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**IAPH announces
Conditions for Entry
to: Essay Contest/
Information
Technology Award**

**Geraldine Knatz
reports on the
19th Meeting of
LC1972**

**Address by Glenda
Jackson
Parliamentary Under
Secretary of State,
UK, at 20th IMO
Assembly**

**Master Plan for Port
Development Case
Study: Sydney
by John C. Harris**

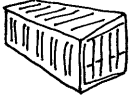

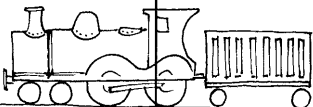


PORT OF GLADSTONE

GLADSTONE

Gladstone Marina



here today - here tomorrow

MON	TUE	WED	THUR	FRI	SAT	SUN
		1 0930 Internal meeting	2	3 River barge incident in Shanghai. Call Richard in HK.	4	5
6	7 Hurricane - damage to crane at port Call Carl in Miami	8 	9	10	11	12
13 1800 TRMP presentation	14	15	16 	17	18 CIM dispute in Frankfurt. Call Andreas in London.	19
20 Freight forwarders truck hijacked in CIS. Call Alan in Moscow	21 	22	23	24 Loss prevention survey out all day with JRN	25 	26
27	28	29	30 RUG. Conference - out all day	31		

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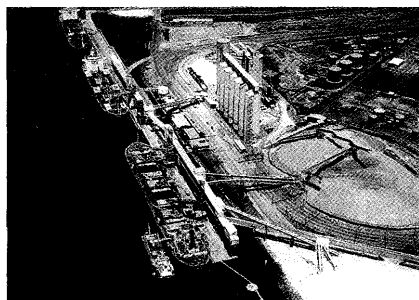
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O C Phang
General Manager/Chief Executive
Klang Port Authority
Malaysia



Port of Gladstone

THE Gladstone Port Authority (GPA) is currently expanding its Tanna Coal Terminal to allow storage of 3.9 million tons within the stockpile area. The construction of the new stockpile area (Stockpile 14), began in July 1997 and is expected to be commissioned by end March 1998 at a cost of \$ 8.5 million. Related articles on page 39.

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Since 1955

Join us in IAPH's endeavours to pursue

World Peace Through World Trade World Trade Through World Ports

**IAPH supports all efforts to prevent illegal trafficking
of drugs!**

Drug Trafficking through seaports is a global problem requiring vigilance and the co-operation of the World's Port Communities.

World Ports must accept their responsibility to the World Community by working together to enhance security measures and improve communication of information to fight the illegal movement of drugs through ports.

The *International Association of Ports and Harbors* (IAPH) fully supports the efforts and initiatives of the World Customs Organization (WCO) in their fight against the illegal trafficking of drugs through ports.



**IAPH will meet in Kuala Lumpur Malaysia
from 15 to 21 May, 1999,
at its 21st World Ports Conference**

**Conference Theme: Global Trade Through Port Co-operation
Conference Host: The Klang Port Authority**

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IAPH ANNOUNCEMENTS AND NEWS

Jean Smaghe
President of IAPH

It is a pleasure to extend my New Year's greetings and best wishes for 1998 to all members of our IAPH family.

The life of port officers is certainly exciting, and none of us would want to change professions. However, this sort of life leaves little room for leisure. With a rapidly changing international economic and political context, pressure from commercial partners, increased competition from globalization, technological changes, institutional reforms and the need to manage human resources, there is scant time for prospective thought and exchanges with colleagues from other ports. This is why the biennial IAPH conferences are so important, facilitating wide-ranging discussions on such issues on the future perspectives for the maritime and port sectors, the latest technological innovations and institutional developments. For a week participants can take the time, far from the hectic pace at their offices, to share their experiences and concerns with their colleagues from other ports and harbors throughout the world.

In this regard, the London Conference was IAPH's great achievement for the year 1997. The level of presentations and professional discussions was extraordinary, and the participants will not soon forget the opening ceremony at the Globe Theatre or the gala dinner at Hampton Court.

The work of our technical committees has been intense in 1997. For example, the Trade Facilitation Committee has concentrated on the development of information systems for ports and on projects to establish a permanent forum on related topics accessible from the IAPH Internet site, which went into operation in 1997.

The IAPH/IMO Interface Group has allowed IAPH to advise the IMO on the ports' point of view on important subjects, most notably linked to the environment and to marine and port safety. But much work remains to be done by the technical committees in 1998, and a progress report will be made on the occasion of the Executive Committee in New



1998 New Year Messages

Orleans next April. On this occasion, please allow me to deeply thank all of you throughout the world who have worked so diligently in our committees, which are essential to the life and reputation of our Association. Please also permit me to speak on your behalf in extending our appreciation to the Secretary General of the Association and all his staff for the exceptional job they have done.

IAPH must also consider its long-range future and ensure that its objectives and orientations correspond to the needs of ports and, more importantly, to the needs of the port industry of the future.

This is why the Special Task Force IAPH 2000 was launched in London, to analyze the present situation and make recommendations in order to ensure that IAPH will continue to be the indisputable world-wide organization that brings together all the ports of the world. The plan of action of this Task Force, chaired by the First Vice President, was discussed at length during my meeting with the Officers last October in Marseilles. Three working groups were established and will present a progress report to the Executive Committee in April 1998 at New Orleans. The following year, during our biennial conference in Kuala Lumpur, the future policy of the Association and consequent programs of implementation will be decided. IAPH, our Association, has a decidedly bright future ahead of it, as long as we continue to respond to the needs of ports around the world. We are fast approaching 1998, and the great leap into the third millennium occurs in just two years. Let's use this time to prepare wisely for our future. With my very best wishes to you, your colleagues and your family for 1998, I remain. Sincerely yours,

Hiroshi Kusaka
Secretary General of IAPH



ALLOW me to extend my hearty New Year's greetings to all members of IAPH's global family.

First, I would like to reiterate my profound thanks and appreciation to the

Port of London Authority for hosting the 20th World Ports Conference of IAPH last June in London. As many of you witnessed, the gathering was extremely successful, thanks in large part to the stimulating and enjoyable business and social programs arranged by our hosts. I hope that you have now received a copy of the Proceedings of the London Conference, sent from the Tokyo Head Office late last year. I trust that the publication will remind those who participated in the gathering of the lively discussions which unfolded in the respective working sessions in London and of the warm hospitality that was afforded by our British friends on that occasion. On behalf of all the participants, I would like to pay tribute to the wonderful efforts of our friends from the PLA and other UK ports in producing such a fruitful and animated forum for IAPH participants.

As regards the world economy and the business environment surrounding ports, it appears that the US is contributing to expand its trade with the East Asian countries. In Europe, too, most countries have been steadily increasing their exports as their economies recovered, although, except for the UK, their employment levels have yet to improve. In Asia, on the other hand, prospects for the ASEAN countries and the NIEs, are increasingly uncertain in the light of falling currencies and asset values. Meanwhile in Japan, the other major player sustaining East Asian trade, where market, financial and administrative reforms are underway, the economy has remained sluggish. In these circumstances, the business environment surrounding such port users as the shipping industry and shippers is becoming relentlessly more competitive and, as a result, there are constant demands on ports to

provide a higher quality of service and greater efficiency. Furthermore, in the wake of the globalization of the world economy, governments in various countries and economies have been demanding innovations of the port industry in their pursuit of liberalization and social and economic reforms. Thus, 1998 will be another challenging year for IAPH members. I wish each of our members great success in their individual endeavors.

Concerning IAPH's overall activities, I feel most fortunate in being able to report that, since the London Conference, all our officers and committee members have been extremely active in pressing on with the work programs in accordance with the new terms of reference (TOR). In particular, the Technical Committees and the IAPH/IMO Interface Group have been working hard to further benefit the members of our Association, enabling them to obtain a wealth of information useful to them in their efforts to enhance the efficiency of their own ports. These initiatives have contributed to maintaining the collective interests of the ports throughout the world and to increasing understanding of the positions held by IAPH among the other international maritime organizations. I wish to thank all the hard-working members who have served on these committees for their selfless efforts.

I would also like to refer to the Special Task Force IAPH 2000, which was established at the London Conference with the aim of making a thorough analysis of the current and future trends in the port and maritime industries. I am convinced that the Task Force will succeed in coming up with effective guidelines for the direction of IAPH's future work and also for the port industry as it faces up to the new demands for innovation as the 21st century approaches. I wish to express my deep appreciation to our officers and chairmen and to the members of the committees and working groups for their commitment in support of these activities.

Finally, I would like to refer to this year's most important event. The mid-term meeting of the Executive Committee of our Association will be held from 26 April to 1 May this year in New Orleans, hosted by the Board of Commissioners of the Port of New Orleans. There the Executive Committee will be able to discuss the various issues of prime importance to our organization, including the findings of the committees and groups which may identify a common strategy for the ports to adopt in tackling the global issues impacting on them and

a master plan for the 21st Conference in 1999 to be held in Malaysia.

Your Head Office in Tokyo has been able to achieve a considerable cost reduction in office expenses as a result of the relocation of the Secretariat office to less expensive premises in July 1996. We have also updated such OA facilities as computers and Internet services and we opened an IAPH home page right after the London Conference. We will continue

enhance the level of our service to all current and future IAPH members by fully utilizing these facilities.

Again this year, my staff and I at the Head Office in Tokyo are determined to keep doing our utmost to further promote the work of IAPH, and in doing so we seek your continued support and keen participation in the Association's various activities.

Message from Datin O.C. Phang **IAPH Conference Vice President**

DEAR IAPH members: Warm greetings and a very Happy New Year! I hope 1998 will be a prosperous and successful year for each and everyone of you. This is the time we all sit back and take stock of the previous year and see how we can improve things in the new year.



Personally, 1997 was an exciting year. I was appointed as the General Manager of Klang Port Authority (KPA) in September and accordingly, the IAPH Board elected me as the new Conference Vice President. I am deeply honoured to accept both positions and will strive to perform my very best.

On a larger scale, the last few months have been particularly difficult for the world economies. The Asian region is experiencing currency and economic turbulence which has affected GDP growth and trade. On the one hand, this has been a blessing in disguise as the exports from these countries have become more competitive. On the other hand, the long-term effects of such a situation may negate growth and the industrialisation programmes of this region. However, there are indications that this situation will improve in the near future.

Performance-wise, KPA has, as of now, not been affected by the current situation. It achieved its target of 56 million tonnes of cargo in 1997 and in terms of containers, 1.7 million TEUs. The Malaysian government has identified Port Klang as the load centre for the country as a step towards the ultimate aim of transforming it into a regional hub by the turn of the century. To cap it all, KPA

hosted the ASEAN Ports Association (APA) Maritime Exhibition and Carnival in conjunction with the latter's 25th anniversary in November.



By the time the 21st World Ports Conference of the International Association of Ports and Harbors begins in Kuala Lumpur in 1999, I believe that the economies will be back on stream and generate healthy growth in the next millennium.

It is indeed a privilege to hold the Conference in Malaysia especially as it is the first country in South East Asia to play host in 24 years. For this, I would like to express my sincere appreciation to my predecessor, Dutuk M. Rajasingam together with the then Secretary-General of the Ministry of Transport, Malaysia and his delegation for successfully convincing everyone that this country is indeed the place to be holding such an important event. It seems even more special as the Conference will be held just six months short of the 21st Century. It will be an exhilarating time for most and to mark this momentous occasion, we are planning a Conference that will capture this mood.

Once again, I wish you all a good year ahead and I look forward to working closely with the IAPH to ensure greater relations among the ports and the success of the IAPH Conference in 1999. I look forward to seeing you then.

Best regards,

Datin O.C. Phang
Conference Vice President, IAPH
General Manager, Klang Port Authority

Conditions for Entry to IAPH Essay Contest and Bursary Scheme Update

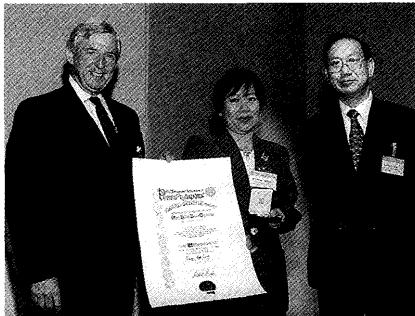
MR. Goon Kok Loon (PSA Corporation, Singapore), chairman of the IAPH Committee on Human Resources has recently announced the details of both the IAPH Award and Bursary Scheme for the 1998/1999 term.

The Award Scheme is an essay contest held for personnel of developing ports which are IAPH members. It was first introduced by the Association in 1979, and has since served to provide those working for ports in developing countries with a real incentive to step up their research activities and to make their work more productive.

The winner of the First Prize (called the "Akiyama Prize") will be invited to the 21st World Ports Conference which is scheduled for 15-21 May 1999 in Kuala Lumpur, Malaysia, to receive the top prize medal from the IAPH President in front of all the delegates present at one of the Plenary Sessions.

The past recipients of the "Akiyama Prize" have been:

- Ms. Daphne Phinopoulos**, Cyprus Ports Authority (1979)
- Mr. Carlos Canamero**, ENAPU, Peru (1981)
- Dr. Josip Kirincic**, Port of Rijeka, Yugoslavia (1983)
- Mr. D. Nankoo**, Mauritius Marine Authority and
- Mr. M. Meletiou**, Cyprus Ports Authority (1985)



Mrs. Rita Seño-Ogbinar receives the **Akiyama Prize** from **President Cooper**, as **Mr. Goon** stands by. (London, 2 June 1997)

Mr. Jose Paul, Cochin Port Trust, India (1987)

Mr. K. Dharmalingham, Mauritius Marine Authority (1989)

Mr. W.G. Samaratunge, Sri Lanka Ports Authority (1993)

Mrs. Rita Seño-Ogbinar, Philippine Ports Authority, Philippines (1997)

(None of the entry paper was selected to receive the Akiyama prizes in the 1991 and 1995 contests.)

We hope that the essay contest 1998/1999 will attract as many qualified papers as possible from the various eligible applicants. For this purpose, Chairman Goon's message and the conditions for entries both to the Bursary and Essay Contest are featured in this issue.



Message from Mr. Goon Kok Loon, Chairman, the IAPH Committee on Human Resources

PORTS worldwide are constantly challenged to improve the quality of their services. As infrastructure, they play a critical role in facilitating the growth of industrialization and trade in their countries. Thus many ports are actively upgrading their infrastructure, systems and personnel.

The IAPH Bursary and Award Scheme aims to assist young management personnel in advancing their professional expertise and knowledge while the Award Scheme provides an incentive for research and improvement.

Since the bursary schedule was introduced in 1976, many personnel from member ports have benefited from the scheme. Likewise the Award, introduced in 1979, has helped generate many good ideas for improving productivity and service levels. Some of these ideas have also been presented at our biennial conferences and published in "Ports and Harbors" for the benefit of other members.

This year, the IAPH Bursary Scheme will again be open to a maximum of 10 management personnel. For our eleventh biennial essay contest, we will continue with the theme of "How the quality of port services could be improved?, which is still relevant today.

May I encourage personnel from ports in developing countries to take advantage of these schemes.

Geraldine Knatz reports on 19th Meeting of LC1972

DR. Geraldine Knatz (Director of Planning, Port of Long Beach), Chairman of the IAPH Dredging Task Force (DTF), has recently sent a report on her participation in the 19th Meeting of Contracting Parties to the London Convention 1972 ("LC1972"), which was held at the IMO headquarters in London late in October. Dr. Knatz participated in the meeting in her capacity as the head of the IAPH delegation together with Mr. Joseph E. LeBlanc, Jr., a New Orleans-based IAPH Legal Adviser. The DTF chair says, "My report summarizing the 19th Meeting makes specific reference to issues relevant to the interests of the IAPH membership which Jose LeBlanc and I will continue to monitor on behalf of IAPH." Dr. Knatz also indicates that the next meeting of the Scientific Group is scheduled for 6-9 April in Cape Town, South Africa, and further says "I will be attending the Cape Town meeting along with our Scientific Advisor, Dick Peddicord." Later in this issue, we feature Dr. Knatz's report.

London Conference Proceedings Sent Out to Members

THE official Proceedings of the 20th World Ports Conference of IAPH, held in London in June 1997, the compilation work for which had been undertaken by the Head Office staff, were published in late November and distributed to all members and the relevant organizations in the first week of December from Tokyo.

The publication consists of an 8-page gravure of color photographs showing various scenes involving the participants, reproduced from Newsletter No. 4, which was originally published by the Port of London Authority, the opening speeches by the Conference hosts and the President of IAPH, the minutes of the Plenary Sessions, presentations and discussions at the seven Working Sessions, the final list of Participants as announced by the Organizing Committee, and other information on the day-to-day programs and arrangements for the 20th Conference.

Secretary General Kusaka, in his

introductory remarks to the publication, reiterates his deep appreciation of our host in supplying Tokyo with materials and information for use in the Proceedings. In particular, the IAPH Head Office has enjoyed the full support of the PLA's team headed by Mr. David Jeffery until the Head Office finally finished the compilation work. In particular, Mr. Terry Hatton and his wife Sheila, who left the PLA in late September, were always there to assist the Tokyo staff with quick responses to the various requests from Tokyo, thus solving all the unclear points the latter faced in the process of compilation. Mr. Geoff Adam, Conference Executive Secretary, was always available to give his advice to Tokyo whenever his cooperation was sought. Thanks to the generous arrangements made by the PLA team, including the use of the cover design

and other art works from the London brochure, the Head Office staff succeeded in reducing the production costs.

The Secretary General also express his thanks to those sponsoring organizations who contributed to the production costs of this publication, as listed below:

The Port of London Authority, UK
 TT Club, UK
 Shipping Guides Ltd., UK
 PORTNET, South Africa
 PSA Corporation, Singapore
 Nagoya Port Authority, Japan
 Taichung Harbor Bureau, China
 Klang Port Authority, Malaysia
 Port of Montreal, Canada
 Administração dos Portos de Setubal e Sesimbra, Portugal
 Empresa Nacional de Puertos S.A. , Peru

soon as possible.

The Secretariat has recently compiled the results of the 1997 survey, in which all Regular Members were asked to file with the Secretary General a report of the tonnage handled during the latest one-year period and to notify the Secretary General of the number of units for subscription under the tonnage based dues formula of IAPH. According to the Secretary General's report, which was presented to Mr. George M. Murchison (Long Beach), Chairman of the Finance Committee, and the other officials concerned, the rate of return was 76.52%, in other words 176 out of 230 Regular Members had completed their notification to the Tokyo Head Office by the end of 1997. The total number of units reported for the new term was 763, 21 units up in comparison with the figures for the term ended on December 31 1997. The Regular Membership distribution is illustrated in the table below.

IAPH Membership Dues for 1998: Invoices Sent to Members

A circular from the Secretary General of IAPH with an invoice for the Membership Dues for 1998 has been sent to all members of the Association from the Tokyo Secretariat. The documents were dated December 10, 1997. The dues level for 1998 and 1999 remains unchanged, namely SDR1,070 per unit, marking three consecutive years with no dues increase. It was in 1995 that the dues were last increased, by 5%.

The value of the invoice is shown in SDR. The term "SDR" means "Special Drawing Rights", as adopted and applied within the monetary system by the IMF (International Monetary Fund).

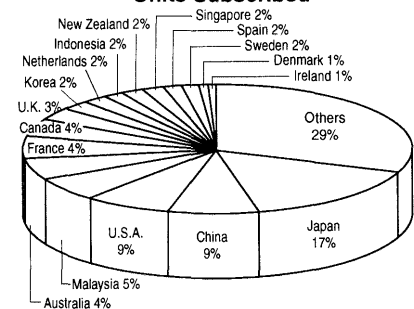
Each member is requested to quote the exchange rate between the SDR and one of the currencies from the IMF basket listed in the table below, as it was on December 10, 1997.

The table below shows the SDR value per membership unit for Regular and all classes of Associate Members. The equivalent rates are also indicated in the table.

The Secretariat would appreciate members remitting their dues to the IAPH account at one of the following banks, rather than to send checks, so that the Head Office can save on the bank commissions which are necessary if payment is made by check and which are twice as high as the payment is made through a bank.

As for the 1997 dues payment situation, our chief accountant Mr. Onso has indicated that, as of December 1, 1997, a little over 11% of the dues of the Regular Membership, involving 26 out of 230 Regular Members, remains unpaid. In this connection the Secretary General appeals to those dues delinquent members to settle the outstanding dues as

Regular Membership Distribution by Units Subscribed



Membership Dues for 1998

Dec. 10, 1997

	SDR*	Japanese Yen	US dollar	German Mark	French Franc	British Pound
REGULAR	1SDR=	174.926	1.352287	2.41284	8.07122	0.820767
1 unit	1,070	187,170	1,446	2,581	8,636	878
2 units	2,140	374,341	2,893	5,163	17,272	1,756
3 units	3,210	561,512	4,340	7,745	25,908	2,634
4 units	4,280	748,683	5,787	10,326	34,544	3,512
5 units	5,350	935,854	7,234	12,908	43,181	4,391
6 units	6,420	1,123,024	8,681	15,490	51,817	5,269
7 units	7,490	1,310,195	10,128	18,072	60,453	6,147
8 units	8,560	1,497,366	11,575	20,653	69,089	7,025
ASSOCIATE						
A-X-1, B&C	900	157,433	1,217	2,171	7,264	738
A-X-2	610	106,704	824	1,471	4,923	500
A-X-3	310	54,227	419	747	2,502	254
D	160	27,988	216	386	1,291	131
E	140	24,489	189	337	1,129	114
TEMPORARY	600	104,955	811	1,447	4,842	492

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

**SDR stands for Special Drawing Rights as defined by IMF (International Monetary Fund).*

The above quoted exchange rates of five currencies per SDR existed on Dec. 10, 1997 the date of issue of our invoices for 1998 Membership dues.

The dues payable to the IAPH Head Office should be remitted through:

- The Fuji Bank Ltd., Marunouchi Branch, Account No. 883953
- The Bank of Tokyo-Mitsubishi, Ltd. Uchisaiwaicho Branch, Account No.526541

IPD Fund: Status Report on the fund-raising campaign – Donations amount to \$18,000 in six months –

THE fund-raising campaign which started in June last year is now under way, although it is proceeding at rather a slow pace. Of the targeted amount of US\$70,000, as of 12 January, nearly 20% had been contributed in six months.

Since our previous announcements, contributions have been received from the City of Kobe, the Japan Academic Society for Port Affairs and Sydney Port Corporation, Australia. We offer our deep gratitude for the support of those who have made contributions to the Fund and invite all members' continued support of the project.

