

Ports & Harbors

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PORT OF TOKUYAMA- KUDAMATSU

- 20th World Ports Conference of IAPH: Meet Your Host – PLA

Some Factors
Influencing Port
Developments in
Africa/Europe Region

- Review of Developments in Infrastructure: ESCAP Seaport Sector



Parade by yachts and ships
Celebrating Marine Day (August
20), which has been designated
a national holiday from 1996.

Tokuyama-Kudamatsu

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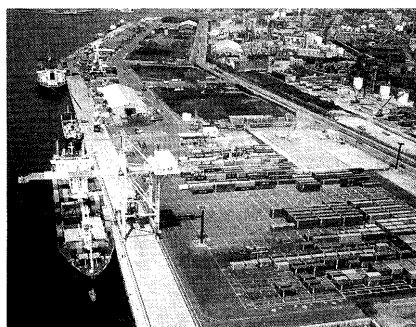
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Port of Tokuyama – Kudamatsu

The port of Tokuyama-Kudamatsu, located in the coastal cities of Tokuyama and Kudamatsu on the Honshu Island side of the Seto Inland Sea, has been among the biggest industrial ports devoted for petrochemical industry, particularly since the mid-1950s. See page 32.

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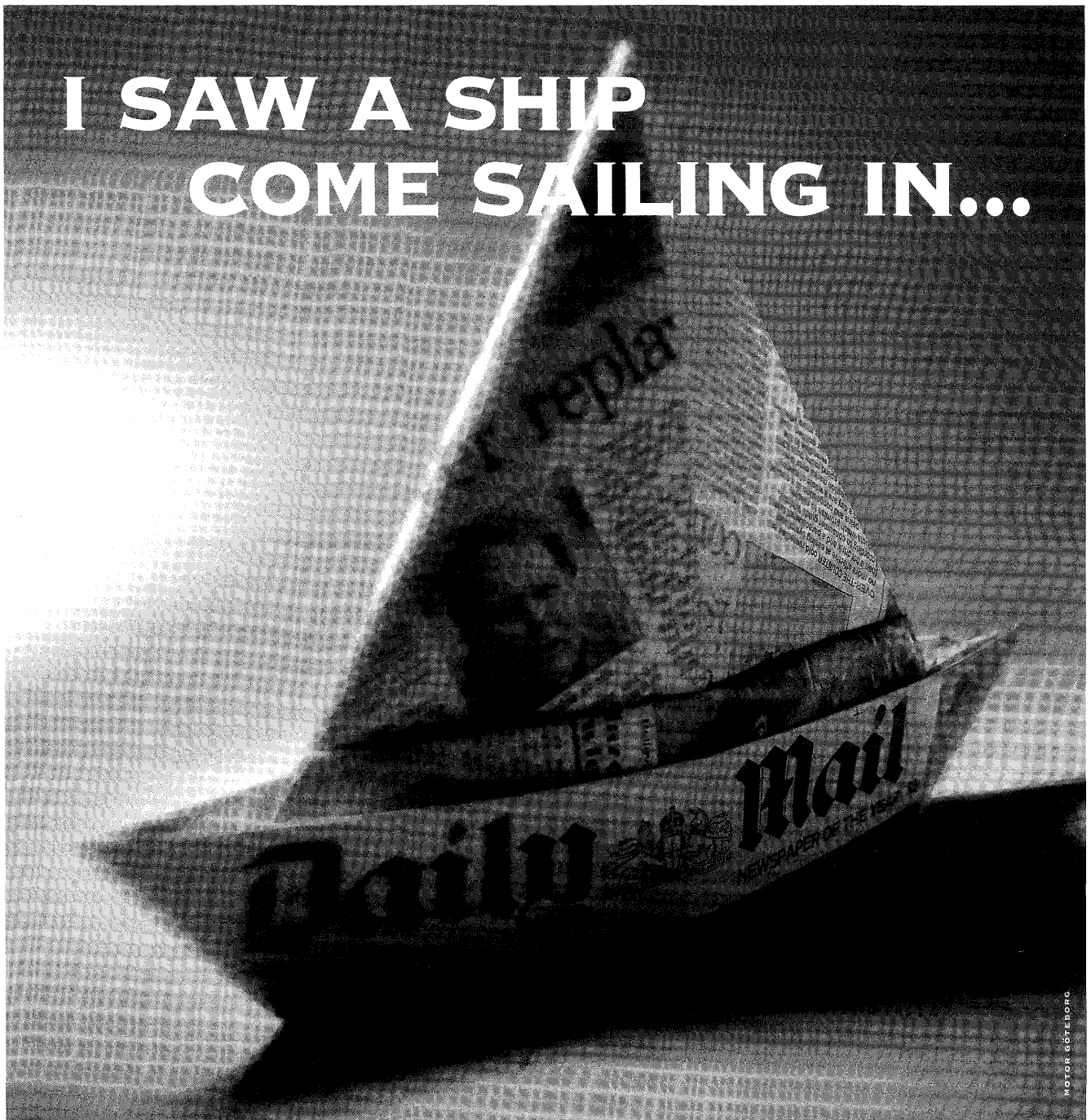
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I SAW A SHIP COME SAILING IN...



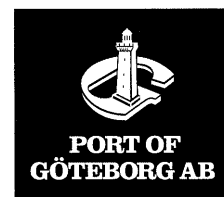
Many of London's daily papers are printed on Swedish paper. Every year, 1,500,000 tonnes of newsprint arrive at the Port of Göteborg from Swedish paper mills. The reels are loaded onto ships before continuing their journey across the North Sea.

The Port of Göteborg offers a customised system for paper transport. It is the result of a

partnership with shipping companies, road haulage companies and exporters.

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IAPH ANNOUNCEMENTS AND NEWS

IAPH Observes Its 41st Anniversary

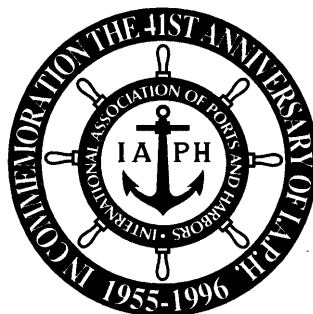
On November 7, 1996 we celebrate the 41st anniversary of the formation of IAPH. One year ago, this journal featured the 40th anniversary messages from the President and Vice-Presidents, highlighting major events as well as the lists of the major players such as the Founding Fathers, Presidents and Secretaries General, who had contributed to the establishment and to the later development of our Association in the past four decades.

Another year has quickly passed since we celebrated IAPH's fortieth birthday, during which IAPH committees, members and the Head Office secretariat have been extremely active in pursuing their various tasks.

Meetings of various committees and groups have taken place in a number of cities, such as London, Auckland, Hamburg, Durban, New York, Algeciras, Madrid, Denpasar (Bali), Jakarta, Nicosia (Cyprus), Paris and Singapore, while more meetings are scheduled over the next few months in Tokyo and Houston and elsewhere. It is no exaggeration to say that every month somewhere in the world IAPH members are gathering or are represented at other international meetings.

The committee chairs and liaison officers have been particularly busy in organizing their own committee meetings and reporting the outcomes of such forums as covered in this journal.

For the Tokyo Head Office members, this year's anniversary is particularly significant as they are celebrating it in their new office, to which they moved in July this year. The relocation of the Head Office was arranged to save on office rents, and there-



fore, it was inevitable that the Head Office would have to accept less smaller space than before. Nevertheless, they have succeeded in setting up a cozy and comfortable working environment as a result of their efforts to slim down the volume of old documents and other belongings which they had accumulated over the years. Having moved to a few blocks away from the Toranomon and Kasumigaseki district, one of Tokyo's most prestigious business and governmental centers, they find that the atmosphere of their working surroundings has changed noticeably. Now they

enjoy their new working environment, the different culture, the variety of restaurants and coffee shops and the lively lifestyles of their new neighbors - a mixture of white- and blue-collar workers, young and old - who live and work in that district, which has the atmosphere quite unlike that of the Kasumigaseki area. The Head Office staff look forward to welcoming their IAPH friends to the new office.

Another significant change the Head Office has been experiencing recently is the increasing number of E-mail communications it receives and responds to from IAPH's worldwide members.

Although, the Head Office secretariat is only a small team of eight people, they are confident of being able to serve the interests of IAPH's global family. In particular, they are focusing on the 20th World Ports Conference to be held in London in June 1997 and are endeavoring to give their utmost cooperation to our hosts in London in their preparation work.

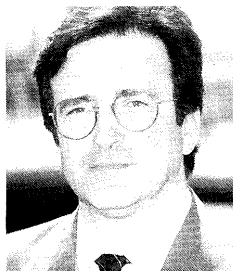
-By Kimiko Takeda, IAPH Head Office



The Head Office staff at the new office in Nishi - Shimbashi — From left (standing): Chizuko Mita, Izumi Hayashi, Yoko Kuriya and Hiroyuki Nagai; (seated): Kohnosuke Onso, Hiroshi Kusaka, Rinnosuke Kondoh and Kimiko Takeda

TFC Conducts Survey on Use of Information Technologies in Ports

The IAPH Committee on Trade Facilitation, chaired by Mr. Leandre Amargos, Assistant Director of the Port of Barcelona, has recently circulated a questionnaire to IAPH members through the Tokyo Head Office. The covering letter, dated September 19, 1996, from the Chairman and the English version of the questionnaire (which was prepared in English, French and Spanish) are reproduced below.



Mr. Amargos has also informed the Secretary General that his Committee is going to meet in Constantza, Romania on 11 October 1996 on the occasion of the centennial celebration of the inauguration of the modern Port of Constantza.

TFC Chairman's letter

Dear Colleagues:

As you may know, the main role of the Trade Facilitation Committee is to promote the simplification and harmonization of the documentation and information flows required to facilitate the movement of cargo and ships through ports, with particular emphasis on international efforts to extend the adoption of both Information Technology and Electronic Communications (including Electronic Data Exchange).

As a part of this role, the Trade Facilitation Committee is particularly interested in extending the use of Information Technology in Ports, and for this reason it has been working for a long time on this subject.

Among the activities related to this matter, the Trade Facilitation Committee would like to emphasize that ports from developed countries should share their experiences on the use of Information Technologies. We at the Trade Facilitation Committee believe that the extensive use of Information Technology in less developed ports is vital to help them close the gap with ports in developed countries.

Therefore we have been working at great length on a questionnaire about the use of Information Technologies in ports, and now the questionnaire is ready to be answered by all IAPH members.

We would like to thank the previous Chairman of the Trade Facilitation Committee – Mr. David Jeffery from the Port of London Authority for his extraordinary efforts, and wish to commend other members of the Trade Facilitation, particularly Mr. Joseph Bayada, Cyprus Ports Authority, and Mr. Paul Scherrer, Port Autonome du Havre, for their cooperation and support.

As you see, the questionnaire is composed of 20 questions about the use of Information Technologies and the establishment of an Information Model. Please kindly answer all the questions and do not hesitate to add any further comments or suggestions you may have.

Completed questionnaires should be sent to us in Barcelona, at the fax number (34 3 306 8814) and not to the Head Office in Tokyo, before 31st January 1997.

I look forward to hearing from you.

Yours sincerely,

Leandre Amargos
Chairman, Trade Facilitation Committee

IAPH TRADE FACILITATION COMMITTEE

Questionnaire regarding the establishing of an Information Model

Please circle your responses:

1. Would information about the use of IT by other ports be of value to you?
2. Information would be restricted to IT systems and facilitation. Which of the following aspects are of importance to you?
 - a) Financial and administrative systems
 - b) Operational systems
 - c) Community systems
 - d) IT developments involving Customs
 - e) National or regional IT developments
 - f) Global developments, e.g. EDI message standards
 - g) Others?
 - h) Should aspects other than IT systems and facilitation aspects be covered?

☐ Y

☐ N ☐ go to 4

☐ Y

☐ Y

☐ Y

☐ Y

☐ Y

☐ Y

☐ Y

☐ N

☐ N

☐ N

☐ N

☐ N

☐ N

☐ N

Please detail:

☐ Y ☐ give details

3 a) Would this information assist your own port's development?

<input type="checkbox"/> Y	<input type="checkbox"/> N go tp 4
----------------------------	---

b) Do you currently have access to information as detailed in section 2?

<input type="checkbox"/> Y	<input type="checkbox"/> N
go to 5	

4. a) Is this because your port already has sophisticated systems?

<input type="checkbox"/> Y go to 5	<input type="checkbox"/> N
---	----------------------------

b) Are you able to obtain the information yourselves?

<input type="checkbox"/> Y go to 5	<input type="checkbox"/> N
---	----------------------------

c) Would you use the information for:

- i) commercial purposes
- ii) technical purposes
- iii) for other purposes

<input type="checkbox"/> Y	<input type="checkbox"/> N
<input type="checkbox"/> Y	<input type="checkbox"/> N
<input type="checkbox"/> Y please detail	<input type="checkbox"/> N

5. Do you see provision of this information as a facility that the IAPH should offer?

<input type="checkbox"/> Y	<input type="checkbox"/> N
Who should	

6. If the facility is in English, is this acceptable to you?

<input type="checkbox"/> Y	<input type="checkbox"/> N
Which language would you prefer?	

7. Do you think the information should be provided in electronic form?

<input type="checkbox"/> Y	<input type="checkbox"/> N go to 12
----------------------------	--

- a) In the form of a central database
- b) In the form of a distributed database
- c) If not a) or b), how then? - please detail

<input type="checkbox"/> Y	<input type="checkbox"/> N
<input type="checkbox"/> Y	<input type="checkbox"/> N

8. If, for example, an Internet site was established for such data, does your organisation have access to receive and send?

<input type="checkbox"/> Y go to 10	<input type="checkbox"/> N
--	----------------------------

9. Does your organisation anticipate having access as in 8?

<input type="checkbox"/> Y	<input type="checkbox"/> N
----------------------------	----------------------------

10. Would this utilise:-

- a) Web browser?
- b) E-Mail request?
- c) File transfer protocol download?

<input type="checkbox"/> Y	<input type="checkbox"/> N
<input type="checkbox"/> Y	<input type="checkbox"/> N
<input type="checkbox"/> Y	<input type="checkbox"/> N

11. To handle downloaded information, what types of format would you use?

- a) ASCII text file
- b) Word processed file? e.g. Microsoft Word
- c) Portable Document format? e.g. Acrobat
- d) Other?

<input type="checkbox"/> Y	<input type="checkbox"/> N
<input type="checkbox"/> Y	<input type="checkbox"/> N
<input type="checkbox"/> Y	<input type="checkbox"/> N
<input type="checkbox"/> Y give details	<input type="checkbox"/> N

12. Do you think the information should be provided in paper form?
i.e. Library/Documents

<input type="checkbox"/> Y	<input type="checkbox"/> N
----------------------------	----------------------------

13. Do you think information should be provided in the 'Ports and Harbors' magazine.?

<input type="checkbox"/> Y	<input type="checkbox"/> N
----------------------------	----------------------------

Is the current provision of occasional articles adequate?

<input type="checkbox"/> Y	<input type="checkbox"/> N
----------------------------	----------------------------

IAPH ANNOUNCEMENTS & NEWS

Should a regular feature be developed?	<input type="checkbox"/> Y	<input type="checkbox"/> N	
Should there be additional information in the form of an index provided (say) in the IAPH magazine?	<input type="checkbox"/> Y	<input type="checkbox"/> N	
14. Do you have other suggestions for providing the information?	<input type="checkbox"/> Y	<input type="checkbox"/> N	
If so, briefly detail _____			

15. Do you think there should be one central IAPH Website?	<input type="checkbox"/> Y	<input type="checkbox"/> N	
An index to individual port Websites	<input type="checkbox"/> Y	<input type="checkbox"/> N	
A mix of the two depending on information available?	<input type="checkbox"/> Y	<input type="checkbox"/> N	
16. Who should be responsible for accuracy and updates?			
If one central site? – IAPH	<input type="checkbox"/> Y	<input type="checkbox"/> N	
– Individual Contributor	<input type="checkbox"/> Y	<input type="checkbox"/> N	
If individual port sites? – IAPH	<input type="checkbox"/> Y	<input type="checkbox"/> N	
– Individual Contributor	<input type="checkbox"/> Y	<input type="checkbox"/> N	
If a mix? – IAPH	<input type="checkbox"/> Y	<input type="checkbox"/> N	
– Individual Contributor	<input type="checkbox"/> Y	<input type="checkbox"/> N	
17. Would your organisation be prepared to participate, including providing information on a regular basis?	<input type="checkbox"/> Y	<input type="checkbox"/> N	go to 19
On your own port?	<input type="checkbox"/> Y	<input type="checkbox"/> N	
On your own region?	<input type="checkbox"/> Y	<input type="checkbox"/> N	
On wider and ad hoc issues? (e.g. Global developments)	<input type="checkbox"/> Y	<input type="checkbox"/> N	
18. Would your organisation be prepared to contribute towards costs of maintenance of such a facility?	<input type="checkbox"/> Y	<input type="checkbox"/> N	
19. Is your organisation prepared to be involved in the development and preparation of such a facility?	<input type="checkbox"/> Y	<input type="checkbox"/> N	
20. Is your organisation prepared to participate in a trial?	<input type="checkbox"/> Y	<input type="checkbox"/> N	
21. Please add any further comments you have:-			

Please provide details of your organisation's title, its principal role and contact details:-

Organisation _____

Address _____

Principal Role _____

Contact Name _____

Telephone No. _____ **Fax No.** _____

Meeting of the IAPH/IMO Interface Group held in the offices of UPACCIM, Paris, France on Tuesday 10 September 1996

Report by Alex J Smith
IAPH European Representative

A Summary Record

For technical reasons associated with impending IMO meetings, the Chairman of the IAPH/IMO Interface Group felt it necessary to hold the Group meeting on 10 September 1996 in the offices of UPACCIM, Paris, France, notwithstanding that the date was inconvenient for members in America and Australasia. Arrangements are therefore in hand to hold a further informative/consultative Group meeting in Houston, USA on 11 December 1996.

