The purpose of the Seminar was to enable senior representatives from governments, employers and workers organizations dealing with human resources issues in the port industry of the countries concerned to:

- (a) review policies and measures adopted to deal inter alia, with labour redundancy as a result of rationalization or commercialization of ports, and with employment consequences of privatization of ports, parts of ports, or port activities,
- (b) exchange views on measures to be considered for ensuring a

smooth implementation of port structural adjustments, particularly as regards effects on port personnel, and

- (c) formulate views and guidance on labour policy in connection with the implementation of structural adjustments programmes in ports.

Composition

The Seminar was attended by 32 participants appointed by the ILO: 11 represented governments, 10 represented employers and 11 represented workers. These participants came from Australia, from Bangladesh, China, India, Indonesia, Japan, Republic of Korea, Malaysia, New Zealand, Pakistan, Philippines and Thailand.

In addition 25 observers attended the Seminar, among them were two representing the International Transport Workers Federation (ITF), one representing the International Association of Ports and Harbors (IAPH), one representing the ASEAN Port Authorities Association (APAA) and one representing the South Pacific Forum Secretariat.

Two ILO officials from Geneva, the ILO Regional Consultant



ILO Tripartite Seminar participants

in Maritime Activities for the Asian region and an official from Economic and Social Commission for Asia and the Pacific (ESCAP) lectured at the seminar and acted as resource persons. A professor of the Transport and Port Economics of Erasmus University Rotterdam, the Netherlands, was present to introduce the report prepared for the Seminar and to act as a resource person. A list of participants, observers and staff is given in Annex No. 1.

Programme

The Seminar was conducted in English and had a programme as contained in Annex No. 2 comprising the following:

- presentation of the ILO activities in the maritime and port industry
- presentation of ESCAP's programme for Maritime Transport
- introduction of the Report on Social and Labour Effects of Structural Adjustments in the Port Industry in the Asian and Pacific Region,
- general discussions on the report followed by specific discussions on the various chapters contained in it,
- discussions in three Working Groups with a view to identifying major issues and formulating advice and recommendations,
- a field visit to a port, and
- a final discussion for adopting the report of the Seminar.

Documentation

The main documentation provided was a report prepared by the ILO on Social and Labour Effects of Structural Adjustment Programmes in the Port Industry in the Asian and Pacific Region. This report was especially prepared for the Seminar to serve as reference material and a basis for the discussions held.

Opening of the Seminar

The welcome address was given by Mr. B. Klerck Nilssen, Chief of the Maritime Industries Branch on behalf of Mr. T. Nakamura, Assistant Director General responsible for ILO activities in Asia and the Pacific. He extended a cordial welcome to participants, observers and representatives of international organizations expressing his appreciation to the Royal Thai Government for accepting to be the host country for this important Seminar. He underlined the important task of the Seminar for identifying the main social and labour issues in a structural adjustment process for ports and at the same time formulate views on what needs to be done in this context. The Seminar offered an opportunity for government officials and representatives of employers' and workers' organizations from countries in the region to extensively discuss the issues raised in the above ILO report. He hoped that the views of the Seminar would be of assistance to the main players in the port industry in the region when dealing with matters related to labour and training policies in connection with the undergoing a period of rapid economic and social change with the involvement of the private sector in areas which traditionally had been the sole domain of the public sector. In the past decade the economy of the Asia Pacific region has been the fastest growing in the world. While these developments have brought greater prosperity to the region they continue with port rationalization or privatization.

On behalf of Ms. Seiko Takahashi, Acting Executive Secretary of ESCAP, Mr. B. Cable, Economic Affairs Officer of ESCAP referred to the importance of the issues under discussion to his Organization. The region was undergoing a period of rapid economic and social change with the involvement of the private sector in areas which traditionally had been the sole domain of the public sector. In the past decade the economy of the Asia Pacific region has been the fastest growing in the world. While these

developments have brought greater prosperity to the region they have also put considerable strain on the infrastructure and the transport and communications sector in particular. Problems were created by inadequate infrastructural capacity which required a major investment effort for the realization of additional regional infrastructure development before the end of this century, if economic and social development was to be effectively supported. Infrastructural development would require the involvement of the private sector as partner in the development process. He indicated, that in order to assist countries of the region to formulate appropriate policies which will encourage greater participation of the private sector within the port industry, ESCAP had implemented a UNDP funded project on commercialization and modes of involving private sector participation in ports.

The inaugural address on behalf of H.E. Mr. Sompong Amornvivat, Minister of Labour and Social Welfare of the Royal Thai Government, was delivered by Mr. Som Suppanakorn, Inspector General of the Ministry of Labour and Social Welfare. He extended his warmest welcome to participants and observers to the Seminar and expressed the pleasure of his country to host it and to provide a forum for exchanging views on labour and training policies in connection with port rationalization and privatization. The Thai economy was developing rapidly and subsequent overseas trade had also grown accordingly demanding increased sea transportation facilities. Containerized cargo had increased very rapidly and had in fact exceeded the capacity of the Port of Bangkok. This had led to the development to the Laem Chabang Commercial Port which offers a new dimension in Thailand's sea transportation to meet with the country's economic growth and modern technology in world transportation. He indicated that in this port the private sector will participate actively in further developments.

Election of the Chairman and Vice-Chairmen

The Seminar elected Mr. Kamjorn Nakchuen, Government participant from Thailand as its Chairman. Mr. Vichitr Homcharoen, employer participant from Thailand and Mr. J. Coombs, worker participant from Australia, were elected Vice-Chairmen.

Work of the Seminar

In presenting the programme of the Seminar Mr. B. Klerck Nilssen stressed that the Seminar should be a forum of free discussion and that, as already mentioned, the Seminar should identify the issues and, if it so agreed, come forward with advice and recommendations. It would not be for the Seminar to adopt conclusions and resolutions. Furthermore, the report of the Seminar would be distributed to all those involved in the social and labour aspects of structural adjustment programmes in the port industry in the region.

Subsequently, Mr. B.N. de Boer of the Maritime Industries Branch gave a brief overview of the activities of the ILO in the port sector with special reference to technical assistance provided to African, Asian and Latin American countries in establishing port training centres, in promoting TCDC programmes for developing standardized training programmes for port workers and in the preparation of centrally developed port training programmes known as the ILO Portworker Development Programme (PDP).

This overview was complemented by a review presented by Captain S.L. Schuurman, ILO Regional Consultant in Maritime Activities for the Asian and Pacific region on the programmes being further developed in connection with the Second Phase of the Transport and Communications Decade.

To complete the series of presentations on activities undertaken by UN Organizations in the region, Mr. B. Cable gave a presentation on ESCAP's projects in the region. In this connection he highlighted some projects that were undertaken in collabora-

tion with ILO, IMO and UNCTAD. At present, ESCAP's activities in the maritime sector were concentrated on freight forwarding, inland water transport, multimodal transport, corridor studies, facilitation of maritime traffic, maritime policy planning, port management, port tariffs, inter island shipping and commercialization of ports.

The morning session was completed with an introduction of the ILO report on the Social and Labour Effects of Structural Adjustment Programmes in the Asian and Pacific Region by Professor H.E. Haralambides, Head of the Department of Transport and Port Economics of Erasmus University, Rotterdam, the Netherlands. He outlined the methodology used for preparing the report which included the preparation and distribution of a questionnaire. In his presentation he elaborated on the three main chapters contained in the report, namely port reform in a global economy, port reforms and social and labour consequences of structural adjustment programmes. The four case studies included in it were based on information gathered during field visits he made to collect information on the port reform process underway in the region. Relevant information had been provided by ITF which provided the analysis of a questionnaire sent to its affiliates to gather information on the consequences of labour following the realization of port reform.

Discussion on the report

Comments of government participants

Various Government participants referred to the need to look at a port reform process and its associated issues in the context of globalization of trade and overall national policies to improve the efficiency of services rendered with a view to enhancing the national economy of the country. For example, poor port performance in some countries of the region had contributed to unemployment in other sectors. In one country, this situation and the deteriorating national economy had obliged the Government to carry out structural reforms to the national economy in order to improve international competitiveness. After inconclusive consultations however, the Government had introduced measures to adjust ports to the general reform policies established, placing the port sector on the same social, training and industrial basis as other sectors of the national economy. The benefits of this reform process had been encouraging. The relevance of some aspects of Convention concerning the social repercussions of new methods of cargo handling in docks, 1973 (No. 137) was questioned.

Government participants also underlined the need for dialogue with the social partners, especially at port level when considering port reforms. However, port structural adjustment programmes should be introduced in steps having due regard to the socio-economic situation in each country. Such programmes should not, as far as possible and practical, have a detrimental effect port workers. In some cases it was felt that the involvement of the private sector in the port industry would stimulate transparency in the way ports were operated, benefit working conditions and provide better training arrangements for skill improvement.

The need for introducing reforms in ports was also related to reduce compensation payments to unemployed portworkers. These payments, which otherwise would be used to improve the infrastructure of the port, restricted some governments in their efforts to improve port facilities and thereby improving effectiveness and competitiveness. This situation was affecting the development of the country and consequently a reform process was necessary in consultation with the social partners concerned.

Comments of employer participants

In reviewing some aspects of the report an employer participant said that in his country the following points had contributed to the success of the port structural adjustment process: a) the

guarantee that workers would maintain their benefits and that improved conditions and benefits offered by the private sector would also be recognized by the government; b) the provisions of share allocations for workers stimulating them in achieving the objectives of the private sector involved in the port sector; c) guarantees that no retrenchment scheme would be introduced unless its economic necessity could be proven and in that case workers would be paid retrenchment benefits; d) guarantees that workers would benefit from multi-skilled training schemes; and e) the introduction of joint management/union consultation arrangements.

The view was also expressed by another employer participant that there were examples of overmanning, restrictive and other measures which had a detrimental effect on the economic development of some ports. Ports should not be administered differently than other industries, particularly in a globalization process of the world economy. The reform process in his country had made ports highly competitive. He was confident that satisfactory solutions would be found for outstanding problems in the field of labour. These problems however, had to be solved at enterprise level.