List of Contributors to the Special Port Development Technical Assistance Fund

(As of 12 January 1998 - in order of receipt at the Tokyo Head Office)

ORGANIZATION	COUNTRY	US\$
Georgia Ports Authority	USA	1,500
Bintulu Port SDN BHD	Malaysia	1,000
Ports of Auckland Ltd.	New Zealand	500
Fremantle Port Authority	Australia	250
Port Services Corporation	Oman	985
Associated British Ports	UK	1,000
Nanaimo Harbour Commission	Canada	250
Japan Cargo Handling Mechanization Association	Japan	240
South Carolina State Ports Authority	USA	750
Mauritius Marine Authority	Mauritius	1,000
Overseas Coastal Area Development Institute of Japan	Japan	1,000
Port of Rotterdam	the Netherlands	1,000
Port Authority of the Cayman Islands	Cayman Islands	500
Kuwait Oil Company (KSC)	Kuwait	750
Port of Copenhagen	Denmark	1,000
Saeki Kensetsu Kogyo Co. Ltd.	Japan	235
Marine Department, Hong Kong	China	500
Port of Montreal	Canada	1,000
Port Authority of Thailand	Thailand	100
Tanzania Harbours Authority	Tanzania	1,000
Port of Kobe	Japan	3,000
Japan Academic Society for Port Affairs	Japan	237
Sydney Ports Corporation	Australia	500
Total:		18,297

names of the key officials and positions at the respective ports, their contact numbers by telephone, fax and email as well as the volume of cargo handled at their ports are featured, based on the information reported by the members concerned in their updated entries to the new edition of the Directory.

Regrettably, however, some members have not returned the updated entry forms, and therefore reference to such members was made from the information previously reported, with an asterisk (*).

If IAPH members require more copies of the Directory, they can be obtained upon application to the Head Office.

TFC announces updated conditions for entry to the Information Technology Award A second category created for application by universities and research institutes

MR. Emili Arbós (Port of Barcelona), Chairman of the IAPH Technical Committee on Trade Facilitation, has recently announced the details of the conditions for entry to the 1999 Information Technology Award of IAPH.

The major change in the conditions since the 1997 IT Award concerns the newly created criteria. The award is now open to those interested parties from universities and research institutes, while it has been the case with IAPH, only one category - the one open to IAPH members. We have pleasure in carrying the updated conditions for the Information Technology Award 1999 as announced by the Chairman of the Committee on Trade Facilitation Emil Arbós later in this issue.

IAPH Directory '98 Completed

THE 1998 edition of the IAPH Membership Directory was completed by the Tokyo Head Office and was sent to all members and related organizations in late December.

The Directory features the names of the Regular, Associate (by class and category) and Lifetime Members under the respective countries in alphabetical order. As for the Regular Members, the

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IAPH AWARD SCHEME ESSAY CONTEST 1998/1999

"How the quality of port services could be improved?"

Your answer could win you the Akiyama Prize,

A silver medal and US\$1,000 in cash

plus

An invitation, including traveling costs and hotel accommodation
to attend the 21st World Ports Conference of IAPH, 15-21 May 1999
in Kuala Lumpur, Malaysia.

**IAPH invites entries for its 1998/1999 Award Scheme
from those working at all levels
in IAPH member ports/organizations in developing countries**

Conditions for Entry to the IAPH Award Scheme 1998/1999

1. Suggestions regarding how the quality of port services could be improved should be presented in English, French or Spanish, typewritten, and submitted to the Secretary General, the International Association of Ports and Harbors, Kono Building, 1-23-9 Nishi-Shimbashi, Minata-ku, Tokyo 105-0003, Japan.
2. The suggestions may cover marine, engineering or port operations services. Tangible benefits resulting from the changes should be quantified, together with the costs (if any) involved.
3. Entries may be made by individuals employed by IAPH member organizations, and should be the original work of the entrant. Those which are the result of official studies or otherwise sponsored projects will not be eligible.
 - Entry texts should not exceed 20 pages excluding a reasonable number of appendices containing tables, graphs or drawings.
 - The paper size must be A4 (21.0 x 29.7 cm).
 - Regardless of language used (English, French or Spanish), the entry paper must be accompanied by a brief summary in English.
 - Three (3) copies of the entry paper should be submitted to the IAPH Head Office at the above address.
4. Entries will be judged by a panel of experts appointed by the Chairman of the Committee on Human Resources (formerly called CIPD). The panel will give greater merit to papers identifying and evaluating specific improvements than to entries covering a wide range of improvements in general terms.
5. The First Prize for the winning entry will consist of:
 - The Akiyama Prize (a silver medal plus US\$1,000 or the equivalent in local currency); and
 - An invitation, including traveling costs and hotel accommodation, to attend the 21st World Ports Conference of IAPH, to be held from 15 to 21 May 1999 in Kuala Lumpur, Malaysia.
6. In addition to the First Prize, Second, Third and Fourth Prizes of US\$500, US\$400, US\$300 will be awarded to the next best entries.
7. Additional prizes of US\$100 each will be awarded to any other entries judged by the panel to be of a sufficiently high standard.
8. A summary of winning entry may be eligible for publication in the "Ports and Harbors" magazine.
9. At the decision of the panel, a bursary may be awarded to any one prize winner (subject to agreement of the employer)
10. The closing date for receipt of entries is 30 September 1998.

THE IAPH BURSARY SCHEME

Object

The object of the Scheme is to provide financial assistance towards the cost of sending selected applicants from IAPH member ports in developing countries on approved training courses overseas that are available in ports or port training institutes which are members of or affiliated with IAPH.

The Bursary Award

Subject to the availability of funds, the maximum of ten (10) bursaries for each program year, not exceeding US\$3,500 each, may be awarded to such applicants who meet and satisfy the conditions for entry.

Conditions for Entry

1. The applicant should not be older than 45 years of age and must have been employed at junior, middle or senior management level by an IAPH member port for at least three years.
2. The application must be submitted in accordance with the suggested format, accompanied by a brief description of how the proposed training would benefit the applicant and his/her port and by evidence that the applicant has been provisionally accepted for the proposed training course. To ensure the applicant is duly endorsed by his/her port, the application must be submitted by the port's chief executive officer on behalf of the applicant.
3. In estimating the costs to be incurred for the proposed training, the course/tuition fees, accommodation and subsistence should be quoted, explicitly excluding international airfares or other forms of primary traveling costs. If the estimated total cost exceeds US\$3,500, the port chief executive must submit a written statement that the balance shall be borne by the applicant's organization.
4. The application must be submitted at least 60 days before the commencement of the proposed training course. In this context, the applicant should be made aware of the time required for making the necessary arrangements for obtaining visas for foreign travel.
5. The final decision on awarding a bursary or not rests with the Chairman of the Committee on Human Resources. As soon as such a decision is made, the applicant will be informed of the result by the IAPH Secretary General through the chief executive officer of his/her port. At the same time, the Secretary General will take the necessary steps to disburse the approved funds from the Special Port Development Technical Assistance Fund, the remittance of which is to be made directly to the training institute involved. The recipient will be required to account for expenditures and to reimburse any monies not spent out of the bursary.
6. For the purpose of making this financial assistance available to as many applicants as possible, those who have already been awarded a bursary will in principle not be considered. For the same reason, the number of bursaries to be awarded to any member port will not be more than one (1) for each two-year period.
7. After completion of the training course, each recipient must submit to the IAPH Secretary General a report on his/her participation in the training within one month of the end of the course. Such reports will be published in the magazine "Ports and Harbors".

SUGGESTED FORM OF APPLICATION FOR THE IAPH BURSARY SCHEME

I, the undersigned, hereby submit for your consideration an application for:

Name of Applicant:

Job Title:

Name of Port:

who is an employee of this organization, together with supporting information on the applicant in accordance with the items stipulated below:

- (1) Brief personal history (date of birth, etc.)
- (2) Brief employment history with the Port
- (3) Educational qualifications (Please also indicate whether the applicant is fluent in English, French or Spanish.)
- (4) Professional/technical qualifications
- (5) Previous overseas training courses attended, if any
- (6) Course for which application is being made (specify nature of course, duration, and location of host port/institution.)
- (7) Amount of bursary for which application is being made (Particulars of expenses should be given in US dollars in support of the application.)

Course fees:

Accommodation:

Other particulars:

Total (US\$):

Chief Executive Officer:

(Signature)

Note 1: A breakdown of the requested amount as under item (7) has to be made in accordance with the information provided by the training course organizer.

Note 2: State any other source from which financial assistance is being sought or have been already granted, if any, for instance, governmental, inter-governmental and lending institutions (UNCTAD, World Bank, etc.).

Please send the application to:-

The chairman, IAPH Committee on Human Resources c/o Secretary General, International Association of Ports and Harbors Kono Building, 1-23-9 Nishi-Shimbashi, Minato-ku, Tokyo 105-0003, Japan
Tel: +81-3-3591-4261,
Fax: +81-3-3580-0364,
E-mail: iaph@msn.com

LIST OF IAPH-AFFILIATED TRAINING INSTITUTES

(*INVOLVED WITH THE IAPH BURSARY SCHEME IN THE PERIOD OF 1976 -1997)

Europe/African Region

Institut Portuaire du Havre (IPER) *

30, rue de Richelieu
76087 Le Havre Cedex
Tel: +33-2-32925992
Fax: +33-2-35412579

Technical & Managerial Port Assistance Office (TEMPO) *

Rotterdam Municipal Port Management
PO Box 6622
3002 AP Rotterdam
the Netherlands
Fax: +31-10-4896527
E-mail: bert.kruk@port.rotterdam.nl
<http://www.port.rotterdam.nl>

International Maritime Transport Academy (IMTA)

Soerweg 31
3088 GR Rotterdam
The Netherlands
Tel: +31-10-4298177
Fax: +31-10-4951508

Institute de Formation & D'Echanges Portuaires (IFEP) *

Port of Marseille
23, Place de la Joliette
BP 1965
13226 Marseille Cedex 02
France
Fax: +33-91-39-4500

International Institute for Infrastructural, Hydraulic & Environmental Engineering (IHE) *

Westvest 7
PO Box 3015
2601 DA Delft
The Netherlands
Tel: +31-15-2151715
Fax: +31-15-2122921
E-mail: ihe@ihe.nl
<http://www.ihe.nl>

Dept of Maritime Studies & International Transport *

University of Wales, Cardiff
PO Box 907
Cardiff CF1 3YP
United Kingdom
Tel: +44-1222-874271
Fax: +44-1222-874301
E-mail: masts@cardiff.ac.uk
<http://info.cardiff.ac.uk/uwcc/masts/index.html>

Delft University of Technology

Julianalaan 134
PO Box 5
2600 AA DELFT
The Netherlands
Tel: +31-152789111
Fax: +31-152786522
E-mail: webmaster@tudelft.nl
<http://www.bu.tudelft.nl/us/diec/instel.hm>

Institute of Transport & Maritime Management Antwerp (ITMMA)

University of Antwerp
Middelheimlaan 1
B-2020 Antwerp, Belgium
Tel: +32-32180765
Fax: +32-32180746
E-mail: itmma@maze.ruca.ua.ac.be

American Region

Maine Maritime Academy

College of Engineering, Transportation, and Management
Custine, Maine 04420, U.S.A.
Tel: +1-207-326-2485
Fax: +1-207-326-2411
email: mmamsmm@saturn.caps.maine.edu
<http://bell.mma.edu>

The World Trade Institute *

One World Trade Center, 55W
New York, NY 10048
USA
Tel: +1-212-435-3175
Fax: +1-212-321-3305

International Program for Port Planning & Management (IPPPM) *

CUPA/LUTAC
University of New Orleans
New Orleans, Louisiana 70148
USA
Tel: +1-504-280-6519
Fax: +1-504-280-6272
E-mail: ppsur@uno.edu

Asian Region

PSA Institute *

SPI Building
2 Maritime Square
Singapore 099255
Republic of Singapore
Tel: +65-274-7111 Ext. 1825
Fax: +65-276-9450
E-mail: spi@singapore.gov.sg

IAPH Trade Facilitation Committee

IAPH Award for Information Technology 1999

NAME of Award: The Award is known as the International Association of Ports and Harbors Award for Information Technology.

CONCEPT: IAPH demonstrates its commitment and leadership in promoting the use of information technology in ports and maritime transport by presenting the award for outstanding research and application of information technology in ports and maritime transport, as decided by a distinguished panel of judges. The award is composed of two different categories.

Award Criteria

FIRST Category: Any Regular or Associate Member of IAPH will be eligible to submit an entry for the award. Any application of information technology within a port may be submitted, whether purely internal to the port authority or involving other outside organisations in such areas as EDI. The winner will be the entrant whose project or application, implemented in the previous two years, has resulted in the greatest benefit to the port judged by the Selection Committee on the following criteria:-

Lower costs and increased revenue, improved safety, environmental protection and enhanced efficiency.

It is explicitly envisaged that these criteria will enable ports in less developed countries, with limited resources and different circumstances, to compete for the award alongside those who already use the available technologies extensively. Relative improvement for a port will be the key factor for comparison. Gold, silver and bronze plaques will be presented.

SECOND Category: Universities, institutes of transport, Non-Governmental Organisations and any other non-commercial institution dedicated to investigation, study and research in the field of maritime transport and the port industry will be eligible to submit an entry for the award. Any project of research, survey or investigation within the maritime transport sector may be submitted. The winner will be the entrant whose project, research or study,

developed in the previous two years, is considered most interesting and valuable judged by the Selection Committee on the following criteria:-

Innovation, interest for maritime transport and the port industry and possible potential for implementation.

Gold, silver and bronze plaques will also be presented for the best entries submitted to this category of the award.

SELECTION Committee: The Selection Committee of four will receive, review and judge the merits of all entries. The Selection Committee will comprise:-

- The Chairman, IAPH Trade Facilitation Committee;
- a representative of the host port organisation at which the award will be presented (Port of Klang, Malaysia);
- a representative of the IAPH Secretariat; and
- a member of the Trade Facilitation Committee from a region not represented by the other three members.

NOMINATION Process: Nominations for the award are to be directed to the IAPH secretariat, which will ensure distribution to all members of the Selection Committee. The nomination must take the form of a written document substantiating the reason for the nomination, along with supporting evidence. Should there be more than one entry nominated per organisation, these entries will be considered separately.

CONTACTS: For both nominator and nominee, supply name, address, telephone number, fax number and e-mail address of organisation and person.

Description of Information Technology Application:

FIRST Category: Summary - Briefly describe (up to 400 words) the application, including the business problem, the technology solution, the time taken to achieve results and date of implementation.

Results (up to 400 words) - Provide specific performance measurements which show the improvement

brought about through the IT application, e.g. increase in revenues, decrease in costs, percentage change in results, time savings, operating impact, increase in port capabilities.

Technology or Services used (up to 200 words) - List hardware, software and services that were used in the application.

Obstacles Overcome (up to 300 words) - Explain the primary problems (technological, organisational, human or other) or difficulties overcome or avoided that threatened the success of the project, and the measures used to overcome these problems.

Technology Base (up to 300 words) - Give an indication of the level and extent of technology in use within the organisation before implementation of the project or application submitted.

SECOND Category: The application for the second category of the award should include the whole project, paper or report along with all the existing supporting evidence.

LANGUAGE: English

DEADLINE: Entries in quadruplicate (4 copies) must be received at the IAPH Head Office secretariat by 4 p.m., Japan time, 31 December 1998. To allow the judging to be carried out effectively entrants must adhere to this deadline. Entries received after the deadline will not be judged.

WINNERS: Winners of the gold, silver and bronze awards of both categories will be notified in good time to allow presentation of the awards to be made during the 21st World Ports Conference of IAPH in Kuala Lumpur, Malaysia (15 - 21 May 1999).

PUBLICITY: Any entry and/or related presentation material submitted for the award may be published in the IAPH magazine, Ports and Harbors.

Entry submission by mail to:

Information Technology Award
c/o The International Association of Ports and Harbors
Kono Building
1-23-9 Nishi-Shimbashi
Minato-ku, Tokyo 105-0003, Japan
Tel: +81-3-3591-4261,
Fax: +81-3-3580-0364,
E-mail: iaph@msn.com

19th Meeting of Contracting Parties to the London Convention 1972

IMO Headquarters - London, England 27-31 October 1997

Report of the IAPH Observer

By Geraldine Knatz

Chairman, IAPH Dredging Task Force
The Port of Long Beach

THE Nineteenth Meeting of Contracting Parties to the London Convention 1972 ("LC 1972") was held at the headquarters of the International Maritime Organization, 4 Albert Embankment, London SE1, England, on 27-31 October 1997. IAPH attended the LC 1972 Meeting as an observer and was represented by Geraldine Knatz, Chairman, IAPH Dredging Task Force, as Head of the IAPH delegation, and Joseph E. LeBlanc, Jr., as the IAPH Legal Advisor. The Nineteenth Meeting was attended by delegations from 40 Contracting Parties to the LC 1972; representatives from one Associate Member of IMO; observers from 4 states that are not Contracting Parties to the LC 1972; a representative from the International Atomic Energy Agency (IAEA); an observer from the Organization for Economic Co-operation and Development/Nuclear Energy Agency (OECD/NEA); and observers from 7 non-governmental organizations (NGOs), including IAPH.

This report will summarize the action of the Meeting on agenda items of concern to IAPH.

1. Status of the London Convention 1972 and the 1996 Protocol

- 1.1 The Nineteenth Meeting noted the report by the Secretary-General that 77 Governments have ratified or acceded to the LC 1972. The Meeting was also informed that Denmark has signed the 1996 Protocol without reservations, and Germany, Sweden and the United Kingdom have signed the Protocol subject to ratification by their respective governments.
- 1.2 The Meeting noted that the LC 1972 would continue to apply for all



Dr. Geraldine Knatz

Contracting Parties until the 1996 Protocol enters into force. At that time, there will be a "dual" regime under which some States will continue to be parties to the LC 1972, while other States will be parties to the new Protocol. There was a general discussion of the need to develop administrative arrangements for the conduct of consultative meetings once the dual regime goes into effect. Although consideration of such arrangements was included as an agenda item for the Nineteenth Meeting (Agenda Item 3), further discussion of this issue was deferred until the Twentieth Consultative Meeting to address other agenda items of more pressing concern.

2. Agenda Item 4 - Scientific Group: Consideration of Reports of the Nineteenth and Twentieth Meeting

- 2.1 There was extensive discussion of the generic Waste Assessment Guidelines ("Generic Guidelines") developed by the Scientific Group, as well as the separate guidelines proposed for particular waste categories ("Specific Guidelines"). A work group was formed to review both sets of guidelines and to revise them, as necessary, for consideration by the Meeting for adoption. IAPH participated in the work group to assure that port concerns would be recognized in connection with any action taken.
- 2.2 The principal issue considered by the work group was to clarify how the Generic Guidelines - which were patterned after the Waste Assessment Guidance adopted as Annex 2 to the 1996 Protocol - would apply under the provisions of the

existing LC 1972. Some delegations questioned how the Generic Guidelines developed under the "reverse list" approach of the 1996 Protocol would apply to the "prohibition list" approach in the LC 1972. This relationship was addressed by a revision of the Generic Guidelines to provide that they could be used to satisfy the requirements of the Annexes to the LC 1972, including the "trace contaminants" provisions of Annex I and the "special care" provisions of Annex II. This satisfied IAPH concerns on this issue.

- 2.3 The work group also considered certain ambiguities and conflicts between the provisions of the Generic Guidelines and the Specific Guidelines. The working group defined the relationship between the two sets of guidelines in terms of a "master-servant" relationship, i.e., the Generic Guidelines are controlling and the Specific Guidelines are "complementary" in providing additional guidance with respect to particular waste categories. To further clarify this point, it was recommended that additional waste specific guidance be presented in the form of "technical commentary" upon the Generic Guidelines, rather than as separate guidelines.
- 2.4 It was agreed that the Specific Guidelines required additional work and reformatting to make the relationship to the Generic Guidelines more understandable and usable by the environmental managers for whom they are intended. The Meeting recognized the advantage of having a "stand alone" document which would contain the Generic Guidelines and set forth, as technical commentary, the additional guidance for specific waste categories.
- 2.5 IAPH will closely follow the further development of the Specific Guidelines for other waste categories. The decisions ultimately reached as to format and approach will likely require conforming changes to the Dredged Material Assessment Framework (DMAF) developed under the LC 1972. It will be necessary to assure that all elements of the DMAF are adequately reflected in the technical commentary provided for application of the Generic Guidelines to dredged material.

3. Agenda Item 5 - Technical Co-operation and Assistance Programme Under the London

Convention 1972

3.1 A significant part of the Meeting was devoted to a discussion of technical cooperation, with agreement reached upon the establishment of a technical cooperation plan to encourage States to become parties to the LC 1972 or to the 1996 Protocol. As envisioned by some Contracting Parties, this technical cooperation plan would include not only the dissemination of scientific and technical information, but also the furnishing of assistance to States in developing national legislation and regulations to implement the requirements of the new Protocol. The Meeting endorsed the development of a "training model"—to be finalized at the 20th Meeting of the Scientific Group in May 1998—for distribution to developing countries to assist in implementation of the Protocol.

3.2 These efforts by Contracting Parties and by the Secretariat will warrant close scrutiny in the future. Because "technical cooperation" may well include representations as to the meaning and requirements of the Protocol, close attention is required to assure that the carefully negotiated provisions of the 1996 Protocol are not expanded beyond their intent through "interpretations" presented to non-contracting States.

4. Agenda Item 6 – Matters Related to the Disposal at Sea of Radioactive Waste

4.1 The Meeting noted that the International Atomic Energy Agency (IAEA) had presented two alternative ways of proceeding further with its work to develop a definition of de minimus (exempt) levels of radioactivity for purposes of the LC 1972 and the Protocol:

- (a) Guidance for making judgments on whether the materials planned to be dumped can be automatically excluded or exempted from radiological control or whether a specific assessment is needed. The assessment then should be carried out by the national authorities, based on international accepted principles and criteria, and taking into account the local circumstances; or
- (b) Guidance not only for making judgments on whether the materials planned to be dumped can be automatically excluded or

exempted from radiological control or whether a special assessment is needed, but also giving numerical exempt values, derived by using generic models, for sea disposal of bulk amounts of materials.

4.2 At the Eighteenth Meeting of Contracting Parties, the IAEA requested guidance as to which option it should pursue in conducting further work and indicated that, without such guidance, it would not be in a position to proceed further. The Nineteenth Meeting reached consensus that the IAEA should proceed with Option 1 relating to the development of standards by which judgments could be made as to de minimus levels, rather than with the development of numerical global standards.

4.3 There was a general recognition that the Waste Assessment Guidance adopted as Annex 2 to the 1996 Protocol, and the Generic Guidelines approved at the Nineteenth Meeting, could be used for de minimus assessment purposes. IAPH anticipates that delegations previously supporting the adoption of global numerical standards may seek to use the "Action Level" approach in the Generic Guidelines to pursue the adoption of global numerical standards relating to radioactivity, as well as for other constituents of concern. IAPH will continue its active participation in any consideration of action levels to assure that port interests are adequately protected.