The meeting dealt with an extensive agenda which took account of meetings held earlier in the year by IMO's Maritime Safety Committee (June 1996) and Marine Environment Protection Committee (July 1996).

It was important from an IAPH standpoint that IAPH's Technical Committees were not just familiar with on-going IMO discussions but also with work areas on which they might reasonably be expected to make a contribution on behalf of the world's ports at the next meetings of the two Committees.

The Group therefore isolated relevant work areas from the Maritime Safety Committee to include for their attention:

- a joint industry effort to support the widespread use of the Ship/Shore Safety Check List for Bulk Carriers and the development of a related Code of Practice;
- aspects of the revised Guidelines on Vessel Traffic Services (VTS);
- development of a methodology for the assessment of the adequacy of the availability of tug assistance in port waters;
- development of provisions covering the training of maritime pilots and VTS personnel;
- identification of inadequacies in essential services relating to maritime safety.

and from the Marine Environment Protection Committee to include:

- the need for development of an IAPH position on the outstanding issues listed under Prevention of Air Pollution from Ships;
- the analysis of responses to IAPH's questionnaire on financing mechanisms for the establishment and operation of reception facilities for ships' wastes;
- the next steps to be taken by the Ballast Water Working Group including the revision of the draft regulations for control and management of ships' ballast water. A copy of the draft regulations was provided;
- identification of inadequacies in port-related local/regional infrastructures needed for securing marine environmental protection.

The Group next discussed the agendas of relevant IMO meetings which are to be held up to mid-1997. These include:

Maritime Safety Committee (MSC 67 – 2 to 6 December 1996)

In addition to the matters from the previous MSC meeting IAPH Committees need to have regard and be in a position to make an input to aspects of Port State Control of concern to ports. In that regard IAPH would very much support IMO's efforts to achieve coherent shipping standards of the highest quality applied evenly throughout the region's of the world. The effect of PSC implementation should not be to give rise to competitive distortions nor should it result in sub-standard shipping plying their trade in the waters of developing countries.

IAPH will also want to look at IMO's sub-programme on maritime safety to assess where and to what extent ports can help in the implementation of agreed technical assistance measures in areas of inadequate capacity with particular reference to ports in developing countries.

IMO/UNCTAD Joint International Group of Experts Meeting on Arrest of Ships – Geneva (2 to 6 December 1996)

IAPH will expect to be represented at this meeting by Mr Andre Pages (France). The issue to be addressed is the extent to which the 1952 Convention on Arrest of Ships continues to be viable. Where inadequacies are apparent and proposals for improvement made the interests of ports will be made known to ensure that their circumstances will in no way be disadvantaged.

Marine Environment Protection Committee (MEPC 39 – 10 to 14 March 1997)

Other than matters arising from the previous MEPC meeting referred to earlier the Group has asked that attention be given to the effect of the designation of Special Area Status in the context of the 1973 Marine Pollution Prevention Convention (MARPOL 73/78).

Facilitation Committee (30th session – 30 June to 4 July 1997)

The Group noted that Working Groups were likely to be activated to deal with facilitation aspects of the prevention and control of illicit drug trafficking and stowaways respectively, to which IAPH might reasonably be expected to provide an input.

Ship/Port Interface Working Group (5th session – 30 June to 4 July 1997)

Each one of the seven listed agenda topics is of particular interest to ports. Relevant IAPH Technical Committees have been informed and will be expected to include them on their agendas for early action.

The Group noted the formation of the International Harbour Masters Association (IHMA) in June this year and the appointment of Captain Hans-Jurgen Koos of the Port of Bremen as its first President. On behalf of IAPH the Group wished IHMA well and all success in its endeavours. The Group also underscored the need for mutual cooperation on the many matters of common interest to which IAPH and IHMA need to respond.

MINUTES OF THE CLP MEETING

Held by courtesy of Mr. Jean-Marcel Pietri in the offices of UPACCIM, Paris, on Tuesday 10 September 1996

Present: Paul Valls – Chairman

Ms. Nuria Gaiton and Pamela Le Garrec, Messrs: Jean Smagghe, André Pagés, Alex Smith, Bruno Vergobbi, Paul Mallon, Marcel-Yves Le Garrec, Jacques Sublet, Jacques Braems.

Apologies for absence were received from: Carl Veng, Patrick Keenan

The Chairman opened the meeting by welcoming the members present and in particular Vice President Jean Smagghe.

He continued by announcing a new member of CLP, Marcel-Yves Le Garrec, whose name had been put forward by Mr. Yves Gauthier, Director General of the Port of Bordeaux. Mr. Le Garrec is Secretary General of the Port of Bordeaux and has a PhD in law. The legal department of the Port is under his responsibility and Mr. Frans J.W. Zoilin, also a jurist and the Manager of the Legal Department of the Port of Rotterdam.

1/ Approval of the Agenda

The agenda was approved.

2/ Approval of the Minutes of the last Meeting

The minutes of the last meeting held in Madrid were accepted.

3/ Matters arising from the last minutes

The Chairman expressed his pleasure at the new members that were joining CLP. It was important to have a good selection. Mrs. Le Garrec had written to Mr. Morrison welcoming him as a member and enclosing a copy of the draft minutes of the last meeting.

4/ Results of the IMO Diplomatic Conference on the Convention on the Transport of Hazardous and Noxious Substances by Sea (HNS) and the Protocol to the Convention on the Limitation of Liability for Maritime Claims (LLMC).

Alex Smith and André Pagés reported on the Conference and drew attention to the report already published in Ports and Harbors magazine.

The 1996 HNS Convention-

The results were globally satisfactory:

- Shipowners' third party insurance was obligatory under the Convention,
- Shipowner Limitations of Liability provisions were as follows:

- the limitation threshold for small vessels was fixed at 2,000 t.
- the amounts fixed were 10 M SDR for vessels of 2,000 t
- 82 M SDR for vessels of 50,000 t
- 100 M SDR for vessels of 100,000 t

- the complement for the fund is up to 250 M SDR.

- the residues of unladen tankers are included in the scope.
- the definition of transshipment is satisfactory.

Ports need to be vigilant with regard to the way their national governments interpret the definition of "the receiver" when the texts are incorporated into national legislation.

Voids

Pollution caused by bunker oil for non-tanker vessels is not covered.

Is such pollution to be covered by a new convention? If not, then, it will come under LLMC.

PROTOCOL to the LLMC

The threshold for the limitation of liability has been raised to a minimum of 2,000 t.

But:

- LLMC retains the same structure, with two distinct sums of limitation of liability: one for "life & injury", and one for "other claims", plus the one way spill-over clause.
- The 1976 amounts of limitation have been raised by multiplication coefficients of:

x 3.5 for "passenger claims"

x 2.4 for other claims,

(this was justified by the SDR depreciation tables submitted by IAPH to IMO.)

Recourse for victims of damage badly covered by the LLMC Protocol:

- * to claim under the HNS Convention, available in the case of general cargo
- * to examine the possibility of breaking the right to limit liability

(the standard of crew, of maintenance, of equipment, or general condition of the ship).

5/ UNCITRAL model law on EDI business (Pat Falvey - Jacques Braems)

There is still a long way to go:

As Patrick Falvey states, "the data message must be reliable, secure and authentic"How?

As Jacques Braems states "the functions of a bill of lading are: a document vesting rights and a negotiable instrument"

The CMI has decided to set up a working group on "electronic transfer of rights under a contract of carriage",

Further study by the working group is necessary with regard to:

- transferring rights and obligations
- authenticity, integrity - non repudiation.

6/ Revision of the 1952 Convention on Ships Arrest – questionnaire –

The questionnaire should now be circulated. It will enable

IAPH to specify the position it is to submit to Chairman Ivanov for the Diplomatic Conference or for the next JIGE meeting in December 1996 in Geneva.

During this session it is possible to count on:

- the national delegations to submit proposals in favour of ports
- IAPH to reiterate its previous remarks and supply some striking examples of the problems involved for ports.

Mr. André Pagès will attend for IAPH and it was noted that Mr. Le Garrec would be present as part of the French delegation.

7/ Proposal for the nomination of an observer member to CMI
With the reserve of formal approval from his Board and that of the IAPH Board, the Liaison Officer to the CMI could be Mr. Marcel-Yves Le Garrec.

8/ Date and venue of the next meeting
It was agreed that in principle the next meeting of CLP would take place in Paris on 15 January 1997, to discuss the Committee's report to the IAPH Conference in London in June 1997.

9/ Any other business
In addition to on-going topics, CLP should also monitor the following three subjects:

- Wreck removal
- Maritime Agents (Examination of the Study carried out by CMI)
- Bunker Oil Pollution (IMO).

There being no further business, the Chairman thanked those present for their contributions to the work and closed the meeting.

* * * * *

- Questionnaire on the Revision of the 1952 Convention on Ships Arrests

André Pagès had drafted a questionnaire concerning the occurrence of arrests of sea-going ships in ports. There were a few editorial corrections to be made to the English version, after which it could be circulated. A French version was already available and it might be possible to have a Spanish version prepared for circulation. Timing was not critical but it should go out before the end of summer, so that a submission could be made to IMO and UNCTAD for the December 1996 meeting. Head Office and Pamela Le Garrec would liaise over the modalities of collection and analysis of the replies.

- The CLP Draft Report to the Mid-Term Executive Committee Meeting

The main points of the draft CLP report to the mid-term ExCo meeting were approved. There were a few editorial corrections to be made and decisions were made as to what should be included in the Annex to the reports.

- IAPH Position Papers submitted to IMO for the Diplomatic Conference and coverage of the Conference

The position paper had been submitted to IMO on time and should be appended to the CLP Report.

- Additional items to be added to CLP Work Program

It was agreed that the CLP work programme would be dictated by the work of the IMO Legal Committee and other international bodies, notably UNCTAD, UNCITRAL and CMI.

- The Legal Aspects of EDI - UNCITRAL

The Committee accepted the report from Jacques Braems of the Port of Dunkirk relating to the analysis of the model law relating to EDI. It was agreed that Jacques Braems from the Port of Dunkirk would represent IAPH on this subject for meetings held in Europe.



Shipping and Trade News
MONDAY, AUGUST 19, 1996
NEWS EDITION

Oil Profit Through June Tops \$70M

Half-Year Volumes For Asia/N. Eur.-Med Exhibit Strong Growth West, Eastbound

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Report of the 2nd Meeting of the Southern African Ad Hoc Regional Cooperation Group on Safety of Navigation and Marine Environmental Protection (SAGNEP)

The 2nd SAGNEP meeting was held in Silvermine, Cape Town, Republic of South Africa on 29/30 August 1996 under the chairmanship of Cdre N R Guy, RSA. Some 33 persons were present representing Port Authorities of Angola, Kenya, Mauritius, Namibia, Republic of South Africa, Seychelles, Tanzania; officials from relevant Ministries of Angola, Kenya, Madagascar, Namibia, Republic of South Africa; experts from the Hydrographic Offices of France, Mozambique, Portugal, Republic of South Africa, United Kingdom; International Hydrographic Bureau (IHB), International Association of Lighthouse Authorities (IALA) and International Association of Ports and Harbors.

Participation of Zaire and Commoros in Group activities was approved and land-locked States bordering on navigable lakes in the Region were invited to attend as Observers.

At the 1st SAGNEP meeting in November 1995, it was agreed that a Study Team comprising representatives of IHB, IALA, IMO and IAPH should be formed with a mission:

- to make survey visits to several countries of the southern part of Africa and the adjacent Ocean islands for assessing the status of maritime safety related to: hydrography, nautical charting, aids to navigation, diffusion of Maritime Safety Information for GMDSS, Search and Rescue structure and oil pollution prevention;

- to make the relevant authorities aware of the need and requirements of maritime safety and marine environment protection;
- to make recommendations to the relevant Ministries enabling the establishment of a structured Maritime Safety Administration in each country;

- to ascertain procedures required to obtain donor assistance for these countries;

- to ascertain the implementation of the recommendations.

The Study Team visited Kenya and Tanzania during May 1996 and were able to initiate a series of actions for possible adoption by the respective Governments. These included primarily a schematic reorganisation of the tasks of national authorities dealing with maritime safety and marine environment protection; and

the monitoring of the processes of drafting relevant development projects for Government approval and subsequent submission to possible donor countries and organisations.

SAGNEP reviewed the Study Team's report and recommendations the substance of which was conveyed to Member States.

Status reports on activity areas within SAGNEP's remit were then provided by representatives of Kenya, Tanzania, Mozambique, South Africa, Namibia, Angola, Madagascar, Mauritius and Seychelles.

From a port standpoint there is an evident need to acknowledge the significant relevance of the ship/port interface to the well being of national economies. International pressures, which are becoming increasingly environment-related, demand adherence to adequate standards in the provision of necessary infrastructure the costs of which may be such that regional solutions to many of the problems to be faced may become more and more attractive.

SAGNEP next discussed aspects of oil pollution response contingency planning, capabilities and cooperation within the region in respect of training, facilities, search and rescue, and port state control requirements.

Every encouragement was given to the need for Member States to become directly involved in both the development and operation of Regional Response Centres and the establishment of national and regional contingency plans.

Opportunities are available to the Region's ports to carry out their own assessment of their actual and potential input to national and regional requirements. They are able to compare their respective situations at meetings of the Port Management Associations of East and Southern Africa (PMAESA) and West and Central Africa (PMAWCA) and come to conclusions as to the most beneficial support programmes to be adopted.

Study Group visits to Angola and Madagascar before the end of June 1997 will be coordinated by SAGNEP's Chairman in collaboration with IMO. The Chairman will also ensure that relevant documentation on all outstanding matters will be circulated to SAGNEP members in due time to allow for their effective consideration at the next Group meeting to be held probably during May 1998.



Cdre N R Guy (third from left) chairs the meeting.



Kenya delegation under leadership of Mr. Githendu, Deputy Secretary for Maritime Affairs.



20TH IAPH WORLD PORTS CONFERENCE

Hosted by the Port of London Authority • 31 May to 6 June 1997

Meet your host — the Port of London Authority (PLA)

Unlike many Harbor Authorities, the PLA is probably unique among the league of major international ports, not least because it is not directly involved in the handling of cargo. The Port of London Authority is fully privatised, with all cargo handling activities undertaken by independent terminal operators, including the Port of Tilbury which lies within the boundaries of London.

The 150 km tidal stretch of the River Thames which comes under the jurisdiction of the PLA also differs from many other ports, in as much that there are three very different environments. The landward limit is set among the rural tranquillity of fields and watermeadows and is the domain of the leisure user. The middle section, passing as it does through the centre of the Capital itself, combines leisure, tourism and commercial activities; while to the seaward limits the Thames becomes the typical industrialised river serving cargo wharves, docks and riverside industrial complexes.

Established in 1908, the PLA's is a self-financing Public Trust which receives no public funding. It is required to "administer, preserve and improve the Port of London" and today, its main responsibility is to ensure freedom of safe navigation along the tidal section of the Thames and to undertake the generic global marketing of the Port as the UK's premier entry point.

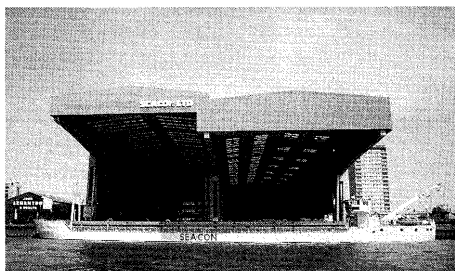
Facts & Figures

The Port of London Authority

- is responsible for 150 km of tidal Thames between the Estuary and Teddington.
- is responsible for safety of navigation, licensing structures and mooring places in the river and oil pollution matters.



London tourist sightseeing boat leaving Tower Pier



Specialised steel handling terminal



South African shipping line, Safmarine operates container shipping service between South Africa and Europe within the SAECs consortium. Overleaf, one of the line's four 2450TEU container ships, **SA Waterberg**, is shown berthing at Safmarine's UK port of call, Tilbury Container Services.



Cargo vessel passing through Thames Banner

- promotes the river and assists others in maximising its many uses.
- provides 24 hour launch patrol in the lower and middle sections of the river; 12 hours in the upper reaches.
- is a partner in the Cross River Partnership, the Pool of London Partnership and the Tower Environs Scheme, and all created to support London's regeneration.
- leads the Thames Estuary Management Plan steering group, seeking to strike a proper balance between the competing requirements on the river from trade, conservation, recreation and other activities.
- participates with central Government, advisory bodies, regional and local authorities to secure the best interest of the Thames in the regional and local planning framework.

The Port

- is the largest port in the United Kingdom, handling over 51 million tonnes of cargo each year.
- handles more than 27,000 vessel movements each year.
- comprises 84 operational wharves and terminals.
- this year (1996) will accommodate cruise ships for a total of 70 days at the two main terminals, Tilbury (29) and in the upper Pool of London (41).
- has seen over \$150 million in capital investment over the past three years.

The River Thames

- has a tidal range of up to 7 metres and flows at a speed of 3 knots, about 100 metres a minutes.
- carries more than 2 million visitors on pleasure boats each year.
- has 24 passenger piers; 6 Marinas; 55 rowing, sailing and canoe clubs; and 8 watersport centres.
- is crossed by 28 road and rail bridges.
- supports 11 sites of special scientific interest.