In discussing the part of the ILO report dealing with employment and manning issues, another employer participant referred to conditions in a port of his country where only half of the workers of the dock labour board were required and that as a result the operating costs of the port were high. He hoped that discussions in the Seminar would provide guidance for finding appropriate solutions to such problems, especially those related to overmanning.

Comments of worker participants

In commenting on the port structural adjustment experience of his country a worker participant stated that the initial proposals for privatizing one port had been totally opposed by the workers. As a result of further tripartite consultations, satisfactory arrangements had been agreed not only for reforming one port but for all ports in his country. He underlined the importance of learning from the experiences in other countries although the specific situation in each country should be decisive when introducing port reforms. He further referred to a report discussed at an ILO meeting in 1969 in preparing for discussions at the International Labour Conference on the adoption of Convention No. 137 and Recommendation No. 145. While that report discussed the social consequences of technological change in ports the labour issues discussed in the report remained relevant for port structural adjustments, particularly as regards employment conditions, and training.

Some worker participants highlighted the need to ensure that proper redundancy schemes were included and properly applied in a port structural adjustment programme. To this end, governments should establish clear policies and schemes to be introduced if workers were to become redundant. Redundancies resulting from port reform programmes are of national concern and should not be confined to the port sector only. In some cases port structural adjustment programmes had led to a significant increase in the numbers of casual labour.

An observer of the ITF underlined that structural adjustment programmes in ports have far reaching consequences for port workers. In the Asia and Pacific region such programmes have, in many cases, been implemented as a direct result of World Bank and IMF recommendations. Port workers believe that privatization and unlimited competition can lead to overcapacity in the port industry. Trade unions are however, not against growth of capacity since this can lead to increased employment. Large scale restructuring, however, followed by massive job losses are not in the interest of workers and employers. For the workers concerns

such as employment, income, social security, pension, working time, health and safety, professional education, workers' participation and democratization at the work place and absence of discrimination are of vital importance. He stressed that reform, restructuring and reorganization will be judged by the unions both on its short and on its long term effects. He concluded that the recommendations from the seminar should contain the following main elements: 1) The acknowledgement that introduction of structural adjustment programmes in ports needs the support of governments, employers and workers, and that they all should participate and cooperate on these issues from the beginning of the process; 2) The need for workers to be provided with information on expected trends in transport and logistics; 3) The need for a review of all social and labour effects of port restructuring prior to its implementation; 4) The need to protect the income and employment of workers involved; 5) The need to develop and establish training and retraining facilities for workers; 6) A call on all governments to ratify and apply ILO Convention No. 137 and implement ILO Recommendation No. 145; and 7) A call on all governments to ratify and apply the Freedom of Association and protection of the right to organize Convention, 1948 (No. 87); and the Right to organize and collective bargaining Convention, 1949 (No. 98), concerning basic trade unions rights.

Working Groups

The Seminar established three Working Groups to discuss in detail the suggested points for discussion contained in the ILO report.

The Seminar decided to merge the text of the reports of the three Working Groups to consolidate their views.

Consideration of the reports

At the closing session on 21 March 1995, the report of the Seminar and the consolidated text of the views of the three Working Groups were adopted with certain minor modifications.

Convention 137

CONVENTION CONCERNING THE SOCIAL REPERCUSSIONS OF NEW METHODS OF CARGO HANDLING IN DOCKS

The General Conference of the International Labour Organisation, Having been convened at Geneva by the Governing Body of International Labour Office, and having met in its Fifty-eighth Session on 6 June 1973, and

Considering that important changes have taken place and are taking place in cargo-handling methods in docks - such as the adoption of unit loads, the introduction of roll-on roll-off techniques and the increase of mechanisation and automation - and in the pattern of movement of freight, and that such changes are expected to become more widespread in the future, and

Considering that such changes, by speeding up freight movements, reducing the time spent by ships in ports and lowering transport costs, may benefit the economy of the country concerned as a whole and contribute to the raising of the standard of living, and

Considering that such changes also involve considerable repercussions on the level of employment in ports and on the conditions of work and life of dock workers, and that measures should be adopted to prevent or to reduce the problems consequent thereon, and

Considering that dockworkers should share in the benefits secured

by the introduction of new methods of cargo handling and that, accordingly, action for the lasting improvement of their situation, by such means as regularisation of employment and stabilisation of income, and other measures relating to their conditions of work and life, as well as to safety and health aspects of dock work, should be planned and taken concurrently with the planning and introduction of new methods, and

Having decided upon the adoption of certain proposals with regard to social repercussions of new methods of cargo handling (docks), which is the fifth item on the agenda of the session, and

Having determined that these proposals shall take the form of an international Convention,

adopts this twenty-fifth day of June of the year one thousand nine hundred and seventy-three the following Convention, which may be cited as the Dock Work Convention, 1973:

Article 1

1. This Convention applies to persons who are regularly available for work as dockworkers and who depend on their work as such for their main annual income.

2. For the purpose of this Convention the terms "dockworkers" and "dock work" mean persons and activities defined as such by national law or practice. The organisations of employers and workers concerned shall be consulted on or otherwise participate in the establishment and revision of such definitions. Account shall be taken in this connection of new methods of cargo handling and their effect on the various dockworker occupations.

Article 2

1. It shall be national policy to encourage all concerned to provide permanent or regular employment for dockworkers in so far as practicable.

2. In any case, dockworkers shall be assured minimum periods of employment or a minimum income, in a manner and to an extent depending on the economic and social situation of the country and port concerned.

Article 3

1. Registers shall be established and maintained for all occupational categories of dockworkers, in a manner to be determined by national law or practice.

2. Registered dockworkers shall have priority of engagement for dock work.

3. Registered dockworkers shall be required to be available for work in a manner to be determined by national law or practice.

Article 4

1. The strength of the registers shall be periodically reviewed, so as to achieve levels adapted to the needs of the port.

2. Any necessary reduction in the strength of a register shall be accompanied by measures designed to prevent or minimise detrimental effects on dockworkers.

Article 5

In order to secure the greatest social advantage of new methods of cargo handling, it shall be national policy to encourage co-operation between employers or their organisations, on the one hand, and workers' organisations, on the other hand, in improving the efficiency of work in ports, with the participation, as appropriate, of the competent authorities.

Article 6

Each Member shall ensure that appropriate safety, health, welfare and vocational training provisions apply to dockworkers.

Article 7

The provisions of this Convention shall, except in so far as they are otherwise made effective by means of collective agreements, arbitration awards or in such other manner as may be consistent with national practice, be given effect by national laws or regulations.

Article 8

The formal ratifications of this Convention shall be communicated to the Director-General of the International Labour Office for registration.

Article 9

1. This convention shall be binding only upon those Members of the International Labour Organisation whose ratifications have been registered with the Director-General.

2. It shall come into force twelve months after the date on which the ratifications of two Members have been registered with the Director-General.

3. Thereafter, this Convention shall come into force for any Member twelve months after the date on which its ratification has been registered.

Article 10

1. A Member which has ratified this Convention may denounce it after the expiration of ten years from the date on which the convention first comes into force, by an act communicated to the Director-General of the International Labour Office for registration. Such denunciation shall not take effect until one year after the date on which it is registered.

2. Each Member which has ratified this Convention and which does not, within the year following the expiration of the period of ten years mentioned in the preceding paragraph, exercise the right of denunciation provided for in this Article, will be bound for another period of ten years, and thereafter, may denounce this Convention at the expiration of each period of ten years under the terms provided for in this Article.

Article 11

1. The Director-General of the International Labour Office shall notify all Members of the International Labour Organisation of the registration of all ratifications and denunciations communi-

cated to him by the Members of the Organisation.

2. When notifying the Members of the Organisation of the registration of the second ratification communicated to him, the Director-General shall draw the attention of the Members of the Organisation to the date upon which the Convention will come into force.

Article 12

The Director-General of the International Labour Office shall communicate to the Secretary-General of the United Nations for registration in accordance with Article 102 of the Charter of the United Nations full particulars of all ratifications and acts of denunciation registered by him in accordance with the provisions of the preceding Articles.

Article 13

At such times as it may consider necessary the Governing Body of the International Labour Office shall present to the General Conference a report on the working of this Convention and shall examine the desirability of placing on the agenda of the Conference the question of its revision in whole or in part.

Article 14

1. Should the Conference adopt a new Convention revising this Convention in whole or in part, then, unless the new Convention otherwise provides —

(a) the ratification by a Member of the new revising Convention shall ipso jure involve the immediate denunciation of this Convention, notwithstanding the provisions of Article 10 above, if and when the new revising Convention shall have come into force;

(b) as from the date when the new revising Convention comes into force this Convention shall cease to be open to ratification by the Members.

2. This Convention shall in any case remain in force in its actual form and content for those Members which have ratified it but have not ratified the revising Convention.

Article 15

The English and French versions of the text of this Convention are equally authoritative.

Mr. Keith Handley

Group Manager-Personnel

Ports of Auckland Limited

Shipping and Trade News
No. 17,316
TOKYO, WEDNESDAY, FEBRUARY 15, 1995

Tank Containers Complying with IMDG Code to Be Permitted
TSA Adopts Rate Restoration Guidelines
Hanshin Earthquake Developments
Pan-Land Connects Kobe-Tokyo-Foster Sea

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OPEN FORUM

IAPH Information Technology Award 1995: The Gold Award Winning Project

Port of Sundsvall AB Information System

Summary

During a number of years, the company enjoyed stable development, which ended in 1987/88. In 1988 and 1989 the company reported a loss of SEK 4-5 million and thus a major change project called FENIX was launched in the early 1990s.