5. Agenda Item 8 – Future work programme and date of Twentieth Consultative Meeting

5.1 The Meeting adopted a schedule outlining the future work program for the Scientific Group at its Twenty-First (1998), Twenty-Second (1999) and Twenty-Third (2000) meetings. IAPH has a major interest in the majority of these agenda items, including:

- (a) **The development of waste specific guidance** – IAPH must closely follow this work in connection with its impact upon the Dredged Material Assessment Framework developed under LC 1972.
- (b) **Experience with practical implementation of the WAG** – Since dredged material represents more than 90% of all material dumped at sea, most experi-

ence with "practical implementation" of the new WAG will be with respect to dredged material.

- (c) **Risk assessment procedures and biological assessment techniques** – Any work upon these procedures and techniques will necessarily involve and effect dredged material disposal at sea.
- (d) **Underlying principles for describing action levels** – "Action Levels" are a primary tool in the WAG for determining whether materials may be dumped at sea. The development of any such levels for dredged material is necessarily a major concern of IAPH ports.
- (e) **National action levels and their application** – Since national action levels will play a significant role in the evaluation of dredged material for sea disposal, the manner in which such levels are established and how they are applied is of major interest to IAPH. Although numerical action levels may be useful as a "screening" device which may establish the need for further assessment, in IAPH's experience impact assessment procedures are the most useful tool for determining the acceptability of dredged material for disposal at sea. Such procedures are necessary to take account of the unique characteristics of the sediment matrix. IAPH must remain involved in any discussion of this subject to assure that unrealistic and unreasonable action levels are not developed.
- (f) **Alternative waste management options** – Since dredged material constitutes the principle material disposed at sea, any review of waste management options will relate primarily to dredged materials. Ports have a vital interest, and must continue their active participation, in any consideration of proposed alternatives to the sea disposal of dredged material.
- (g) **New techniques in assessing environmental impacts of disposal** – IAPH has been at the forefront of developing and evaluating new assessment techniques for dredged material disposal and must remain involved in any consideration of new techniques for this purpose.
- (h) **Technical cooperation, including the WAG training package of**

the issues – IAPH must closely follow the development of any representations to developing countries and other non-contracting States as to what is required under the 1996 Protocol to assure that such representations accurately reflect the agreements reached for the adoption of the Protocol at last year's Special Meeting.

- (j) **Terms of Reference for the Scientific Group** – Development of these terms will determine the direction of the efforts of the Scientific Group in the coming years. It is important that IAPH assist in directing these efforts insofar as they relate to dredged material.

5.2 The list of substantive items agreed for inclusion on the Agenda for the Twentieth Consultative Meeting of Contracting Parties includes the items on the future work program for the Scientific Group, as discussed above, as well as matters relating to technical cooperation and assistance and the work of IAEA in developing de minimus (exempt) levels of radioactivity. IAPH has a particular interest in the development of de minimus levels to assure that they include appropriate recognition of naturally occurring levels of radioactivity and low levels from anthropogenic sources.

6. Conclusion

The Nineteenth Consultative Meeting was the first meeting of Contracting Parties since adoption of the 1996 Protocol. Much of the focus of the Meeting was on clarifying the relationship between the London Convention 1972 and the 1996 Protocol and how actions of Contracting Parties in the future would implement both the terms of the new Protocol and the existing provisions of the LC 1972. With the guidance agreed upon at the Meeting, the work of Contracting Parties and the Scientific Group will go forward upon the many agenda items of concern to IAPH. This will require IAPH's close attention as the concepts embraced in the 1996 Protocol – particularly the "precautionary approach" and the "polluter pays principle" – are applied to the actions of Contracting Parties in the future.

Through its active involvement in the past, IAPH has been able to assure that the provisions of the LC 1972 and the provisions of the 1996 Protocol fairly reflect port interests. It is important that this effort be continued.

INTERNATIONAL SURVEY ON SHIP/ShORE LIAISON AT BULK CARRIER TERMINALS

Conducted by the

JOINT INDUSTRY WORKING GROUP

(IACS, IAPH, ICS, INTERCARGO, BIMCO & other industry organisations)

By **A.J. Smith**, IAPH European Representative

THE Joint Industry Working Group was established to complement the work undertaken by IMO and IACS in improving bulk carrier safety and, in particular, to address problems if any due to improper loading and unloading practices at terminals.

It was necessary, in the first instance, to establish the operational situation from the standpoint of both ships and terminals. In that latter context it was recognised that terminal operators, as such, were not directly represented by a single international organisation. IAPH, for example, included only a limited number of terminals within its membership.

An international survey was initiated with ICS, Intercargo and BIMCO seeking ship information and IAPH addressing terminal operations so far as possible through their port membership.

The survey received over 1000 reports from ships and terminals. The reports covered 222 terminals in 46 different countries.

Reports from terminals grouped by IAPH were received from Japan, Europe and Australia. It was not possible in the time available to obtain replies from major terminals in other regions/countries, such as S America, Canada, US and S Africa. Ways of redressing gaps in information are under consideration.

As expected, problems were experienced by both ships and terminals. It seems clear for example, that in too many instances there have been breakdowns in ship/shore communications and confidence. It is also evident that the more responsible shipowners/terminal operators have least problems at loading and unloading terminals.

The number of ships and terminals using the IMO approved format of the ship/shore safety checklist was pleasing. This was attributable however to the circulation to the bulk carrier industry of 4,000 complimentary copies of the checklist funded by ICS, BIMCO, Intercargo and IAPH. This initiative was also carried out in association with the Nautical Institute and International Cargo Handling Co-Ordination Association.

A principal concern of loading terminals was the slow discharge of ships ballast. This was supported by the sub-

stantial number of reports from bulk carriers that insufficient time was allowed for this function. As the average age of the bulk carrier fleet is over 15 years, the ballast discharge rate is not comparable with modern standards and cannot equate to the loading rate of cargo in many modern terminals. Terminal operators may therefore have to accept some delay in their operations since once the loading starts, the probability is that the ballast discharge rate may reduce further. Shipowners should consider the efficient discharge of ballast as a high priority and ensure pumping systems are maintained to peak efficiency.

Safety of the ship, its crew and shore-based personnel involved in loading/unloading operations should be regarded as a basic requirement in the development of efficient practices and procedures. The survey pointed to a number of unsatisfactory local practices. One terminal, for example, is alleged to have given the ship fifteen minutes to check the draught and stability calculations in order to determine final cargo requirements and loading sequence. After the initial fifteen minutes the ship was fined \$500 US and again for every fifteen minutes thereafter. Such a practice is not considered to improve co-operation between the ship and terminal.

On the other hand surprising by few bulk carriers supplied the terminal with a G A Hatch Plan prior to loading or discharging. The absence of such a plan, which could be made available at little cost, puts shore personnel a risk when entering holds to trim the cargo and perhaps being faced with unsafe access ladders due to damaged rungs or the ladder brackets to the bulkhead having fractured.

It appears that bulk carrier operations at loading/unloading terminals do not compare favourably with oil/chemical tanker operations, where safety is of paramount importance. If a tanker and terminal jointly failed to complete and accept a ship/shore safety checklist it would be considered negligent. Why it could be asked, should bulk carrier operations be any different?

In recognising that more detailed attention will need to be given by the

Joint Industry Working Group to specific areas of concern to the ship or the terminal or to both parties, there is general agreement that ships and terminals should:

- accept the IMO approved ship/shore safety checklist as being the industry standard;
- ensure the checklist and cargo plan is used for all loadings and discharges;
- liaise in greater detail over the hold construction in order to reduce structural damage. Ships are recommended to supply the terminal with a general arrangement plan of the holds and indicate safe method of access to the cargo hold;
- be encouraged to have ship instructions produced in different languages; provide relevant information in the English language in addition to the local language;
- liaise with each other when the cargo

discharge plan has to be changed;

- never exceed the agreed cargo loading rate; any deviation to be recorded in writing and appended to the agreed loading plan which should be lodged with the appropriate authority of the port State; and
- comply with the Code of Practice for the Safe Loading and Unloading of Bulk Carriers, as approved by IMO's 20th Assembly.

Additionally:

- an efficient cargo watch should be maintained on board the ship with a responsible person available to liaise with the terminal;
- terminal staff should have an understanding of ship operations as part of their formal training; ship owners/operators and ships officers should ensure the efficient discharge of ballast at loading terminals.

we also visited three main container terminals, the Brani Terminal, Keppel Terminal and Tanjong Pagar Terminal, and had the opportunity to consult the SPI lecturers, especially on any port equipment, maintenance or management system problems that we might have.

The SPI program is really international in scope. Since the 1970s, some 100,000 personnel from local shipping industries and ports from 63 countries have been trained through the institute's courses. The SPI is also equipped with modern facilities to support its training activities. These include state-of-the-art crane and ship handling simulation systems, a mechanical equipment training circuit, technical workshops, a video production audio and a maritime library.

4. Course Coverage

Lectures and discussions were supplemented with visits to the PSA's Engineering Department and workshop to provide participants with practical first-hand experience of modern port management and field investigations. Lectures were given on various selected subjects, as follows:

- a) Overview of the PSA's maintenance system
- b) Purchasing procedure, inventory control and store management
- c) Preparation of budget and job estimation
- d) Managing workshop safety
- e) Information systems for maintenance personnel
- f) Electrical distribution system
- g) Repair and maintenance of container handling equipment
- h) Reefer container services
- i) Quality assurance and equipment acceptable procedures
- j) Port equipment automation
- k) Training of maintenance personnel
- l) Quality circle movement in PSA

5. Lecturers

All the lecturers were very dedicated and friendly, and therefore offered as much information as possible and took an interest in our futures. Most of the instructors came from the PSA, were fluent in English and were experts in their own fields.

6. Attitude of Participants

The participants of the course came from different developing ports from ASEAN countries. The course was conducted as a family affair. One real advantage of having such a mix of participants was the possibility of discussing port equipment problems with course colleagues and finding solutions based on the colleagues' experiences.

Report by Bursary Recipient on Management of Port Equipment Course Singapore Port Institute (SPI), Singapore July 7-18, 1997

By Syamusuddin

*Staff of Cargo Handling Equipment
PT (Persero) Pelabuhan Indonesia I
Medan, Indonesia*

1. Introduction

The Management of Port Equipment Course is one of the regular courses conducted by the Singapore Port Institute (SPI), Singapore. The SPI is the training arm of the Port of Singapore Authority (now PSA Corporation), which is responsible for organizing and coordinating all training activities in the port. The SPI has offered some 200 courses on port management, operations, technical and marine subjects to its target populations.

In 1997, the Management of Port Equipment course was held from 7 to 18 July. There were 13 participants from ASEAN countries. I was nominated by PT (Persero) Pelabuhan Indonesia I, a state-owned company located in Medan Indonesia, to attend the course through the IAPH Bursary Scheme 1997.

I really appreciate the efforts and assistance of IAPH in enabling me to attend this important course. In fact, this was my first international training



experience since I joined the port service company. I am sure that my participation in this course will play an important role in helping me and my organization to better face the

challenge of modern port planning management and equipment in this era of globalisation.

2 Course Objective

This course was designed with the objective of providing participants with an overview of PSA's port equipment maintenance and management systems. The program focused on planning, organizing and controlling resources to achieve a high level of equipment performance and reliability.

3. Course Organisation

The course consists of a two-week program of lectures involving some 80 hours of classroom instruction in 24 segments. The course program covered two broad areas, as follows:

- a) port equipment maintenance systems; and
- b) management systems.

Besides the indoor training activities,

7. Advantages

Such a course program provides the participants with the opportunity to consolidate their knowledge and contributes to the building-up of their confidence through the discussion of specific cases, current developments and the past experience of the lecturers or other participants. It also offers the opportunity to share with others the experience of their ports and also to maintain continuous dialogue in order to seek solutions to port equipment maintenance or management problems.

The interesting areas, which were explained and discussed in the program-generated debates during lectures, were as follows:

- a) Environmental considerations in port planning Although the efficiency of operations is of prime concern, the aesthetics of a terminal or port and the ambience of the surrounding buildings have not been ignored. The PSA aims to set new standards in the aesthetic planning of a port, such as the New Pasir Panjang Container Terminal.
- b) Automation in terminal operations The PSA has predicted the container flow through Pasir Panjang Container Terminal in 1998, as

about 16 million TEUs. To achieve this target, the terminal will be equipped with the latest facilities, technology and automation equipment as well as a new operation system to enhance port operations and to provide port services.

- c) Port equipment maintenance and management system. A container terminal can operate efficiently when complemented with well-maintained equipment to maximise the economic life of the asset and ensure the maintenance of desirable service levels at an acceptable cost.

8 Conclusion

Aside from the lectures, I can conclude the knowledge was also gained by the sharing of experiences with other participants from port executives. Basically, my aim in attending this course program was to learn, to get experience and to compare the port equipment, maintenance and management system of the PSA with that of PT (Persero) Pelabuhan Indonesia I.

Last but not least, maintenance activities from an integral part of the total terminal operation and, if given proper weight, can contribute significantly to the desired level of service.

9 Appreciation

Finally, I would like to express my sincere appreciation to Mr. Rinnosuke Kondoh, Deputy Secretary General of IAPH, who gave me the chance to attend this very useful program in a developed country like Singapore. I hope such assistance will be extended to other applicants of PT (Persero) Pelabuhan Indonesia I. I am also grateful to:

- a) Mr. Syamul Bachri, Managing Director of PT (Persero) Pelabuhan Indonesia I;
- b) Mr. Sugito, Personnel and General Affairs Director of PT (Persero) Pelabuhan Indonesia I;
- c) Mr. Djohar Hajat, Technical Director of PT (Persero) Pelabuhan Indonesia I;
- d) Mr. Ruslan, Human Resources Senior Manager of PT (Persero) Pelabuhan Indonesia I;
- e) Mr. Hamied Wijaya, HRD Manager of PT (Persero) Pelabuhan Indonesia I and his staff; and
- f) everyone else who helped me to take part in this program.

Special thanks are due to Mr. Jayasankar Menon, Training Manager of SPI, and Mr. Lee Hee Huat for their welcome, assistance and friendly co-operation.

Confirmed keynote speakers:

- 1 Capt. Hans-J Roos - Bremen Port Authority, Germany.
- 2 Marc H. Juhel - The World Bank, USA.
- 3 Dr. Kevin Cullinane - University of Plymouth, UK.
- 4 Dr. Hans Ludwig Beth - Port of Hamburg, Germany.
- 5 Dr. Alexander M. Goulielmos - University of Piraeus, Greece.
- 6 Prof. H. E. Haralambides - Erasmus University, The Netherlands.
- 7 Prof. Lauri Ojala - TSEBA, Finland.
- 8 Prof. Sir Ferdinand Suykens - ESPO, Belgium.
- 9 David Bayne - Drewry Shipping Consultants, UK.
- 10 Alfred J. Baird - Napier University, Scotland.
- 11 Michael Plumbridge - Nautical Institute, London, UK.
- 12 Grant Trant - Nautical Enterprise Centre, Ireland.
- 13 F. Ukonu Lawrence - PMF Consulting, London, UK.
- 14 Capt. Victor N. Attuquayefio - Black Star Line, Ghana.

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OPEN FORUM

20th Regular Session of IMO Assembly

Address by Ms. Glenda Jackson, MP

Parliamentary Under Secretary of State, United Kingdom, London, 17 November 1997

Introduction

Mr. President, Your Excellencies, Mr. Secretary General, distinguished delegates: it gives me very great pleasure, on behalf of Her Majesty's Government, to welcome you to London for the 20th Assembly of the International Maritime Organization.

Focus on people

Since you last met in 1995, I believe there has been a real change of focus in the maritime world. There now seems to be a much clearer commitment to concentrate effort on the human element. I welcome this. It is widely accepted that 80 per cent of accidents can be attributed in some way to human error. I think that it is absolutely appropriate in 1997, the Year of the Seafarer, that we should restate our determination to tackle this problem more effectively by building on the progress we have already made.

STCW Convention

The entry into force earlier this year of the revised STCW Convention is particularly important. This Convention sets out much clearer standards of competence for seafarers based on the demonstration of practical skills. It also places a clear responsibility on companies to ensure that the seafarers they employ meet acceptable standards. The United Kingdom believes that this Convention will improve standards of safety on the world's trading fleet, but only if it is implemented effectively worldwide. It is therefore crucial that the IMO is taking strong measures to ensure that this happens. I applaud that.

UK commitment to training

The UK is committed to a policy of effective training. To support this, we recently announced a new national scheme, Support for Maritime Training or SMART for short - which will begin next April. This embodies substantial continuing support for officer training, particularly in enabling them to meet the new requirements of the revised STCW Convention, and new support for training to allow ratings to develop their skills. I am confident that this will raise the profile of maritime training generally and make a major contribution to the provision of well trained and well qualified seafarers.

ISM Code

But the issue of human error goes wider than the competence of the seafarers. Ships don't mismanage or neglect themselves; technical failure is occasionally bad luck; more often it is the result of poor management or

maintenance. The fast approaching entry into force of the International Safety Management Code will mark a watershed for IMO. It will be the first mandatory international instrument to tackle operational mismanagement all the way from the bridge of a ship to the board room of a company. The importance of this Code to modern shipping has been compared to the introduction of the Plimsoll Line in 1876. The United Kingdom strongly supports the mandatory introduction of the Code. After 1 July, rogue ships visiting our ports should beware, as the port state control net will tighten around those who do not comply.

And I don't speak only of UK ports: the ISM Code will be enforced in all ports of the European Union and in those of other countries belonging to the Paris Memorandum of Undertaking. After the deadline, any ship calling at a UK or another European or North Atlantic port which is not certificated in compliance with the ISM Code will be detained. If no other detainable defects are found the vessel may be released, but will then be barred from entering one of those ports until we are satisfied of compliance. We hope that as a result of an initiative from our Canadian friends a similar regime may apply around much of the Pacific. The message could not be blunter to owners and administrations: there has been plenty of notice; if ships are to trade with Europe and many other countries of the North Atlantic and Pacific, they must comply with the Code. Mr. Secretary-General, I congratulate you on the firmness of your approach to this question.

I am greatly encouraged by this shift in emphasis of international regulation. There is a clear link between the safety standards on board a ship, the management philosophy of its operator and the competence of its crew. A well trained and well motivated crew is probably the best asset a shipowner can have. The global implementation of both the revised STCW Convention and the ISM Code will mean that it will no longer be enough for a ship mere to carry the latest life saving gear and navigational kit. The crew must also be able to use that equipment effectively and the company must be organized to provide proper support. I warmly commend the IMO for adopting this comprehensive approach to maritime safety.

Flag state implementation

In emphasising the human factor, I would not like to give the impression that technical regulation is no longer important. Of course it is. But we have reached the stage where we

have a basically sound framework of technical regulation. It needs to be kept up to date. But one of the most important tasks facing us now is to ensure that the existing framework of regulation is fully implemented by competent flag states.

The United Kingdom welcomes the lead which the IMO is taking to secure more effective standards of flag state control. Unless all flag states are rigorous in delivering international convention standards in practice, sub-standard shipping will continue to operate. Port state control can help curb sub-standard shipping. But the responsibility for safety standards of ships on its register lies nowhere else but with the flag state. There is a growing perception that the burden of responsibility needs to be shifted from port states back to flag states.

The United Kingdom has consistently supported action at IMO to secure improved flag state performance and I appeal to you, ladies and gentlemen, to do the same. Strong and effective flag state control means a strong and effective IMO.

Port state control

But improvements in flag state compliance will take time. Meanwhile, there is a need to maintain strong port state control. In the short term port state control is the only way to reduce the continuing tragic loss of ships and seafarers worldwide, the recurring incidents of environmental pollution, and the number of ships detained for serious defects. In the region covered by the Paris Memorandum of Understanding, 1,700 ships were detained in 1996 - equivalent to 16 percent of individual ships inspected, a shockingly high percentage. Those figures indicate the persistence of some owners and operators who are willing to disregard the rules, endangering lives and our environment in the process. I believe that they also reflect the continuing need to co-ordinate our resources to enforce compliance.

Tackling pollution

In the UK, we take our responsibilities both as a port state and as a flag state very seriously indeed. One area which we have paid particular attention to recently is in trying to reduce illegal discharges at sea. During 1996 the United Kingdom's Marine Pollution Control Unit received 445 reports of alleged illegal discharges. We are trying to reduce this pollution by encouraging more effective communication between all the people involved in port waste management planning. From next year it will be mandatory for all ports, harbours and marinas in the United Kingdom to plan reception facilities for ships' wastes. These plans will be produced in consultation with interested parties at the local level, particularly the shipping companies which regularly use the port, their agents and waste contractors. Port waste management planning should remove the excuse for ships to discharge illegally into UK waters. Consultative Organization, the United

Kingdom is proud to have worked with other nations in contributing towards the Organization's formidable record. We will continue to do all that we can to support the Organization's work and to sustain the spirit of co-operation and compromise which has contributed so much towards the IMO's success.

IMO has accepted the principle of waste management planning on board ship. We are ready to work with you in extending the principle to planning the disposal of shipborne wastes shoreside.

Maxine safety and counter pollution seminar

The shipping industry is particularly complex. Many different parties each represent their own interests and form their own unique part of the chain. Many of these parties, such as those that provide the finance, are crucial to the very existence of the industry and to its continuing viability. But often they are not directly involved when policy issues are discussed and decisions on regulation are made. I want to change this. Next month, as an experiment, I will host a seminar with representatives from the shipping service industries and professions in the UK to hear their ideas about what more they can do to help us to improve standards of maritime safety and counter pollution. I intend that this seminar will provide a constructive exchange of views and I sincerely hope that it will be the first step in a productive and on-going debate. I hope that you, Mr Secretary-General, will be able to add IMO's wisdom to that discussion.

Bulk carrier safety

You all have a busy two weeks ahead of you, particularly with the Diplomatic Conference on bulk carriers taking place at the same time. I can assure you that the United Kingdom shares the international concern to see that issue resolved. It is important for coastal as well as for flag states, and above all for crews worldwide, that the IMO is seen to take effective action to improve the safety of the world's bulk carrier fleet. We support the thrust of the proposals tabled at the Conference and we will work hard with other delegations to ensure a successful outcome.

I have mentioned some of the IMO's more recent successes and challenges for the future. The Secretary-General rightly reminded us that the IMO will be 50 years old next year and of its achievements during that time. As one of the founding members of the Inter-Governmental Maritime Consultative Organization, the United Kingdom is proud to have worked with other nations in contributing towards the organization's formidable record. We will continue to do all that we can to support the Organization's work and to sustain the spirit of co-operation and compromise which has contributed so much towards the IMO's success.

I would like to conclude by assuring you, on behalf of the Government of the United Kingdom, that we regard the IMO's presence here in London as an honour. I wish you all a successful Assembly and Diplomatic Conference and a pleasant stay.

MASTER PLAN FOR PORT DEVELOPMENT CASE STUDY SYDNEY, AUSTRALIA

Presented by:

John C Hayes

**Executive Officer, Policy and Planning
Sydney Ports Corporation**

Meeting of IAPH Port Planning and Construction Committee
(2 December 1997-Perth, Australia)

Introduction

In the case of a port plan, we are dealing with measures for developing a particular landscape to support the transport needs of a particular community or industry.