Visitors

On the morning of 6 September Mr. Ron Brinson, President & CEO of the Port of New Orleans, accompanied by Mr. Hiroyuki Matsumoto, the Port's Far East Director in Tokyo, visited the Head Office. They were welcomed by Deputy Secretary General Kondoh and Under Secretary Takeda, in the absence of Secretary General Kusaka (who was away in Kobe for a meeting).



Mr. Brinson (center, seated) and Mr. Matsumoto (standing) at the IAPH Head Office in Nishi-Shimbashi

Mr. Brinson was briefed on the latest situation concerning the Association's membership and finances as he had been unable to attend the recent gatherings of IAPH due to unavoidable prior

commitments in New Orleans. Nevertheless, he was confident of being able to give his full support to the work of IAPH, and was looking forward to joining his IAPH friends at the London Conference next year.

Mr. Brinson was visiting Tokyo at the head of a nine-member trade mission from New Orleans. On the evening of 5 September, a reception was held in a Tokyo hotel by the Port of New Orleans mission, with some 150 guests from Japanese shipping and trading businesses and from shipping journals. From IAPH, R. Kondoh and K. Takeda participated. At the reception and press conference, the guests were impressed by the presentation made by Mr. Brinson and top officials of the newly-formed company TTO (Transocean Terminal Operators Inc.), the result of the merger of TTO and Cooper/T Smith, New Orleans' two



Mr. Brinson (center) is flanked by Mr. Martinez (left), President, and Mr. Cooper, Jr., Chairman of TTO at a reception in Tokyo

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major stevedoring companies. Mr. Richard Martinez, President, and Mr. Angust Cooper, Jr., Chairman, stressed to the audience that TTO was now in a position to offer enhanced services to its customers.

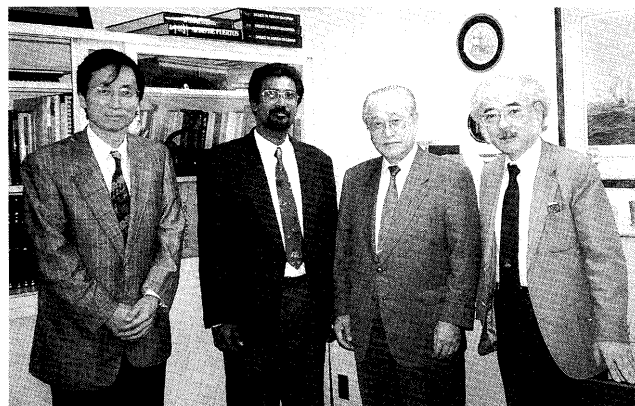
On 19 September Mr. Lim Han Boon, Financial Controller, Klang Container Terminal, Kelang, Malaysia, visited the Head Office to meet with Mr. R. Kondoh to exchange views on the current situation of port-related businesses. In Tokyo, on 18 September, he visited Tokyo Port Terminal Public Corporation,



Mr. Lim, second from right, during his visit to the Ohi Container Terminal

where he was received by Mr. M. Koike, Director of Construction. On his field visit to the Ohi Container Terminal complex, he visited NYK's Ohi Terminal Office, where he was received by Mr. T. Inoue, Manager. On the same day, he made a harbor inspection tour on board the "Shin-Tokyo Maru", the Port's official launch. He further made an inspection of the Tokyo Waterfront Sub-Center, the site of a large-scaled development site, by taking the rapid transit system known as "Yurikamome - Seagull", which connects the development site with the central Tokyo. In Yokohama, on 19 September, he visited the Port of Yokohama, where he was received by Mr. K. Watanabe, Manager, Port Promotion International Cargo Centers, known as Y-CC, a newly-opened multi-purpose warehouse with floor space of 300,000 m², where he was received by Mr. T. Takumi, General Manager.

On 16 September Mr. Agil Hewagaengana, Engineer (Planning, Research and Development), Sri Lanka Ports Authority, visited the Head Office to meet with Secretary General Kusaka and his senior staffers. He was visiting Japan on a two-week research trip to inspect the current situation of port development projects in Tokyo, Yokohama, Osaka, Otaru and Onahama.



From left: Mr. Sumio Suzuki, senior staffer of OCPI, Mr. Hewagaengana, Mr. Kusaka, and Mr. Kondoh

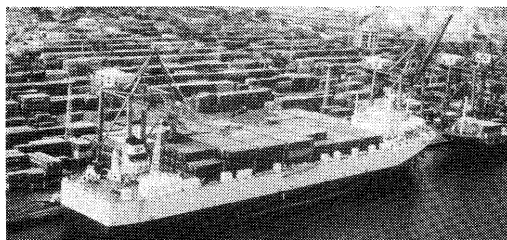
Correction

On page 5 of the September issue of this journal listing 13 sponsors for the IAPH publication entitled "The Future Role of Ports in Combined Transport and Distribution Centres", the **Maritime and Port Authority of Singapore** was erroneously presented as Marine and Port Authority of Singapore. We apologize to the MPA for this error and again list the sponsors for the publication, which will be completed by the IAPH Committee on Combined Transport and Distribution in the near future.

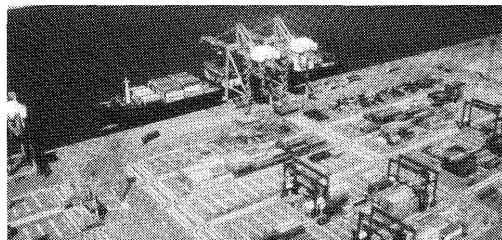
An updated list of the sponsors (each pledging US\$1,000) is as follows:

1. Commercial Port of Vladivostok, Russia
2. Maritime and Port Authority of Singapore, Singapore
3. Port of Houston Authority, USA
4. Nagoya Port Authority, Japan
5. Kelang Container Terminal BHD, Malaysia
6. Port of Montreal, Canada
7. Sri Lanka Ports Authority, Sri Lanka
8. Port of Göteborg AB, Sweden
9. ENAPOR (Empresa Nacional Adm. Portos), Cape Verde
10. Bintulu Port SDN BHD, Malaysia
11. Port Management of Amsterdam, the Netherlands
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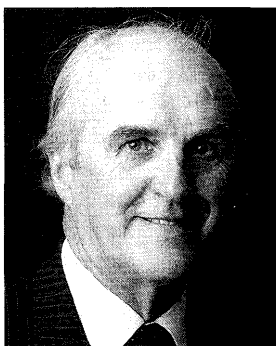
OPEN FORUM

Some Factors Currently Influencing Port Developments in IAPH's Europe/Africa Region

by Mr Alex J Smith

IAPH Representative in Europe

(Presentations at the 9th IAPH Japan Seminar held on 8 October 1996 in Tokyo)



An Introductory Remark

In a real sense, the tone of this paper is set by a paradox. At a time when the nations of Europe/Africa like those of most of the world's regions appear to be taking all necessary steps to apply the principles of the market economy in their domestic development programmes, their external trading relations reflect a tightening of the controls usually associated with what is sometimes referred to as "dirigisme", a policy of centralised control and direction. This is particularly relevant to their international maritime trading activities.

There is no mystery as to why this situation has become apparent. The world these days seems to be a much smaller place. The impact of local/regional developments can be quickly felt elsewhere. Global commitments by the world's nations as respects their economic and environmental concerns can really only be met by the firm application of internationally agreed codes of conduct.

Effectively therefore the market forces to which ports in the Region have to relate and respond at local level, are having to live and we would hope to survive in the ever-increasing shadow of regional and/or international rules of conduct initiated by governments or trading alliances as the case may be.

This is an uneasy relationship to which the Region's ports must adjust. I am pleased to note that they are showing every indication that they are doing so and to good effect.

Container Line Operations and Developments

Though some major disagreements remain to be resolved between the G7 group of nations, decisions taken at their July 1996 meeting boosted the World Trade Organisation and enhanced maritime trading prospects. A projected 3% average growth rate in the world economy is clearly good news for the maritime transport industry generally and ports in particular. But not necessarily to all ports evenly.

It is now 40 years since the advent of containerisation as we now understand that term. According to Containerisation International there are currently some 5978 ships in operation carrying a total of 4.4 million TEUs. By 1998 another 393 ships are expected to enter the trade with a capacity of 770,000 TEUs. More than 95% of all ocean liner cargo is now carried in container ships.

1996 should see a 16% increase in container trading capacity

on major East/West routes with demand growth levels projected to increase by only 7% annually. The demand shortfall will exaggerate existing over-supply. Drops in utilisation of existing capacity will squeeze profit margins.

We are seeing Vessel Sharing Agreements where the companies involved are allowed to use the same ships in their trans-Atlantic operations. These obviously decrease the number of ships in use and almost inevitably provides an encouragement to the Agreements' partners to use the same ports and terminals.

In variants of the theme, increased competition ahead of the arrival of 5000 TEU ships has led to partnership agreements which have resulted in changing sailing schedules and a reduction in the number of base ports in each continent to ensure a reduction in transit times and therefore costs.

These alliances are now well established on Europe/Far East routes. The likelihood of 2 or 3 European ports serving the mega-carriers which are now in evidence rather than the previous 5 or 6 is fast becoming a fact of life.

The competition to be the designated ports of this or that alliance is fierce. Port infrastructures are therefore very important indeed when it comes down to port selection in this lucrative field of intermodality bridging Western to Eastern and Northern to Southern Europe. Much depends on their geographical location, their identification with traffic patterns and their having services and facilities available at acceptable prices.

Various strategies are therefore deployed by the Region's ports to promote their case for selection as the ports of choice. Ports may contemplate inter-port co-operation, for example to maximise their returns and co-ordinate the direction of very necessary and expensive capital investment programmes. The Seine Interports Commission in France is a good example of such co-operation.

Links with Trans-European Transport Networks are also seen as a considerable boost to possible success, with access to the East European hinterland seen as an obvious attraction. It is in that activity area however where the waters become opaque and allegations of unfair competition invariably linked with state subsidies and pricing differentials become all too frequent.

The strategic aspirations of the countries concerned serve to focus the channelling of quite heavy investment programmes into those transport modes, ports and other entities in the transport chain which are seen as being best placed to achieve specific objectives. The inclusion of significant levels of private sector capital funding in these investment programmes detracts in no way from allegations of competitive distortions.

Container lines and their selected hub ports are of course synonymous with intermodal transport. They do not however represent the whole picture. While it is a fact that selection as a hub port virtually guarantees very large financial and business rewards, these also spin off to the container transshipment trades growth levels of which are generally satisfactory in the Region at the present time.

Decisions taken by the major Container line alliances are central to the development of container transshipment facilities but not exclusively so. The availability of industrial storage facilities at potential transshipment ports coupled with adequate stacking areas, quay space, suitable channel depths and political acceptability are all influential factors in the decision taking process. These also have to be set alongside what may be the most important factor of them all namely the determination of the port itself to succeed in these respects with help from sponsoring organisations not excluding its Government.

In the event, the effect of these various considerations on decision taking processes has not been consistent throughout the Region. That is entirely understandable in the light of national and as may be appropriate regional priorities and circumstances. It may therefore be of interest to refer to some container related port developments in the Region if only to highlight the issues to which specific attention has been given by the parties concerned in arriving at their decisions.

Aspects of the Situation in North West Europe

In so far as container lines select their favoured ports after due regard to an acceptable balance of facilities and services, price and geographic location with the hinterland and market area of Eastern Europe very much in mind, it would seem that the ports of North West Europe almost spoil them for choice.

It is certain at this time that even well established hub ports cannot presume that their pre-eminence in the intermodal chain will continue indefinitely. They therefore make no such assumptions. The reality in fact is that such ports maintain and look to improve their competitive positions because they are ever willing to try to anticipate and provide for the needs of present and potential customers. In these respects for example the Port of Rotterdam currently controlling well over 50% of the area's port-related intermodal activity will be in no mood to tolerate a decrease in that position.

Such determination, widespread that it is, imposes its own stresses and strains. These are compounded by the expressed determination of the European Commission to provide a level playing field in which the players, in this case the ports, will transparently and in the best competitive spirit take all the steps necessary to secure their positions as hub-transshipment ports in the knowledge that to do so could turn out to be very costly indeed.

Such a situation is frankly not realistic.

On the one hand we should note that the European Commission has its own agenda in these respects. It is currently looking for ways to build up a knowledge of both current and potential traffic flows, and how these might be handled by the area's ports in particular circumstances having regard to their respective locations and types and volumes of traffic which they normally handle.

We should also note that last July the European Union agreed the legal framework which allows the European Commission to provide funds towards the cost of feasibility studies of requisite port developments.

The European Commission's actions are important in the context of its consideration of the possibility that the integration of Eastern European nations within the European Union will give rise to capacity problems after much needed investment has taken place in the development of Trans-European Networks and associated ports. No difficulty is expected by the way in providing the funding necessary for these projects.

Much as it might like to be in a position to do so it is very unlikely in the foreseeable future that the European Commission will find itself in a position to be able to decide on the allocation

of resources or funds for port development programmes.

On the other hand, the major ports of North West Europe are themselves intent on putting into position the infrastructure which they believe to be necessary to secure their places in the highly competitive intermodal environment. All possible steps are being taken to enhance their road and rail connections, inland water transport links in so far as these are seen to be an asset and warehousing facilities to a level calculated to meet perceived demand.

There are also moves to provide or develop add-on business activity at these ports central to which are efforts to attract manufacturing and related distribution activities to their designated and purpose-built sites often in competition with similar facilities more usually located at inland centres.

Such efforts are strongly identified with the Le Havre-Hamburg range of ports with Rotterdam's Distripark providing a good example.

Private sector capital will almost certainly be a primary source of funding for these investments coupled with whatever inducements or incentives are made available by the ports themselves or their respective Governments. The concept of public funding of basic port infrastructure, for example, remains strong in France which is currently promoting Port 2000, a prime hub port, for location at Le Havre, or Antifer or at a new site on the Seine estuary.

Aspects of the Situation in Southern Africa

With the lifting of sanctions against the Republic of South Africa the effective and efficient internationalisation of the country's economy is both a major pre-occupation and concern. President Mandela has already stated that the process should be driven by market economics. To be effective in that regard it will be necessary for the country to take full account of the pressures and demands of international competition in which sometimes quite radical changes of direction would need to take place in a climate of great political sensitivity.

Similar expressions of intent have been voiced in other Southern Africa States.

The area's international trading requirements generally, point to the need for a fully integrated intermodal transport system from and to the ship/port interface at one or two hub and transshipment container ports. The ports of Portnet, the Port Authority of the Republic of South Africa are at the sharp edge of these requirements and are just about coping with present traffic volumes.

Inevitably, however, there will be early demands for additional facilities to cope with anticipated significant increases in trade volumes and changing traffic patterns with a particular emphasis on the needs of containerisation. Bigger budgets will soon need to be allocated for necessary port developments.

The questions to be answered in the event will be to which ports and on what criteria given Government's stated wish to include aspects of privatisation in its port development plans.

What is certain is that speedy decisions will need to be made for early implementation if major congestion problems are to be avoided.

A recent capital expenditure breakdown issued by Portnet for its main ports pointed to Durban as the Southern African container port likely to benefit most from a major expansion programme. In so far as that would have been the result of a strictly strategic business decision there is a strong possibility that the decision may be set aside in favour of other criteria linked with the provision of support to ports in areas of severe economic depression.

In any event the confusion which results from uncertainty will distract attention from the opportunities open to Portnet to become the focal hub port force in the Southern African area.

Some Aspects of the Situation in the Mediterranean Sea Area

Container transshipment operations affecting ports in the Mediterranean Sea Area are undergoing rapid changes. Predicted growth rates for traffic served by the Far Eastern/Europe liner alliances are at high levels. Even so, liner overcapacity has led to lower deep-sea freight rates which make specific calls to a wide range of hub ports uneconomic. Cuts in the number of calls have become inevitable. Inter-port competition to become the favoured hub port of the Alliances has become acute. The strong positions held by older and well established ports in the area are under threat.

Transshipment port operations are built on impressive capital investment programmes. In a competitive environment such expenditures may well be speculative and incurred without the cushion of certainty provided by contracts to use. There are evident risks in developing the necessary land space with skilled labour forces operating state of the art equipment.

Decisions to use ports have of course to be made by container line alliance partners. They will continue however to be influenced by local circumstances in which good labour relations will feature strongly. Political stability is also a great advantage in this highly volatile area. Transshipment centres located at Gioia Tauro, Malta and Algeciras are highly regarded by the alliances at the present time. It will be of particular interest to see the extent to which that situation changes as and when the Governments of Spain and Portugal redefine the investment responsibilities of their respective ports subsequent to recent changes of both Governments.

Shipping Developments Generally

Container transshipment operations though very important are by no means the whole of the Region's port development story. Traffic in general cargo continues to be generally buoyant notwithstanding the knock-on effects of a slow movement from recession and a cold winter. Specialist trades in timber, iron and steel products continue to need specific shipping services just as dry bulk cargoes point to a need for multi-purpose terminals and, as may be the case, services for self-unloading ships.

In fact a lot of scope exists for the Region's ports to develop niche operations and opportunities. That is recognised by the ports which are becoming much more assertive in their search for business opportunities.

With the expansion of leisure activities, cruise ports and dedicated terminal facilities have assumed an increasing significance for ports generally and, in particular, for those located within the Region's more equable temperature zones. 18 ports from 7 Mediterranean States recently met in Rome to form the Valetta (Malta)-based Mediterranean Cruise Ports Association to take advantage of and build on the opportunities offered by the doubling of cruise liner berth requirements in the area between 1991 and 1996.