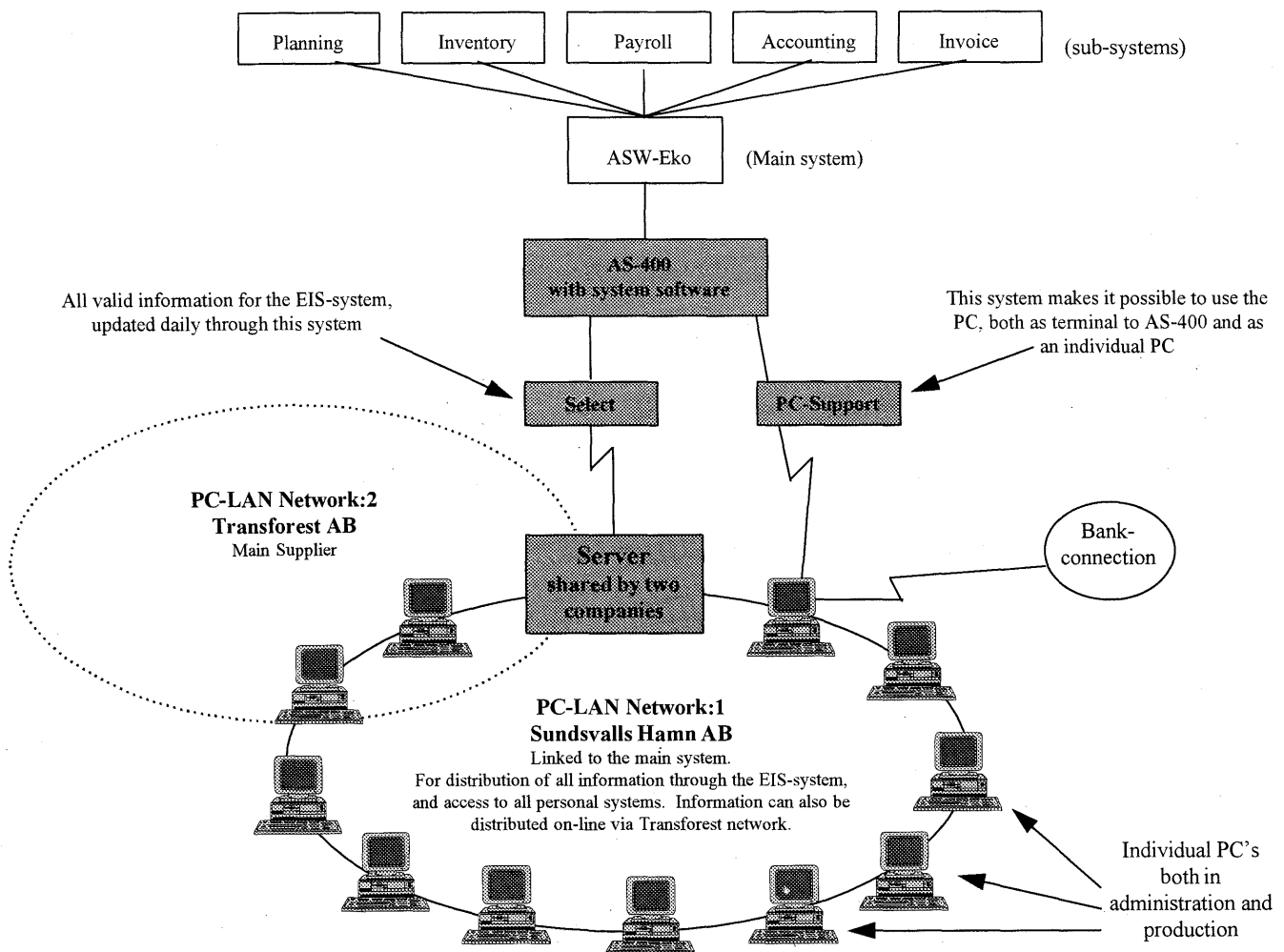
The most important objectives of the project were fast improvement of profitability and the creation of a new and more effective organisation, which would increase the powers and responsibilities of each individual in a radical way. In one year, the company managed to stop the negative trend and achieve

break-even.

This was the beginning of a comprehensive program for the development of competence within a number of areas, for the purpose of increasing the employees' understanding of the factors that influence the company's development and of the financial consequences of various steps. In 1991, 4,900 hours were devoted to training and in 1992, 5,800 hours. Today 3% of working hours is used continuously to develop the competence of employees.

The existing computer systems were outdated and obsolete

Main structure of the information system for Sundsvalls Hamn AB



and did not provide the support needed by the new organisation. In early 1991 it was therefore decided to invest in entirely new computer systems, both hardware and software.

Over the years, the company had also created very extensive and inefficient administrative procedures and consequently it was decided in 1992 to carry out a profound review of all internal procedures. The aim was to simplify all procedures as far as possible, for example by using the newly acquired computer systems as far as possible. When the project was completed at the beginning of 1993, 80% of the paper-based procedures had been eliminated.

In 1993 the company decided to develop a management information system of its own. The purpose of the system was to give all employees access to the right information at the right time to enable them to make optimal decisions. This system has been put into operation gradually during 1993-1994. Today it includes for example financial performance and trends at all corporate levels, data on key ratios both at corporate and departmental level, complete statistics on volumes, price trends by type of goods and mode of transportation, staff utilisation, full capacity utilisation of machinery as well as external information for strategic and long term decisions. In addition, there is a project follow-up system, which enables each project group to follow up its own projects. It is possible to see the financial outcome instantly, to compare estimates with costing and continuously to suggest changes and improvements (KAIZEN), which are useful for the company both in the short term and the long term.

Results

In the period from 1990 to 1994 turnover increased from SEK 68 million to 101 million, while at the same time costs were reduced from 95% of turnover in 1990 to 87% in 1994.

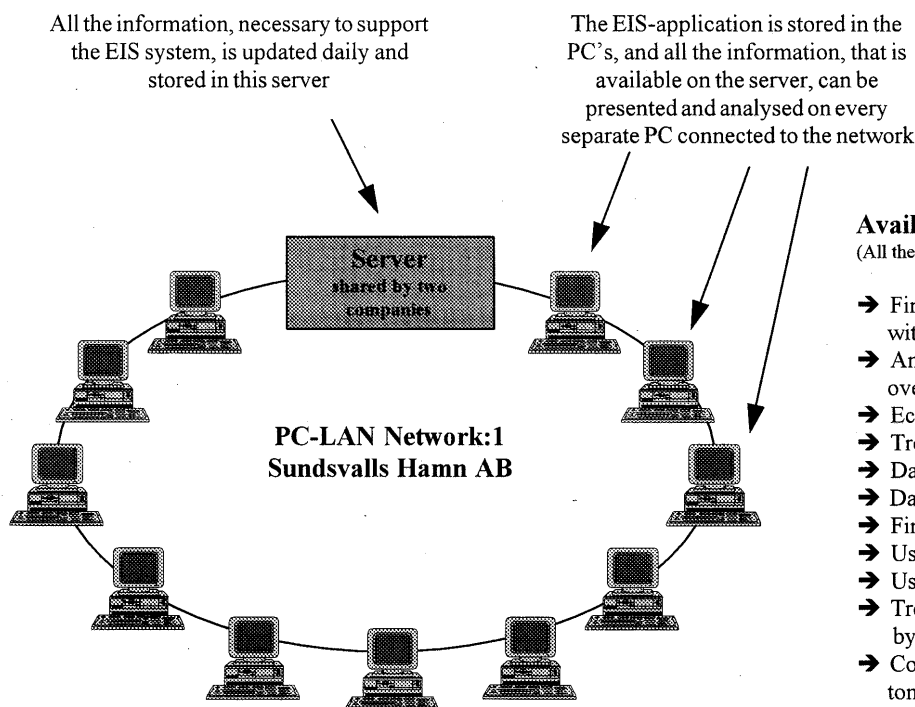
During the period from 1987 to 1990 the earnings trend fell sharply from a profit of SEK 300,000 to a loss of SEK 4 million. In the period from 1990 to 1994 results improved from a loss of SEK 4 million to a profit of SEK 5 million. This improvement in performance took place in the same period as the company managed to reduce its prices by about 5%.

Prior to 1990, the invoicing procedures were quite deficient. The time from the completion of a job to the payment of the corresponding invoice could be 60 to 90 days. The system used today enables the company to reduce this time by about 80%, which has affected the liquidity and financial performance of the company in a very positive way.

The processing time for the internal payroll procedures has been reduced by about 90% and today it is possible to monitor the trend of the payroll expense day by day.

Previously, the follow-up of various projects was very deficient, as a consequence of which it was difficult to determine the profitability of various projects. Today each project group can analyse every project the day after it has been completed. One of the assignments of the project groups is to record directly in the system differences between estimates and costing and the reason for the project difference, and to indicate what steps can/should be taken in order to take advantage of a positive variance or to handle a negative variance. Thus the project

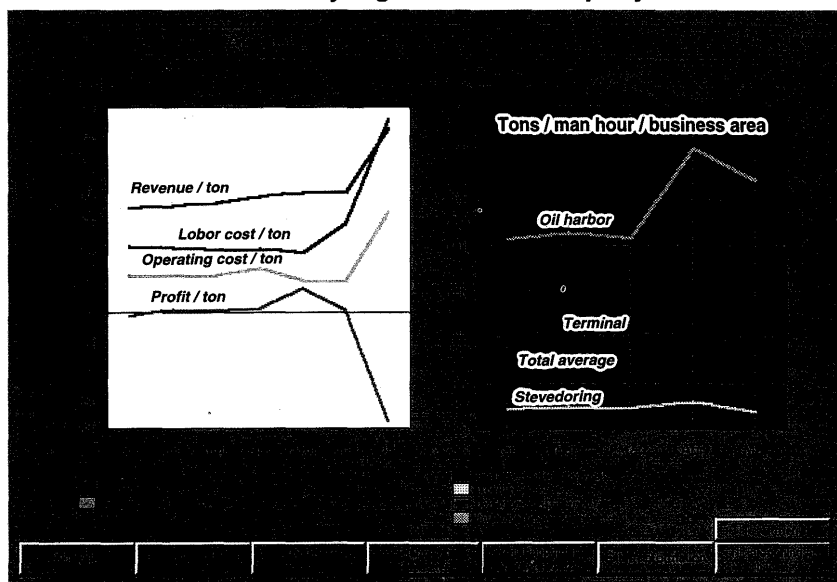
Main structure of the EIS-system for Sundsvalls Hamn AB



Available information in the EIS system (All the information is available both as figures and graphs)

- Financial information at all corporate levels with comparisons against budget
- An exception report system for immediate overview of the financial position
- Economic trends at all corporate levels
- Trend of balance sheet
- Daily status of accounts payable ledger
- Daily status of accounts receivable ledger
- Financial key ratios
- Use of human resources at a detailed level
- Use of machinery at a detailed level
- Trend of volumes at all levels, broken down by products and mode of transportation
- Comparisons of volume trends expressed in tons and SEK as well as the development of revenue/ton for each period and for each product/mode of transportation
- Continuous follow-up projects integrated with ideas on corporate development
- External information for strategic decisions and assessment of scenarios

Actual Key Figures Total Company



groups now have a very important function in the on-going development of the company's operations.