Behind any plan there lies a history, a past.

So a port plan is bound to be a product of an area's history, its geographic characteristics and its economic prospects. Because of such specifics, it would be most extraordinary for one port's plan to resemble closely that of another. However, there is considerable scope for ports generally to apply the same basic process in preparing plans for the future of their areas.

Using Sydney's recent experience in preparing a port Master Plan, I intend in this paper to outline the process Sydney Ports Corporation followed and to offer some suggestions on developing a plan should there not be one current for your own port.

Why Plan?

Planning is the art of deciding how to deal with growth and change.

I consider the hard part is determining the extent of growth and change for which to provide. This is all about defining the problem. Given the necessary technical skills, devising the solution is relatively easy. The task can again become difficult as you try to implement the solution.

Whether hard or easy, planning is a necessity if you want your port to satisfy new demands placed upon it as the



wheel of progress turns.

If yours is a port like Sydney, where competition for waterfront sites is intense and opportunities for port expansion are scarce, then you cannot afford to be without a plan which ensures the areas in to which the port will need to develop are reserved for port purposes, not some other use.

The need for a plan is all the more pronounced if your port is competing with other ports for shipping company business. If you cannot demonstrate to customers where the future of your port lies then you may not be able to retain the loyalty of those customers who are looking for certainty. It is not at all unusual for business to switch from a port lacking forward vision to an alternative port with clear plans.

Therefore, why plan?

You plan primarily because you want your port to have a future. There will also be lesser reasons, unique to your port, as to why there can be benefit in having a development plan.

Background to Sydney's Most Recent Port Master Plan

The history of the port of Sydney dates from 1788, when British colonists established a settlement at Sydney Cove.

The first century of port development was characterized by private sector initiatives involving a scatter of sites and construction of rather primitive wharves. No comprehensive planning for the port appears to have been attempted.

At the end of the nineteenth century, a disaster occurred. A devastating outbreak of bubonic plague in Sydney was attributed to unsanitary conditions on

the waterfront, where rats had infested the sites of poorly constructed and maintained private wharves.

In response to a public outcry, the State Government stepped in and in 1901 resumed all the properties occupied by private wharves. It then appointed Sydney's first port authority, the Sydney Harbour Trust, and granted it a charter to redevelop the entire port to a standard requiring engineering excellence and to a plan which would encompass all required sites.

In an era well before land-use zoning was introduced in Australia, the Sydney Harbour Trust used its ownership of the harbour bed and pockets of waterfront land to assert its vision for future port development.

The Trust produced a plan with most of the characteristics we now look for in a port master plan. Among the features of the plan were:

- concepts for road, railway and inland waterway connections, including ambitious ideas for tunnel crossings of the harbour.
- proposals for development of land-backed wharves wherever the available space lent itself to this form.
- indications to the effect that the port would need to expand to more than double the size evident at the

time of planning.

- generous provision for manoeuvring of vessels.

Figure 1 illustrates some aspects of the Sydney Harbour Trust's plan. Though the plan, issued in 1913, envisaged the construction of 42,500 feet of new wharf face over a ten year period, progress in implementing the plan was interrupted by World War I, the Great Depression and World War II.

However, such was the force of the plan that some of the areas it had identified in 1913 for wharf development were still available in the mid 1960s, at which time the last "greenfields" projects consistent with the plan were undertaken.

In the long run, about 90% of the area encompassed in the Sydney Harbour Trust's vision for the port was developed with wharves. With the exception of one proposed tunnel (where the road authority built a swing span bridge instead), all the transport arteries required to support the Harbour Trust's concept for the port were built.

It took containerization to bring about a change in the forward thinking of Sydney's port managers. However, by the time this technological shift appeared, Sydney had obtained over 50 years of value from the port master

planning of visionaries of the early 20th century.

Right up to the 1950s some people saw no reason to depart from the layouts depicted in the 1913 Master Plan.

By 1947, a number of wharves constructed by the Sydney Harbour Trust immediately after its establishment in 1901 were becoming structurally unsound.

Local or precinct schemes, such as that illustrated on Figure 2, were prepared. The interesting feature of the scheme on Figure 2 is that, though described as the "first stage in implementation of a long range plan" for the area, it was conceived as a project for replacing deteriorating structures with an old-fashioned style of wharf, straight out of the 1913 Plan, though constructed in modern materials.

Ten years elapsed before steps were taken to implement the scheme shown on Figure 2. During that interval, someone realized that it would not be particularly smart to build new wharves in a style 50 years out of date. Accordingly, the plan was changed from that on Figure 2 to a new layout concept as shown on Figure 3. In 1957, construction began. By any standards, the concept for this project still reflected a "head in the sand" approach to port planning.

As construction advanced, one of the key figures responsible for the 1957 project left Australia on a tour of overseas ports. On his return, he ordered construction to cease while the plan was modified to the form illustrated on Figure 4. Today, nobody associated with the port of Sydney regrets the fact that a decision finally emerged to redevelop a section of the port with an eye to the future rather than with an attachment to the past.

The experience gained from the three attempts to arrive at a satisfactory redevelopment scheme for a small area of the port brought home the realization that Sydney did not have an up-to-date port development strategy.

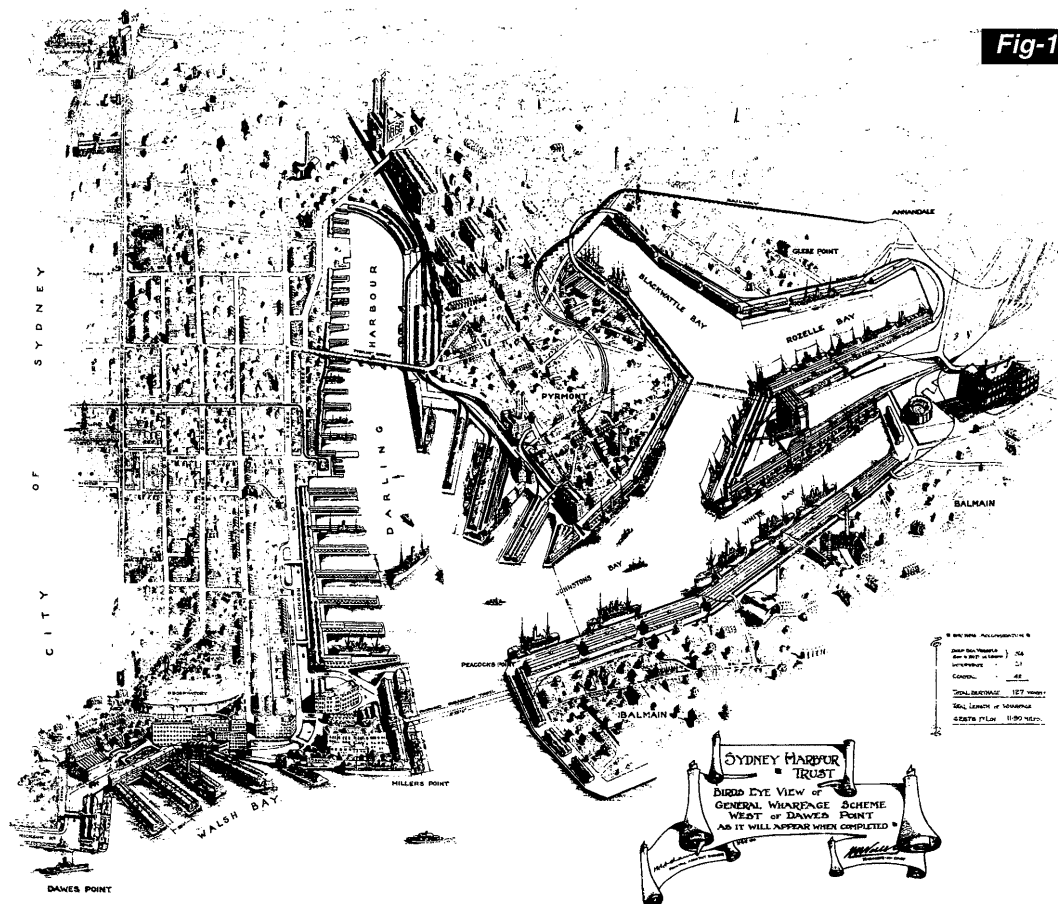
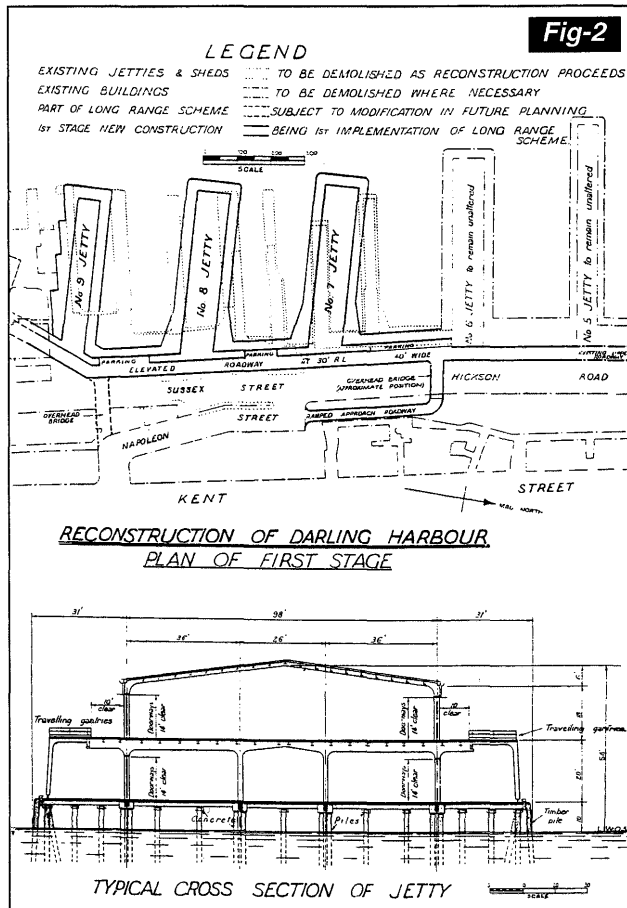


Fig-1



Between 1957 and 1961, a strategic review of port needs was completed, the main conclusion from which was that a second port would be needed to accommodate Sydney's long term trade growth.

After a Government decision was taken to investigate the possibility of developing Botany Bay (Figure 5) to supplement Sydney Harbour, an extensive planning process was undertaken, resulting in a master plan for the proposed new port as well as a master plan for future change within Sydney Harbour, the original port. Broad outlines of the respective plans were published in 1966 in a document which summed up the dilemma faced by Sydney's port planners at the time:

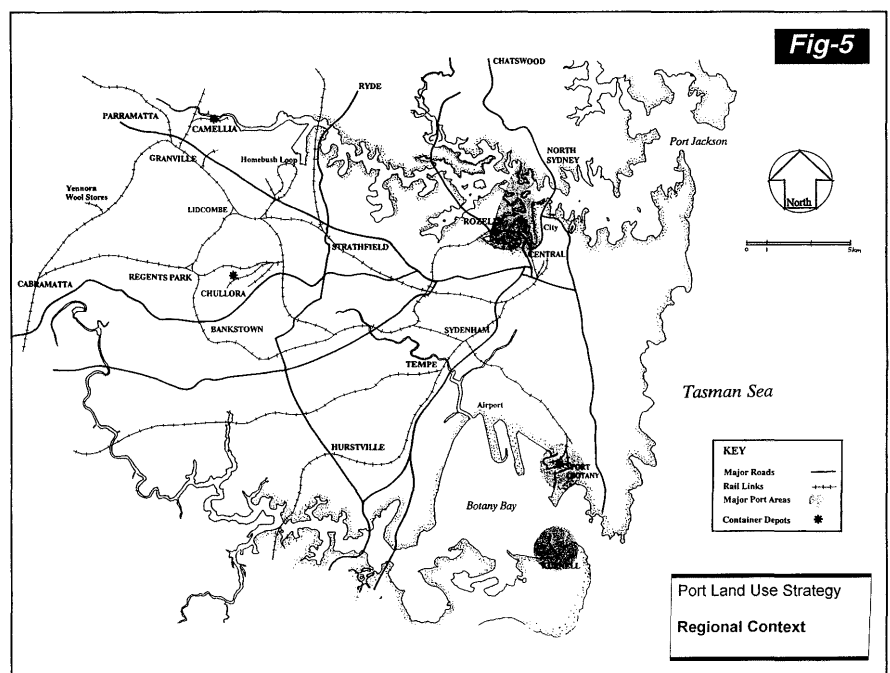
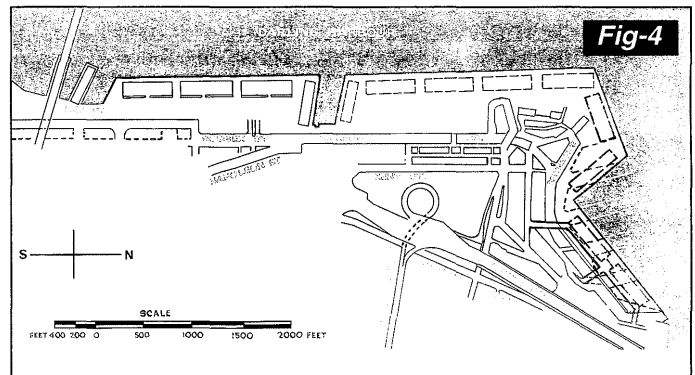
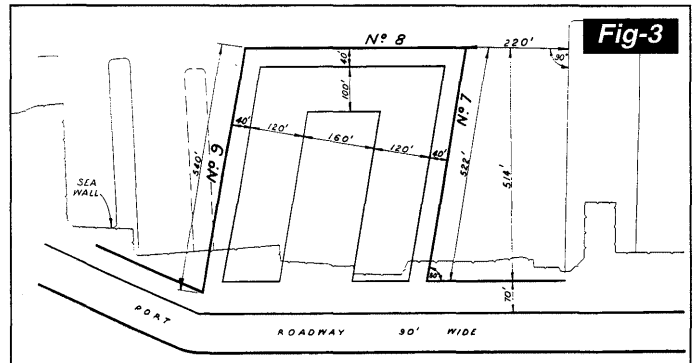
"Compared with the cargo berths of 20 or 30 years ago, the present-day berth must be long and provide deep water; have a wide apron with a large cargo shed; and have ample space at the rear of the shed both to stack cargo not requiring cover, and to allow larger vehicles to manoeuvre. Some special purpose berths, such as container terminals, do not require cargo sheds, but do require facilities specifically designed for the trade for which the berth is intended.

Provision of deep water is no prob-

lem in the Sydney Harbour; which is famous for its depth of water close to the shore, nor is the construction of long berths with wide aprons and cargo sheds. However, the steep foreshores present a problem in the provision of flat land adjacent to the wharves, making it necessary to undertake costly and time-consuming reclamation of portions of the harbour, and here the deep water

becomes a decided disadvantage, because of the amount of filling required. Also, while the port is not narrow and the waterways are not restricted, they are not unlimited, therefore planning must ensure that redamations will not extend unduly into navigable areas.

With the projected modernization of the wharfage in Sydney Harbour, particularly with the introduction of containers into the overseas trade, the question of the early introduction of



general cargo facilities at Botany Bay poses a difficult problem which will only be clarified as the needs of shipping and commercial interests clearly manifest themselves. One thing which is certain is that the development of the port for this purpose will not be accomplished within a short period of time or without expenditure of a high order.

It has been generally conceded that overseas container shipping will enter the Australian trade in about two years' time, but it is unrealistic to contemplate that Botany Bay could be developed for this purpose in that period."

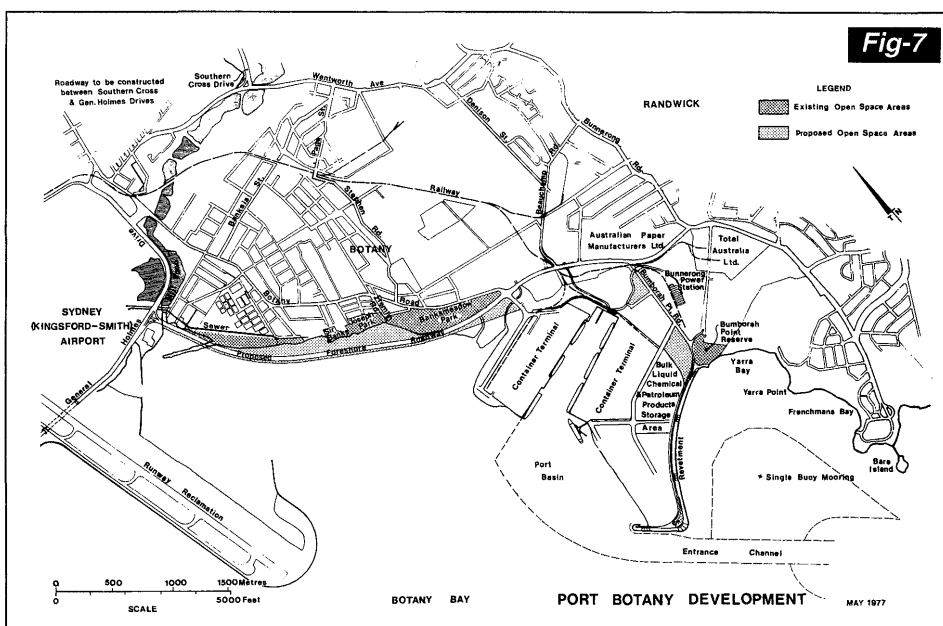
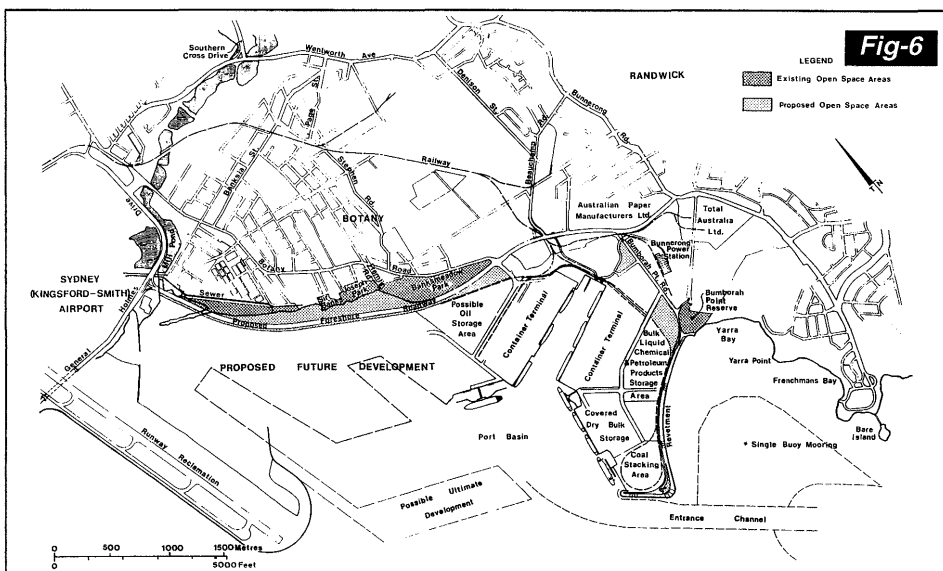
The 1966 Master Plan for Sydney Harbour therefore addressed transitional requirements, endeavoring to make the best use of opportunities in the existing port while the new port of Botany Bay was being built.

Developing a greenfields port is a rewarding experience for port planners. In the case of Botany Bay, almost a decade was devoted to planning and design and a further decade elapsed before the port became operational.

The best textbook methods were applied during the planning stages and development proceeded according to a detailed master plan (Figure 6). However, in 1975, the Government which had supported the plan lost office. The incoming Government halted development of the port, spent nearly a year conducting a public inquiry into the merits of the projects and then allowed work to resume according to a modified (curtailed) plan (Figure 7).

In mounting the inquiry, the new government had responded to pressure from residents in the neighborhood of the port. The residents were concerned about road and rail traffic impacts associated with port activity. The original master plan for the port had been deficient in relation to connections to the hinterland, primarily because the road and rail authorities had been tardy in formulating plans to complement those of the port authority. A major benefit of the inquiry was that it brought out this fact and forced decisions to be made on the need for additional road and rail infrastructure to carry port traffic.

After the port of Botany Bay entered operation at the end of the 1970s, no significant forward planning was attempted again for Sydney's ports until the early 1990s.



Apart from the conclusions, the remainder of this paper is devoted to the most recent round of port planning for Sydney.

2020 Port Master Plan for Sydney

When port users begin commenting that they are not aware of the plans for a port the time to provide them with assurance is overdue.

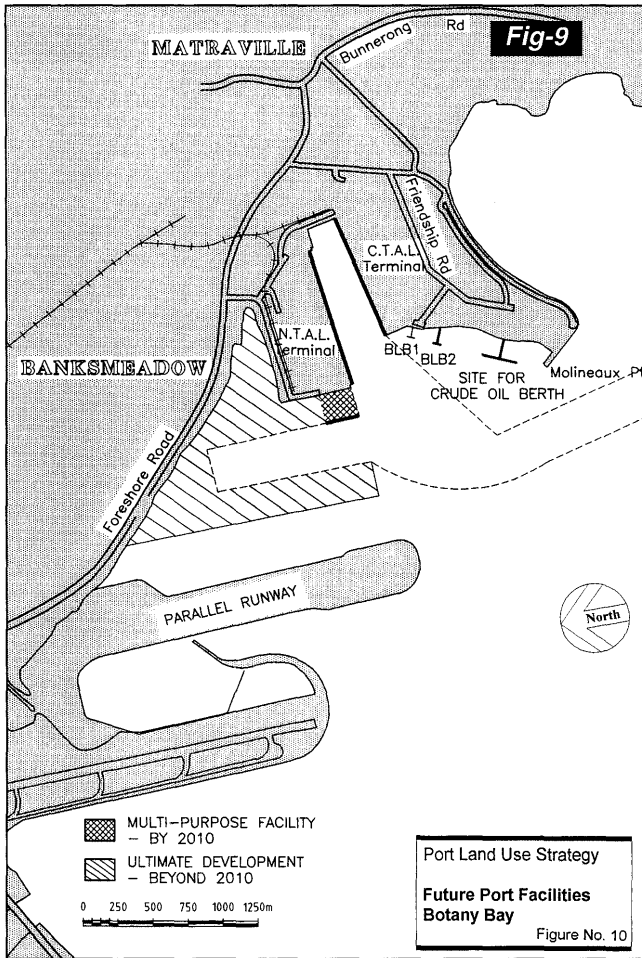
After the port of Botany Bay became operational, the port of Sydney Harbour was relieved of a great deal of the pressure it had been required to bear throughout the 1970s.

Several of the older parts of the port of Sydney Harbour became disused and, one by one, these were released for redevelopment as tourism, recreational and residential precincts. This

change had not been carefully planned or explained to the public even though approximately 7500 meters of wharf face were transformed. As a consequence, a rumor began circulating to the effect that the port of Sydney Harbour was progressively being decommissioned and would cease to accept trading vessels by the turn of the century.