What may not have been so obvious in these respects are the opportunities which cruising has opened up in the North West European area. It is interesting to note in that regard that a North European Cruise Ports Association exists within which the top port Dover has attracted 108 berth bookings for 1997 thus far.

Taking advantage of available opportunities requires a ready access to investment facilities amongst other things and specific skills in keeping risk factors at low levels. That is easier said than done when large scale port developments have to be put in hand particularly where the major influencing factor is something beyond the ports' control.

Take for example port development problems arising from the presence and operation of the Channel Tunnel.

The Tunnel has not only taken traffic from nearby Channel ports in the UK but has also generated new passenger and freight traffic on its own account. That situation has impacted on other UK ports with access to Freight liner services. Continuing uncertainty as to the Tunnel's pricing policy makes it very difficult to assess future roles for the respective parties operating within this area of traffic opportunity. In the meantime however the ports in question must contend with and in the event put facilities and services in place to meet the present and anticipated requirements of ferry operators using jumbo and fast ferries always assuming of course that these developments fit in with their assessments of future freight and passenger traffic movements within their own strategic development plans.

Ro-ro shipping movements were always important within the Region and continue to be so. More recently however we are seeing an expansion of inter-port short sea connections. Within the Baltic and Irish Sea areas in particular talk is of making better use of heavy duty ro-ro ships in the creation of landbridges as has been proposed, for example, between Karlskrona in Sweden and Gdynia in Poland to link Scandinavia with Southern Europe.

The future of such proposals will be dependant on the availability of suitable investment funds. Though private capital sources are available within the Region and will no doubt be drawn on for specific projects, major efforts of development involving ports will depend largely on the extent to which doors are open at institutions such as the European Investment Bank, the European Bank for Reconstruction and Development and to an extent the World Bank. A key player in opening these doors and keeping them open is the European Commission, the functional organisation of the European Union.

European Union (European Commission)

The Member States of the European Union, acting collectively, exert a massive influence on the trading situation within the Union's boundaries and beyond or have the potential so to do.

Trading entails traffic movement using a range of transport modes with the maritime transport mode predominant. With ports at the land/sea interface it is obvious that they are of generic importance to the European Union and that their continued well-being will always be a priority item on the EU's agendas. Determination of an individual port's standing within the EU's list of priorities is a different matter altogether.

A specific port's capacity for sustainable development will very much depend on politico-strategic considerations decided upon from time to time by the EU's ruling body under the influence of national governmental representations and advice given by the European Commission.

From a port's standpoint, the need to be watchful of events and circumstances which have either been initiated by or are likely to have a potential impact on the European Union is self-evident.

The impact of the European Union on the Region's port development programmes is becoming more widespread. A number of ports in some of the countries participating in the Lomé Convention – which encourages strong mutually supportive links between Africa and Europe – have already received grant aid for capacity building projects. So far as Northern Europe is concerned the European Commission's 4th Framework Programme is currently funding research and development work on improved cargo handling techniques and efficiency in ports as well as providing cheaper and more efficient methods of channel monitoring and maintenance in the interests of safety of navigation particularly so far as small and medium sized ports are concerned.

The main thrust of relevant European Union activity however is centred on so-called Trans European Networks.

These Networks for which legislation was incorporated in the

Union's

Maastricht Treaty, are intended to reduce congestion and ease trading flows between western and eastern Europe. They will concentrate on upgrading and initiating as may be necessary, national and international infrastructure projects within the rail, road and inland water transport sectors mainly in eastern areas. Massive funding will be required. It will not therefore be surprising to learn that certain assurances will have to be provided to potential lenders.

In that regard, the European Union's Commissioner for Transport, Mr Neil Kinnock, has stated "The Community's role in all this is to enable development by providing shared funding for feasibility studies, interest rate subsidies and loan guarantees for agreed projects". About 2.8 million ECU is being spent on developing 14 priority projects the final cost of which will be in the order of 92 billion ECU.

The preferred method of funding such large expenditures is through public/private partnerships with the European Union in the role of a facilitator.

There will certainly be a spin-off from these expenditures into more and more port development projects which generally speaking have been low on the priority lists of Eastern European countries.

The Region's port managements are necessarily becoming more alert to these European Union initiatives. They will rightfully expect that their professional expertise entitles them to have the opportunity to make positive, realistic and informed contributions at the earliest possible stage to the EU's decision-taking processes. They will particularly want to ensure that their local or national interests and/or concerns, or perhaps those of the Region's port industry more generally are taken fully into account before final decisions are taken. Such thinking is realistic and tenable.

In the competitive world outside of the European Union of which I have spoken thus far, the factors which have or will have an influence on port developments are largely beyond the control of ports. Ports necessarily have to react to these individually. If their powers of persuasion with their respective national governments are strong enough they may also be able to convince them of the importance of their strategic role in their nation's economy with a view to enlisting the Governments' support in persuading the shipping alliances to look favourably in their direction when deciding on ship calls.

Matters are quite different however in the context of the European Union. Where matters in which the EU is engaged have or are likely to have an affect on the Region's ports we can expect that port managements will adopt a much more positive posture. In so far as they would want to do so from a collective standpoint they have the opportunity to do so through their membership of or association with the European Sea Ports Organisation.

European Sea Ports Organisation (ESPO)

ESPO was established in 1993 primarily with the blessing and positive encouragement of the European Union. Its initial aim was to ensure that the generality of member port problems and concerns could be considered collectively only in so far as these could be put in the context of the treaties establishing the Union. In the last 3 years however ESPO has become much more positive and forceful in representing the interests of Europe's ports.

ESPO's membership which comprises almost all the ports of Europe and Scandinavia, is committed to being both proactive and reactive to the build-up of port-related pan-European legislation, or developments.

So far as the European Union and the European Commission are concerned ESPO provides an opportunity to access the collec-

tive wisdom of the Union's port transport industry which, as I have said earlier in this presentation is seen as an important and integral element of the vital maritime transport chain on which the success of current and future trading prospects so much depends. Importantly, officials of the European Union now know that ESPO can deliver informed opinion on all port-related topics which they are likely to address.

The success or failure of ESPO's representations in these regards will at some point or other impact on the port development situation. In this paper therefore I have taken a brief look at some of the significant issues with which ESPO has recently been involved.

ESPO has been invited by the European Commission to participate in key Task Forces dealing respectively with Maritime Transport and Intermodal Transport. Amongst other things these Task Forces define matters to be included for research and technological development within the so-called 4th Framework Programme which runs from 1994 to 1999 and the following 5th Framework Programme. Bearing in mind my earlier remarks on Commissioner Kinnock's views on funding of major investment in Trans-European Networks, ESPO's advice to the Task Forces will be of particular importance to port developments in North, South, East and West Europe. ESPO will most likely want to ensure that decisions taken by the Task Forces and ultimately the European Commission though almost certainly politically motivated in the first instance, will nevertheless adequately reflect the commercial needs of ports within a transparently competitive situation.

ESPO has generally supported the European Commission's pronouncements in favour of enhanced development of short sea shipping both from the standpoint of mitigating environmental concerns as regards the expansion of the numbers of heavy goods vehicles on Europe's roads and as a counter to concerns that the traditional and important contribution to the area's maritime trade made by short sea shipping may be inhibited by unfair price benefits given to other traffic modes.

ESPO's member ports will want to ensure that they are given every opportunity to participate in an enhanced short sea shipping regime should they wish to do so. That possibility would suggest that the ports in question should be enabled to have access to low interest loans, if need be, to facilitate the development of such infrastructure as might be necessary to meet traffic demands such as improved port facilities and cargo-handling techniques more appropriate to the improvements in shipping which are likely to be put in place.

Port developments need not always refer to capital investment plans. It is a fact of life with which we in Europe must live that the European Union wishes to place itself in the forefront of nations which are always looking to achieve an ever higher level of maritime safety and marine environmental protection. Such improvements do not come without attendant costs. ESPO has therefore found it both expedient and necessary to carry out detailed examinations of all relevant European Commission proposals and make representations to ensure that port interests are safe guarded. Most importantly ESPO will also want to ensure that cost recovery regimes to be applied by Member States in respect of these proposals do not distort competition between ports or for that matter between different transport modes.

In these respects ESPO has addressed proposals from the European Commission for enhancing aids to navigation in the seas and port areas of Member States; a European Union maritime pilotage study; aspects of a Directive on Port State Control; and Dangerous Goods Vessel Reporting Systems.

Each of these subjects carries the potential for some form of

legislation if the European Commission were so minded, and felt it had sufficient political support to bring it to fruition. The Region's ports however are firmly of the view that the world coverage of international maritime trade should preclude the enactment of regionally applicable legislation on the grounds amongst others that competitive balances between regions would be endangered. ESPO has therefore made it very clear to the European Commission that the development of international maritime legislation on safety and marine environment protection matters is primarily the prerogative of the International Maritime Organisation (IMO).

It is my personal view that ESPO is content to leave these matters to be dealt with by IMO because IAPH has consultative status with that body and is therefore best placed to correlate and promote an international port viewpoint on this or that port-related issue. ESPO being a member of IAPH and with very close links to and involvement in IAPH Committee activity can and does contribute much to the evolution of IAPH viewpoints and policies.

A brief look at safety and marine environment protection issues under current examination by IMO will point to the direction in which some port developments are very likely to go in the not too distant future.

International Maritime Organisation (IMO) Maritime Safety

The emphasis these days is on the need to develop a safety culture in all maritime activities which will have regard to the people and technology most directly involved. The European Parliament at its session on 1 February 1996 resolved to put flesh on that intention by asking the European Commission to look at ways and means of eliminating sub-standard shipping and crews from European waters. Mention was specifically made of the enhancement of Port State Control measures generally and the safety of ferries, passenger and cargo vessels in particular.

The 3rd International Summit on Safety at Sea held in Oslo, Norway on 14/15 May 1996 reiterated the European Commission's views and placed emphasis on the need for early implementation of IMO's Codes and standards.

Port operations will necessarily have to take account of these resolutions and injunctions. More specifically and in the near future they will have to take account of a range of safe practices and procedures adopted by IMO, or soon to be, on safe loading and unloading of dry bulk carriers; securing of cargoes more generally; IMO's recommendations on the safe transport of dangerous cargoes and related activities in port areas; guidelines on vessel traffic systems and their harmonisation with the requirements of the SOLAS Convention; the adequacy of the availability of tug assistance in port waters; and the development of provisions covering the training of maritime pilots and VTS personnel.

Marine Environment Protection

Ports in the Europe/Africa Region do not like the possibility of seeing marine environment protection issues devolve into a fragmented free-for-all in which local or regional legislation seeks to impose an interpretation of rules and standards which properly should have been agreed within IMO for implementation globally. Past experiences in the Region has shown that approach to be inadequate, inefficient and likely to give rise to competitive distortions.

There is further justification for that dislike in so far as their respective Governments have invariably been more severe with the strictures they have imposed on ports and their operations ahead of the requirements placed on the generality of ports elsewhere.

In so far as the cost of protective measures can be high, and unacceptably so when their justification is considered by ports to be unreasonable, it is small wonder that the Region's ports examine all marine environment protection measures proposed to and by IMO with great care and attention. That attention at the present time is centred on aspects of the prevention of air pollution from ships; the provisions of reception facilities for ships' wastes as required by the MARPOL Convention and including waste management planning more generally; ballast water management; and anti-marine pollution preparedness and response.

Concluding Remarks

Against a background of changes in ship design, cargo-handling technology and techniques and a growing public perception of a need for maritime safety and marine environment protection, the scope available to the Region's ports to respond is under constraint. They can no longer deal with local development situations in isolation. More often than not the parameters and directions of changes needed in the organisation and structure of ports are set by external factors which ports must accept and to which Governments, in so far as they are in a position to influence events, need to be sensitive.

More often than not these days lip service at the very least is paid by Governments to the need to adopt the principles of market economics as respects development generally. When thinking of port developments in particular the concept of privatisation is usually given early consideration because of a belief that it will facilitate the sharpening of a competitive edge with productivity increases and perhaps tariff reductions amongst other things.

We are becoming increasingly aware however of the possibility that deep-seated problems will begin to surface when questions of port privatisation must have regard to cross-sectoral activities. Governments' decision-taking processes become much more complex.

The Region's ports do need to change to respond to new opportunities and/or concerns which will affect their development. Privatisation as a form of change in which restructuring takes place in a single step, as experienced in the UK, is not now regarded with any favour. Staging is gaining approval as for example with the ports of Eilat, Ashdod and Haifa in Israel. Firstly it will apply to port operating services with private companies handling the loading and unloading of ships; then abolition of port authorities which will become independent companies in competition with each other on tariffs and quality of service; then selling these companies to private investors who may or may not be Israeli but who could form part of a consortium or indeed be concessionaires as is now taking place in Panama.

Where productivity increases and greater efficiency have been linked to reductions in the size of a labour force hardening attitudes can be expected with labour disputes, possible strikes and even political unacceptability as is presently the case with the ports of the Republic of South Africa.

Questions as to the hidden agendas of the buzz words "efficiency" and "profitability" need to be addressed with some expectation that generally fair and equitable solutions can be achieved.

My personal view is that in the longer term a system of joint ventures is more likely to be generally acceptable for the scale of port development which can be anticipated in the Region.

Review of Developments in Infrastructure: Seaport Sector in the ESCAP Region

(Extracts from the documents : E/ESCAP/SGO/MCI/1)

BACKGROUND

In recognition of the vital role played by infrastructure in social and economic development in the region, the Commission decided at its forty-ninth session, held in Bangkok in April 1993 that the theme for its fiftieth session would be "Infrastructure development as key to economic growth and regional economic cooperation" and directed the ESCAP secretariat to undertake a study on that topic.

The secretariat reported the findings of its study in a publication presented to the Commission at its fiftieth session. The study noted that along with macroeconomic stability and a long-term development strategy, the provision of adequate infrastructure was one of the necessary conditions for sustainable economic and social development. However, many aspects of local infrastructure performance were indicative of inadequate facilities.

The objectives of the present paper are to review the progress made within the region towards improving the position of infrastructure subsequent to the 1994 theme study, to identify factors and issues influencing infrastructure development in the region, and to provide delegations with the opportunity to share recent developments in the field of infrastructure in their country.

Seaports

1. Seaport development requirements

The ESCAP 1994 theme study recognized that strong container traffic growth over the five years ending 1993 in the subregion's ports (South Asia 12.9 per cent per annum, ASEAN 17.3 per cent and East Asia 11.3 per cent) would continue, driven by robust regional economic growth and increased containerization of general cargo.

Based on forecasts of port container throughput and known bulk cargo projects, it was estimated that port developments in the region up to 2000 would require an investment of US\$ 25.5 billion.

2. Seaport development progress

While it is difficult to quantify the recent extent of port development in the region, most countries of the region have recognized the critical role deep water ports play in trade facilitation and have moved, with varying degrees of success, to address inadequacies in this area of infrastructure.

Hong Kong and Singapore, the two largest ports in the world, lead in development activity. Hong Kong will double its capacity with the construction of 17 berths on Lantau Island. Singapore has recently lifted its capacity by 3 million twenty-foot equivalent units (TEUs) to 16 million TEUs and has another 26 container berths already planned at a cost of US\$ 5 billion with the first five to be operational in 1998.

China, with average annual growth in container traffic in excess of 30 per cent since 1990 and facing demand for improved bulk-handling facilities for commodities such as coal and iron ore, has completed a five-year port plan providing an additional 160 berths, including 85 deep water berths. China is planning to add a further 12.6 million TEUs to Chinese port capacity by 2000.

Other countries, such as Malaysia, Indonesia, and Pakistan are not just expanding ports but building new ports. The new private Malaysian Lumut Port, situated between Penang and Klang

opened in July 1995. It will handle container traffic and dry and liquid bulk cargoes. Development has begun in Indonesia on a new bulk port at Serang, which will cover 3,000 acres and cost US\$ 500 million. Pakistan has plans for two new ports at Gwadar (dry and liquid bulk) and Ketu Bundar (general cargo and oil), both of which are to be built on a BOT or BOO basis under an initial 50-year lease. Pakistan expects phase one of the Gwadar project to cost US\$ 1.5 billion and achieve a rate of return of 21 per cent over 20 years.

Even least developed countries are improving their ports. In Bangladesh a US\$ 102 million project for the construction of two multipurpose berths will be completed in 1995/96 providing capacity for 190,000 TEUs per year. In Cambodia a port upgrade scheme is due for completion by the end of 1996.

3. Seaport development: features and issues

A feature of port development in the region is the variation in port planning approaches. Singapore and Hong Kong are proactive in planning and initiate new capacity development on the basis of demand projections. Other countries of the region are demand reactive and often find themselves in a game of capacity chasing demand with congested ports struggling to handle volumes of cargo for which they were never designed.

Caught up in the dynamic pace of China's trade growth the Republic of Korea port of Pusan, with a capacity of 3 million TEUs, handled 3.85 million TEUs in 1994 (28 per cent above its capacity) and was expected to handle 4.50 million TEUs in 1995 (50 per cent above its capacity), with no sign of a slowdown in demand in sight. Development plans will add extra capacity of 1.2 million TEU per annum in Pusan and four extra berths in Kwang Yang from 1997. Extra capacity will also be ready in Kwang Yang in 2001 (1.44 million TEU per annum) and 2006 (0.96 million TEU per annum). However these developments are unlikely to keep pace with demand.