During this period it has been possible to reduce the number of administrative staff by about 30% and the number of foremen and supervisors by about 50%.

The company has been able to improve internal information radically. Today everyone in a position of responsibility has access to current information via his own PC and consequently has access to far better decision-supporting material than previously. It has further been possible to reduce the amount of information presented on paper, thus releasing administrative resources, which can be employed for more cost-effective purposes.

The response time regarding any change, either positive or negative, has also been reduced, while at the same time the access to and the time available for analysis of existing information has increased significantly.

The released resources and the increasing profitability have also provided the pre-requisites for strengthening the organisation both in the market sector and the personnel sector. As a result, the company is today even better prepared to meet the ever increasing competition and is very well placed to continue the positive trend it has enjoyed over the past 3 to 5 years.

Technology or Services Used

The company has the following hardware structure:

A central mini-computer of the type IBM AS-400. Individual PCs for every user, which are linked through an Ethernet network. The company can communicate externally by modem (e.g. with its bank) and in addition, certain chosen PCs can function as terminals directly against AS-400. The company shares a network server of the type IBM 95 with another company. All users have access to local/individual laser printers and there is also a colour laser printer of the type Teltronic.

The company uses the following software:

The executive program OS/400 with development tools, programming tools for maintenance AS/400 RPG, AS-400 PC support for linking to PC and AS/400 Query report generator.

The network and communication programs used are, for

example, LanServer, MS-Office, Rumba and MS-Mail. Other software is supplied by IBS, Ahlmarks Data, Royal Software and Pilot Software, in addition to various personal software.

The administrative systems have been supplied by IBS and include accounting, accounts receivable and accounts payable ledgers, a payroll system and fixed assets register. All accounting transactions in all systems are integrated with the administrative system.

The planning and invoicing systems were supplied by Ahlmarks Data and contain invoicing functions specially adapted for the industry and a planning system for the planning of human resources and machinery, which at the same time initiates all the payroll transactions for the payroll system.

The software Select is used to transfer automatically and by time control all relevant information from AS-400 to the management information system.

The software to create the management information system was supplied by Pilot Software Inc.

Obstacles Overcome

The greatest obstacle to implementing all the changes was the fact that the level of competence within the organisation was too poor in many cases. Consequently it was decided at an early stage of this change process to introduce a quite comprehensive program to develop competence.

The development program covered everything from leadership to accounting/administration, EDP, environmental issues, quality and security issues. The result has been very positive and a pre-requisite for the extensive delegation of duties which has been implemented throughout the organisation as well as for the improvements in performance which have been made over the past years. As a consequence of this, the company now provides continuous training for all categories of personnel.

The great changes, which have been carried out within so many areas, have placed considerable demands on the employees. Consequently, it has been necessary to call in external competence and resources during some periods and within some areas, in order to be able to keep up the fast pace of change. Naturally, there have been problems from time to time regarding the priority of various tasks, but it has always been possible to solve these problems either internally or by using external resources such as project managers, whose main task has been to organise various projects and prioritise various tasks.

The ability and knowledge to use a PC and to absorb information directly from a PC screen were very poor when the project was introduced. Through the comprehensive program for the systematic development of competence, this problem has been overcome and today everybody is working directly on a PC. All employees in positions of responsibility today have their individual PCs, access to current information as and when they need it, within the areas of their own choice, without having to ask anyone or go through computer lists.

This means that all users always have access to the information required in order to be able to make the best possible decisions and this makes the company's prospects of continued development seem very bright indeed.

Nagoya Port Vessel Traffic Information Center

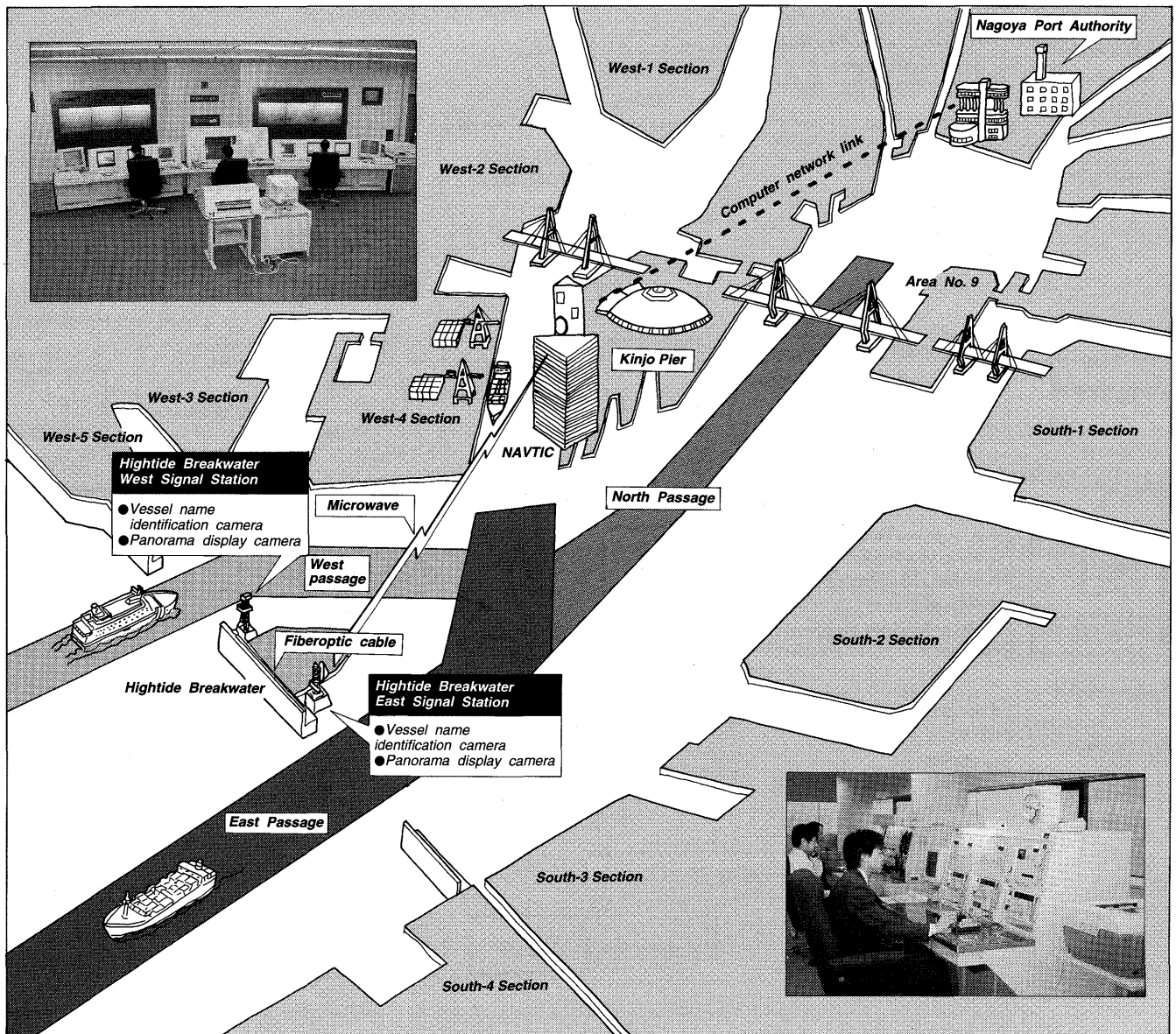
1. Outline

The Port of Nagoya is located in the center of Japan and is an international port connected to more than 140 regions and countries all over the world. Annually, a total of about 44,000 vessels enter our port which thus averages about 120 vessels a day. To handle the increasing size and number of vessels the Port of Nagoya has been putting an immense amount of effort into reconstruction of its passages and berths and reclaiming and dredging works.

But, construction work alone could not solve the problem of the bottlenecks and congestion of traffic in the passageways. To solve this, it has also been necessary to achieve significant

increases in efficiency and safety. Many steps were taken to achieve this, including the use of advanced technology to control traffic flow and to provide traffic information quickly and accurately. This culminated in the construction of NAVTIC, built in collaboration with national Government and other associated bodies.

NAVTIC (or Nagoya Port Vessel Traffic Information Center) was completed in 1993 at the very end of Kinjo Pier so that it could command a view of all the port entry points and the most congested area where all the passageways cross each other. It is a triangular glass building 75m high, and has become a landmark of the Port of Nagoya. Its functions are concentrated



into two roles:

- The first role is as a Vessel Traffic Information System, replacing the old system in which crew with binoculars would survey the port gates and relay what they saw to the Port Authority via a wireless, with a remote-controlled camera transmission system. The use of computers has considerably speeded up the provision of accurate information and this enables the tugboats, pilots, Customs agents etc., to intercept vessels much more smoothly and efficiently than with the previous wireless system. This system is controlled by the Nagoya Port Authority.
- The second is the provision of a navigation control system. This function is now controlled by the Maritime Safety Agency. The technology used controls traffic flow and provides vessels with fast up-to-date information including weather conditions and the positions of other vessels, ensuring safe navigation of the passageways.