So strong was the rumor that plans were launched by two influential government agencies showing how areas which at the time were still functioning as part of the port could be redeveloped for residential and recreational uses.

It is no easy matter to fight back from a position where others have created an exciting expectation for neighbors of a port who dislike having the port nearby. When this is compounded by concern among port users that the port has an



uncertain future you know you have serious problems.

To overcome such problems you have to mount a determined, highly visible planning process and this is exactly what was done in the case of Sydney's ports in the early 1990s.

First, a series of detail working papers was prepared, canvassing issues such as:

- Economic and trade forecasts.
- Land uses in the port environs.
- Environmental factors.
- Transport/port access conditions.
- Opportunities, constraints and options for port development.

These papers

were distributed to a wide cross-section of interested parties who were invited to study the information and then attend discussion workshops.

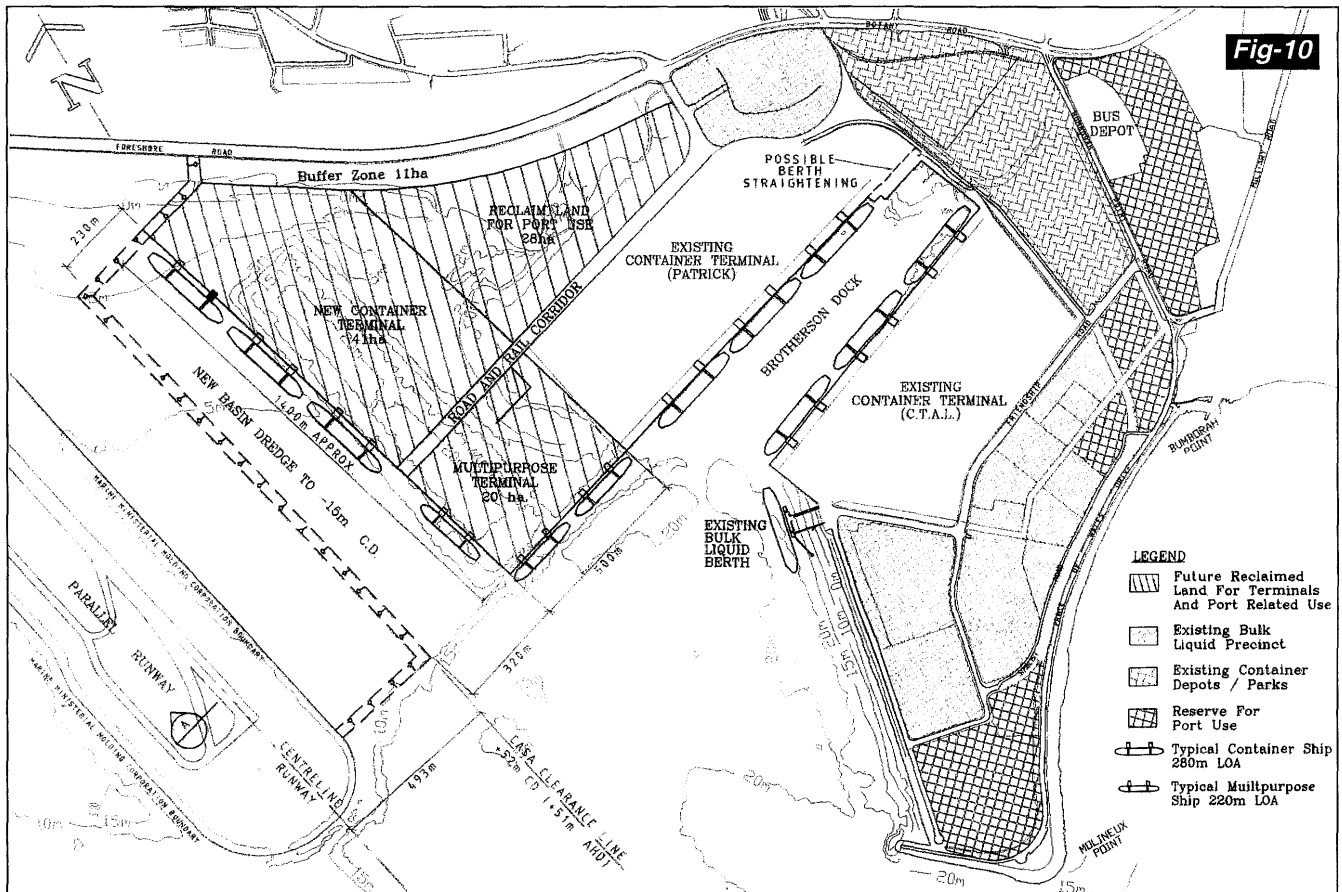
A number of well attended workshops took place, all of these facilitated by an experienced team from Coopers and Lybrand.

The value of this consultative process was immeasurable, particularly as the outcomes were allowed to become considerations in a further round of detailed studies.

After responses were again received, a draft Port Land Use Strategy was published. Once more, ie. for the third time, consultation occurred. Recipients of the draft strategy were invited to contribute to finalization of the process by means of written submissions.

Eventually, a port land use strategy (PLUS) was adopted, with full backing from the Government. The strategy (Figure 9) overturned the view, founded on rumor, that Sydney Harbour would cease to function as a working port. It also gave industry confidence that their imports and exports could continue to pass through the ports of Sydney without threat of difficulties which a lack of planning might have caused.

However, to this point there was only a strategy for port development, not a master plan. The strategy publication



did, however, signal that a master plan would follow. It was March 1995 when the then MSB Sydney Ports Authority released the Port Land Use Strategy for Botany Bay and Sydney Harbour – 'Sydney Ports into the 21st Century'.

A review of the Strategy was initiated by the Sydney Ports Corporation in May 1996, with the aim of refining the outcomes of the previous work given responsibility shifts which accompanied port corporatization in July 1995. The Corporation committed itself to progressing the planning from a set of strategic concepts to a Master Plan for port development, looking ahead to the year 2020.

The 1995 Strategy was the result of strong feedback from port users, local communities, environmental groups and local and State agencies in support of a two-port strategy, with Botany Bay to continue offering the State's foremost container terminal location and Sydney Harbour providing complementary opportunities for general cargo.

In progressing from the Strategy to a Port Master Plan, the Corporation did not attempt to depart from the fundamentals agreed with the parties consulted during the Strategy formulation process.

Master Planning Process

Initially, Maunsell Pty Ltd were engaged to assist the Corporation with a review of the driving forces and their brief also required them to present options for development of new port infrastructure. A report on the outcomes of their study was completed in January 1997, following which the Corporation, using a Discussion Paper, canvassed a cross-section of port-dependent industries for comment on the options conceived by Maunsell.

The responses received confirmed that there remained strong pressure for retention of a twin port concept. Further, of the options presented for comment, support was strongest for development of a second dock (re-entrant) at Botany Bay which would offer the potential to establish an additional container terminal plus sites for multi-purpose (general cargo) facilities. In that options for the Glebe Island/White Bay areas of Sydney Harbour were also presented, respondents generally favored a proposal requiring acquisition by the Sydney Ports Corporation of a parcel of railway land which would allow the development of a new system of road access for

freight vehicles serving the wharves in the area.

After considering the views received, the Corporation finalized the Port Master Plan (Figure 10) in July 1997 and referred its proposals to the Minister for Ports.

While the Master Plan has sought from the Government a warrant for ongoing development of Sydney's ports, it may not be possible for absolute decisions to be made before complementary work has been undertaken by other bodies to ascertain the requirements for support infrastructure (roads, railways, services, etc. external to the port), the capacities of which would need to match the demands caused by any additional port growth. These external factors suggest that a decision to develop the Sydney ports in accordance with the Master Plan will require whole-of-government consideration.

Concluding Comments

The IAPH "Guidelines for Port Planning and Design" provide a very pertinent reference for ports embarking on a master planning process. It is helpful to have an authoritative checklist and, moreover, to have access to recommended standards for the physical layout of a port.

However, no set of guidelines intended for worldwide use can specify the political considerations often encountered nor can they overcome the problem which arises where port managers lack vision.

From the account I have given of Sydney's considerable experience with port master planning you can see that:

- without a plan for orderly development you can find sub-standard construction occurring to layouts which invite environmental and congestion problems as trade grows. Sydney suffered from the effects of haphazard port development through the number of lives lost with the spread of bubonic plague in 1900. The cost to rectify the inadequacies of Sydney's early port could possibly have been avoided had there been even the most basic plan.
- a master plan can be a two-edged sword. While representing a stamp of authority which can clear away obstacles to port development, a master plan can be treated in too prescriptive a manner for the good of the port. In Sydney's case, the plan of the Sydney Harbour Trust was allowed to survive well

past its use-by date by a generation of port managers unable to recognize how much needs had changed since the plan was formulated.

- It is important for port managers to keep up to date with changes occurring in all aspects of global trade and the transport/logistics industry. Those who go to sleep on the job can end up looking silly, just as Sydney's port managers did when they promoted a 1913 concept in the late 1940.
- producing a master plan in isolation is a recipe for disaster. The community affected by the plan should be invited to contribute to its preparation. Sydney's port authority in the 1960s and 70s was visionary but regarded the port as its exclusive property rather than an asset of interest to the entire community. The community therefore had to step in to ensure that the new port of Botany Bay was developed with a sympathetic regard for the concerns of port neighbors.
- port managers who through failure to communicate the needs of the port invite others to make plans for the port area can expect to have a fight on their hands. Sydney's experience has shown that a port with a plan derived from consensus retains customer loyalty and community respect. A port authority without a plan or with gaps in its plan will be at risk of lacking support if it tries to defend its position after others have initiated and attack. The golden rule is – have a process in place which ensures there is always a credible, up-to-date plan addressing the future of your port.

As an overall conclusion, I suggest to you that the importance of a port is not necessarily well understood by the people whose everyday business or consumption generates the cargo. Involving representative groups in your port planning will assist you to improve the understanding. Among the groups to consider it is wise to include those whose services support (or form an integral part of) the operation of the port and the connecting transport network. By ending up with a plan which is jointly owned by a community of key contributors you will find that implementation becomes a natural flow-on, not a battle against forces determined to beat you.

WORLD PORT NEWS

New Orleans IPPPM To Be Held in May 1998

SENIOR port officials and maritime industry executives interested in learning the latest port operation, planning and management techniques can participate in the 14th annual International Program for Port Planning and Management (IPPPM), to be held in New Orleans, La., May 18-29, 1998.

This program is truly international in scope: over the past 13 years, 403 participants from 90 countries have graduated from IPPPM. IPPPM fosters closer ties between the United States and other countries, facilitates international trade between Louisiana and world ports, increases maritime expertise around the world, builds a network of international problem-solvers and contributes to world peace and understanding.

"IPPPM's intimate setting offers a once in a lifetime opportunity for a personal level of interaction with maritime industry peers from around the world," explains IPPPM Director Timothy E. Joder. "Participants will get a close-up look at IPPPM's working laboratory – The Port of New Orleans."

This intensive training program offers maritime industry leaders from around the world a unique opportunity for further professional education and personal enrichment. IPPPM is sponsored by the Board of Commissioners of the Port of New Orleans, the World Trade Center of New Orleans, the Louisiana State University National Ports and Waterways Institute and the University of New Orleans.

A survey of IPPPM's distinguished alumni has helped shape the 1998 program around:

- Port Planning and Development
- Port Pricing/Economics/Tariffs and Cargo Projections
- Port Operations, Productivity and Capacity
- Strategic Planning and Port Sector Reform
- Container Terminal Operations and

Management

- Developments in Ship types, Size, Characteristics, and Cargo Transfer
- Institutional Reform and Privatization
- Port Environmental Considerations
- Port Operations and Cargo Handling Technologies

Additional segments may address:

- Port Authority Marketing
- Port Engineering and Maintenance
- The Role of Ports in the World Economy
- Port Computerization
- Port Terminal Operations
- Capital Projects Management
- Port Safety and Security
- Marine Risk and Management Safety Issues
- Overview of Cargo Transportation – Modes and Economics

"This general curriculum is supplemented by site visits to Port of New Orleans terminal facilities and riverfront development projects," adds Joder. "And after a day of intensive study, there's no place like the French Quarter for entertainment and relaxation."

All courses are taught in English by a distinguished faculty composed of public and private sector maritime industry leaders from the United States and abroad; personnel from the Port of New Orleans, the University of New Orleans and Louisiana State University's National Ports and Waterways Institute; and practitioners from the local maritime industry.

Tuition is US\$2100 Accommodations can be made at the Hotel Inter-Continental for \$97 plus tax (\$110 total) per room, per night, single or double occupancy. Financial assistance for foreign participants may be available from the U.S. Agency for International Development (AID), the United Nations Development Programme (UNDP) and the International Association of Ports and Harbors (IAPH).

For an application or more information, contact: Director, IPPPM; CUPA/LUTAC; University of New Orleans; New Orleans, LA 70148; U.S.A. Or call: (504)280-6519; fax (504)280-6272; E-mail: ppsur@uno.edu.

Singapore'98 in March At World Trade Center

THE SingaPort International Maritime Exhibition and Conference, Asia's premier maritime event, will take place from 24-27 March 1998 at the World Trade Centre Singapore. Since its inception in 1989, SingaPort has emerged as the largest exhibition and conference for the marine and its related industry sectors in Asia. The exhibition, for example, serves as Asia's premier one-stop market-place for buyers and sellers of the latest maritime equipment technologies and services.

For its excellent track record and performance, SingaPort has been continuously endorsed by the Union Des Foires Internationales (UFI) and recognised as an Approved International Fair (AIF) by the Singapore Trade Development Board (TDB) since 1992.

Extensive Product Coverage

The Exhibition will feature both individual and national group exhibitors from Europe, Australia, Asia and the Americas. As in previous years, National Group participation will be one of the main attractions of the SingaPort Exhibition. The Exhibition will have three feature areas designed to maximise exhibitors' presence at the show:

- Port Equipment and Technologies
- Shipbuilding and Ship Repair
- Logistics and Warehousing

Trade visitors and conference delegates to the SingaPort'98 exhibition will have the chance to see and evaluate some of the newest technology in marine diesel engines, container/material handling equipment, marine electronics, satellite communications, ship and deck equipment, port and terminal equipment and services, shipbuilding and shiprepair equipment and services, software for the marine industry, logistics and warehousing equipment and services. The Exhibition provides an opportunity for visitors to discuss business propositions and forge new partnerships with the exhibitors.

Industry-Leading Conferences

One of the major draws of SingaPort has always been its information-packed

Conference Programme. The Conferences for SingaPort'98 will be even better: they are designed to offer new ideas, strategies and technology solutions covering every spectrum of the maritime industry.

SingaPort'98 will feature two high-level Conferences and a Forum to cater to the varied needs of the international maritime community. These include:

- SingaPort'98 International Maritime Conference – focusing on Shipping Lines
- Themes:
 - * A New Era in container Shipping
 - * New Initiatives & Innovation – In Ships and Shipping
 - * Latest in High-tech Terminals and Information Technology on enhancing Productivity & Competitiveness
 - * Asian Ports: The Challenge of Competition and Cooperation
- Shipbuilding and Ship Repair Conference '98
- Logistics Asia Forum '98
- Theme: Expanding Business in Asia – The Logistics Challenge

For more information, please contact: Times Conferences & Exhibitions, 1 New Industrial Road, Times Centre, Singapore 536196; Tel: (65)284 8844; Fax: (65) 286 5754

Kaohsiung to Host Port Conference in March

IN order to explore future strategies for the development of shipping and harbors in the Pacific Asia area, and to improve the managerial environment of the harbors, the Department of Transportation of the Taiwan Provincial Government, the Kaohsiung Harbor Bureau, and the National Sun Yat-Sen University will be holding the first "International Conference on 21st Century Shipping Development & Port Management" in Kaohsiung, Taiwan on March 26th to 29th, 1998.

Kaohsiung Harbor Bureau advises that the topics which will be discussed at the conference include Port Strategy of Development, Port Operation and Management, Maritime Shipping Markets and Trends, Port Planning and Development, EDI Management on Port Automation, Port Environmental Protection, Safety, and Security, Management of Resort Area in Harbor and other issues in port activity.

In March of 1998, the first

International Conference on Shipping Development and Port Management will be held at the Ambassador Hotel in Kaohsiung, Taiwan. Many scholars and experts in the related fields have been invited to attend or to deliver papers or speeches at the conference.

For further information, please contact: Organizing Secretariat, KaoPort 21; College of Management; National Sun Yat-Sen University; Kaohsiung 804, Taiwan.

Tel: 886-7-5254505;

Fax: 886-7-5254599;

E-mail: kaoport@cm.nsysu.edu.tw;

Webpage:

<http://www.cm.nsysu.edu.tw/~kao-port>

ICHCA 98 in Sydney 31 May Through 4 June

THE 24th International Conference and Exhibition will be held from 31 May through 4 June 1998 in Sydney, Australia.

For details, please contact: ICHCA 98 Secretariat; GPO Box 128; SYDNEY NSW 2001 Australia.

Telephone: (61) 2 9262 2277;

Fax: (61) 2 9262 2323;

Email: ichca98@tourhosts.com.au

New Publications

Dredged Material Management Guide

PIANC announces the recent publication of the *Dredged Material Management Guide*, a concise report produced by the Permanent Environmental Commission (PEC) of PIANC, and drafted by Tiedo Vellinga, member of the PEC, Head of the Waterside Infrastructure Management, Rotterdam Municipal Port Management.

Today, management of dredged material is a key issue, especially when creating and maintaining infrastructure for waterborne transport. Economic, engineering, environmental, regulatory and social aspects all need close consideration. PIANC-PEC has developed this guide to support and rationalize

this management process. It provides an assessment framework and guidelines to structure the management of dredged material. It includes characterisation of the material, considerations on sustainable relocation and beneficial use, management options for contaminated sediments as well as guidance on the control of the sources of contamination. It stresses the importance of a clear management strategy and long-term plan, control of primary sources of pollution, adequate characterisation and classification and sound environmental and financial impact evaluation. Reference is made to the relevant background literature for which this guide serves as an umbrella document.

The booklet is available at PIANC General Secretariat for the very modest sum of 350 BEF (special rates are applied for large orders).

Stemming the Tide

STEMMING the Tide examines the introduction of nonindigenous species through ballast water operations. Ballast is any solid or liquid that is taken aboard ship to achieve more controlled and safer operation.

This volume assesses current approaches to the problem and makes recommendations for U.S. government agencies, the U.S. maritime industry, and the member states of the International Maritime Organization; appraises technologies for controlling the transfer of organisms; and evaluates methods for monitoring the effectiveness of ballast water management.

The book addresses the constraints inherent in ballast water management, notably shipboard ballast treatment and monitoring. It also outlines efforts to set an acceptable level of risk for species introduction using risk analysis.

ISBN 0-309-05537-7; 1996, 160 pages, 6 x 9, index, hardbound, \$39.95

* * *

Clean Ships, Clean Ports, Clean Oceans

Marine debris is a serious environmental problem. To do its part, the United States has agreed to abide by the international treaty for garbage control at sea, known as MARPOL 73/78 Annex V. *Clean Ships, Clean Ports, Clean Oceans* explores the challenge of translating Annex V into workable procedures and controls for all kinds of ships and boats, from cruise ships to

fishing crafts and recreational boats.

The volume examines how existing resources can be leveraged into a comprehensive strategy for compliance, including integrated waste management systems and effective education and enforcement.

ISBN 0-309-05137-1; 1995, 384 pages, 6 x 9, index, hardbound, \$42.95.

National Academy Press is located at 2101 Constitution Avenue, NW, Lockbox 285, Washington, DC 20055. You may order through your favorite bookstore, or electronically via Internet at <http://www.nsp.edu>. All international customers please contact National Academy Press for export prices and ordering information.

interests over a six-year period, with assistance from a divestiture fund. Designated remote port sites, where there is dependence on a federal port facility, would be maintained by the government.

A CPA would be empowered to engage in:

Port activities related to shipping, navigation, the transportation of passengers and goods and the storage of goods to the extent that these are specified in the letters patent; and

Other activities deemed in the letters patent to be necessary to support port operations. However, the latter activities must be approved by the President of the Treasury Board and the Federal Minister of Finance before letters patent are issued.

Letters patent are government documents issued to grant a special right, in this instance to form a port corporation, with a defined scope of operation.

A port authority would be deemed to be an agent of the Crown for the port activities specified in its letters patent, but not so for other activities deemed in the letters patent to be necessary to support operations.

A CPA may be given Crown land to operate and manage, but not to own.

CPAs will have no recourse to the federal treasury to discharge any obligation or liability of the port authority, with the exception of payments provided under legislation covering emergencies (e.g. disaster relief assistance) or other grant programs that apply generally to other companies and institutions.

Port authority borrowing for port purposes will be obtained from private-sector lenders, based on the CPA's future revenues. The Canadian Government will not guarantee such loans, and a CPA would not be able to borrow money as an agent of the Crown.

A CPA would be allowed to pledge as security the revenues of the federal property that it manages and create a security interest in fixtures on the federal real property to the extent authorized in its letters patent. Borrowing limits for a port authority would require approval by the Governor in Council before the letters patent are issued.

Each CPA would pay an annual charge to the Crown based on a formula that would be included in its letters patent. Surpluses at each port would not be distributed, since there would be no shareholders, but could be re-invested in the ports.

Fees charged by the CPAs would have to cover costs and be fair and reasonable. A port authority could not just-

The Americas

Canada Marine Act for New Nat'l Ports System

THE proposed Canada Marine Act was reintroduced in the House of Commons on October 2 by Federal Transport Minister David Collenette.

The legislation, Bill C-9, is identical to Bill C-44, which failed to complete the legislative process before April 27 when Parliament was dissolved for the federal elections.

In brief, Bill C-9 would:

- Create a National Ports System consisting of 16 independently managed Canada Port Authorities (CPAs).
- Streamline the regulatory regime of the new CPAs and other ports currently administered by Transport Canada.
- Dissolve the Canada Ports Corporation.
- Repeal the Public Harbours and Ports Facilities Act.
- Permit repeal of the Harbour Commissions Act, the Hamilton Harbour Commissioners' Act and the Toronto Harbour Commissioners' Act.
- Allow the Transport Minister to commercialize operations of the Great Lakes-St. Lawrence Seaway System by entering into agreements with Seaway users or any other group to operate and maintain the Seaway.
- Overhaul the marine pilotage system.

The National Marine Policy, which prompted the development of the Bill, was established following a comprehensive review of Canada's marine sector by the House of Commons Standing Committee on Transport in early 1995.

That study proposed the creation of 8 CPAs, but during the Parliamentary review of C-44, the legislation was amended so as to increase the number to 16.

The proposed CPAs include all 7 of the so-called Local Port Corporations, 3 of Canada Port Corporation's 7 "Divisional" ports, and all but 2 of the Harbour Commissions. The full list is shown below.