Another port experiencing difficulties is Tanjung Priok in Indonesia. Average growth of over 18 per cent per year since 1990 has led to load/discharge delays and port congestion. Compounding factors are inefficient cranes (only two of the port's six are reliable) and low handling rates (15 TEUs per hour). A planned third terminal will increase capacity to 2.5 million TEUs by 1999, by which time demand is forecast to exceed 3.6 million TEUs.

It is important that development of individual ports takes place within an overall national strategic framework for port development. The view has been expressed that China will soon have port overcapacity as a result of ports being developed by local administrations with little thought to regional integration. It was estimated that China's port capacity utilization would drop from 77 per cent in 1993 to 32 per cent by the year 2000, with a surplus of feeder ports and a shortage of deep-sea ports.

Funding for port development is coming from a range of sources, including central governments, multilateral institutions and the private sector. India has nominated 34 port projects for private sector participation, requiring total investment of over US\$ 3.8 billion and it is offering investment incentives.

International Maritime Information

WORLD PORT NEWS

Value of Property Salvaged Highest in 18 Years: ISU

New figures show that member companies of the International Salvage Union (ISU) salvaged ships and cargoes valued at a record US\$1.74 billion in 1995. Pollution threats featured in many of the marine emergencies requiring salvage intervention last year. In return for salvage services, the ISU members received rewards amounting to just under five per cent of total salvaged property value.

The 1995 salvage statistics were reviewed in the first week of October at the ISU's Annual General Meeting held in



Arnold Witte
President
International Salvage
Union

Tokyo. Representatives of 44 member companies, based in 34 countries, were told that the value of property salvaged last year was the highest since the ISU statistical survey began 18 years ago. Total revenue to salvors reached US\$83.3 million, but this included around US\$17.8 million of out-of-pocket expenses.

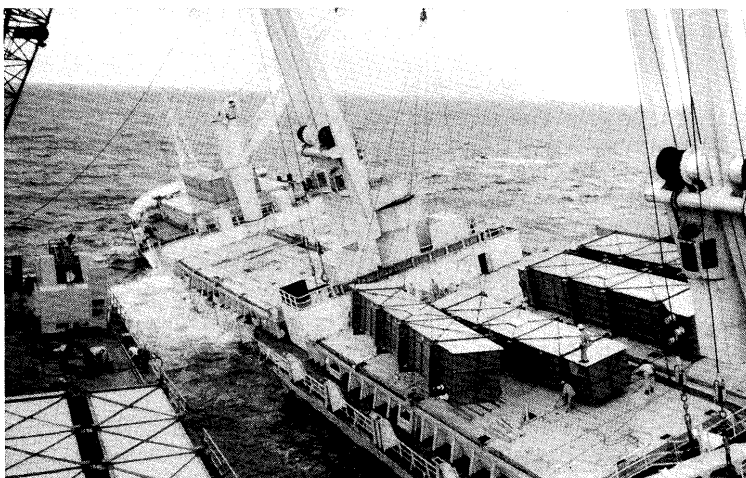
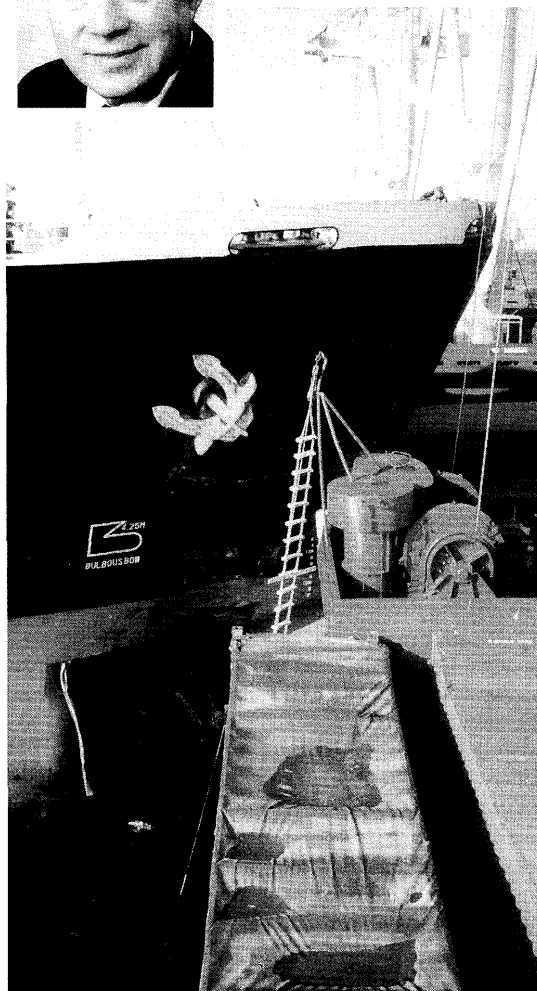
The revenue figure of US\$83.3 million, when expressed as a percentage of total salvaged value, was lower than in 1994. Last year's revenue percentage was 4.78, as against 6.13 in 1994.

Commenting on the figures, ISU President Arnold Witte told delegates at Tokyo: "They underline the cost-efficiency of salvage. Our activities increased last year and the property recovered reached record levels. More significantly, the performance of ISU members in the field of

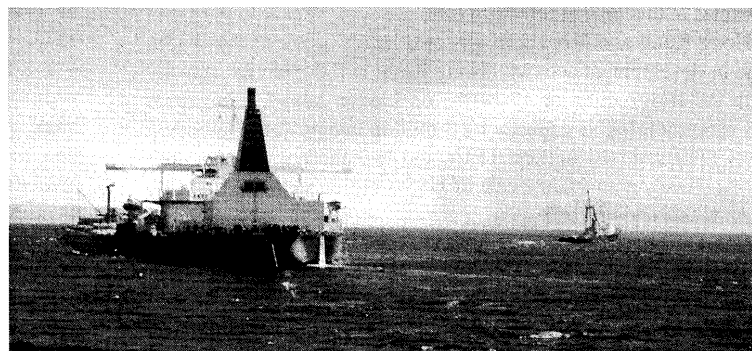
pollution prevention reached new heights of effectiveness.

"However, essential casualty response and pollution prevention services remain under threat from financial pressures. Professional salvors must obtain adequate rewards, reflecting their ability to prevent major pollution claims, if continuity of service worldwide is to be preserved. At this time, our industry needs encouragement if it is to avoid dangerous shrinkage over the next few years."

The statistics presented in Tokyo concerned salvaged property values and salvage settlements and awards made under all "no cure-no pay" contracts. The downward trend in the value of the salvors' return, in relation to the total value of salvaged property, was confirmed independently by Lloyd's Salvage Department.



Saving the cargo, saving the ship: an experienced salvage team went into action to rescue the 13,998 grt general cargo vessel **Patraikos II**, which went aground off Singapore in January this year. The casualty was fully laden with machinery parts and construction materials.



A powerful salvage tug tows the disabled **ULCC Kraka** into False Bay. An anchorhandler is connected at the stern, to assist manoeuvring in confined waters. This casualty suffered a stern tube malfunction south of Cape Agulhas. Salvage services were terminated in early April this year, following the STS transfer of 346,000 tonnes of crude.

The **Alexia** collided with the **Enif** in US waters during 1995. The **Alexia**'s bow penetrated **Enif**'s No. 3 hold. Salvors towed both vessels to safety.

Lloyd's own statistics – concerning 1995 awards made under Lloyd's Open Form – showed a dramatic 41 per cent increase in salvaged property values, to US\$429 million. Yet the awards made amounted to 8.3 per cent of salvaged values last year, as against 13.3 per cent in 1994.

These figures represent LOF awards made to all salvors. When they are adjusted, to include only those awards made to ISU members, the share of total salvaged property value achieved in 1995 falls to 6.2 per cent, as against 8.8 per cent in 1994.

ISU President Arnold Witte stated: "LOF can be a highly effective salvage contract from an operational point of view. It can be agreed in minutes. Such rapid response is crucial when dealing with pollution threats which invariably are catastrophic in cost. However, modern commercial reality dictates that we are remunerated much quicker than is possible under the present system. LOF needs to be streamlined and more cost-effective for both owner as well as salvor. The LOF contract must be seen to deliver value on both sides. In the major cases, requiring a maximum effort, the salvor should achieve a good return. However, LOF remuneration for less complex and smaller cases should also reflect the circumstances of the operation. The ISU is committed to performance at a fair price. We do not intend to use the LOF process to gain excessive awards."

Mr Witte continued: "In addition, we need to respond to a growing demand for wreck removal services for the purposes of environmental protection. In the past, most wrecks were left to disintegrate with time. Today, however, the world is less tolerant of persistent seepage of pollution from such wrecks."

During the Tokyo meeting, ISU members welcomed a series of positive developments over the past 12 months, including a new agreement reached with P&I Clubs. The new Code of Practice, agreed in July, concerns pollution prevention services provided under Lloyd's Form where Article 14 of the 1989 Salvage Convention becomes applicable. This Code allows for P&I representation on-scene when an Article 14 case occurs. It also includes a new understanding on the provision of security for Article 14 "Special Compensation" liabilities.

The ISU President told the meeting: "This Code demonstrates the willingness of those involved in salvage to work together to solve problems having a significant influence on the efficient perfor-

mance of salvage, especially cases involving a pollution threat. In conjunction with the P&I Clubs and other interests, we must now move forward and tackle other problems. Our efforts will have a profound effect on the capabilities of the salvage industry in the first decade of the new century."

The ISU meeting also reviewed recent developments concerning governmental schemes retaining salvage resources to protect vulnerable and heavily trafficked areas. The number of such schemes for station-keeping tugs has increased over the past two years. The issue of private versus subsidised salvage protection will require considerable study and review in the near future, to ensure that the marine industry finally supports the best alternative or combination.

Members attending the Tokyo meeting admitted new members to the ISU, Scaldis Salvage & Marine Contractors NV of Belgium and CPT Agencies of Chile. In addition, new members of the ISU Executive Committee were appointed: Captain Seiji Toyomura (the Nippon Salvage Co Ltd, Japan); Michel Kindermans (Les Abeilles International, France); Gunther Cantzler (Sociedad Naviera Ultragas Ltda, Chile); and Per-Gunnar Lundin (Roda Bolaget AB, Sweden). These appointments followed the retirement from the ISU Executive Committee of past-President Okkie Grapow (Pentow, South Africa), Teruo Yoshida (Nippon Salvage Co, Japan), Jørn Hansen (A/S Em Z Svitzer, Denmark) and Kobus van der Veen (Wijsmuller, The Netherlands).

EU takes WTO case against Japanese Harbour Practices

The European Commission has decided to make a formal complaint to the World Trade Organization about the operation known as prior consultation in Japanese harbours. Shipping firms are obliged to consult the Japanese harbour authorities in advance even on minor changes to their schedules. This can result in large supplementary costs, given the high price even of just a day's loading and unloading. Today's action follows diplomatic efforts which have failed to bring about any fundamental restructuring of the Japanese system.

Stevedores, who load and unload ships, are organized in Japan through the Japan Harbour Transportation Association (JHTA), an organisation established under the auspices of the Ministry of Transport (MOT). Through a prior consultation system JHTA controls all loading and unloading of ships in Japanese harbours. If shipping lines want to make even minor changes to their schedules, prior approval from JHTA is required. This de facto monopoly on stevedoring in Japan gives JHTA tremendous power over shipping lines. Prices of port operations in Japan are well above international levels.

Sir Leon Brittan, EU Trade Commissioner, took the issue up with Japan's Minister of Transport, Mr. Kamei, in May this year. In a statement he said: "The position of the Japanese Government is that this is a private sector matter. However, we think that as the JHTA operates under Ministerial licence and guid-

ance, the Government should use its influence to reduce the barriers to trade created by the prior consultation."

The Commission considers that as bilateral diplomatic approaches have been made to the Japanese Government for several years now without any fundamental restructuring of the prior consultation system, the time has come to take this issue to the WTO. It has been decided to involve WTO consultations under Article VIII.2 of the GATT. This Article deals with fees and formalities connected with importation and exportation, and provides that a WTO Member shall review the operation of its laws and regulations upon request by another WTO Member.

(EU NEWS 23/9(Revised), 16 October 1996)

4th PSC Container Meeting in Auckland

The Port State Control Committee, the executive body under the Memorandum of Understanding on Port State Control in the Asia-Pacific Region (Tokyo MOU), met in Auckland, New Zealand, from 30 September to 3 October 1996 for its fourth meeting. The meeting was chaired by Mr. O.C. Phang, Secretary, Maritime Division, Ministry of Transport, Malaysia. The Minister of New Zealand, the

Honourable Maurice Williamson, on behalf of the host, welcomed the delegates and officially opened the meeting. In his address, Mr. Williamson praised the progresses made in the Asia-Pacific region since the conclusion of the Memorandum and reiterated the importance and necessity for more effective and harmonized port State control procedures in order to eliminate substantial shipping and to promote maritime safety and protection of the marine environment in this region.

The Tokyo MOU was concluded in December 1993 by 18 maritime authorities in this region. At present, there are 15 Authorities which have officially accepted the Tokyo MOU and came into effect in April 1994. The United States Coast Guard, the International Maritime Organization, the International Labour Organization, the Economic and Social Commission for Asia and the Pacific and the Secretariat of the Paris Memorandum of Understanding on Port State Control are associated with the Tokyo MOU as observers. Since the inauguration of the Tokyo MOU, there were three meetings of the Port State Control Committee held previously, the first meeting in Beijing, China, in April 1994, the second in Kuala Lumpur, Malaysia, in January 1995 and the third in Hong Kong in December 1995. This fourth meeting, in Auckland, was attended by representatives of the member Authorities of Australia, Canada, China, Fiji, Hong Kong, Japan, the Republic of Korea, Malaysia, New Zealand, Papua New Guinea, Russian Federation, Singapore and Thailand, and observers from Authority of Philippines and the United States Coast Guard. The Authorities of Indonesia, Solomon Islands, Vanuatu and Vietnam and observers of IMO, ILO, ESCAP and the Secretariat of the Paris MOU were unable to be present at the meeting.

The Port State Control Committee formally approved the Asia-Pacific Port State Control Manual, which was published in July 1996 for the use of port State control officers in the region. The Port State Control Committee noted, with satisfaction, the publication of Report on Port State Control in the Asia-Pacific Region 1994-1995. The Report published provides summary of PSC activities carried out in the Asia-Pacific Region since the operation of the Memorandum, and statistics of port State inspection data for the years of 1994 and 1995. According to the report, a total of 8,834 inspections were conducted by the member Authorities of the Tokyo MOU on ships registered under

85 flags in 1995. Against 22,786 individual ships operating in the region in 1995, the inspection rate was estimated at 39%. During the inspections, 4,368 ships were found with deficiencies and the total of 19,326 deficiencies were recorded. Furthermore, 524 detentions were warranted to ships registered under 46 flags because of serious deficiencies found on board in 1995.

In following the recent development on port State control and in ensuring that the provisions of the Memorandum are up-to-date, the Port State Control Committee considered amendments to the Memorandum. The Committee agreed to incorporate IMO Resolution A.787(19) on port State control in the Memorandum and to transfer technical annexes to the Asia-Pacific Port State Control Manual to keep the Memorandum containing only administrative provision to enable Port State Control Officers to be guided by the Manual in carrying out port State inspections. Having noted the recent port State control development in the Paris MOU region, the Committee decided to postpone the approval of the amendments until its next meeting.

The Port State Control Committee expressed its satisfaction on the organization of the second Seminar in Bangkok, Thailand, and the implementation of the basis training courses in Yokohama, Japan, for port State control officers, and its appreciation to the Nippon Foundation for providing funds for the seminar and training courses. Meanwhile, an integrated strategic plan for training and exchange of port State control officers, proposed by the Secretariat, was approved by the Port State Control Committee, for extending training activities and promoting harmonization on port State control within the region. The approved strategic plan consists of three companies, i.e. training programme (including basic training, export mission and fellowship training), exchange programme and seminars for port State control officers.

The Port State Control Committee adopted a principle of access of APCIS (Asia-Pacific Computerized Information System) data and exchange of information, which provided policies on providing PSC data to Authorities in the region and dissemination of PSC data to other parties and the public.

The Committee noted that an increased number of Authorities have connected, or plan to connect in the near future, to the APCIS and provide port State control inspection data to the APCIS to enable

them to exchange information and port State inspection data in the region. The Committee hoped that regional data exchange system participated by a substantial majority of the Authorities in the region would be established in the near future.

Prior to the Committee meeting, a third meeting of the Regional Database Managers was held on 27-28 September to discuss and make recommendations on matters relating to establishment of database system in the region. As result, the Port State Control Committee decided to take some measures to speed up the establishment of database system in the region, which include developing common national database software for the use of Authorities, providing necessary assistance and training to certain Authorities.

The Port State Control Committee welcomed and gave its support to the initiative taken by Canada to hold a Tokyo MOU/Paris MOU Ministerial Conference on Port State Control. The purpose of this Conference is to demonstrate a strong commitment on port State control to the public, to address common interests and to promote harmonization and close co-operation between the two regions. The Conference is scheduled to be held in Victoria, British Columbia, Canada, on 24-25 March 1998. Immediately after the Committee meeting, a preparatory meeting was held to discuss preparations for the Conference, in particular the contents of a draft Joint Declaration by the ministers.

The fifth meeting of the Port State Control Committee will be held in Vladivostok, Russian Federation in August next year.