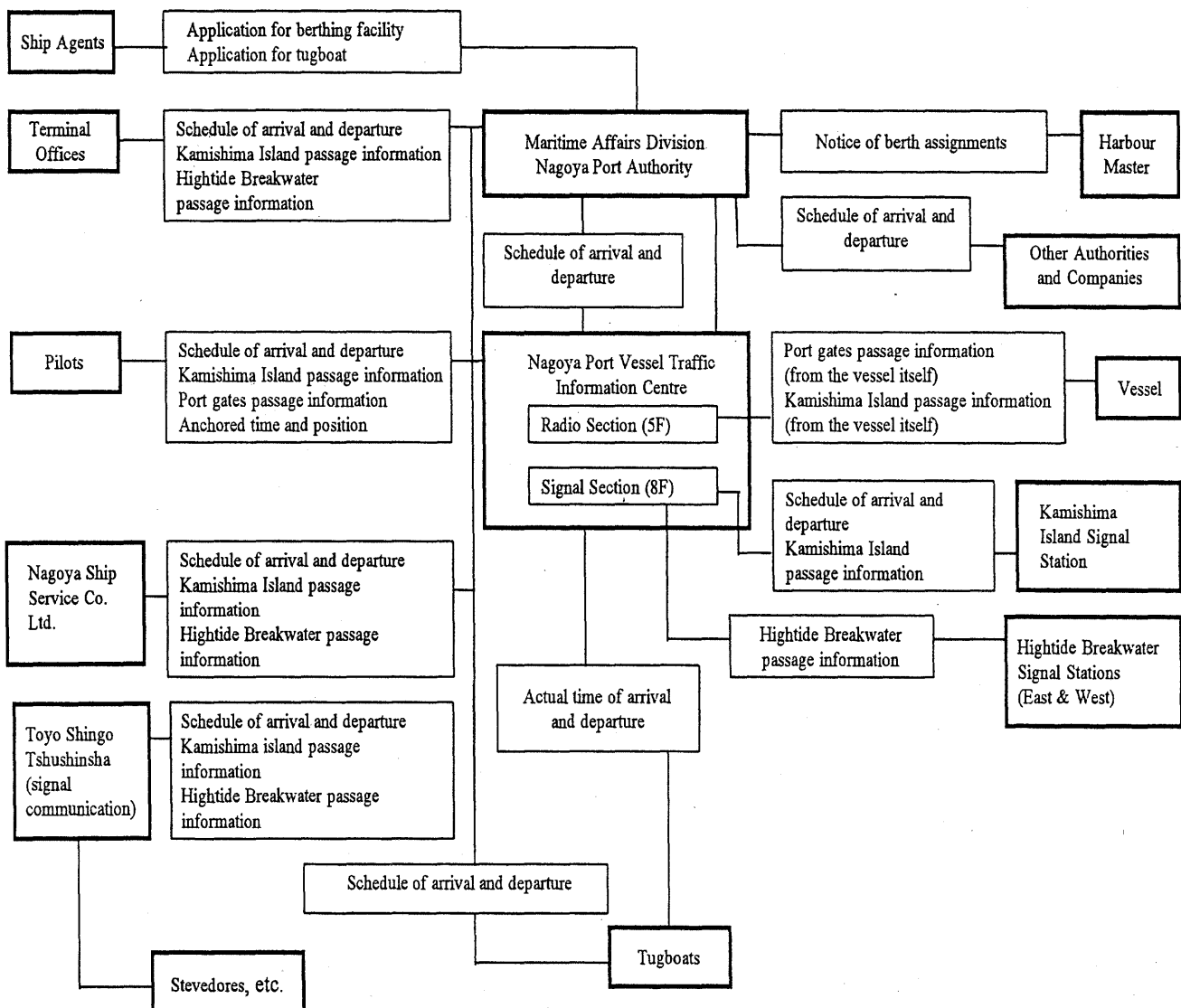
As part of the efficiency improvements, further dredging was carried out and restrictions regarding port entry were relaxed. This enabled NAVTIC to exert full capability and allowed fundamental changes in the way we handled vessel traffic.

2. Results

Direct Results

1. The use of high technology has enabled fast, accurate information to be instantaneously accessible. This allows pilots, tugboats, Customs officers and stevedores to intercept vessels without lost time, or inaccurate data, and has considerably increased the efficiency and speed of the processes carried out from a vessel's entry to its departure. It has also made the job of port management considerably easier and more effective.
2. The camera-computer system is much more efficient than a manned set-up and provides considerably more accurate records, requires less staff and ensures safety through precision.

Navigational Traffic Information Management System



Indirect Results

The construction of NAVTIC significantly increased safety and efficiency and put the port in a position such that with further dredging, and widening of passageways, the following fundamental changes in traffic control, which were hitherto impossible, were able to be effected.

1. For reasons of safety, when large vessels entered and departed, other vessels were not permitted to pass through at the same time. This limited efficiency. Now that safety could be assured, this was able to be revised in order that rather than halting all traffic, the passageway becomes one-way. This enables a smooth flow of vessels and has relieved the bottleneck problem at the port gates. It was also possible to eliminate the need for escort boats.
2. NAVTIC overlooks the point at which all three of the port's passageways cross. This area is the most dangerous part, and was a bottleneck for traffic due to regulations which were enforced to observe safety. Now rigidly observed and controlled by NAVTIC, safety in that area is ensured. This permitted principle changes in the traffic regulations which have effectively removed the major bottleneck obstacles.

The elements of the Port Authority's Vessel Traffic Information System are described below.

3. Technology Used (see diagram)

Vessel Name Identification System

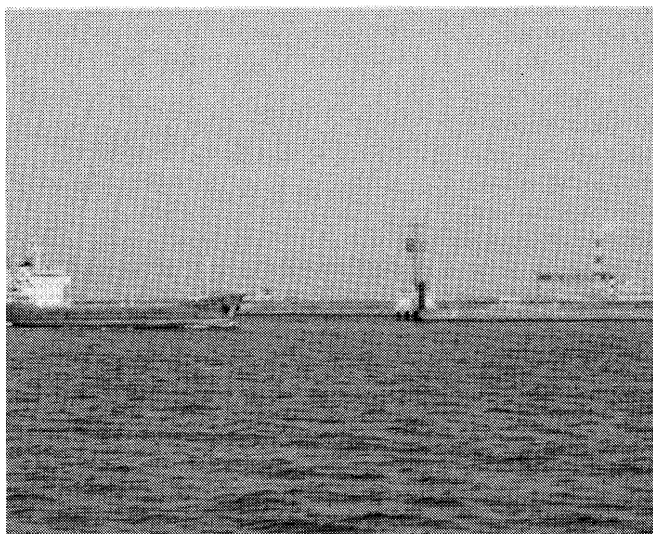
Two compound camera systems mounted on the high-tide breakwater monitor the port gates and relay the images to NAVTIC by microwave. The cameras are controlled from NAVTIC and are capable of remote pan, tilt, zoom and focus. They are interconnected by fibreoptic cable.

Panorama Display

The images relayed from the cameras are projected onto three huge consecutive monitoring screens which provide a complete 180° view of the vessel traffic situation at the port gates.

Image Enhancement

An image processing system enables identification of vessel names even in bad weather. Sophisticated computer technology is used to automatically enhance the cameras' images, including silhouette and contrast emphasis and noise reduction.



Hightide Breakwater West Signal Station

Radar System

During night operations or extremely bad weather, the movements of vessels can be identified using state-of-the-art radar technology.

Radio

Communication with the vessels is maintained using international VHF radio.

Computer Network

The vessel name, time of entry, departure etc., is logged onto the existing Navigational Traffic Management Network. This is an on-line computer network with terminals in each section of the Marine Affairs Division. The system handles all information regarding the state of berth occupancy and movement of vessels. (See flow chart).

4. Obstacles Overcome

From the planning stage to completion, NAVTIC took 4 years of work. The following were the two main obstacles.

1. It cost a large amount of money to construct NAVTIC and to develop the Vessel Traffic Information System. But it was soon understood that NAVTIC would be an infrastructure which would considerably upgrade the functions of the port and sufficient funds were finally gathered from various sources such as the Port Authority's funds, loans and Government subsidies.
2. It was agreed that it was best to observe the port gates and read the vessel names with the naked eye, and thus a remote camera system was decided upon. However, this created problems in itself, in particular how to cope with conditions of bad visibility. In the end, this obstacle was compromised by using several different systems, namely image enhancing, radar tracking and wireless communications. With a combination of these systems, close to 100% performance could be maintained under any physical weather constraints.

It is almost one year since the installation of NAVTIC. Operations have continued successfully during this time and no major obstacles are foreseen for the future. The use of sophisticated technology in our port has proved its worth greatly, and the Port of Nagoya is committed to increasing safety and productivity through computer technology.



Hightide Breakwater East Signal Station

International Maritime Information **WORLD PORT NEWS**

World Standards Day Message

14 October 1995

A World on the Move – International Standards Help Transport People, Energy, Goods and Data

Mr. Eberhard Möllmann,
President of ISO; Dr. Hans Gissel,
President of IEC; Dr. Pekka
Tarjanne, Secretary-General of ITU

Transport in its broadest sense implies a complex mesh of interlinking actors, technologies and organizations. Imagine the number of operations and agents required to speed business or holiday travellers from door to door by car, coach or train and aircraft; to supply the energy generated by a hydroelectric power station to consumer appliances in the home; to get a shipment of goods from a Japanese production site to a customer on the other side of the globe; or to send financial data via computer network from a European bank to all its worldwide subsidiaries. Transport means the movement not only of people and goods but of energy and data as well, and this implies a complex mesh of interlinking actors, technologies and organizations. The need for compatibility in transport technology is therefore imperative.

Transport is also a crucial medium of trade. And in supporting the creation of the World Trade Organization, the governments of more than 120 countries have demonstrated their will to reach agreement on rules for the free and fair exchange of goods and services on a global scale. For world trade to achieve its full potential, however, political agreements need underpinning by technical ones in order to bring about the worldwide compatibility of technologies. ISO, the IEC and the ITU, the apex organizations in international standardization, have the complementary scopes, the framework, the expertise and the experience to provide this technical support for free trade among nations.

Whatever the sector of activity, transport entails connections, protocols, interfaces

and interactivity, both technological and organizational. Incompatibility among these elements resulting from a lack of standardization can clearly impair the efficiency of any transport system. International Standards that ensure technical compatibility thus greatly contribute to the smooth running of transport systems of all types.