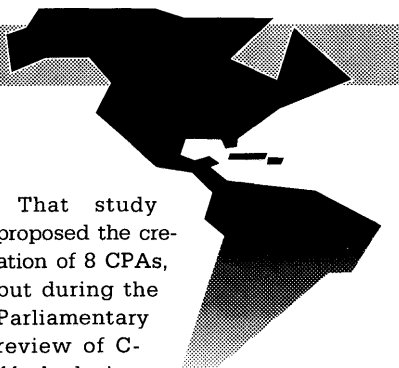
Proposed Canada Port Authorities

Port	Current Status
1 Fraser River	Harbour Commission
2 Halifax	Local Port Corporation
3 Montréal	Local Port Corporation
4 Nanaimo	Harbour Commission
5 Port Albemarle	Harbour Commission
6 Prince Rupert	Local Port Corporation
7 Québec	Local Port Corporation
8 Saguenay	Divisional Port
9 Saint John	Local Port Corporation
10 Sept-Îles	Divisional Port
11 St. John's	Local Port Corporation
12 Thunder Bay	Harbour Commission
13 Toronto	Harbour Commission
14 Trois Rivières	Divisional Port
15 Vancouver	Local Port Corporation
16 Windsor	Harbour Commission

Source: Transport Canada

In 1995, more than 60 percent of Canada's waterborne foreign commerce and virtually all of its breakbulk and containerized general cargo was shipped through these 16 ports.

Ports not qualifying for CPA status would be transferred to non-federal



ly discriminate among users of the port, but could differentiate its fees and services "on the basis of volume or value of goods shipped or any other basis that is generally commercially acceptable."

For the purpose of operating the port, a CPA would be permitted to lease or license any federal real property that it manages, subject to the limits specified in its letters patent.

CPA governing boards will consist of 7 to 11 directors who "shall have generally acknowledged and accepted stature within the transportation industry or the business community and relevant knowledge and extensive experience related to the management of a business, to the operation of a port or to maritime trade."

Directors will be chosen as follows:

- One director nominated by the Transport Minister and appointed by the Governor General.
- One director appointed by the provincial government. (Vancouver would have 2 provincial representatives – one selected by British Columbia and the second by the provinces of Alberta, Manitoba, and Saskatchewan.)
- One director appointed by municipal government(s).
- The remaining directors to be nominated by the Transport Minister after consultation with port users and appointed by the Governor in Council.

The Board of Directors will be responsible for the management of the activities of the CPA. The Board will appoint a chief executive officer, who is not a member of the board. The chairperson of the board will be elected from among the directors for a term not to exceed 2 years. The term would be renewable.

Remuneration for the directors, the chairperson, and the chief executive officer will be fixed by the board.

Elected officials, public servants, non-residents and officers, or directors or employees of port user companies would be ineligible for appointment to a CPA board.

CPAs would be subject to rigorous disclosure requirements. The following would be mandatory:

- Annual meeting open to the public at which directors and senior officers are available to answer questions.
- Comparative financial statements, the auditors' report, and the annual financial report will be presented at the annual meeting.
- Financial statements will be available quarterly.

- Public land-use plan.
- Disclosure of remuneration and expenses of board members, chief executive officers, and employees whose remuneration exceeds a prescribed threshold.
- Disclosure of details of port income and operating expenses.

CPAs would be subject to a special examination at least once every five years. The Transport Minister could require that a special examination be performed at any time.

CPAs will submit a 5-year business plan to the Minister every year.

(AAPA Advisory)

Canada Marine Policy: Amendments Approved

THE Standing Committee on Transportation (SCOT) completed its clause-by-clause review of the proposed Canada Marine Act, or CMA (Bill C-9) Tuesday evening, November 18.

The legislation proposes a general restructuring of the Canadian public ports system, including the creation of a number of "Canada Port Authorities" (CPAs). Other sections pertain to the Saint Lawrence Seaway and pilotage matters.

At the November 18 session, various technical amendments were adopted without debate. The Committee also approved several substantive amendments introduced by the Government, viz:

- The Hamilton Harbour Commission exemption has been repealed; Hamilton will become a CPA.
- Also included in the Schedule as an initial Port Authority is the North Fraser Harbour Commission.
- Regarding Superannuation (i.e., the Public Service Pension Plan as it applies to public port employees), a new clause was added that reads as follows:

"138.1. For the purposes of Section 40.1 of the Public Service Superannuation Act, the continuance or incorporation of a local port corporation or a non-corporate port as a port authority under Section 12 is deemed to be a transfer or divestiture by Her Majesty in Right of Canada, of the administration of a service to a person."

This amendment was explained to

the Committee as a transitional clause that will allow employees to remain under the Public Service Superannuation Pension Plan until a new plan has been put in place.

The Government, which holds 16 of the 25 Committee seats, defeated Opposition amendments which would allow existing employees of Local Port Corporations, Ports Canada's division ports, and the St. Lawrence Seaway Authority to continue under the Public Service Superannuation Act. However, another opportunity for the Opposition to introduce such an amendment will occur during the Second Reading/Report Stage of the Bill.

Another government amendment, providing for the phase-in of grants in lieu of real property taxes, reads as follows:

182.1 The Municipal Grants Act is amended by adding the following after Section 15:

16. Notwithstanding anything in this Act, or any regulation made under this Act, a grant in lieu of a real property tax that may be made under this Act in respect of any real property managed or held by a port authority mentioned in subsection 10(1) or 12(2) of the Canada Marine Act, shall not exceed the following:

- a. For a taxation year beginning in 1999, 25% of the grant that may, but for this section, be made under this Act;
- b. For a taxation year, beginning in 2000, 50% of the grant that may, but for this section, be made under this Act; and
- c. For a taxation year beginning in 2001, 75% of the grant that may, but for this section, be made under this Act.

Additionally, the "Proclamation Clause" of the CMA was amended so as to extend the date by which the law would come into force, from 90 to 150 days after it receives the "Royal Assent," or approval, of the Governor General on behalf of the Crown.

This means that if the Royal Assent occurs in June 1998, the date of proclamation would be January 1, 1999, or a later day as designated by the Governor in Council. If the Royal Assent occurs in the Fall of 1998, then the proclamation would occur 150 days afterwards or on a later date as fixed by the Governor in Council. In either case, the Canada Ports Corporation Act would remain in force during the interim.

Bill C-9 will now be reprinted with

the amendments, and time will be sought in the House of Commons for a Second Reading/Report Stage and Third Reading before Parliament's Christmas Recess, which begins December 12 and continues through January. Otherwise, it will be taken up when the House reconvenes in February 1998.

If, however, C-9 passes the House of Commons in December, it would go to the Senate in February, where it would undergo the same 3-stage legislative review process. (AAPA Advisory)

Halifax Makes Record Gains in Cruise Market

THE 1997 cruise season officially came to a close on November 5, setting a new record for the longest cruise season at the Port of Halifax. "It has been a great cruise season for Halifax, full of new ships, new cruise line customers, and expanded calls from some of our long-standing customers, stated David Bellefontaine, President and CEO of the Halifax Port Corporation.

"We welcomed 7 cruise ships on their first (inaugural) call to the Port of Halifax this season, including four new cruise line customers – Royal Caribbean International, Norwegian Cruise Line, Fred Olsen Cruise Lines, and Hapag-Lloyd Seetouristik (Cruises). All of these new customers are expected to make return calls in 1998", continued Bellefontaine.

The Port of Halifax is internationally recognized in the cruise industry as a growing port of call. This year, 13 cruise lines made Halifax a port of call for some of their newest and most glamorous ships including such renowned industry leaders as Holland America Line, Norwegian Cruise Line, Royal Caribbean International, Seabourn Cruises, Princess Cruises, Crystal Cruises, and Cunard, just to name a few. In total, 47 cruise ships will have berthed at the Halifax Port Corporation facilities this year, bringing an estimated 45,000 passengers to our region.

According to Bellefontaine, the economic impact for the region from the cruise business at the Port is considerable. A cruise passenger survey, conducted by the Halifax Port Corporation this season, showed that 72% of those passengers surveyed were first time visitors to Halifax. Land excursions, shopping, dining, and visiting museums and galleries were reported as the most

popular activities of those passengers – all contributing to the estimated \$3.3 million economic impact from the cruise business at the Port of Halifax, in 1997.

Looking ahead, the Halifax Port Corporation is predicting another year of record growth in the cruise sector. "With 55 cruise ships already requesting berthage for the 1998 season, next year will be a very significant year for cruise vessel activity", said Bellefontaine. "Our cruise business increases next year, like this year, will come from a combination of new ships and expanded calls by our existing cruise line customers. This makes for a solid base for long-term growth for the Port of Halifax as a cruise destination." Over the past decade, the Halifax Port Corporation has had a 180% increase in the number of cruise passengers and a 35% increase in the number of cruise ships.

Montreal: Tariffs Frozen For 6th Consecutive Year

THE Montreal Port Corporation is freezing all of its general tariffs and adding a bonus to its incentive program for containerized general cargo in 1998.

All port tariffs are frozen for a sixth consecutive year, excluding the fact that wharfage charges on petroleum products had increased by one cent per tonne or two percent on January 1, 1997.

In 1998, the port corporation is adding to its incentive program for containerized cargo a bonus of 25 cents per tonne for goods moving directly between Montreal and the African continent. In 1986, the Montreal Port Corporation became the first Canadian port to introduce a tariff incentive program to encourage shipping lines to move as much container traffic as possible through port facilities.

With the incentives and tariff freeze, net wharfage charges on containerized cargo at the Port of Montreal should average \$1.91 per tonne in 1998, compared with the rate of \$2.25 per tonne in 1985, a decrease of approximately 15 per cent since 1985.

"The port corporation continues to make cost control one of its top priorities so that it can offer its shipping lines the most competitive tariffs," said Mr. Dominic J. Taddeo, president and chief executive officer of the Montreal Port Corporation. "Even though port tariffs

represent only a small portion of door-to-door cargo transportation costs, we are well aware that our tariff freeze and incentives contribute towards making the Port of Montreal more attractive to exporters and importers."

The tariff freeze applies to all cargo categories. It also applies to steel products and raw sugar in bulk for which wharfage charges were already reduced on January 1, 1997.

Montreal Incentive Program For Containerized Cargo

International cargo

- 74 cents per tonne for the first 175,000 tonnes handled;
- 84 cents per tonne for each additional tonne up to 1.5 million tonnes;
- \$1 for each additional tonne in excess of 1.5 million tonnes.

Domestic cargo

- 58 cents per tonne for the first 175,000 tonnes handled;
- 68 cents for each additional tonne.

Mediterranean traffic

- an additional 25 cents per tonne.

Western incentive

- an additional 17 cents per tonne for containerized cargo west of Ontario in Canada, and west of Michigan, Indiana, Kentucky, Tennessee, Georgia and Florida in the United States.

Additional total container throughput

- 50 cents per tonne to a shipping line for additional traffic registered at the end of the year compared with its average traffic of the three previous years.

Latin America

- an additional 25 cents per tonne for containerized cargo originating from or destined to Latin American ports without transshipment.

African continent

- 25 cents per tonne for containerized cargo moving directly between Montreal and the African continent.

Landbridge

- an additional \$1 per tonne for all containerized cargo between Asia and Europe routed through the Port of Montreal.

News in brief from Port of Prince Rupert

Wharfage rates cut by over 60%

THE Port of Prince Rupert has announced an initiative to provide a wharfage rate reduction for lumber and pulp shipped through Fairview Terminal. Commencing January 1, 1998, the new wharfage rates will be applied on a sliding scale, decreasing as the volumes from a producer/shipper through the Fairview Terminal increase. All reductions in wharfage are applied to the base rates outlined in the Port's published tariff. The decision is intended to make the Port of Prince Rupert and exporters who use the Fairview facility more competitive in the global marketplace.

Port staff visits Saskatchewan

Prince Rupert Port Corporation staff attended the Canadian Western Agribition in Regina this past month to promote the competitive advantages of the Port of Prince Rupert to Alberta, Saskatchewan, and Manitoba farmers. The week-long event, attended by over 150,000 people, provided an excellent opportunity for the Port to meet directly with Canadian producers and discuss changes in Canadian agricultural industries and current issues facing the Canadian transportation system. Most importantly, the Port was able to showcase Prince Rupert's state-of-the-art grain terminal, Prince Rupert Grain Ltd., and discuss improvements being made to Fairview Terminal's specialty crop handling facility in 1998.

Record pulp volumes

By the end of September, woodpulp shipments through the Port of Prince Rupert's Fairview Terminal had reached 81,000 tonnes, surpassing the port's previous record for an entire year. The significant increase in volume is a clear indication that the port's competitive advantages are increasingly being recognized by producers. For 1998, further growth in volumes will be fueled by Millar Western Pulp Ltd.'s decision to begin shipping pulp through Prince Rupert to markets in Indonesia and the Mediterranean. Increased pulp storage capacity is being planned for 1998 to serve the growing demand.

Increase in traffic

Vessel calls to Prince Rupert Grain, Ridley Terminal, and Fairview Terminal are up substantially over 1996. Prince Rupert Grain had hosted 102 vessels

through September compared to 67 at this point in 1996, an increase of 52%, while Ridley Terminal hosted 42 compared to 36 in 1996, and increase of 17%. Fairview Terminal had seen 74 vessels through September compared to 57 in 1996, a 30% increase in traffic. This has translated to increased tonnage volumes handled at each facility.

Georgia Legislators Review GPA Operations

MEMBERS of the Georgia House Appropriations Committee, as well as representatives from the Georgia Department of Transportation and the Legislative Budget Office, were in Savannah and Brunswick for briefings and tours of terminal operations at the Georgia Ports Authority. The 22 member delegation, headed by House Appropriations Committee Chairman, Rep. Terry Coleman (D, Dist. 142) and Rep. Tommy Smith (D, Dist. 169), Chairman of the House Appropriations Sub-committee on Economic Development, met with port officials for an update on statewide terminal operations at the Georgia Ports Authority. In addition to reviewing GPA operations and services, topics scheduled for discussion included trade development issues, facility expansion, harbor deepening and a review of items within the GPA budget request for Fiscal Year 1999 (beginning July 1, 1998).

After completing their morning agenda, the delegation toured the Port of Savannah's Garden City and Ocean Terminals for a firsthand look at the harbor and the port's efficiencies in the handling and storage of containerized and general cargoes.

"Once of the key reasons that I asked this group to convene here today was to afford them the opportunity to be provided with a thorough briefing on the economic impact Georgia's ports in Savannah and Brunswick have on the state," stated Rep. Terry Coleman, Georgia House Appropriations Committee Chairman. "Continued investment in Georgia's ports benefits not only the coastal areas but the state as a whole."

Following the tour of terminal operations at the Port of Savannah, the group departed for the Port of Brunswick to review general cargo and dry bulk operations at the port's Mayor's Point Terminal, Marine Port Terminals and Colonel's Island Terminal.

"We are extremely pleased to have the opportunity to showcase our operations at the ports of Savannah and Brunswick before the members of the House Appropriations Committee," stated Doug J. Marchand, Executive Director of the Georgia Ports Authority. "Gatherings such as this provide state officials with a hands-on look at some of the most modern and productive deep-water terminals in the world. Furthermore, it allows the members to put into perspective the magnitude of our operations and reinforces the importance of Georgia's ports on the state's growing economy."

Attending the tours and representing districts in Savannah and Brunswick were Rep. Tom Bordeaux (D, Dist. 151/Savannah), Sen. Diana Harvey Johnson (D, Dist. S2/Savannah), Sen. Eric Johnson (R, Dist. S1/Savannah), Rep. Stephen Scarlett (R, Dist. 174/Brunswick), Rep. Regina Thomas (D, Dist. 148/Savannah), Rep. E.C. Tillman (D, District 173/Brunswick), Rep. Anne Mueller (R, Dist. 152/Savannah), Rep. Dorothy Pelote (D, Dist. 149/Savannah) and Rep. Ron Stephens (R, Dist. 150).

The Georgia House Appropriations Committee's primary function is to authorize into law the spending for the State of Georgia. This is done within the framework of a revenue estimate and cannot exceed the total monies taken in by the state. Every spending bill must originate in the House. This committee also reviews various bills concerning fiscal matters as well as compensation resolutions.

The Georgia Ports Authority operates modern and efficient deepwater terminal facilities in Savannah and Brunswick Georgia and provides value-added services to facilitate international trade. Inland barge terminals operated under the auspices of the Georgia Ports Authority are located in Bainbridge and Columbus, Georgia.

Visit the GPA web site at www.gaports.com

News in brief from Port of Long Beach

Container-handling records

THE Port of Long Beach set new container-handling records and surpassed the 100 million metric revenue tons (MRT) level for the first

time in the 1996-97 fiscal year.

During the period October 1996 to September 1997, the Port handled 3,386,118 TEUs, a 12.6% increase over the previous fiscal year. Loaded imports posted an 18.1% jump to 1,754,448 TEUs. Exports grew 2.6% to 1,109,091 TEUs, while empty containers jumped 18.6% to 522,579 TEUs.

Overall cargo tonnage registered 103,940,164 metric revenue tons (MRTs, which is equivalent to either 1,000 kilograms or one cubic meter, depending on which is greater). This is a 6.4% increase over the 95-96 fiscal year.

Several factors contributed to the Port's strong performance throughout the past year. Various shipping lines increased their cargo volumes by introducing 5,000-plus TEU vessels into trans-Pacific services. The robust U.S. economy, buoyed by rising consumer confidence and a strong dollar, also generated an increase in imports moving through the Port during the last fiscal year.

14 acres leased to PMA

The Port is leasing 14 acres to the Pacific Maritime Association (PMA) for trailer-truck training to help alleviate the current labor shortage in the harbor. The site is located on Pier B Street at the former Hanjin storage yard.

A staff of 16 International Longshore and Warehouse Union (ILWU) instructors, two ILWU instructor coordinators and two PMA staffers are training 80 students every week at the site. The students are using 32 tractors and 100 containers and chassis for their training. The trailer-truck training lasts for two days and is part of a seven-step screening and testing process of new hires conducted by the PMA. The entire process takes from 25 to 45 days to complete, depending on how quickly a worker proceeds through the program. The training will continue until 1,500 workers are certified as "identified casual" longshore workers. The newly certified workers are being selected from a pool of 9,400 applicants.

Air Quality Management

The Port's Planning Division is participating in the South Coast Air Quality Management District's (SCAQMD) advisory committee on the year 2000 Air Quality Management Plan (AQMP). The plan is scheduled for release in the year 2000 and charts a blueprint for regulatory compliance in the upcoming years. Port-related mobile sources will likely be required to significantly reduce their diesel emissions output. Mobile sources

located in the Port include vessels, yard equipment, construction equipment, trucks and trains. Robert Kanter of the Planning Division is the Port's representative on the advisory committee. *(tie lines)*

Long Beach: Steinke New Executive Director

THE Long Beach Board of Harbor Commissioners approved on Dec. 1 the appointment of Richard D. Steinke as executive director of the Port of Long Beach. He replaces S.R. Dillenbeck, who retired from that position in October. Steinke has served as acting executive director since Oct. 3.



Mr. Richard D. Steinke, Executive Director of the Port of Long Beach

In appointing Steinke, the board sought to maintain continuity in port management by hiring from within the organization. "It is important to let our customers know that we have a sense of continuity, and we intend to remain the number one containerport in the United States," said Commission President Carmen O. Perez.

Other commissioners indicated that Steinke's previous experience at the port will help establish that continuity. "We did not go on a worldwide search because we knew we had the executive director within," said Commissioner Roy E. Hearrean. "Mr. Steinke understands this port, and he understands our operations."

"Having risen from ranks of staff, Mr. Steinke has a good relationship with the directors and everyone in port administration," said Commission Vice President John W. Hancock. "He is a team player for the port and the Long Beach community."

Steinke joined the port in 1990 as director of the Properties Division and was promoted in 1995 to deputy executive director. In that capacity he oversaw the completion of a 170-acre terminal for Hanjin Shipping Co., which opened in September.

He also helped guide the port during a \$150 million roadway construction program and the procurement of funding for the \$1.98 billion Alameda Corridor - a 20-mile rail expressway linking the ports of Long Beach and Los

Angeles to the transcontinental railheads near downtown L.A.

Now as executive director, Steinke will oversee the port's daily operations and manage a team of 302 full-time port employees. His annual salary was set at \$150,000.

Steinke said he will focus on the port's strengths and rely on his staff to help meet his objectives. "We know our goals and our mission," he said. "We must remain focused on the needs of our customers and our need to grow."

Steinke also said his management style is one of interaction and communication with his staff. "I will rely on the staff for their good judgments," he said.

Steinke is a skilled negotiator and consensus builder. In 1994, he was instrumental in the purchase of 725 acres of land and water area from the Union Pacific Resources Co., which provided the acreage for the new Hanjin Terminal.

He also negotiated a sale of 13.8 acres of land to oil-refining firm Ultramar, Inc. That sale included provisions for the port's receipt of valuable easements for rail traffic through the property.

Before coming to the Port of Long Beach, Steinke served five years as air port property officer at Stapleton International Airport in his native Denver, Colorado. A graduate of Chadron State College in Nebraska, he lives in Long Beach with his wife, Tamy, and their three daughters.

Waterways Conference Meets in Houston

THE federal government's overwhelming determination to balance the national budget could have a disastrous effect on the U.S. transportation system, an industry expert says.

"Unfortunately, balancing the federal budget is seen as much more important than investing in urgent infrastructure needs," said Harry Cook, president of the National Waterways Conference. Cook presented his "State of the Waterways" report during the NWC's annual conference in Houston this fall.

Legitimate national need, not fiscal policy, should determine where the federal government invests its money, Cook said. Denying funding to critical transportation infrastructure projects is short-sighted and self-defeating.

"Continued under-investment in

waterway, highway and airway systems can jeopardize our ability to compete in world markets. Transportation efficiency and safety will be put at risk. Congestions and delays will increase costs," Cook told the audience. "A second-rate transportation infrastructure will surely lead to a second-rate economy."

Lack of funding is not the transportation industry's only problem, Cook said. Although some dedicated transportation trust funds have huge surpluses, Washington will not allow the money to be spent. That's because the surpluses help offset the budget deficit "on paper," Cook said. For example, the Clinton administration recently announced plans to cease maintenance of some small harbors. Most of the funding for these harbors comes from the Harbor Maintenance Trust Fund, which has a budget surplus of more than a billion dollars.

Another fund, the Inland Waterways Trust Fund, pays one-half the cost of building and rehabilitating shallow-draft locks and dams. This fund has a surplus of \$300 million, but the U.S. Senate declined in its pending 1998 appropriations bill to start any new inland navigation projects. Senators maintain that budgetary ceilings in future years will not permit the funding of these projects.

"The almighty budget has now become the tail wagging the dog," said Cook.

Dwindling investment in navigation, flood control, hydropower and other water resources projects has seriously delayed needed upkeep and repairs. The U.S. Army Corps of Engineers recently reported that its backlog of deferred maintenance projects adds up to approximately \$1.4 billion. And the longer maintenance is delayed, Cook observed, the more costly these projects will become.