3 October 1996

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Declaration at V Latin American Ports Conference

DECLARATION OF MONTEVIDEO

The participants of the V Latin American Port Meeting of the Americas Port Authorities Association, met in Monte-

video:

CONSIDERING:

That the changes that have occurred in the world during recent years, particularly in economic and commercial relations, afford important challenges to the ports of the region;

That the world has become a great market, where ports are fundamental factors as development roles and links in the chain of transport;

That coordinated functioning between Customs and ports is essential;

That harmonious relations between a port and the city that surrounds it are conducive to the harmonious development of the city;

That it is important to obtain technical and professional decisions from those people who are in charge of the functioning of port administration;

That, in order to define the competitive strategy of each port and to get the best results of port systems as a whole, it is necessary to utilize modern techniques in accordance with decentralization and the various changes.

AGREE:

To promote professional competence and complementarity between the ports of the continent.

To encourage and fortify technical training of human resources, the introduction of new technologies and the interchange of experience between the relevant people.

To attain the harmonic development of ports in relation to the environment and the urban areas surrounding them.

To constitute coordination committees in each country, featuring representatives of Customs, ports and other authorities of foreign trade bodies in order to promote the development of a harmonic relationship between port and Custom functions to upgrade technical functions and to reduce transportation costs.

To establish harmony and coordination between port and city planning.

To help the ports of the Latin American Delegation as regards the professionalization of port management and to advise about the participation of the members of

the port community in the Program of Professional Port Manager Certification (GPP) introduced by AAPA and managed by the Chilean Sea University, as well as in other training courses.

To fortify the functioning of the Latin American technical committees of commerce and marketing, planning, operations and security, through the active participation of professionals engaged in developing studies on the improvement of port activities.

To take note of the importance of port modernization by the establishment of information systems which serve the port community as a whole and to promote interchange of experiences in the area and in regional blocs.

To recognize that the establishment of information systems does not ensure by itself the necessary structural changes and that therefore it is essential to accompany the changes with the pertinent actions.

To influence the legislative bodies of each country, advising them about the need to make their legislation adequate and up-to-date in order for them to carry out their basic objectives, serving a modern and competitive economy. Therefore, it is advocated that a constant exchange of views and experiences take place between these legislating on port affairs and members of the port community.

To encourage cooperation for development, operation and help to navigation and the ports of waterway, which will allow the export, import and transportation of goods in this region of the River Plate basin, developing the productive potential and improving the quality of life of the inland population.

To take note of the strategic importance of tariffs in order to boost the competitiveness of each port and to encourage the expansion of systems of basic transportation of goods and of global commerce.

To advise on the diffusion and introduction of such mechanisms as the strategic management and strategic planning for the attainment of the high objectives of port development and operation.

To advise on fortifying cooperative relations and programs between AAPA and the American States Organization, in order to give technical assistance to public and

private ports of the Americas and to coordinate, transmit and promote the principles of an inter-American port policy.

To transmit our deep gratitude to the national authorities of Republica Oriental del Uruguay, Intendencia Municipal de Montevideo and, especially, to Administracion Nacional de Puertos for the kindness, attention and hospitality afforded us by this vigorous nation.

In proof of this, we sign this Declaration in Montevideo on August 8th, 1996.

Seatrade Asia Pacific Cruise Convention in Dec.

The Seatrade Asia Pacific Cruise Convention will be held from 4th through 7th December 1996 at the World Trade Centre, Singapore.

Conference Programme (abstract)

Wednesday, 4th December

First Conference Session: The State of the Industry in the Asia Pacific

Welcome Address by Guest of Honour

Second Conference Session: Marketing, Distribution and Delivery of the Cruise Project

Exhibition Open:

Thursday, 5th December

Third Conference Session: Destinations, Itineraries and the Economic Impact of Cruise Calls

Fourth Conference Session: The Cruise Ship of the Future

Exhibition Open:

Friday, 6th December

Final Conference Session: Growing the Market : An Open Forum

Travel Agent Training Programme

Exhibition Open:

Saturday, 7th December

Exhibition Open:

(This programme may be subject to alteration and addition)

For further information, please contact:

Miller Freeman/Seatrade, 4401, China Resources Building, 26, Harbour Road, Hong Kong.

Tel: +852-2827-6211

Fax: +852-2827-7831

New Publications

Port Privatisation – process, players and progress

Cargo Systems has published *Port Privatization – process, players and progress* – a wide-ranging, 70,000 word report by Sid Cass which encapsulates the various models for private participation in the ports industry, the process and financing of privatisation, and the protagonists. The report includes a special foreword by Rexford B Sherman, Director of Research and Information Services of the American Association of Port Authorities.

Cass provides comprehensive definitions of the many means through which private capital has been introduced to the world's ports, going on to explore the method and pitfalls of privatisation. The report also includes a series of case studies, featuring the experiences of ports the world over.

As well as collaborating with the acknowledged academic experts in the field, Cass has elicited contributions from leading organisations and supra-governmental agencies involved in the process, including the World Bank, the Overseas Coastal Development Institute and the Commonwealth Development Corporation (CDC), from associated financiers, accountants and lawyers, and from the major private sector players involved, such as P&O Port Management, International Container Services Inc and Stevedoring Services of America.

The whole complex procedure of privatisation, ranging from preparations for sale to carrying out meaningful and acceptable valuations, is explored, with clear guidance given concerning the funding options available, the relevant agencies and how to obtain finance, and the legal ramifications of the process.

Coverage extends from country and port-specific experiences in Asia, Europe, Latin America, and Australia to issue-oriented treatments of such matters as valuation of port assets, investments in port infrastructure, contractual arrangements, transshipment ports, and strategic planning considerations. Experiences include those of the former Communist nations of Eastern Europe and the Soviet Union, and the existing Communist regime in China.

Port Privatisation – process, players and progress is available from IIR Publications, at a cost of £371.

IIR Publications, 8th Floor, 29 Bressenden Place, London SW1E 5DR, UK

Tel: +44 171 976 4009 (Editorial)
+44 171 976 4006 (Subscription)
Fax: +44 171 931 0516

Post-Panamax Containerships: 6,000 TEU and Beyond

The operating and voyage cost savings for a 6,000 teu super post-Panamax ship compared to a 4,000 teu Panamax could, with full slot utilisation, easily amount to a 20% advantage, and in a world where ship/voyage related expenses represent 30% of total system costs, this would be equivalent to a 6% edge in all-up unit costs.

A new Briefing Report from Drewry, *Post-Panamax Containerships: 6,000 TEU and Beyond*, shows that the 6,000 teu ship offers potential savings of:

- Crew costs – 30% per teu, with the same number of crew required.
- Fuel costs – 20% per teu when compared on a like-for-like speed basis. (Similarly the unit cost of lubricating oil shows an advantage to the large ship.)
- Port and canal dues, including towage and pilotage – saving dependent on schedule, but possibly around 15% per teu.
- Insurance, possibly 10% + per teu.
- Vessel repair and maintenance costs – around 25% per teu.

This is the advantage which carriers are seeking to access through the massive investments which have been made in post-Panamax ships. Those who reject, or

who are unable to justify, capital expenditure on the new generation of giant vessels risk suffering a potentially decisive unit cost disadvantage, but equally those investing are staking the future on continued cargo growth — and their ability to fill the extra slots without major rate concessions.

The new Drewry Briefing Report, *Post-Panamax Containerships: 6,000 TEU and Beyond*, estimates that the total carrier investment commitment to date on post-Panamax containerships (inclusive of confirmed orders) is approaching \$7.2 billion. Maersk and Hyundai lead the way, with an estimated investment of in excess of \$1 billion each on their post-Panamax fleets, though in both cases this money has stayed within the parent group, with all 25 of the ships ordered/built for these two accounts being constructed "in-house". Meanwhile Mitsubishi has emerged as the main beneficiary of the post-Panamax phenomenon, having secured newbuilding orders with an estimated sales value of almost \$1.5 billion.

In order to unlock the potential cost savings, the commercial and operational obstacles to vessel upsizing are being challenged at a speed which is making already difficult capital investment decisions still more problematic for carriers, ports, terminal operators and all those dealing with the ship/land transport interface.

And even while the industry attempts to adjust to the quantum leap in vessel size achieved by Maersk with its 6,000+ teu giants, still larger containerships of 8, 10 or even 15,000 teu are being discussed

Estimated Investment in Post-Panamax Containerships to Mid-1996

Shipbuilder	Estimated Contract Value (\$m)	Carrier	Estimated Investment (\$m)	Year of order	Total Investment (\$m)
Mitsubishi	1,450	Maersk	1,110	1986	302
Hyundai	1,185	Hyundai	1,035	1987	–
Odense	1,110	APL	812	1988	–
IHI	790	NYK	705	1989	85
Samsung	561	OOCL	653	1990	476
Kawasaki	500	Cosco	500	1991	160
HDW	451#	NOL	480	1992	75
Hanjin	431	Evergreen	450	1993	2,397
Daewoo	240	Hanjin	431	1994	1,121
Mitsui	175	MOL	425	1995	1,765
Koyo Dock	170	P&OCL	192	1996*	803
Bremer Vulkan	121#	MISC	150		
		Nedlloyd	156		
		CGM	85		
Total	7,184	Total	7,184	Total	7,184

* First half only. # Net of reported subsidies.
Source: Drewry Shipping Consultants

with varying degrees of seriousness. For ports and terminal operators the dilemma is to judge just what future demands will be made of them in terms of water depth, crane outreach/lifting capability, productivity, land-side storage, and the ship/land transport interface.

The Drewry Report analyses the evolution of the large containership and addresses the key issues which will impact on future vessel design in the super post-Panamax era. The Report offers a concise and informed appraisal of the implications for all those industry sectors, both ship- and land-side, whose future is dependent upon the speed, direction and limits of containership size development.

Post-Panamax Containerships: 6,000 TEU and Beyond is one of a series of Briefing Reports on key shipping industry sectors from Drewry Shipping Consultants. Priced at £250 post paid to anywhere in the world, the new 80-page Report can be obtained from:

Drewry Shipping Consultants
11 Heron Quay, London E14 4JF
Tel: 0171-538 0191
Fax: 0171-987 9396
E-mail: drewry@dia1.pipex.com

Illustrated Dictionary of Cargo Handling (2nd Edition)

By Peter R Brodie, FICS.
Published by LLP Limited.
ISBN 1-85978-042-3
(xvi) + 198 pp. Hardback. Price £48.

The second edition of *Illustrated Dictionary of Cargo Handling* incorporates all major developments in the highly dynamic field of cargo transportation and handling since the first edition was published in 1991.

This ready reference to the technical terms of sea transport now provides clear definitions of over 600 terms used both on board and at the dockside.

In addition to the various ship types and containers in which goods are shipped, it covers carriage and handling methods, including breakbulk handling equipment. It also covers port equipment and facilities, including specialist cranes, forklift trucks, ramps and dedicated terminals. And it includes 136 illustrations of the more complex terms and items of equipment.

The new edition also includes expanded coverage of specialised port terminals for commodities such as gas, dangerous goods, fruit juice, iron and steel.

Illustrated Dictionary of Cargo Handling is available from Paul McLean, LLP Limited, 69-77 Paul Street, London EC2A 4LQ, England. Tel +44 (0)171 553 1000. Fax +44 (0)171 553 1100.

The Americas

Don Welch Receives ImPORTant Service Award

The American Association of Port Authorities (AAPA) honored W. Don Welch, who is officially retiring at the end of this year from South Carolina State Ports Authority, with its ImPORTant Service Award. Recipients must have served on one or more of AAPA's technical or policy committees for a minimum of ten years, two years as a committee chairman, and have ten years of port management experience. As a committee chairman, he or she must demonstrate outstanding leadership and compile a record of noteworthy accomplishments.

When presenting the ImPORTant Service Award to Mr. Welch, Chairman Bush noted that "Our award winner's credentials are outstanding. He has been and remains a leader in the port industry. Don is a man of great integrity, principle and fairness. Perhaps more than anyone, he has influenced the character and shaped the direction of AAPA."

Mr. Welch served as a member or as chairman of the following AAPA Committees over a period of 25 years: Commerce, U.S. National Transportation Policy, National Defense, Projects and Publications, and Curriculum. As Curriculum Committee chairman, he led the establishment of AAPA's Professional Port Manager certification program.

Mr. Welch has been a member of the Board of Directors for 13 years. He served as AAPA Chairman of the Board from 1980 to 1981.

AAPA Home Page On Internet's WWW

The American Association of Port Authorities (AAPA) has launched a World Wide Web (WWW) site on the Internet at www.aapa-ports.org. The site was officially unveiled at the AAPA's 85th Annual Convention at the Hyatt Regency in Vancouver, British Columbia. More than

800 port industry executives and guests are attending AAPA's Annual Convention from September 16 - 20, 1996.

"We encourage visits to our home page," said AAPA President Kurt J. Nagle. "In addition to the other communication vehicles we use, the Internet is a valuable tool for getting the word out about ports. The site will provide our members and others with faster, more efficient access to Association resources and information."

AAPA's home page includes links to sites of interest to port members, maritime and transportation industry officials. It also has general Association information, education and training program schedules for 1997 and will offer Association members forums for exchanging information by e-mail.

E-mail: aapa@ix.netcom.com

Home page: <http://www.aapa-ports.org>

Port Canaveral: 3-Tier Platform for Passengers

A new mega passenger ramp at Cruise Terminal 10 is complete and awaiting its first visitors on a ship scheduled to arrive in September. The three-level passenger loading platform includes four escalators and one elevator and features a hydraulic gangway system adjustable to the various heights of almost all of today's cruise ships.

"We think it may be the first ramp of its kind in the world," said Lauren Kotas, director of marketing and trade development. "It has the flexibility to accommodate 80 percent of all ships currently designed and with a little modification, it can handle the other 20 percent. It's modern. It's state-of the-art. It's in keeping with the entire concept of Cruise Terminal 10."

The new ramp provides 11,300 square feet of enclosed air conditioned access for passengers from the second level of CT10 to all elevations of passenger loading doors.

The project was completed between October 1995 and July 1996 at a construction costs of approximately \$1.9 million by Doug Wilson Enterprises of Cape Canaveral.

Completion of the loading platform was performed in conjunction with finishing touches on the landside construction activities for CT10, which contains 68,000 square feet of space with 750 vehicle parking spaces. It is designed to accommodate up to 3,500-passenger vessels.

South Carolina Authority On-line with New Web Site

The South Carolina State Ports Authority has established a home page on the World Wide Web, offering information on the ports of Charleston, Georgetown, and Port Royal. The site includes a directory of port service companies, detailed information on physical facilities, an overview of steamship services and vessel arrivals, up-to-date news releases, port statistics, and other items of interests.

"The web offers real-time information to a broad range of people," said the Ports Authority's Public Relations Assistant and Webmaster Byron Miller. "While developing the page we tried to avoid heavy graphics and sought to include plenty of facts and figures to make it as information-based as possible."

The port updates the web page five times each week. Links to steamship lines, trade associations, and trade agencies around the world and information on cruises offered from Charleston are always current. "Whether the news is local or international, it is immediately updated on the home page," said Miller. "It's a real value, not only to the media but to people in the industry."

Information included in port publications, such as *Port Directory* and the *Steamship Service Profile*, are available on-line through the site. Maps and other information from the *Port Encyclopedia* as well as select *Port News* stories appear. Browsers can access contact numbers for all branches of the port, foreign-trade zone information, and a listing for trade development offices. Net surfers everywhere can find out the latest on the port — from volume figures to tonnage statistics — and the oldest on the port, through historical information and data.

Please visit the site at <http://www.port-of-charleston.com/scspa>.

(Port News Magazine)

Africa/Europe

Fruit Specialist Opens Superterminal in Antwerp

Belgian New Fruit Wharf, a member of the Sea-Invest Group, is a leading fruit terminal operator in the Port of Antwerp. On 2nd September 1996 the company officially opened its advanced new installations

on the Leopold Dock (berth no. 206). This new terminal takes automation to its limits. It offers 385m of berths and a broad range of storage facilities, including 17,425 m² for containers, with 158 reefer plugs, a 9,000 m² insulated warehouse, and controlled temperature storage for 2,300 pallets.

The new fruit terminal is far from being Sea-Invest's first such project. Indeed the sophisticated facilities on Leopold Dock are by and large the result of experience the group has built up with existing installations. The warehouse is equipped with 18 loading stations and a direct rail spur. Pallet composition can be changed to meet customer requirements thanks to ultramodern depalleting and repalleting machines.

BNFW's new terminal is, however, not limited to handling palletized fruit (bananas), and is perfectly capable of handling containerized fruit. Initially the terminal will be using two mobile cranes, although BNFW intends to move two or three of the pallet gantries currently in use at other terminals to the new installations at berth 206.

Le Havre: Budget Minister Signs Port Charter

The Minister in charge of the Budget, Alain Lamassoure, came to the World Trade Centre in Le Havre to sign a port charter under which the Havre Customs service will constantly be on the lookout for ways and means of making the port as competitive as possible. To encourage industrial and commercial logistics services to move here, and to make the Customs more accessible to businessmen, the Havre Customs has agreed to appoint a single person for contacting, responsible for following up the various measures, and in addition to set up an advisory section to provide firms with technical assistance over the implementation of the Customs regulations.

The charter further provides for speeding up traffic flows by making it easier to obtain the various necessary foreign trade documents, following the introduction of centralised application procedures. Alain Lamassoure also inaugurated the Sycoscan, a container scanning device that makes the contents of a container visible without the need to strip it and so without delaying the movement of goods. Passing through the Sycoscan only holds up a vehicle being checked for about 30 minutes, says the Customs.