International agreement on standardized freight containers has revolutionized maritime transport by slashing the time (and hence the money) that ships spend in port loading and unloading. Standardization in telephone, fax and computer networks has vastly accelerated international communications. Road, rail and air transport, and the supply of electrical energy, are safer, quicker and more efficient as a result of International Standards.

But much remains to be done. The pace of technological development and the liberalization of markets create new opportunities for businesses to which the apex standards organizations can provide two-fold strategic support. First, the widespread implementation of International Standards for products and services offers a potentially global market in which manufacturers, suppliers and network operators can compete on an equal footing. Secondly, the adoption of International Standards for transport systems creates the conditions for the compatible interfaces needed to get products and services to customers, however distant, swiftly and cost-effectively.

Businesses also face new challenges. The transport community has identified the need for a "Global Logistics Chain", which goes well beyond standardized transport units such as freight containers and handling equipment to embrace the entire transport infrastructure of railway and road systems, storage facilities, and sea and air ports. Harmonizing on a global scale all the elements of this chain – electric and electronic as well as mechanical – will bring benefits not only to the transporters but also to their industrial customers implementing just-in-time manufacturing and other techniques to increase their competitiveness. ISO, the IEC and the ITU can offer a coordinated contribution to the task of achieving international consensus on the technical links in the Global

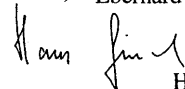
Logistics Chain.

One of those links, on which all three organizations are cooperating with the relevant commission of the United Nations, is electronic data interchange (edi), increasingly used by the transport industry and other sectors for the exchange of business information. Indeed the electronic transport and management of data are pervading all sectors, and their importance is reflected in the prolific joint standardization work by ISO and the IEC on information technology (IT), and between them and the ITU on telecommunications. The future global information society, with its "information superhighways", will depend for its foundations on the international standardization now being carried out on aspects such as open networks and the compression of audio and video data for a host of IT and telecommunication applications.

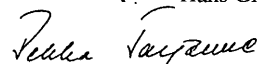
It is axiomatic that trade depends totally on transport in one form or another. And today's globalization of trade intensifies the need for smooth, safe and cost-effective transport systems. While technical standardization at national or regional level can bring some gains in efficiency, International Standards from ISO, the IEC and ITU clearly have the most to offer for world trade. International Standards for transport specifically provide the technical support for keeping the trading world on the move towards a truly global market



Eberhard Möllmann



Hans Gissel



Pekka Tarjanne

Conference on Shipping In Former Soviet Union

The Adam Smith Institute announces the first international conference on Ports, Sea and River Shipping in the former Soviet Union, 12th – 13th October 1995 at Hilton Hotel, Vienna.

Increased competition in the internation-

al shipping arena means that companies from the Former Soviet Union and the West have to keep informed of the latest developments in FSU ports and keep updated of the activities of FSU shipping companies. This first international gathering of major players in the maritime industry in the FSU will examine the key issues arising from this evolving market and explore the opportunities for future growth and investment. Speakers include:

Boris Grishin, First Deputy Director, Department of Marine Transport, Russian Federation;

Alexander Zaitsev, Deputy General Director, Department of River Transport, Ministry of Transport, Russian Federation;

Vadim Kornilov, Chairman, Sovkomflot;

Jack Helton, Central Manager CIS, Sea-Land Service International Ltd;

Victor Sakharov, President, Vladivostok Exchange; and

Eric Whitman, Vice President International Operations, PepsiCo Wines & Spirits International.

For further information and a full conference programme, please contact: Lindsay Greatbatch

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New Publications

Port Technology International

Port Technology International is the world's first technically editorially backed review covering in detail the latest state of the art development in all areas of new technology for port authorities and terminals.

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The Americas

Sweeping Changes in Canada Port System

Sweeping changes in Canada's national port system were proposed in a report submitted to the House of Commons on May 3 by its Transport Committee. Other recommendations for "A National Marine Strategy" pertain to pilotage, the St. Lawrence Seaway, recreational boating, and a cost recovery program for various Coast Guard services such as dredging, aids-to-navigation, and icebreaking.

The study is the product of a review of marine policy requested in a letter to Committee Chairman Stan Keyes from Transport Minister Doug Young, who stressed Canada's need for "a strong and competitive marine sector ... in harmony with our safety and environmental objectives" and called for "specific and early attention" to the national port system. "It is essential," wrote Mr. Young, "to review our current management structure and to review our national policy in order to ensure that Canada can continue to provide competitive and efficient port services as part of an integrated transportation system."

The Committee began its work in January by studying background material provided by the Transport Ministry. Subsequently, it conducted public hearings in Vancouver, Prince Rupert, Thunder Bay, Hamilton, Montreal, Quebec City, Halifax, Saint John, and finally in Ottawa. With the report now complete, the next step will be the drafting and enactment of legislation by the Canadian Parliament.

To be properly understood, the recommendations must be viewed in terms of the evolution and current legal status of Canada's national port system.

Historic Context: The constitutional basis for the Canadian port system is the British North America Act of 1867, which placed navigation and shipping under the exclusive jurisdiction of the federal government. An Act of 1868 established a national department of marine and fisheries, whose duties included responsibility for harbors, ports, piers, wharves, harbor commissioners and harbor masters.

Though at times that authority has been delegated to local or private interests, the primacy of federal jurisdiction over the country's ports has remained firmly intact and was expressed most forcefully in the National Harbors Board Act of 1936 by which the central government assumed direct administrative control of 15 major, financially destitute Canadian ports.

The currently applicable statutes are the Canada Ports Act of 1983 (which repealed the 1936 Act, abolished the National Harbors Board and provided greater flexibility in local board governance), the Harbour Commissions Act of 1964, and the Public Harbors and Port Facilities Act.

The 1983 Act declares "that the objective of the national ports policy for Canada is to create a port system that:

(a) Is an effective instrument of support for the achievement of Canadian international trade objectives and of national, regional, and local economic and social objectives;

(b) Is efficient;

(c) Provides accessibility and equitable treatment in the movement of goods and persons to users of Canadian ports;

(d) Provides local ports with a high degree of autonomy to manage and operate the ports, consistent with the responsibility of the [federal] Minister of Transport to ensure the integrity and efficiency of the national port system and optimum deployment of resources; and

(e) Is coordinated with other marine activities and surface and transportation systems.

Current Organization: Canada's public ports are organized into three distinct groupings. The first are those affiliated with the Canada Ports Corporation (CPC), or Ports Canada. These include seven quasi-autonomous "local port corporations" (LPC) at Montreal, Vancouver, Prince Rupert, Saint John, Quebec, Halifax, and St. John's and seven "divisional" ports administered directly by the CPC. Collectively, the 14 Ports Canada ports account for about half of the nation's waterborne commerce and most of its

seaborne container traffic.

The second grouping, the nine harbour commission ports, operate independently of Ports Canada and in total handle about 20 percent of Canada's waterborne trade.

Public harbors and ports, the third group, comprise more than 500 small commercial ports scattered across the country and are administered directly by the Canadian Coast Guard on behalf of the Minister of Transport. This group handles about 20 percent of the nation's cargo; private ports account for the remaining 10 percent.

Though there are significant structural differences between the three groups, there are also basic similarities. Most important, however, is the fact that they are creatures of federal authority, established by enactments of the Canadian Parliament, not the provinces or municipalities.

The governing boards of Ports Canada and the local port corporation are all appointed by the federal minister of transport. The harbour commissions are composed of both local and federal - appointed members, but in every case except Toronto's, the majority by law must be federal. Furthermore, under certain circumstances, the national government is empowered to revoke local port corporation or harbour commission charters. The enabling statutes themselves, of course, may be repealed or amended by Parliament.

Study Recommendations: In brief, the Keyes Report recommends that: (1) the federal government continue to have direct responsibility for a national port system; (2) the Canada Ports Corporation be dissolved; (3) a new "National Marine Transportation Act" be drafted to repeal the three port statutes referenced above; and (4) a "new national commercial port system" be established based on the following "essential elements":

- The objectives of national ports policy set forth in the 1983 Act.
- Designation of ports as federal agencies similar to Harbour Commissions.
- Ports should be accountable to the Minister of Transport through a "ports desk or secretariat" in Transport Canada.
- Ports should be financially self-sufficient which means they must be able to cover all operating and capital costs.
- Ports should submit capital budgets, corporate plans and audits to the Minister annually.

- Blanket approval should be given for all projects, works and other activities contained in the approved capital budgets and corporate plans.
- Ports should have full authority to make contracts, leases, and to acquire or dispose of land.
- Ports should have full pricing flexibility for the setting of tariffs and fees.
- Ports should have expanded authority to borrow money.
- Annual reports should be submitted to the Minister and provisions made for performance-based special audits or examinations at the discretion of the Minister.

The new legislation would require the ports to pay the government annual dividends (as the LPCs already do) while protecting them "from further ad hoc demands for cash contributions to the government's debt."

Under the proposed law, individual ports would be responsible for port policing and security.

At present, this is the case with respect to the harbour commissions and the public ports and harbors, which rely on municipal and provincial police. However, law enforcement in the Ports Canada system is the responsibility of the Ports Canada Police, which is headquartered in Ottawa and oversees detachments in the various LPC and divisional ports.

In every case, law enforcement at Canada's public ports is divorced from port management. The Director General of the Ports Canada Police reports to the CPC's board of directors and not to its chief executive officer.

Under the new national ports system, rather than grants in lieu of taxes, individual ports would negotiate with local government appropriate fees for fire protection and other municipal services.

As for port governing boards, the Keyes study recommends that in each case, a majority of board members should be appointed by the federal government "on the basis of consultation" and so as to assure "a broad representation of interests." The minority would come from the municipalities and the private sector.

The proposed "ports desk/secretariat" would be mandated "to classify the CPC Divisional Ports and the Transport Canada Ports and Harbours Group as "commercial" or "non-commercial" based upon "financial self-sufficiency criteria established under the new Act."

"Non-commercial ports" would be subclassified as those "where there is a

clearly defined federal government role such as serving remote communities and ferry services" and those "where there is no justification for further federal involvement or responsibility." The latter "should be subject, either to divestiture to provinces, municipalities, and/or the private sector" or "to closure when there is no possibility of divestiture."