The nation's waterways is not the only system in a funding predicament. Interstate highways and bridges are deteriorating while "huge surpluses languish in the Highway Trust Fund," Cook said. Even air traffic controllers must use outdated equipment although billion of dollars sit unused in the Airport and Airways Trust Fund.

The governors of Kentucky and North Dakota have accused Washington of "rolling over for another snooze" where transportation system funding is concerned. While modernization of the Mississippi and Illinois Rivers is years away, other nations, such as Argentina and Brazil, are rapidly modernizing their

transportation systems.

"Transportation systems are being held hostage to federal budget-balancing at a time when more favored programs are being rewarded with higher budgets: education, job training, the environment, veterans affairs, and so on," Cook said. "Entitlement spending keeps going up, too."

Cook urged audience members to convince the government to revamp its restrictive fiscal policy and reinvest in the national transportation system.

Conference attendees were welcomed to Houston by Tom Kornegay, executive director of the Port of Houston Authority. Kornegay told guests Houston is the nation's fourth-largest city and is home of the country's second-largest port and the world's eighth-largest port. In addition, Houston leads all U.S. ports in foreign waterborne trade. He also briefly discussed the Houston Ship Channel widening and deepening project recently authorized by Congress. Work on that project should begin next year, he said. The project represents the first improvements to the ship channel in more than 30 years.

The National Waterways Conference, now in its 37th years, represents waterway shippers, carriers, ports and terminals, shipyards, river valley associations and others involved in waterway operations.

(Port of Houston)

Houston Needs Fund for Development of Bayport

THE Port of Houston Authority is asking Harris County Commissioners to authorize a bond election primarily to fund development of Bayport.

Ned Holmes, chairman of the Port of Houston Commission, recently spoke during county commissioners' regular meeting, detailing recent port improvements and future plans. He also explained how funds from previous bond sales were used to finance specific port improvements.

The Port Authority hopes to develop two terminals on property it owns at the Bayport Industrial Complex. Recently, port commissioners awarded a contract for preliminary design of a container terminal at Bayport that would help alleviate traffic at Barbours Cut Terminal. At Barbours Cut's current rate of growth, the Port Authority could find its container handling facilities at full capacity by the year 2000, Holmes

said.

"Clearly, we are near the saturation point at our Barbours Cut Container Terminal," he said. "Failure to provide for additional capacity will cause the port to lose market share and, potentially, some of our customer base. Consequently, we anticipate committing significant funds to the development of Bayport in 1999."

In addition, Holmes said, the Port Authority wants to build a permanent cruise terminal at Bayport, which could accommodate larger vessels than the temporary cruise facility at Barbours Cut can handle. Norwegian Cruise Line has reported nearly a 99 percent occupancy rate for its Caribbean cruises from Barbours Cut, and other major cruise operators have indicated they would offer service from Houston if appropriate facilities were available.

Holmes estimated Bayport development and other expansion projects will require at least \$150 million more than the Port Authority's projected cash flow. If development of Bayport is to take place, another referendum for port improvement bonds will be needed in the "not-too-distant" future, Holmes said.

The last bond election for port improvements was in 1993, when voters approved the sale of \$150 million for expansion of Barbours Cut Terminal and improvements to other port facilities. In 1989, Harris County voters approved the issuance of \$130 million in general obligation bonds to help pay the local cost of widening and deepening the Houston Ship Channel. Federal lawmakers agreed earlier this year to appropriate funds for the federal government's share of the project costs.

(Port of Houston)

General Cargo Volume Up 23% at New Orleans

GENERAL cargo volume at the Port of New Orleans was 23.9 percent ahead of the first half of calendar year 1996, as 5,689,864 tons transited terminals in the Board of Commissioners of the Port of New Orleans' three-parish jurisdiction. Total portwide activity, which includes general, dry and liquid bulk cargo, is 4.55 percent ahead of same period last year with 20,293,260 tons.

The port's niche cargoes continue to show impressive gains. Steel imports rose sharply to 2,609,527 tons, an increase of 78.2 percent. Imports of cop-

per increased by 74.2 percent to 159,419 tons and coffee showed a 27.2 percent increase to 129,664 tons. Exports of forest products, including paper, paper-board and wood pulp increased by 32.5 percent to 426,146 tons. Exports of food products, including soybeans, grain and flour products increased by 100.1 percent to 198,762 tons.

During the fiscal year which ended on June 30, 11.1 million tons of general cargo were handled at Board facilities. "We believe this is the highest 12-month cargo volume since World War II," said Port President and CEO J. Ron Brinson. (Update)

New Orleans: Dramatic Cruise Industry Growth

CARNIVAL Cruise Lines' 70,367-ton, 2,600-passenger MS *Sensation* will become the newest and largest cruise ship ever to call the Port of New Orleans when it starts a year-round schedule of weekly western Caribbean cruises beginning with a Christmas Cruise departing Tampa, Fla., in December 1998. Carnival has selected New Orleans as the exclusive port of embarkation for the 47,000-ton MS *Celebration*, eliminating Tampa as a port of call while adding Montego Bay, Jamaica.

Carnival president Bob Dickinson says the western Caribbean cruise program through New Orleans has been very successful since its introduction in 1994. "It was an immediate hit when it was introduced aboard the *Tropicale* – consistently operating at well over 100 percent occupancy. That trend continued after we increased capacity 45 percent with the *Celebration* last year," said Dickinson. "This tremendous response, combined with the outstanding support from our New Orleans homeport community, made our decision to expand our presence in this market a very easy one."

"Carnival's decision to include New Orleans on the *Sensation's* itinerary is confirmation of New Orleans' attractiveness as a cruise destination," said J. Ron Brinson, President and CEO of the Board of Commissioners of the Port of New Orleans. "It also adds value to the \$15 million investment we've made in our cruise terminals in the past five years."

"Hosting a second Carnival vessel will result in a significant economic impact for New Orleans," said Jim Reese, Port of New Orleans' coordinator

of cruise operations. "The designation of New Orleans as homeport for the *Celebration* means the Port's private service sector will have to provide additional cruise ship support services. Additionally, the increase of passenger volume will greatly increase tourism spending and hotel utilization."

In addition to Carnival's vessels, New Orleans has been the homeport for the Delta Queen fleet and Commodore Line's *Enchanted Isle*, and her very popular seven day cruise itineraries. "Several basic elements have contributed to our remarkable success in the passenger cruise market, and will continue to sustain this growth: a consumer demand for cruising, a world class tourist port city, port investment in passenger terminal facilities, and a first class cruise industry to supply the vessel service," said Reese.

New Orleans has experienced a 114 percent increase in the number of cruise passengers boardings since 1994. Reese expects that growth to continue. "The cruise industry competes with North American cities for the vacationer. Landlocked cities such as Orlando and Las Vegas individually draw far more tourists on an annual basis than the combined world-wide total of vacationers taking cruises. This may well be the real strength of New Orleans which is a major tourist city and now a very serious cruise port – vacationers can have the best of both worlds."

The *Sensation* and *Celebration* will depart New Orleans each Friday. This is particularly well-suited to guests who want to customize their vacation options with a pre- or post-cruise stay in and around the New Orleans area.

The *Sensation* will continue to operate its current schedule of weekly, eastern Caribbean cruises from Miami through November 1998. Then, following a 15-day scheduled dry dock, the *Sensation* will launch its new western Caribbean cruise program December 20, 1998. On the new route the *Sensation* will leave Tampa on Sundays, visiting Georgetown, Grand Cayman; Playa del Carmen/Cozumel, Mexico; and New Orleans.

The *Celebration* will operate its current itinerary through December 4, 1998, sailing. Then, following a scheduled seven-day wet dock, the ship will begin full-time service from New Orleans December 18, 1998. On this new route, the *Celebration* will depart Fridays, calling at Playa del Carmen/Cozumel, Mexico; Georgetown, Grand Cayman; and Montego Bay, Jamaica.

The *Sensation*, which entered service in 1993, features a wide variety of on-board amenities; dining options, including an alternative dinnertime service and a 24-hour pizzeria, lavish Las Vegas-style revues, duty-free shopping, spacious accommodations, morning-till-night activities and full casino gambling.

New Orleans Approves Leases of Terminals

THE Port of New Orleans has approved leases for nearly all of its shipping terminals along the Mississippi River that will result in increased intra-port competition, simpler billing, and increased efficiency at its docks.

Long term leases are not new at the port, but they are new to its facilities along the Mississippi River. The port's philosophy of shared business risk will help create an atmosphere that focuses on moving more business through New Orleans.

The new agreements, along with previous leases, will mean that by the end of the year 92 percent of the Board's modern cargo-handling terminals will be contractually under private sector control.

"This series of leases reflects this port's policy of privatization," said Port President and CEO J. Ron Brinson. The leases transfer pricing power over numerous services to private hands. The port will continue to manage berthing, collect charges on dockage and sheddage, and now will receive revenue from leases based on minimum annual tonnage figures.

"This was done to create an environment where the port authority and the private sector share the business risk of securing cargo for the Port of New Orleans," said David Wagner, the port's executive vice president. (Update)

San Diego: 3 Solar Turbines to South Italy

THE Port of San Diego handled another "niche" cargo recently when three Solar Turbines Incorporated generator sets were loaded onto the M/V *Cielo di Genova* while the vessel was berthed at the Tenth Avenue Marine Terminal.

Because each generator set weighed

185,680 pounds, a heavy-lift floating crane was used to place the cargo on deck for delivery to southern Italy where they will provide electrical power for a processing plant.

M/V *Cielo di Genova* is operated by Medbulk Maritime Corporation. Medbulk has become a frequent caller at the Port of San Diego, carrying yachts and soda ash. The company, which operates primarily from the Pacific Northwest to the Mediterranean with contract forest products, is also considering shipping desert red durum wheat through the Port of San Diego.

Solar Turbines Incorporated is based in San Diego and is a tenant of the Port District. With revenues exceeding \$1 billion in 1996, the company is the world's leading manufacturer of indus-

trial gas turbines and one of California's major exporters, shipping 70 percent of its products to customers outside the United States.

More than 9,500 Solar gas turbine engines and turbomachinery systems are used on land and offshore in 85 nations for the production and pipelining of crude oil, petroleum products and natural gas; generating electricity and thermal energy for a wide variety of industrial and commercial applications and for a growing marine propulsion market.

Solar Turbines is a wholly owned subsidiary of Caterpillar Inc., the world's leading manufacturer of construction and earth moving equipment and a leading supplier of diesel and natural gas engines.

Antwerp: World-class Industrial Concentration

INDUSTRY in the port of Antwerp generates a total goods movement of 108.5 million tonnes a year. This is the main conclusion of a special feature on industry in the port of Antwerp appearing in the most recent issue of *Hinterland* magazine. *Hinterland* is published by PUBLITRA under the patronage of Antwerp's Municipal Port Authority and of AGHA/ASSIPORT, representing Antwerp's private port sector.

* * *

The ten-year plan launched in 1956 and the development of the Left Bank of the Scheldt gave Antwerp the chance to develop into a world-class industrial concentration. Roughly 31% of the land area of the port is now occupied by industrial concerns.

The industry in Antwerp's port is a classic example of capital intensive industrial development. The five refineries represent Belgium's entire refining capacity. The concentration of chemical processing in Antwerp is the largest in Europe, and in world terms comes second only to Houston. VIBNA (Association of the Industrial Undertakings of Antwerp-North) itself estimates the historical value of industrial investment in the port at over BEF 600 billion. Other statistics and calculations indicate that this industry provides 29,000 direct jobs and over 150,000 indirect ones and that it generates added value in the region of BEF 155 billion.

This major industrial presence has brought new blessings to the port, which are felt in two areas in particular, namely by generating traffic and encouraging the flourishing growth of a vast choice of logistical services in Antwerp in recent years.

AGHA has by making a specialised survey and helped by VIBNA been able to analyse the traffic flows attributable to individual industrial companies. Totalising the individual results for 1996 indicates that overall goods movements by all modes came to no less than 108.5 million tonnes. If we ignore pipeline traffic (43.5 million tonnes), there still remains 65 million tonnes to be carried by other modes of transport. It hardly needs pointing out that the cargo generating capacity of the port has benefited considerably from this development, which has had a favourable impact on all transport modes. For example, 24 million tonnes of Antwerp's maritime trade is directly related to industry in

Africa/Europe

Antwerp: New Shuttles To Limburg and Alsace

FROM November 1997, Interferry will be operating two new intermodal shuttle services from the port of Antwerp. These new links are a valuable extension of the already impressive network of communication routes with Antwerp's hinterland, and will provide improved services to regions such as (Belgian and Dutch) Limburg, Alsace and the Ruhr Basin.

The Cigogne-Shuttle, having a capacity of 45 TEU (15 wagons), will run directly to the Strasbourg region as from 3rd November. Shuttles will depart every Monday, Tuesday, Wednesday, Thursday and Friday evening both from the Zomerweg Terminal in Antwerp and from Strasbourg, to reach their destinations the following morning. To provide this service, a partnership has been set up involving Interferry in cooperation with Intercontainer-interfrigo and Transrail, a division of Transport Verbeke, which is an ISO certified road haulage company.

The Limburg-Shuttle will, for its part, number 20 wagons offering a capacity of some 60 TEU. It will depart for the Born Rail Terminal on Tuesdays and Thursdays as from November 13th. Departures in the opposite direction will be on Wednesdays and Saturdays. From Born, the containers can then be

trucked to anywhere in the Ruhr Basin.

In Antwerp, Interferry recorded a 20% growth in combined transport during the first half of the year. These new shuttle services will enable the company to meet this increase in demand and to clearly emerge as an intermodal operator. Besides the excellent connections with the European transport network, Interferry also has at its Antwerp terminals the facilities required to maintain its position in combined rail transport. The Zomerweg terminal is equipped with four 600-metre sections of track and four 280-metre sections, 3 gantries, 4 straddle carriers and 2 stackers. The Cirkeldyck terminal, for its part, is equipped with four 600-m sections of track, 2 straddle carriers, 2 reach stackers and 1 gantry. A second gantry has been ordered and is expected for March 1998.

The current occupancy ratio at the two terminals is 100% and provisions have already been made to fit out a third combined transport terminal near the Antwerp-North marshalling yard.



the port. Such flows of industrial goods are closely linked to the port and supply the base load of cargo needed to sustain a network of liner services and the essential return cargoes for inland transport systems.

Viewed in terms of the current arguments about mobility, it appears that industry in the port of Antwerp can boast of its highly favourable modal split. In fact when the pipelines are ignored, we see that industry uses waterborne systems for 82% of its transport requirements.

In keeping with current managerial trends, industry in Antwerp's port has opted to concentrate on the core business and much of the logistics is farmed out to third parties. Local port operators have responded eagerly to this trend with a diversity of services.

Tank farm operators cater to specific product requirements by offering storage at constant temperatures, cooling, blending and filtration services, etc. In all eight terminals offer a total of 115,000 m² of compartmented space for storing dangerous products. Several companies specialise in the handling of bulk plastic granulates, and the port is

now dotted with several hundred silos suitable for this purpose. Other firms have built Predelivery and Inspection (PDI) centres for cars, and yet another has built a paper-cutting plant at a forest products terminal.

In certain cases the purely industrial logistical operation includes a series of operations which are a direct extension of the primary production process. Inventory management, packing, warehousing, administration, the preparation of transport and customs documents, and booking vehicles may be carried out by port companies. Good examples of such close co-operation include plastics handling for Petrofina, Solvay, BASF, and BFGoodrich, and carbody parts for Opel Belgium, which also subcontracts the assembly of bumpers and air-conditioning modules to a port operator.

The presence of industry in the port enables port operators to keep on developing new synergies. Indeed VIBNA points the no fewer than 14 of the world's forty leading chemical companies have a presence in the port of Antwerp.

Hamburg: Hub of Traffic, Environment-friendly Port

HAMBURG is the hub of traffic for North-West Europe. This is the place where the maritime waterway of the Lower Elbe meets the international inland waterway of the upper Elbe and Elbe Lateral Canal (just east of Hamburg near Geestacht). This is a focal point of German and international rail traffic – virtually all of Scandinavia's rail traffic crosses the Elbe in Hamburg. And this is the intersection of the pan-European highways E3 and E4 which link Hamburg to Europe's motorway network. Hundreds of forwarders and carriers offer reliable and regular distribution services to every corner of Europe – on a just-in-time basis.

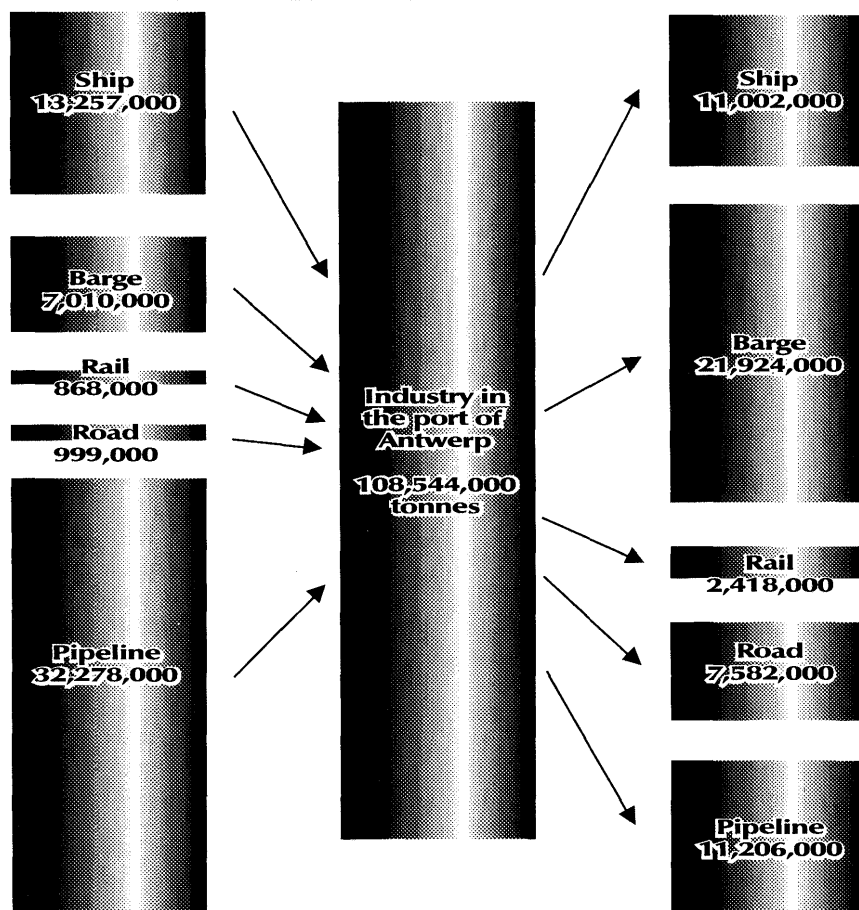
In 1996 intermodal container traffic brought some 700,000 TEUs of turnover to the Port of Hamburg. Almost 20% of this total was accounted for by private-sector operators in which Hamburg port companies play a decisive role. Hamburg is Europe's most important rail container handling centre. Hamburg is also the market leader in block train traffic to and from Central and Eastern Europe. 70% of all containers which have to be transported more than 150 km to or from the Port are carried by rail – a high proportion that has earned Hamburg the title of the "most environment-friendly overseas port".

Some 200 block trains a week link the Port of Hamburg with all the key international economic centres in Switzerland, Austria, Hungary, the Czech Republic, Slovakia, Poland, Hungary, Russia, etc.

More than 250 block trains a week ensure fast links between the Port of Hamburg and Germany's major economic centres, many of them overnight services. There are daily departures to Warsaw, Prague, Budapest, Vienna and Basel – to name just a few destinations. These direct rail connections with their scheduled departure times take cargoes to customers safely, reliably and just in time.

In 1996 more than a million freight cars were moved on and 21.9 m t of cargo carried by Hamburg's Port Railway. Every weekday an average of 165 trains with some 4,400 freight cars are handled on their way to or from the Port of Hamburg. In the first nine months of 1997 the total cargo turnover was 17.3 m t, 6.5% up on the same period last year. The Port Railway has a 30.5% share of Hamburg's seaborne cargo turnover – considerably more

GOODS FLOWS ATTRIBUTABLE TO INDUSTRY IN ANTWERP AT A GLANCE



than in competing ports.

This year there have also been considerable increases in incoming cargoes of fertilizers and outgoing cargoes of iron ore and petroleum products. Container traffic, which accounts for more than a third of the Port Railway's total turnover, rose by 5.3% to 534,200 TEUs. The volume of cargo handled rose significantly faster (26%) to reach 6.35 m t.

All the combined cargo service providers have been equally involved in this growth of cargo turnover: Transfracht International, Intercontainer-Interfrigo with HHLA as its on-the-spot partner, POLZUG, EUROKOMBI, Metrans, Kombiverkehr and Projekt-zug. Together, they managed to attract one in four of the containers handled to their rail services (with DB Cargo merely serving as a trucker).

The EUROKAI subsidiary EUROKOMBI carried some 36,000 TEUs of cargo in 1996 while the HHLA subsidiaries HHCE, Metrans and POLZUG each had around 30,000. Each of these operators is expecting about 10% growth for 1997, above all as a result of extensions to their services. For example, POLZUG intends to introduce block-train services to St. Petersburg, EUROKOMBI departures to Italy, etc.

Rail is only one carrier in the Port's intermodal pre- and post-carriage mix. For example, Hamburg leads its competitors in the North Range with 8 - 10 feeder ship sailings a day to destinations on the North Sea or Baltic. In 1996 9.2 m t of cargo were carried by inland-waterway vessel. Here, too, there are indications of growth in 1997, especially in container transports.

Hamburg: Rapid Increase In Trade With Finland

PORT of Hamburg Marketing and Public Relations (HHVW) took the opportunity offered by a Port Evening in the Kalastajatorppa Hotel, Helsinki to highlight the rapid increase in trade between Hamburg and Finnish ports in the past three years – a boom fuelled in particular by the heavy demand for western consumer goods in Russia.

According to a survey carried out by the magazine *Containerisation International*, some 60% and 95% of the containers handled in 1996 by the two Finnish ports of Kotka and Hamina were transit cargoes bound for Russia.

If we include the Port of Helsinki, which mainly handles Finnish cargoes, we see that almost 30% of the containers handled in Finland are bound for or coming from Russia. However, this transit traffic is not included in the official statistics.

The "natural" destinations cargoes are transhipped to via Finland are the St. Petersburg region, Karelia, the Kola Peninsular, Moscow and the Baltic Republics of Estonia, Latvia and Lithuania. Around 34 million people live here – a large market with great potential. Finland's transport industry ensures that the West is supplied with raw materials from the East and Russia's need for Western consumer goods and modern machinery is met.