Finally, in his speech at the City Hall, the Minister confirmed the government's backing for the Port 2000 project, saying "We shall be following, accompanying and finalising the programme". He also again made clear that "Le Havre is heading for the brightest of futures in North Europe".

(Flashes)

French Government to Aid Port of Le Havre

Alain Lamassoure's visit to Le Havre was followed by that of the Minister of Equipment, Housing, Transport and Tourism, Bernard Pons. In his speech at the City Hall he confirmed the intention expressed by the President of the Republic in September 1995 of revitalising the country's policy with regard to ports and maritime affairs, stressing that the port of Le Havre now holds many strong cards.

With regard to Delmas Vieljeux's move to Le Havre, he announced, with the approval of the Minister of Town & Country Planning, Jean-Claude Gaudin, the government's "decision to contribute significantly to the operation", with financial aid towards moving expenses of almost 30 million francs, plus a contribution from the decentralisation fund of 17 MF for the company's employees.

A further subject touched on by the Minister was the recent port charter bidding the Customs and the port community to simplify clearance formalities and reduce waiting times for vessels.

The Minister then returned at length to the Port 2000 project, saying it was absolutely necessary to the country and undertaking to give it his full support within the government. "In 1997", he said, "it will be possible to make the technical decisions required, so that the first stages can get under way in 1998 and come into service from 2001."

Hamburg's Marketing Offensive in East Asia

With a new marketing offensive the Port of Hamburg intends to strengthen its position as the leading handling centre for seaborne cargoes to and from the Far East.

To this end, a port delegation led by Uwe Gaede, Customer Service Manager at Port of Hamburg Marketing and Public Relations (HHVV), is visiting key customers in North- and South-East Asia from September 23 to October 1. In Hong

Kong and Singapore workshops entitled "Access the Growing Market Potential in Central and Eastern Europe via the Port of Hamburg" will be staged in cooperation with the local Port of Hamburg representative's office. In Guangzhou, China a seminar entitled "Eurogate Hamburg – A Base for Entry into the Markets of Eastern Europe" will be held by HWF (Hamburg Business Development Corporation) in cooperation with HHVW.

Besides Mr Gaede (HHVW) and Mr Riegerl (HWF Project Manager), the delegation also includes representatives of the Port of Hamburg firms Gerd Buss, Buss Logistik Terminal, HHLA and Carl Tiedemann.

With its numerous foreign-trade firms, consulates, banks and insurance companies, the City-State of Hamburg is an important link in Germany's Far Eastern trading chain. But the Port of Hamburg has even more to offer. Not only the most important seaport for Germany's trade with the Far East, it is also the main interface in traffic between many neighbouring countries and the Far East. In view of the growth prospects for the Single European Market as well as Central and Eastern Europe, Germany's largest universal port has every chance of further strengthening its position as the hub of Europe's trade with the Far East.

One of Hamburg's decisive advantages for East Asian shippers, besides the efficient service its port operators offer, is its infrastructure with excellent hinterland connections – whether by rail, truck, feeder or inland-waterway vessel. There has also been a remarkable degree of involvement in the organization of hinterland traffic by Hamburg's cargo-handling companies. As a result of joint ventures between forwarders and railway companies a number of new direct block-train connections have been set up between Port terminals and cargo-handling centres in Poland, Hungary, the Czech Republic and Austria. Today there are at least five departures a week to all the key industrial and trading centres in Hamburg's hinterland (e.g. Warsaw, Prague, Budapest, Vienna, Salzburg, Milan, Munich and Basle). And there are also 8 - 10 feeder ship sailings to other European ports as well as numerous road-haulage services.

For shippers the high frequency of liner sailings and their tie-ups with hinterland traffic is of decisive importance. All the major container lines operating on European-Far East routes call in at the Port of Hamburg which offers some 30 liner services (including 12 full-container services) with over 1,000 sailings a year.

Hamburg's 16 sq. km. Free Port also plays a key role in the quality of the Port. Here, imported goods can be stored, inspected, sampled, bought and sold, treated and processed without customs clearance or duty. Besides modern high-bay racking facilities in the Free Port (including ones for hazardous goods), Hamburg also has bonded warehouses outside its Free Port. In all, the Port of Hamburg offers 3.3 million sqm of covered warehousing space, including 150,000 sqm of air-conditioned warehousing. The spectrum of services offered for a comprehensive product assortment ranging from high-tech appliances to raw materials such as coffee, cocoa and spices includes warehousing, sorting, order picking, quality controls, marking, repacking, computerized warehouse management and tracking of consignments from the manufacturer to the retailer, distribution and customs clearance.

The presence of some 450 branches of East Asian companies in Hamburg also strengthens the Port's position. Hamburg is also home to the European headquarters of the six most important Far East shipping lines. For some time, China has had a very strong presence in Hamburg with over 150 Chinese companies — mostly European head offices — based in the city. This makes Hamburg by far the most important location for Chinese companies anywhere in Europe. They include such "big shots" as the shipping lines COSCO and Sinotrans, the Bank of China and Boastcel, China's biggest steel producer. Hong Kong currently has 25 firms in Hamburg while around 40 firms have their parent companies in Indonesia, Thailand, Singapore, Malaysia and the Philippines.

Amsterdam Only Benelux Port to Show Growth

In contrast to surrounding ports, shipments to and from the Amsterdam port region, including the ports of Velsen, Beverwijk, Zaanstad and Amsterdam, increased significantly over the past six months. In the Hamburg-Le Havre range, only Amsterdam and Le Havre booked significant growth. In total, 26.9 million tons of goods were transhipped in Amsterdam, a growth to the same period last year of 7.3%.

All goods categories performed well. Movements of both dry and liquid bulk, and general cargo increased. Dry bulk grew by 8.4 percent to 18.4 million tons

and liquid bulk by 3.2 percent to 4.7 million tons. General cargo noted a growth of 7.6 percent to 3.8 million tons.

"The profits of the past six months and the growth of the past year make it clear that we are on the up", said Drs. Godfried van de Heuvel, executive director of the Port Management of Amsterdam. "The cause is partly to be found in the influence of port-related businesses on transport, such as Cargill. In addition, coal transport booked significant growth. Our prospects are also good, especially in coal transport and containers. All in all, I expect that the Amsterdam port region will maintain this increasing line over the next six months so we will exceed last year's record of 50 million tons."

General cargo

The general cargo sector grew by 7.6 percent over the past six months to 3.8 million tons.

Container transport is growing especially. It booked a significant growth of 55.2 percent to almost 1 million tons. One cause of this was the movement of cocoa, which is increasingly being transported in containers instead of the traditional sacks and bales used in the past.

Roll-on/roll-off transport is having difficulties. Partially because of a drop in automobile transshipments, ro/ro traffic dropped by 32.6 percent, putting it at a total of 263,000 tons.

In spite of the increase in transport of cocoa by containers, the other general cargo (a.o. sacks and bales) also showed an increase of 2.7 percent to 2.6 million tons.

Sweden to Benefit from Direct Service to Tallinn

The Swedish industry will now benefit from a new weekly direct service to Tallinn in Estonia! The Tallinn-based shipping company ESCO will start the new route in a couple of weeks, with the premiere call in Helsingborg 1st of October.

Starting 1st of October ESCO's *Trans-estonia* (4,025 dwt, length: 118 meters) will be calling Helsingborg once a week, transporting containers, trailers and rolling units. ESCO is however planning to complete the traffic with new vessels in the beginning of next year. With the enlarged capacity the plans also enclose calling Helsingborg twice a week. Agent for ESCO in Sweden is Melship AB with its own local office in Helsingborg and in Tallinn.

"Our ambition is to serve the industry with an efficient transport to and from the Baltic countries and Russia. The port of Tallinn is a transitport for primarily destinations in Russia, but also for the Baltic countries," says Mr. Lars Högberg at the Melship office in Helsingborg. The Port of Helsingborg also welcomes the new direct traffic to Estonia.

"This new route will make it possible to further develop the trade between the Swedish industry and the Baltic countries and Russia. The industry has long shown a significant interest in such possibilities," says Mr. Kjell-Åke Ranft at the Marketing Department in Port of Helsingborg.

ABP Holding's Half-year Profits Increase by 8%

Sir Keith Stuart, ABPH Chairman, said: "Results for the first half of 1996 show further useful progress, with pre-tax profits increasing from £43.5m to £46.9m, despite a short-term pause in the growth of port-related property income."

The ports and transport business as a whole contributed £54.1m (1995:

£50.8m), with operational profits up by 8.3 per cent to £40.5m (1995: £37.4m) but port-related property income was virtually unchanged at £13.6m.

Income from investment property increased from £6.5m to £7.0m and property development activities contributed £1.0m (1995: £1.4m).

The interest charge was £15.2m, the same as 1995.

Earnings per share were 9.2p (1995: 8.6p), an increase of 7.2 per cent.

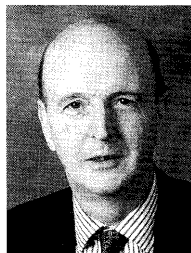
Dividend

The directors have declared an interim dividend of 3.5p per share, an increase of 16.7 per cent on the interim dividend of 3.0p per share in 1995.

The dividend will be paid on 1st November 1996 to shareholders on the register at 1st October 1996.

Finance and Capital Investment

Net borrowings at 30th June 1996 were



Sir Keith Stuart
Chairman
Associated British
Ports Holdings PLC.

£325m, compared to £347m at 31st December 1995, and the level of gearing was reduced from 41 per cent to 37 per cent. Capital expenditure during the six months totalled £34m, including £29m at the ports. A total of £21m was received from the sale of Grosvenor Square Properties Group (GSP) properties. Capital investment in the second half of 1996 is expected to exceed the level of the first half principally because of expenditure on deepening the main channels at Southampton and Port Talbot.

Ports and Transport

Commenting on ABP's ports and transport business, Sir Keith said: "Total tonnage handled through our ports was 58.2m, compared with 56.6m in 1995. There was an 8 per cent increase in unit loads but some bulk traffics, including grain exports, were lower than in the previous year. Port-related property income has grown strongly in recent years. Although there was no material increase over the first six months, we expect an upward trend to be resumed during the second half of the year."

- At Southampton, deep-sea container throughput has risen by about 25 per

27 - 30 mai/ May 1997 • LE HAVRE • France

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cent, as a result of new business won by Southampton Container Terminals (SCT). Some £60m is being invested by ABP, to provide an additional container berth for SCT, and to deepen the main channel to cater for the new generation of large container ships.

Sir Keith said: "Additional revenue will start to flow to ABP from these investments during 1997."

- The Humber ports have seen continued expansion in roll-on/roll-off freight business. At Grimsby and Immingham steel exports, and the export and import of motor vehicles, have shown encouraging growth. The current investment programme includes new covered steel terminals at Hull and at Goole.

Commenting on the Group's South Wales ports, Sir Keith said:

"There have also been positive developments at our South Wales ports. At Port Talbot, work has now started on deepening the tidal harbour to provide increased capacity for British Steel. Elsewhere, new trades are being attracted, including agricultural bulk products at Newport and short-sea containers at Cardiff."

Property

Sir Keith said: "Good progress has been achieved by GSP in implementing a number of redevelopment schemes on sites at the ports."

- At Cardiff, the new "Scott Harbour" office project is well under way, and the first major tenant has already been secured. Terms have also been agreed for the sale of a 5-acre site to a subsidiary of Berkeley Homes to develop over 200 high-quality residential units as part of the Cardiff Capital Waterside project.
- Work has also begun on the "Waterfront, Barry" project to regenerate some 190 acres of land for a residential, leisure and retail scheme as part of a joint venture between ABP and the Welsh Development Agency.
- Elsewhere over 90 per cent of GSP's development and investment property is fully let. The retail park at Sefton on Merseyside was sold at the end of June for £5.5m, and the shopping centre at Colchester was sold in August for £8.7m.

Prospects

Sir Keith, commenting on prospects, said: "The continuing high level of capital investment reflects the strong attractions which many of our ports are offering to customers and underpins the Board's

confidence in the ports' organic growth prospects. Our property activities, which are predominantly located on our port estates, also offer the potential for increasing high-quality income."

Dredging Works Begin At Talbot Tidal Harbour

The Anglo-Dutch Dredging Company Ltd has won a sought-after contract to deepen the harbour of one of South Wales'

most strategic seaports from 8.6 m to 11.2 m below Admiralty Chart Datum.

Dredging works have begun at Associated British Ports' (ABP) Port Talbot Tidal Harbour to increase the depth of the harbour's vessel berthing pocket, turning circle and approach channel.

Ray Klinck, Port Manager, ABP Swansea & Port Talbot, said the decision to carry out capital dredging works within the harbour is aimed at ensuring that ABP meets the needs of its long-term customer, British Steel PLC.

"The award of this dredging contract is a 'win' situation for all parties involved.

'Humber Tartan' Pilot Vessel Christened



Humber Group Services' brand-new £600,000 pilot launch, Humber Tartan at the Port of Hull. (9.96)

Humber Tartan, a brand-new £600,000, 14.8 m pilot launch, custom-built for Humber Pilotage (CHA) Ltd was recently christened by Elizabeth Silvester, wife of Associated British Ports' (ABP) Port Manager at Goole, Colin Silvester.

The *Humber Tartan* is part of a fleet of six pilot vessels owned and operated by Humber Pilotage, a wholly-owned subsidiary of ABP whose ports on the Humber include Grimsby & Immingham, Goole and Hull.

Captain Paul Hames, Pilotage Operations Manager, Humber Pilotage, said the delivery of the new pilot launch is a reflection of the company's continued commitment to navigational safety within the busy shipping lanes of the Humber Estuary.

"Humber Pilotage is the busiest pilot station in the country. Seventeen per cent of all UK shipping movements (by tonnage) are handled within the Humber, resulting in around 25,000 pilot boardings and landings each year. Out of 800 pilots in the UK, around 175 self-employed pilots serve the needs of the Humber. These pilots

require state-of-the-art launches such as the *Humber Tartan* to serve the needs of shipping as efficiently as possible," said Captain Hames.

Humber Tartan was built by Halmatic of Southampton, which has been supplying Humber Pilotage with pilot launches since 1972. *Humber Tartan* is powered by two Scania 14-litre 450-horsepower inboard engines which enable the launch to operate at speeds in excess of 24 knots. She is equipped with the most modern navigational equipment which includes differential satellite facilities, a chart plotter and digital compass. She has also been equipped with the latest fire detection and extinguishing technology for engine room space. She can accommodate eight pilots and two crew members in all weather conditions.

Humber Pilotage services vessels up to 20 miles from the seaward end of the estuary and as far inland as Gainsboro'. The estuary itself is difficult to navigate, therefore, Humber Pilotage operates in all weathers.

Asia/Oceania

The Anglo-Dutch Dredging Company is a highly respected operator in the industry, offering the expertise and solid track record required by ABP to carry out these essential capital works. ABP, in turn, is meeting the needs of its customer, British Steel, by increasing the capacity of the tidal harbour, which will enable British Steel to meet its target of handling a further 2.5 million tonnes of raw materials a year," said Mr Klinck.

The programme will involve the dredging of some 3,880,000 cu m of spoil which will be removed and disposed of in accordance with regulations – including environmental – as specified by the Ministry of

Agriculture, Fisheries and Food and the Department of Transport. The programme is scheduled for completion by the end of the year when the tidal harbour will be able to accommodate ships up to a maximum draught of 16.7m.

The Port Talbot Tidal Harbour is at the heart of the South Wales' steel-producing industry. Since 1970 when it opened, the tidal harbour has been handling ships carrying raw materials of bulk iron ore, coal and other minerals required for British Steel's operations at Port Talbot and Llanwern. In 1995, Port Talbot handled a record 11.1 million tonnes of cargo.

Felixstowe: Millionth Container of the Year



The Port of Felixstowe's millionth container of the year being lifted into the K Line vessel Gibraltar Bridge at Trinity Terminal. There seeing it were (left to right) Captain Hagiwara, Director, K Line (Europe), Captain Liang Fug-Hwa, Master of the Gibraltar Bridge, Alec Crawford, Chairman, K Line (Europe), Sir George Young, UK Secretary of State for Transport, Derek Harrington and QC Huang, respectively Chief Executive and Regional Director, Marketing, Port of Felixstowe.

Sir George Young, Secretary of State for Transport, visited the Port of Felixstowe to witness Britain's premier port handling its millionth container of the year. This record, unmatched by any other UK port, puts Felixstowe still further ahead of competitors.

Sir George commented: "Felixstowe enterprise and innovation showed the way with containerisation in this country. I am glad that this lead is being emphatically maintained."

Felixstowe first handled one million containers in 1990 and is still the only UK port to have achieved this feat. This year, however, the Port has exceeded all previous records.

"Passing this milestone in September is further proof both of Port efficiency and the backing given us by our customer shipping lines and evidence that our drive to provide an unrivalled service continues

to get results," said Derek Harrington, Chief Executive & Deputy Chairman of the Port.

"Felixstowe is currently on course to exceed two million TEUs in 1996. This will be the first time that a UK port has met this target, further underlining Felixstowe's position as a major world force."

The millionth container, filled with British exports, belongs to K Line, Kawasaki Kisen Kaisha of Japan. It is being carried from Trinity Terminal by the containership *Gibraltar Bridge* on the Asia Europe Express service, operated by K Line and Yang Ming Line with slot sharing by COSCO.

Trinity Terminal alone handles far more containers than any other UK port. As a whole, the Port of Felixstowe is the fourth largest container port in Europe and 14th in the world.