The "new regime for non-commercial ports" would be phased in over a period of five years. A "Ports Capital Assistance Program" would help the ports with the potential for becoming self-sufficient and provide long-term funding for those which are divested.

"Continued subsidization for social and/or economic development objectives" of non-commercial ports that would otherwise be closed "should be provided from regional economic development program funds."

In the event of port closure, the new Act should hold the federal government responsible "for taking care of the redundant facilities and returning the site as near as possible to its natural state."

The report urges the Transport Minister to introduce the proposed legislation "as rapidly as possible." It also recommends that the federal government establish a "Commission of Inquiry" to perform "a comprehensive review of labor-management relations in the port sector" and to report within a year "on what changes are required to ensure stability and competitiveness at our major ports."

(AAPA Advisory)

Commercialization of Pilotage Recommended

"A National Marine Strategy", a report submitted May 3 to the House of Commons by its Transport Committee, offers a series of recommendations pertaining to pilotage, the St. Lawrence Seaway, recreational boating, and cost recovery for various Coast Guard services such as dredging, aids-to-navigation, ice-breaking, and vessel traffic systems. However, "any national cost recovery program" should be preceded by "full and open consultation," with the Marine Board playing "a pivotal role in the process." The Committee Chairman is MP Stan Keyes.

Briefly summarized, here are the Committee's proposals:

Pilotage: Favors "commercializa-

tion" of pilotage services in Canada through the repeal of the Pilotage Act, the dissolution of the Pilotage Authorities, and replacing them with a Pilotage Desk/Secretariat as the regulatory body.

The new Pilotage Secretariat would be directed to undertake an immediate review of all compulsory pilotage areas to determine if they are still required for the safety of navigation and the protection of the environment.

It would also develop uniform criteria for granting exemptions from compulsory pilotage. A "final offer selection mechanism" would be included in the new "national marine transportation act" for the resolution of disputes between pilots and consumers.

St. Lawrence Seaway: The proposed "national marine transportation act" would:

- Discontinue the St. Lawrence Seaway Authority through repeal of its enabling statute.
- Establish a financially self-sufficient, not-for-profit corporation to administer the Seaway; including the operation of locks, setting of tolls, and routine maintenance.
- Relieve the new corporation of all non-marine responsibilities such as bridges and tunnels.
- Recognize the federal government's responsibility for the capital costs of all non-routine maintenance and rehabilitations projects to maintain the Seaway's safety and integrity.

"Commercialization" of the Canadian portion of the Seaway (which includes the Welland Canal and five of the seven locks in the Montreal/Lake Ontario Section) should be completed "as quickly as possible." Once that happens, the federal government should propose the creation of a bi-national Seaway operating agency and begin discussions with the U.S. Government "on this matter, the elimination of tolls, and a more equitable sharing of Seaway costs."

Dredging: Recommends cost recovery for dredging "Where the commercial users can be clearly identified." Furthermore, "dredging for channel approaches and within port areas should be the responsibility of the commercial ports."

Aids to Navigation: Urges that the Coast Guard and users proceed as rapidly as possible to reduce the number of aids to navigation by utilizing new technology and equipment and to then "consider

commercialization of the remainder which would be the essential system."

Icebreaking: Cost recovery for ice-breaking should be implemented only if "costs can be attributed in a fair and equitable way to commercial users and for what has been done in the public interest." If cost recovery is deemed feasible, the formula should be based on the "ice-strength classification" of ships. Incentives to encourage the use of safer ships should be offered in the form of reduced rates and rebates.

Recreational Boating: The federal government should retain regulatory responsibility for recreational boating and "as quickly as possible develop and implement "a modern, comprehensive, national licensing system," which would be administered on "a full cost recovery basis." (AAPA Advisory)

Clinton Endorses Nat'l Dredging Policy

In a recent letter to the president of the American Association of Port Authorities, President Clinton said that America must reaffirm its commitment to ensuring our ports and navigation channels are maintained and dredged in order to handle expected increases in trade.

In order to achieve that goal, the President has endorsed a National Dredging Policy that would guide federal agencies in fulfilling their responsibilities under existing laws and regulations. In his letter to AAPA president Erik Stromberg, President Clinton directed "appropriate department and agency heads to formalize the National Dredging Team for implementation of the recommendations of the Interagency Working Group on the Dredging Process". The National Dredging Team is a key component of the National Dredging Policy.

The Interagency Working Group in December 1994 issued a report entitled "The Dredging Process in the United States: An Action Plan for Improvement," which recognized the dredging crisis and affirmed the Federal agencies' commitment to improve the dredging process at the nation's ports.

In his letter to AAPA the President said, "I firmly support maintaining a strong and competitive U.S. port system that keeps our nation at the forefront of international commerce. My Administration will continue to support the goals of developing

and maintaining the nation's ports and harbors to increase economic growth and to protect, conserve, and restore coastal resources."

According to Mr. Stromberg, "In this important and very positive letter, President Clinton has accelerated the momentum, begun by Transportation Secretary Peña, in resolving the dredging crisis for ports. The ports are very encouraged that implementation of the National Dredging Policy is a high priority for this Administration."

U.S. Secretary of Transportation Federico Peña appointed an Interagency Working Group on the Dredging Process in October 1993 to look at ways to streamline and improve the process of keeping navigation channels clear at U.S. ports. The Working Group Steering Committee was made up of top policy officials from six federal agencies including: the U.S. Maritime Administration, U.S. Army Corps of Engineers; U.S. Environmental Protection Agency; the U.S. Department of Interior's Fish and Wildlife Service, and U.S. Department of Commerce's National Marine Fisheries Service and Office of Coastal Resource Management.

AAPA has long promoted adoption of an official National Dredging Policy. In addition to better coordination of the complex regulatory framework affecting dredging, AAPA views adoption of policy and legislative changes providing for Federal cost-sharing of upland and confined dredged material disposal facilities as a critical feature of the National Dredging Policy.

FTA of Americas Essential for Growth

By Erik Stromberg
President of AAPA

For the ports of the Western Hemisphere, it is a time of historic significance in trade policy and trade volume growth. The creation of a Free Trade Area of the Americas, consisting of the 34 democracies in the Hemisphere, could bring unprecedented commercial opportunities surpassing those created by the North American Free Trade Agreement (NAFTA).

A consolidated trade agreement incorporating Central and South America would yield a total market exceeding one billion

consumers. The consequent opportunities for ports in the Hemisphere would be tremendous.

NAFTA has increased recognition of the economic potential of Western Hemispheric nations and the need to craft trade policies that facilitate – not impede – economic growth. NAFTA is a trade agreement of three land-joined nations where most trade is moved by truck or rail. In 1994, only seven percent of U.S.-Mexico trade moved by water or air. A Free Trade Area of the Americas would create substantial growth in waterborne commerce.

Participants at the recent Summit of the Americas held in Miami committed to establish a hemisphere-wide trade agreement by the year 2005. Currently there are more than 20 intra-hemispheric multilateral trade arrangements, including: the North American Free Trade Agreement (NAFTA); the Southern Common Market (MERCOSUR), the Andean Pact, and the Central American Common Market (CARICOM). Bilateral trade agreements also are proliferating.

From the U.S. perspective, the dominant future opportunities for trade growth lie in the Asia Pacific region and Latin America. The Asia Pacific region has the fastest growing economy in the world with Latin America a close second. Since 1989, U.S. exports to Latin America and the Caribbean increased by over 50 percent, and are growing at over twice the rate of U.S. exports to the rest of the world. U.S. exports to Latin America increased from \$30 billion in the mid-1980s to over \$90 billion in 1994.

Twenty-seven percent of the U.S. economy is now dependent on trade. Over 11 million U.S. workers owe their jobs to exports. Even billion dollars of exports supports 17,000 jobs. The U.S. Customs predicts that the amount of cargo flowing through U.S. ports alone will triple by the year 2020.

However, ports can not take for granted the continued liberalization of trade policy. Ports must provide political leaders and the general public with extensive supporting data. In the U.S. and elsewhere around the world there remains the disturbing trend – especially at election time – to fit trade policy within social policy political objectives. There is an even more troublesome surge of isolationism and jingoistic rhetoric. The silent majority, including ports and all whose livelihoods and quality of life depends on expanding international trade opportunities – cannot continue to be silent and let that be interpreted as support

of short-term, narrowly drawn trade policies.

It is clear that the economic engine that drives trade growth in the Western Hemisphere shows no sign of slowing down. Real gross domestic product (GDP) growth in Latin America is expected to exceed that of Europe over the next few years. Chile, poised to become the next country to be added to the North American Free Trade Agreement, is expected to enjoy six percent GDP growth over the next two years. Brazil's GDP growth is projected at five percent and Argentina should approach four percent.

Let's ensure that U.S. trade policy encourages economic growth not only in the U.S. but throughout the Hemisphere. AAPA urges the Congress to support the creation of a Free Trade Area of the Americas. AAPA also urges the Administration and the Congress to properly utilize and continue to authorize fast-track authority – enabling the enactment of unencumbered and effective trade agreements.

(AAPA Port Report)

AAPA President to Head North Carolina Ports

Erik Stromberg, President and Chief Executive Officer of the American Association of Port Authorities (AAPA), will become Executive Director of the North Carolina State Ports Authority (SPA) on January 1, 1996, following the December 31 retirement of James J. Scott, Jr.

Mr. Stromberg officially joins the SPA as Director of Ports on September 1.

AAPA Chairman of the Board Davis Helberg, Executive Director, Seaway Port Authority of Duluth, expressed appreciation for Mr. Stromberg's service to the port industry.

"We regret losing Erik as AAPA President, but we're pleased he'll remain active in the Association as a member. He's left a legacy of good works for the industry, and it will be a pleasure to continue to work with him as a colleague," Mr. Helberg said. "AAPA's Board of Directors and I will work quickly to search and name his successor at AAPA," he added.

Mr. Helberg views some of the major accomplishments achieved during Mr. Stromberg's tenure at AAPA to include, first and foremost, bringing together ports large and small from all delegations into

active participation and involvement in AAPA, leading all ports to better appreciate their fundamental role in the Association's successes. Other key accomplishments include: building a solid, effective headquarters staff; increasing the effectiveness of government relations efforts through consensus development among members, and improved communication and coalition-building with the port, maritime and labor communities; leading the Association through a strategic planning process; and developing and initiating a public awareness campaign to bring greater awareness and appreciation for ports.

He also increased the number of and attendance at AAPA's professional education and training programs, and developed AAPA's Professional Port Manager certification program.

Under Mr. Stromberg's leadership, corporate membership in AAPA rose from 119 in 1987 to 129 in 1995, with the greatest increase in Latin American members.

(AAPA Advisory)

Port of Houston's Economic Contribution

The Port of Houston's local and regional economic impact figures have increased significantly in the past eight years, according to a recent study conducted by Martin Associates.

Latest figures show the port's public and private marine terminals generating \$5.5 billion in annual business revenues compared to \$3 billion reported in a 1987 study. In addition, jobs associated with Port of Houston activity jumped sharply to 196,000 as compared to 110,000 in 1987.

Jobs directly generated by companies providing support services for cargo and vessel handling operations totaled 53,000 in the most recent report. Approximately 80 percent of these jobs are held by Harris County residents.

Indirect jobs – those created due to purchases of goods and services by companies directly associated with port activity – totaled 143,000. According to the study, Port of Houston activity also generates \$213 million in state and local taxes each year.

Growth Catalyst

"The Houston Ship Channel has long been a catalyst for the growth of Harris County," noted Port of Houston Authority Chairman Ned Holmes. "The findings of

the latest economic impact study are a strong confirmation of the critical role the Port of Houston plays both locally and regionally.

"The port's staff works continuously to attract more cargo and new services that will benefit our community. Since the 1987 study, annual tonnage figures at the port have risen by 45 million. Such an exceptional increase in trade proves that Houston is maintaining its position as a world-class port and a leader in the U.S. maritime industry," added Holmes.

(Port of Houston)

'Economic Impact' Brochure by Long Beach

An "Economic Impact" brochure newly published by the Port of Long Beach explains how imports and exports shipped through the Port generate more than 260,000 jobs in Los Angeles, Orange, San Bernardino, Riverside and Ventura counties as well as 18,500 jobs in the Long Beach area.

By coincidence, the brochure was released the same week that 60 additional full-time longshore workers were hired by the International Longshoremen's and Warehousemen's Union (ILWU). Since January, the ILWU has hired more than 240 full-time workers because of increased trade through Long Beach and the neighboring Port of Los Angeles.

The brochure also relates port expansion projects such as terminal and road construction to wage and regional revenue growth. The building of the new Hanjin container terminal on Pier A, for example, will bring in an estimated \$80 million in wages and \$11 million in state and tax revenue.

A fold-out poster illustrates the types of jobs that depend on port activity, from the initial design and contract phase to final distribution, using as examples a U.S.-made video film for foreign release and a toy produced abroad for the American market.

(AAPA Advisory)

Tacoma Launches Homepage on Internet

The Port of Tacoma is the first U.S. port with its own homepage on the World Wide Web of the Internet. Now, anyone with Internet access can get information on the Port of Tacoma's facilities, steamship

lines, warehouses, truck lines and customs brokers. The web site, which went on-line June 9, also includes information on port-related industries and other businesses in the Tacoma - Pierce County area.

"The port industry and shippers rely on quick transfer of information and this new technology will help us compete for business worldwide," said Pat O'Malley, President of the Port of Tacoma Commission.

The web site was visited by nearly 17,000 Internet users during its first month. That is a phenomenal number according to Jim Amador, the port's Market Research Manager and staff coordinator for the web site.

The web site will also enhance the port's sister port relationships and the City of Tacoma's sister city program through a

system linking businesses and high schools. Initially, two Tacoma high schools will be linked through the web site to high schools in Kitakyushu, Japan. Kitakyushu has a sister port and a sister city relationship with Tacoma.

The project was funded by the Frank Russell Company. Russell, the world's largest pension fund consulting company, is headquartered in Tacoma.

"We wanted to help create an economic tool for our local region, and the Port became the ideal partner to make this happen," said Michael Phillips, Chief Executive Officer at Russell. "This project will help us gain experience for our own use of this powerful net technology in the financial services industry."

The Port of Tacoma's Internet address is: <http://PortofTacoma.com>

Africa/Europe

New Pilot Launch for Port of Cork

The Port of Cork announced the awarding of a contract for a new pilot launch on 9 March. The vessel will be constructed at a cost of £0.25 million by the Irish compa-

ny, Aqua-Star Workboats Ltd. of Carrigaline, Co. Cork who were successful in a competitive international tender. The pilot launch is of the semi-displacement type, with an overall length of 13 metres. It is powered by two Volvo Penta TAMD 122 engines, each developing 380 HP, giving a maximum speed of 24 knots and a service speed of 20 knots at 1500 RPM. The launch will be equipped with state of the art safety equipment and be capable of working in all weathers. Construction will



Photographed at the recent signing of a £0.75 million contract for a new Pilot Boat at the Port of Cork. Front row left to right: Mr. N. Scott, Managing Director, Aqua-Star Workboats Ltd.; Mr. D.J. Murphy, Chairman, Port of Cork; Mr. P.J. Keenan, Chief Executive, Port of Cork; Mr. F.J. Boland, Vice-Chairman, Port of Cork. Back row left to right: Pilot P. Chandler; Mr. J.B. O'Sullivan, Deputy Chief Executive & Harbour Engineer, Port of Cork; Capt. P. Farnan, Harbour Master, Port of Cork.

commence at the end of May and delivery is expected by the end of October.

The new pilot launch will replace the existing pilot launch *St. Nessan* which was built in 1972 and will be used in conjunction with pilot launch *Failte* which was built in 1990.

The latest contract is part of an ongoing investment programme at the Port of Cork to ensure the highest possible level of facilities and services for all shipowners and shipping lines using the port. Last year the Port of Cork had its most successful year to date when cargo throughput reached a record level of 7.41 million tonnes, an increase of 10.1% over 1993.

Asia/Oceania

NSW Gov't Program Of Port Corporatisation

NSW Government's program of port corporatisation takes effect on Saturday 1 July 1995.

This follows passage of the Ports Corporatisation and Waterways Management Bill through the NSW Parliament in early June.

The changes will result in dissolution of the Maritime Services Board of NSW at midnight on Friday 30 June 1995 and the emergence of independent port corporations for Newcastle, Port Kembla and Sydney. In addition, the MSB Waterways Authority will be transformed from 1 July 1995 into a stand-alone, self-funding declared authority.

Specifically, the changes will be:

Port Corporations

From 1 July:

- MSB Hunter Ports Authority becomes Newcastle Port Corporation, responsible for the port of Newcastle;
- MSB Illawarra Ports Authority becomes Port Kembla Port Corporation, responsible for the port of Port Kembla;
- MSB Sydney Ports Authority becomes Sydney Ports Corporation with responsibility for the ports of Sydney and Botany Bay.

Waterways Authority

From 1 July:

- MSB Waterways Authority becomes simply the Waterways Authority,

reporting to the Minister for Ports, with continuing responsibility for recreational and commercial boating and wetland property issues.

An Office of Marine Safety and Port Strategy is being established, also from 1 July, as the Minister's policy and advisory group. This Office will also manage the minor ports of Eden, Lord Howe Island and Yamba.

Interim Executive Appointments

Acting Chief Executives have been named for each of the new entities as follows:

Newcastle Port Corporation: Neil Morrison

Port Kembla Port Corporation: Chris Drinkwater

Sydney Ports Corporation: John Hayes

Waterways Authority: John Quinlan

Office of Marine Safety & Port Strategy: Matthew Taylor

Murray Fox will retain a senior executive role, acting for the time being as General Manager responsible for operations in the Sydney Ports Corporation.

Contact Details

From 1 July, enquiries regarding the changes should be referred to any of the following:

- Newcastle Port Corporation (ex MSB Hunter Ports Authority)
PO Box 663
NEWCASTLE NSW 2300
Phone: (049) 27 2400
Fax: (049) 26 4596
- Port Kembla Port Corporation (ex MSB Illawarra Ports Authority)
PO Box 89
Cnr Military & Darcy Roads
PORT KEMBLA NSW 2505
Phone: (042) 74 0201
Fax: (042) 74 0643
- Sydney Ports Corporation (ex MSB Sydney Ports Authority)
PO Box 25
MILLERS POINTS NSW 2000
Phone: (02) 364 2999
Fax: (02) 364 2742
- Waterways Authority (ex MSB Waterways Authority)
PO Box R228
Royal Exchange
SYDNEY NSW 2000

Phone: (02) 364 2140

Fax: (02) 364 2170

- Office of Marine Safety & Ports Strategy (ex MSB Head Office)
GPO Box 32
SYDNEY NSW 2001
Phone: (02) 364 2233
Fax: (02) 364 2033

Philippines Hastens Port Privatization

Executive Order No. 212, signed by President Fidel V. Ramos last November 28, 1994 sends clear signals of the national government's intentions to remove monopolies in the port and hasten the privatization of many port businesses.

The order gives private sector investors greater participation in port businesses through capital leases to operate, develop and maintain port facilities, cargo licenses to operate cargo handling services, and service contracts for dredging, port security and other services in the ports. A tariff review will also determine ways of eliminating charges on private ports, thereby encouraging more private sector investments to develop other private ports.

Under the program to remove port monopolies, existing cargo handling contracts will be respected and then allowed to lapse. The choice of a new contractor will be through competitive public bidding. The winning contractor will be given non-exclusive multi-year contracts long enough to allow the investor to recoup his investments.

Cooperatives are allowed to bid as cargo handling or service contractors in ports employing manual labor.

An important provision of the presidential directive is that prohibiting interlocking stockholders, directors or officers or common management among cargo handlers, service contractors and other port related companies. The provision allows the entry of more enterprises into port businesses and ensures that no monopoly is set up.

The Philippine Ports Authority is to prepare a national port transport plan within one year in coordination with the Department of Transportation and Communications and the National Economic Development Authority. The plan will integrate an intermodal transport network to link roads, railroads, sea and air transport systems. (Port Trends)

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