Brisbane's New CEO: Ready for Business

By Irene Nisbet

Port of Brisbane Corporation's new chief executive officer is back on his home turf.

Last month Tony Rapson left behind a national management role in Sydney to take on the challenge of steering the Corporation into the next century and he's delighted to be back in Brisbane.

"To be able to come back to my home town and take on such a challenging position within this organisation has been tremendous, and I'm looking forward to it immensely," Mr Rapson said.

A skilled strategist with an extensive background in Australia's competitive oil industry, Mr Rapson has wide-ranging general management experience.

He will help to steer the Corporation through a myriad of future issues including national and international competitiveness, environmental stewardship, and changes in the business arena.

Acknowledging that the Corporation has been marketing strongly, particularly in regard to Asian markets, Brisbane's new CEO said that he recognised the need to consolidate previous gains and was mindful of the need to keep improving levels of service.

"Our major competitors, Sydney and Melbourne are also striving to improve their operations, and while Brisbane has aggressively targeted contestable business, so far with considerable success, I believe that the commercial drive and marketing focus of the port is now going to be more important than ever," Mr Rapson said.

"We'll also be looking at ways to improve operational aspects within the port. There is always room for improvement in this area, and we'll be moving to further boost the services we provide," he added.

Given the high level of expansion which the Port of Brisbane has necessarily undergone in recent years, Mr Rapson says he has been impressed by the level of importance accorded to environmental management of the project.

"What we've been trying to do is develop a world class port facility with as little impact on the environment as possible, and continuing to minimise any such impact is one of our priorities. I think that to this juncture, the port has handled the conser-

vation and development issue extremely well.

"Our people consciously work at it day by day. We'll continue to steer a course that is most community responsible while still looking after our port users, because they are an important part of the community too."

Looking ahead, he sees the ongoing role of PBC as something that's going to be exciting and rewarding for all those involved.

"I see the port as having a great future with a well laid out direction. We are the gateway port to Asia, and we can efficiently service contestable Sydney and Melbourne trade. Given that fact, we will continue to encourage shipping lines to use Brisbane as their destination port.

"It's been very heartening for me to find that the Corporation is so positive and forward looking. We have a very good idea of what we want to achieve, and how we will do it. It's a vibrant organisation, and I'm looking forward enormously to helping shape its future plans," Mr Rapson Said.

(Portrait)

Enterprise Agreement Finalised at Newcastle

The Newcastle Port Corporation Enterprise Based Agreement (EBA) was agreed to at a mass meeting of staff at the Newcastle Workers Club on July 19.

The new EBA represents the first step in developing independent working conditions between the Corporation and its employees.

The Agreement contains ambitious and achievable productivity targets that will determine future pay increases.

It also contains other elements such as a performance management system that will be a major tool in improving the organisa-

tion's performance.

The Agreement is currently awaiting registration and when this occurs, the initial pay increases will flow through.

(SCUTTLEbutt)

Quality Accreditation Close for Newcastle Corp

The final stages of quality accreditation for the Corporation under Australian Standard ISO9002 are being prepared.

The Newcastle Port Corporation provides a number of safety functions in the Port of Newcastle under a Safety Operating Licence issued by the Governor on the recommendation of the Minister.

As part of this licence, the Corporation must gain Quality Accreditation to the Australian Standard ISO9002, which is a 'Quality Systems Model For Quality Assurance In Production, Installation and Servicing.' The accreditation covers aspects in the operating licence including provision of navigation channels; navigation aids; pilot services; a port communications system; emergency response systems and a system for handling dangerous goods.

The quality process involves preparing written procedures for each of these operations, which are then audited by an independent body to ensure that the procedures adequately cover what is actually performed in the Port in order to deliver these services.

After more than six months work, the Corporation is now up to this final auditing stage which will be completed soon.

Integral to the overall process is the preparation of a Quality Policy, that has recently been distributed to all Corporation staff.

The Corporation's Chief Executive Officer, Dr Glen Oakley, said, "The quali-

ty process ensures that the Corporation produces a consistent service that meets a defined standard. The process also ensures that there is a regular review of procedures and a system to investigate occasions when quality falls below the standard agreed with the customer."

"The Corporation has set a high standard to achieve but we believe it to be entirely achievable and very necessary if we are serious about adding to the quality of life in our Hunter Community," Dr Oakley said.

New Study to Aid Newcastle Development

A major study is to be undertaken to help develop a strategic long-term plan for the expansion of the Port of Newcastle. The study was announced by the Minister for Ports, Mr Carl Scully, and the Chairman of the Newcastle Port Corporation, Mr Wilton Ainsworth.

The announcement of the Port of Newcastle Strategic Development Study coincided with the first meeting between the Minister and the Board of the Newcastle Port Corporation.

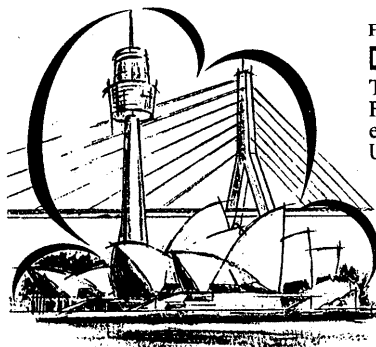
Mr Scully congratulated the Board on the success of the Port's first year of operation under the Government's corporatisation reforms. "The Port of Newcastle made a major contribution to the economy of both the Hunter Region and the State as a whole in 1995-96, with record cargo results and a significant \$1.5M cut in port charges," he said. "However, long-term strategic planning is now required to maximise the benefits of the Port as a major gateway to the Hunter region in the future.

"The Port of Newcastle Strategic Development Study will aim to identify and prepare for future business opportunities involving the Port," Minister Scully

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said.

Mr Ainsworth said a critical element of the study would be identification of land which should be conserved for port-related use. He said development would have to be in an environmentally-sustainable manner, while enhancing the Port's economic benefit to the community.

The new study will investigate likely future trends in demand for the Port, including possible new business ventures which could use the Port.

It will also look into the preferred strategic locations for any new port facilities and the zoning and infrastructure requirements of any port expansion.

The study follows just weeks after the Corporation called for Expressions Of Interest from private companies to develop port related operations in the Eastern Basin area.

Newcastle Port Corporation Chief Executive, Dr Glen Oakley, said: "The Strategic Development Study will look very much at the 'big picture' for the Port's future, with the Basin being an integral part of that. The potential opportunities available in the Basin necessitated the fast tracking of the call for Expressions of Interest for that area." (SCUTTLEbutt)

PPSB Appoints CIMB For Its Privatisation Study

By Adam Malik
Corporate Planning

Penang Port Sdn. Bhd. (PPSB) has appointed a merchant bank to conduct a study on the floatation of the company on the Kuala Lumpur Stock Exchange (KLSE) first board for its privatisation programme.

The merchant bank, Commerce International Merchant Bankers (CIMB) which commenced the study in January 1996 has submitted the inception report on the proposed listing exercise. A Steering Committee chaired by PPSB's Executive Chairman, Dato' Zahrain Mohd. Hashim has been set up to study the proposals.

It is expected that CIMB will forward PPSB their advised restructuring scheme soon. The proposal will then be submitted to the Economic Planning Unit of the Prime Minister's Department. Upon concurrence of the Economic Planning Unit, approval will have to be obtained from the Securities Exchange Commission (SEC) for listing.

As it is a process that requires careful study, no specific time frame has been

given for the floatation of PPSB shares. Nevertheless, it is expected that PPSB will be privatised by next year. (Baylink)

PPSB Executive Chairman Meets PPC Chairman

Penang Port Sdn. Bhd.'s (PPSB) Executive Chairman, Dato' Zahrain Mohd. Hashim paid a courtesy call on the newly appointed Chairman of Penang Port Commission (PPC), Dato' Tan Gim Hwa on June 5, 1996.

Various issues pertaining to the future development and business of Penang Port were discussed in an atmosphere of cooperation and goodwill.

In the Privatisation Agreement with the Government of Malaysia and PPC, PPSB has a 30-year lease to operate, manage, maintain and develop port and ferry services and facilities. PPSB was incorporated on December 7, 1993 under the Company's Act (1965). The company which commenced operations on January 1, 1994 is fully owned by the Minister of Finance (Incorporated).

PPC assumes the role of port authority with regulatory functions. (Baylink)

Penang Port Throughput Posts 3% Growth

Penang Port's throughput for the first half of 1996 increased 3.0% to total 8.10 million tonnes. Port throughput for the corresponding period of 1995 was 7.88 million tonnes.

Shipping traffic declined by a marginal 1.7% to 3,203 vessels. The gross regis-

tered tonnage of vessels for the first half of 1996, however, increased 6.4% to 14.15 million tons against 13.29 million tons in the corresponding period of 1995.

Container traffic through the port rose 2.2% to record a volume of 214,994 teus. Some 60% of the container traffic are exports comprising mainly manufactured products, textiles and rubber-based products.

In terms of tonnage, containerised cargo rose 3.4% to 3.98 million tonnes. Liquid bulk dropped 4.0% to total 1.61 million tonnes. Dry bulk tonnage recorded an increase of 14.6% to 1.56 million tonnes while breakbulk cargo declined 3.5% to 0.95 million tonnes.

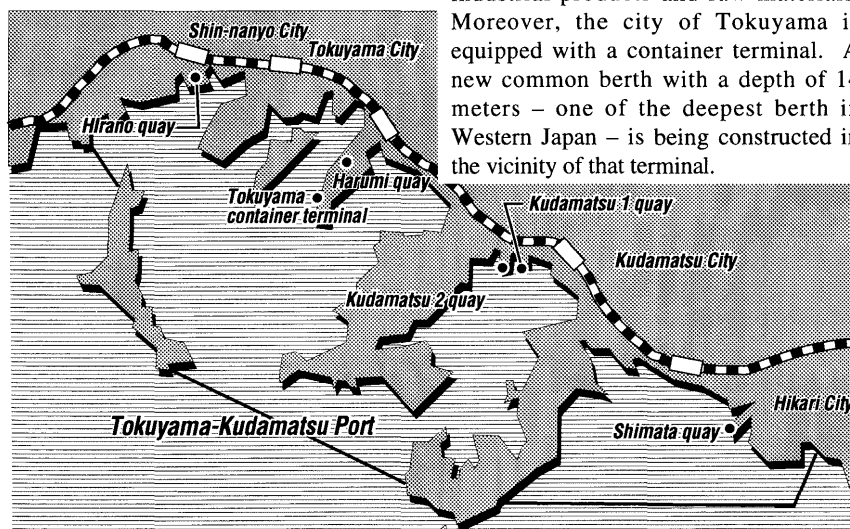
Penang Port expects to handle 18.5 million tonnes of cargo and 476,000 teus in 1996. (Baylink)

Tokuyama-Kudamatsu, a New Container Port

Tokuyama-Kudamatsu Port, situated roughly at the center of the Inland Sea coastline, serves the four "Shunan" cities of Tokuyama, Kudamatsu, Hikari and Shin-nanyo. Behind the port is a coastal industrial zone accommodating such industries as petroleum, electric power, iron & steel and chemicals.

As the core port for the substantial "Shunan" Special Industrial District, in 1965 it was designated a "Specially Important Port". Around 34,000 vessels, domestic and foreign, enter the port every year and the annual volume of goods handled comes to approximately 59,000,000 tons.

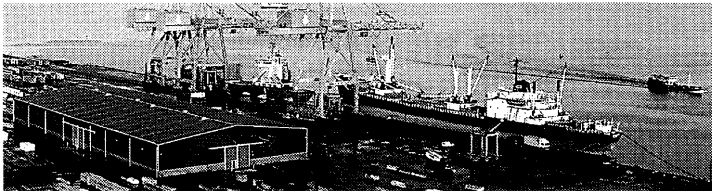
Besides the facilities of Tokuyama-Kudamatsu Port, the four "Shunan" cities each have quays of their own, handling industrial products and raw materials. Moreover, the city of Tokuyama is equipped with a container terminal. A new common berth with a depth of 14 meters - one of the deepest berth in Western Japan - is being constructed in the vicinity of that terminal.



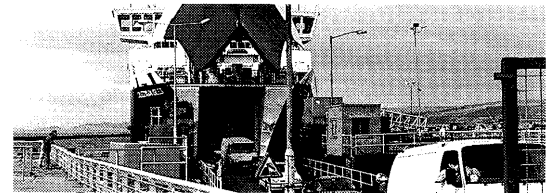
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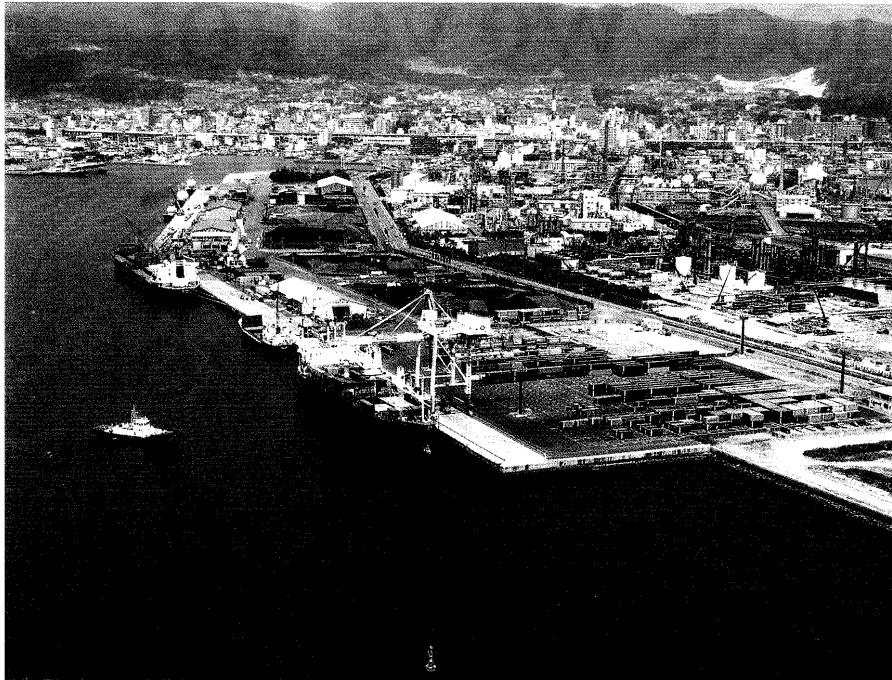
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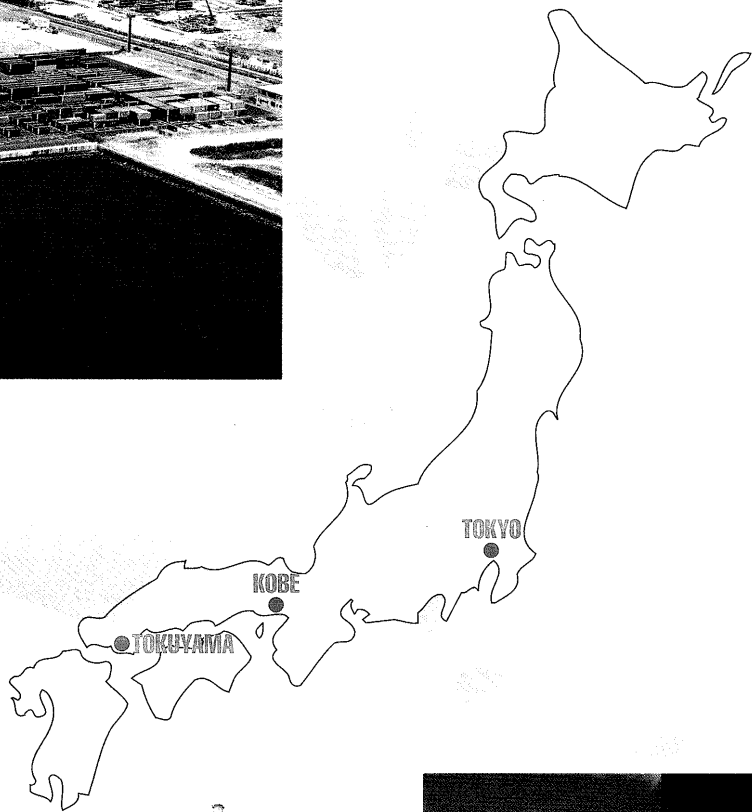
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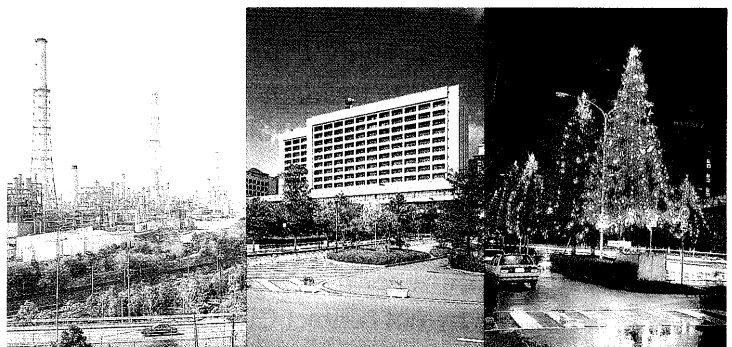


Tokuyama Container Terminal



Port of Tokuyama-Kudamatsu is situated almost in the center of the Inland Sea coast line. Behind the port is formed a seaside industrial zone and this port is one of the Specially-Appointed-Important Harbor in Japan.

We keep on making efforts to improve the port and its facilities including the Tokuyama Container Terminal and 14-meter-deep berth which is one of the deepest berth in the western Japan.



Tokuyama Complex The Prefectural office Tokuyama Christmas Trees Festival



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