In this, Finland profits from bottlenecks in Russia. This is particularly true of St. Petersburg's Port where Finnish ports often have to "help out". Transshipment from Finland to Russia usually takes place by truck but there are also rail links between Moscow and Kotka as well as Helsinki. Since Finland's and Russia's rail networks have the same gauge, rail traffic is of strategic importance in hinterland transport.

However, Finland not only serves Germany and the Port of Hamburg's overseas trading partners as the "gateway to Russia and the Baltic Republics". Via Hamburg Finland itself has access to the German, Swiss and Austrian markets and direct links to centres of economic activity all over the world, especially for its exports to the Far East.

The end of the Soviet Union and Finland's entry into the EU on January 1, 1993 were milestones in the development of Finland's economy and transport sector – Germany's as well. Now the Nordic countries are pushing harder than ever into the EU markets while Finland is also investing a great deal of effort into gearing its economy to world trade.

The Port of Hamburg was, and still is, a direct beneficiary of these developments. In 1996 some 1.2 m t of transit goods were handled in Hamburg for Finland. Incoming cargoes accounted for 870,000 t, outgoing for 360,000 t. Pure sea-borne trade accounted for 1.06 m t while the remainder was sea-land traffic. In 1996 the total cargo turnover in trade to and from Finnish ports (including German foreign trade) was 2.96 m t.

The number of containers handled for Finland rose by just under 7% to 207,000 TEUs in 1996. Loaded container

turnover rose even faster – by 12.3% – to 180,000 TEUs.

Finland is thus fourth in the list of the Port of Hamburg's Top Ten trade partners and the leading Scandinavian country. Hamburg's container turnover for Finland has more than doubled in five years (since 1992). In 1996 incoming containers accounted for around 107,000 TEUs (with a containerization rate of around 84%). Outgoing cargo turnover increased at an above-average rate of nearly 12%.

In 1997 all the indications are of continuing growth. In the first six months of this year 109,000 TEUs of containerized cargoes were handled in the Port of Hamburg for Finland, 8.6% more than the first half of last year. 59,000 TEUs were accounted for by incoming cargoes (up 12.3%, 50,000 TEUs by goods heading for Finland (up 4.7%). The high dollar in particular has had a positive effect on Finnish exports.

Finland's leading exports products are paper and cardboard, cellulose, veneers, sawn timber, round logs and plywood, base chemicals and semi-finished products, plastics, machines, metals, metal alloys, semi-finished metal goods and electrical goods. The key imports are copper ores, coffee, other foodstuffs and semi-luxuries, clothing and shoes, automobiles, machinery, electrical goods, chemical goods and iron/plate/metal goods. The Port of Hamburg offers efficient handling facilities for all these goods as well as duty-free interim warehousing facilities in its Free Port – particularly beneficial for transit goods.

The main trade partners that use Finland's "gateway service" are overseas countries such as the USA, Canada, Japan, South Korea, Singapore, Hong Kong, Taiwan, Malaysia and Indonesia along with Western European countries such as the UK, France and Germany. Hamburg is particularly strong in Asian traffic (51% of total container turnover) so ideal tie-ins are possible here. Finland has the modern inter-modal infrastructure to ensure fast pre- and post-carriage with Russia and the Baltic Republics.

Hamburg's hub function in Finnish traffic is underlined by the high frequency of feeder-ship sailings – 15 a week. The leading feeder shipping lines use ships with a capacity in excess of 500 TEUs. In all there are 23 winter ports which, via Hamburg, are accessible all year round with the help of ice-breakers.

Considerable quantities of intermodal cargo are also shipped via the ports of

Lübeck/Travemünde and Kiel by train and truck to and from the Port of Hamburg because there are very few direct sailings from the Baltic to the Far East and the USA. 85% of Finland's foreign trade is shipped via the Baltic corridor.

Hamburg is also an important location for Finnish firms. 16 of the country's 50 largest corporations have offices in the Hamburg area. In all, 100 Finnish companies operate in Northern Germany, 65 of them in Hamburg and 35 in Schleswig-Holstein. 40% of Finland's exports to Germany are handled via the Greater Hamburg region.

PLA: Charges Frozen For Another Year

A further increase in trade volumes has enabled the PLA to absorb inflation and freeze its conservancy and pilotage charges for another year.

In its review of the 1998 budget the PLA board decided to hold the Authority's conservancy charges on ships and cargo at the level set in 1994.

Pilotage charges, which have not been increased since 1992, were actually reduced in 1997 and will be held at this lower level throughout 1998.

Conservancy charges account for 39 per cent of the PLA's total revenue, while pilotage represents about a third of the Authority's costs and revenue.

Remaining scheduled charges, most of which are not related to volumes of trade, will be increased in line with inflation. There are new schedules of charges for advertising and filming rights, which until now have been set on an 'ad hoc' basis.

"We are determined that the Port of London stays in front as the safest and busiest seaport in the UK in all that we do," said PLA chief executive David Jeffery.

"PLA is aware of the constantly changing world trading scene and the pressure to keep costs down and we constantly seek improvements in our efficiency which we can reflect in our charges to ensure we keep the port an attractive place to trade," he added.

The changes made to the charges for filming and advertising on the river include a decision to publish rates for "location fees" for commercial film makers and television companies for the first time.

Sir Brian Re-appointed Chairman of PLA

SIR Brian Shaw has been re-appointed chairman of the Port of London Authority (PLA) by Deputy Prime Minister John Prescott, for three years from 1 January 1998.

Sir Brian has served five years as chairman of the PLA, the non-profit making public trust responsible for safety and navigation on the tidal River Thames and for promoting and marketing the Port of London, the UK's busiest seaport.

Sir Brian, 64, said: "I am delighted to have been re-appointed chairman of the PLA for a further three years at a very exciting time for the Port of London. Trade in the Port is buoyant and we in the PLA are determined to do all we can to ensure that London remains pre-eminent in the UK."

"The River has an important role to play in the run up to the Millennium, in terms of transport and economic development opportunities for riverside communities, and I will strive with the board to help the Thames to realise its full potential as a carrier of good and people."



Sir Brian Shaw
Chairman of the
PLA

ABP: Safety of Navigation Promoted on the Humber

THE River Humber, Britain's busiest estuary, has benefited from Associated British Ports' £2.1 million investment in the upgrading of the navigation, marine information systems and pilotage operations on the river. ABP has consolidated its monitoring and control of all maritime activity on the Humber Estuary into a new Vessel Traffic Services (VTS) Centre at Spurn Point, providing even greater levels of safety of shipping and navigation for all river users.

ABP, the Statutory Harbour Authority for the Humber, owns and operates four ports on the Humber including the Ports of Grimsby & Immingham, Hull and Goole which, between them, handle some 11 per cent of all UK trade.

The new VTS Centre is equipped with a state-of-the-art radar and a computerised Vessel Traffic Management

Information System (VTMIS). The new system gives live radar coverage of all vessel movements in the busiest section of the estuary downstream of the Humber Bridge and also comprehensive data of all vessel movements to and from the Rivers Humber, Ouse and Trent. Pilotage operations are also co-ordinate from the new centre.

Andrew Smith, ABP's Managing Director, officially opened the new VTS Centre on 19th November 1997. He said:

"The integration and upgrading of the Humber's vessel traffic management and radar systems is a big leap forward in the flow of marine information. The new VTS Centre demonstrates ABP's continuing commitment to the highest standards of safety of navigation on the River Humber and our confidence in the importance of the busiest foreign-trading estuary in the country."

In 1994, Phase I of the development of the VTS Centre at Spurn was completed with the installation of a £1.5 million Norcontrol radar at the control tower at Spurn Point.

Phase II of the programme was completed this autumn with the installation of the VTMIS developed by Logica as well as a brand-new radar at Stone Creek overlooking ABP's Port of Immingham. ABP has also developed the Vessel Traffic Data Centre at Hull which intercepts and handles all communications from users of the Humber. The information is processed and sent to Spurn via state-of-the-art microwave technology.

ABP's Vessel Traffic Services (VTS) Centre

- VTS Centre is located at the tip of Spurn Point and operates a 24-hour, 365 days-a-week service for all river users.
- The operation at Spurn is permanently staffed by two Master mariners. One is a licensed Humber Pilot who handles boarding and landing of pilots, the movement of ships in and out of the three main anchorages and in the mouth of the Humber.
- The other Master Mariner handles all vessel traffic movements on the Humber Estuary and on the lower reaches of the Rivers Trent and Ouse.
- Equipment at the VTS Centre includes:
 - The brand-new digital Vessel Traffic Management information System (VTMIS) developed by Logica
 - Navigation Information System (charts, tides, weather, etc.)

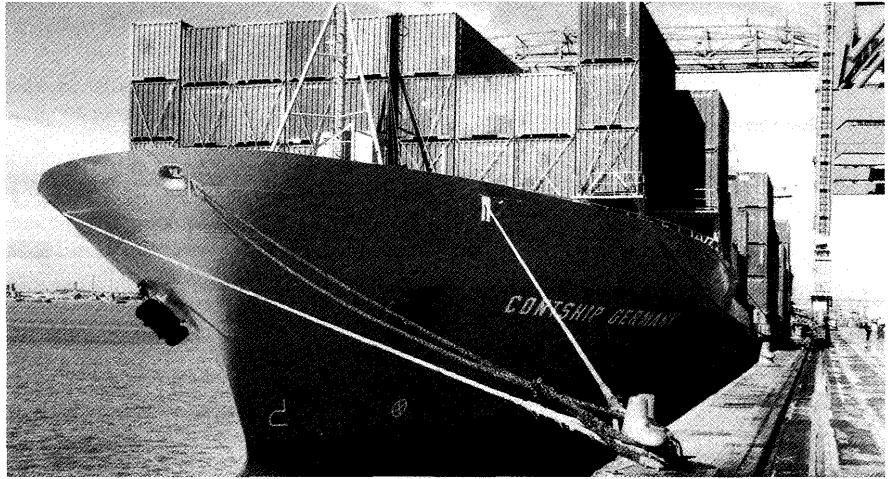


The control tower at Spurn Point is the Vessel Traffic Services Centre for the Humber River, it is owned and operated by ABP. Pictured (left to right): Captain John Myers, Harbour Master (outgoing); Brian Freeman, Pilot Master and Captain Paul Hames, Harbour Master designate.

- There are three Norcontrol radar scanners on the Humber all linked by microwave located at:
 - Hull on the north bank of the Humber
 - Stone Creek (Immingham) on the south bank of the Humber
 - Spurn Point
- The call sign for VTS is "Vee Tee Ess Humber"
- Pilotage refers to the act, carried out by a pilot, of assisting the Master of the ship or any vessel in navigation when entering or leaving a port.
- The Pilotage service on the Humber is the busiest pilot service in the UK, boarding over 23,000 vessels a year and deploying 160 pilots to carry out pilotage duties on the Humber.
- There are 64 lighthouses and beacons as well as 113 buoys and light floats on the Humber and sophisticated fleets of dredging craft, hydrographic survey launches and pilot boats all of which are designed to assist ABP in maintaining a safe and efficient waterway.

Tilbury Container Services Win Contship Business

CONTSHIP Container Lines is transferring both their South American vessels and their Ocean Star Service from the Port of Felixstowe to Tilbury Container



A Contship Container Lines ship berthed at Tilbury Container Services Ltd.

Services Ltd (TCS). The new business will add to the throughput at TCS for the last few months of 1997, while substantially increasing the total for next year.

The relationship between Contship and TCS began around three years ago when Contship entered into partnership with the then P&O Containers Ltd, to offer an Australian and New Zealand service. At that point, TCS also handled two South American services for Hamburg-Sud/Aliaanca and the Euresa grouping.

Jerry Rickcord, Managing Director of TCS, explained that a larger partnership has now been established to replace Euresa. This new partnership consists

of Contship, P&O Nedlloyd, Blue Star, Montemar, and DSR.

"The Ocean Star Service which covers Australia, New Zealand, the East Coast of North America, the Pacific and the Far East will be an additional service to TCS," he said.

The Euresa service previously handled 15,000 containers a year and it is estimated that the new service will handle 25,000. The Ocean Star service has seven smaller ships in total and looks set to make an annual contribution to TCS's throughput of approximately nine to ten thousand TEUs.

TCS is jointly owned by P&O and Associated British Ports (ABP).

Asia/Oceania

Port of Brisbane: Goals, Performance 1996/97

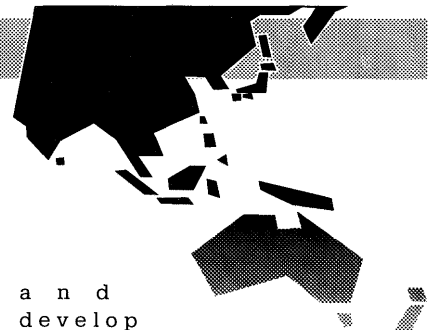
Mission

To be a world class facilitator of integrated solutions for the logistical and business development requirements of Australian exporters, importers and coastal shippers.

Highlights for the Year ended 1996/97:

The Port of Brisbane Corporation (PBC) announced a new strategic direction and organizational restructure.

The Corporation will focus on providing logistics solutions and building business alliances which actively promote trade, improve port performance



and develop closer public and private sector relationships.

- Total trade and container traffic for the port exceeded 20 million tonnes.
- Exports exceeded imports for the first time in five years. Exports grew 12.7% to 10.3 million tonnes, while imports increased 2.4% to 9.9 million tonnes.
- Almost half of Australia's cotton export passed through Brisbane

while grain exports rose 227% to slightly more than two million tonnes.

- The Brisbane Multimodal Terminal throughput rose 17.8% to 60,170 TEUs.
- FH Transport, in conjunction with the Corporation, began the first stages of a 10,000m² distribution and container co-ordination centre at Fisherman Islands.
- The Port of Brisbane became Big W Discount Stores primary east coast shipping outlet.
- Construction of the Fisherman Islands \$28.5 million wharf number six was more than 80% completed.
- PBC approved the establishment of a six hectare commercial estate on the south-west side of Fisherman Islands.
- PBC was part of the consortium which won the 50 year lease over Brisbane Airport.

The New Direction

The Port of Brisbane Corporation strengthened its commitment to become more internationally competitive by forging ahead with a new strategic direction announced in June 1997.

This new direction creates a more dynamic and customer-focussed organization to ensure growth in an increasingly competitive world business environment.

Facilitator, provider, marketer and business ally best describe the new roles of the Corporation as it strives to

become a more diversified port.

Change in Focus

The most important shift in the Corporation's strategic direction has been a change in focus.

Brisbane was one of the first Australian ports to adopt a passive landlord approach to port management which served its development and that of its customers very well.

However, to ensure the port has a competitive advantage and to fulfill its mission to be among the world's best port managers, the Corporation recognizes the need to shift its focus towards more proactive business alliances and identification with its stakeholders.

Whilst productivity in the Port of Brisbane is on a par with other Australian ports, a worldwide benchmarking study commissioned by the Board shows significant gaps between the performance of Australian ports and world's best practice. The Corporation's strategies are now aimed at shifting towards the performance levels of the world's best in quality, efficiency, price and productivity – both on the water-front and in support services.

Some of the strategies to achieve PBC's vision include:

- facilitating access to world class port infrastructure and facilities;
- developing relevant supply chain initiatives that satisfy port users' needs;
- adopting a prime focus on customer service;
- developing value-adding business

- alliances with customers/partners;
- implementing a commercial culture;
- engaging in proactive, targeted marketing to attract new business and trade;
- becoming a diversified port;
- facilitating world class improvements in port operational performance; and
- providing competitive logistics solutions which increase trade throughput.

Organizational Changes

The new direction led to an organization restructure which is expected to be fully operational by December 1997.

Trade management was expanded with two new roles. Trade Development Bulk/Break Bulk and Trade Development/Container added to Business Development in a bid to promote the Corporation's primary goal of growing the port's business.

A new division, Corporate Affairs, was created to manage the Corporation's interface with external stakeholders, public relations, communications and environmental issues. This area will forge stronger relationships with government, business, the community and environmental groups.

The Operations Division now contains the three main areas relevant to providing world class port facilities – operations, channel services, and facilities. The key focus will be on improving port performance through more effective asset management and utilisation.

Both Port Centre administrative and

	PBC 1997 \$'000	PBC 1996 \$'000	% Change
Operating revenue	68,471	60,074	14.0
Operating expense	36,614	31,764	15.3
Operating profit	31,857	28,310	12.5
Abnormal items	4,387	5,717	-23.3
Income tax expense equivalent	8,454	7,563	11.8
Operating profit after tax and extraordinary items	17,815	14,579	22.2
Dividend provided for or paid	7,126	5,831	22.2
Capital expenditure	34,352	20,205	70.0
Total assets	620,715	404,133	53.6
Total liabilities	221,485	28,557	675.6
Net assets	399,230	375,576	6.3
Current ratio	1.02	1.27	-19.7
Liability / asset ratio	0.36	0.07	414.3
Liability / equity ratio	0.56	0.08	600.0
Number of employees at June 30	213	229	-7.0
Operating revenue per employee			
– nominal \$'000	321	262	22.5
– 1997 dollars \$'000	321	267	20.2
Operating expense per employee			
– nominal \$'000	172	139	23.7
– 1997 dollars \$'000	172	141	22.0

Whyte Island operations employees were affected by the restructure, which included a Voluntary Early Retirement program.

On the Horizon

To achieve a greater share of the Australian container market, the Port of Brisbane will address the logistical needs of importers and exporters, with a particular focus on Asia.

Under its new strategic direction, container handling operations will be analyzed and PBC will work with existing and potential stevedores to try and improve port performance. A long term port infrastructure plan will be developed, addressing new facilities, additional land and future channel requirements.

Growth through the port will be promoted by identifying business, land and trade opportunities both on PBC's own account, and with partners such as Brisbane Airport and the Brisbane City Council. Investment in supply chain infrastructure will be a concurrent priority.

The Corporation will seek to increase bulk trade volumes with targeted marketing which identifies and understands bulk importers' and exporters' requirements. The Corporation will actively seek to identify major projects with break bulk potential and to develop plans for new customers.

These strategies will be achieved by working closely with port customers and stakeholders and understanding the issues which drive their business direction. (Annual Report 1996/97)

Gladstone Coal Terminal Capacity Expansion

IN expectation of continued growth in coal exports, GPA is currently expanding its RG Tanna Coal Terminal to allow storage of 3.9 million tonnes within the stockpile area.

The construction of the new stockpile area (Stockpile 14) began in July, 1997 and is expected to be commissioned by end March, 1998 at a cost of \$8.5 million.

In line with GPA's long term plans to allow for expansion of the RG Tanna Coal Terminal to an annual throughput capacity of 60 million tonnes, extra stockpile storage can eventually be supplied to a total 7.2 million tonnes.

Confidence in the future coal trade through the port was highlighted by a recent marketing visit to Japan, India and Thailand by GPA Chairman Leo

Zussino and General Manager Reg Tanna. A high level of satisfaction with the Terminal's reliability and service provision was expressed by end users.

In particular, the power utilities in Japan have indicated they will require an increase of their annual imports of coal from the current 38 million tonnes to 65 million tonnes by the year 2002. It is expected that about 65% of this volume will come from Australia. Japanese steel mills have also indicated their desire to increase tonnages from mines served by Gladstone.

India is also an important destination for coal exported through Gladstone, importing approximately 2.5 million tonnes annually. Thailand also poses as an important future customer. These countries provide a long term expanding market for Australian coking coal, given the freight advantage of Australia over other potential coking coal suppliers. (Port-Talk)

Gladstone Constructing Container Terminal Wharf

CONSTRUCTION of a dedicated container berth will maximize the Gladstone Container Terminal's potential and will greatly expand opportunities to attract new containerized cargoes.

The construction contract worth \$8.5 million has commenced with reclamation work to provide land backing the wharf, situated immediately adjacent the Container Terminal. The wharf construction contract has been awarded to Baulderstone Homibrook to commence early October.

The new wharf will be a steel piled structure with a flat slab concrete deck 170 meters long and 30 meters wide and is expected to accept shipping in the second quarter of 1998.

The first full financial year of operation of the Container Terminal saw consistent growth in the containerized/breakbulk cargo trade achieved. Approximately 4,200 TEU were handled during the year, representing an increase of over 63% on the previous year.

Marketing research has forecast consistent growth over the coming years with the expansion of existing industries and the development of new large-scale minerals processing industries in the region fulfilling GPA's commitment to establishing world class container facilities. (Port-Talk)

A\$200 Million Spent On P&O Ports Facilities

DURING its current five year plan, which ends this year, P&O Ports has spent more than A\$200 million on developing port facilities.

Of this amount A\$56 million has been spent on new wharf cranes, A\$45 million up-grading the P&O Ports Melbourne container terminal straddle carrier operation and A\$56 million on general facilities improvements.

It is planned to purchase the equivalent of one wharf container crane every year for the next 25 years to keep the crane fleet up-to-date.

During the past year, P&O Ports initiated guaranteed fixed day berthing schedules. More than half the carriers using P&O Ports terminals have taken advantage of this system. Interestingly, as much as 82% of the Asian trade is now covered by the berthing window agreement which is a far higher percentage than those taken up in the trades to Europe and the U.S.A.

Other initiatives taken up by the company include a global positioning system for its container yard operations and a single EDI gateway. This facilitates connection to all communications carriers and is part of one single EDI infrastructure for container, bulk and general cargo movements.

(P&O Ports Newsletter)

Sydney Ports: Sixth Consecutive Record Year

THE 1996/1997 trade statistics show that Sydney Ports had its sixth consecutive record year of container throughputs.

Sydney Ports Corporation, now well into its second year under the leadership of Greg Martin, has become highly competitive and is attracting increasing levels of business.

The total cargo figures rose by 4.2% in volume during the last year, whilst the container traffic increased by 4.6% to 730,436 TEUs. (P&O Ports Newsletter)

Yokohama to Cope With Larger Container Ships

THE Port of Yokohama has completed and released the future development plan to its facilities in order to cope with the increasing size of container ships. The plan also took

account of the lesson of the Great Earthquake of Hanshin.

The fundamentals of the plan are (1) construction and improvement of advanced port facilities in order to strengthen and maintain the competitiveness of the Port of Yokohama, eastern Japan's largest international trade port, (2) protecting against natural disasters such as earthquake and typhoon, (3) improving the port-side transport system in order to ensure a smooth flow of cargoes, (4) improving the port environment including green area and promoting citizens' use of waterfront areas, and (5) transforming the existing port functions into a water-front metropolis.

The target year for the plan is 2005 when the port's cargo turnover is expected to reach 146 million tons (126.45 million tons in 1996) including 54 million tons of imported cargo (45.64 million tons in 1996) and 46 million tons of foreign container cargoes (35.38 million tons for 1996).

The main facility plans based on this plan are as follows:

(1) Deep-water Container Berths

The port of Yokohama is not spared from the recent wave of drastic increase in the size of container ships, either. 6,000 TEU-class ships are making port calls at Yokohama today, and we are expecting more in future. We are developing 12 deep-water container berths (-15 to -16m deep, 350m long) to meet the growing demand.

More specifically, we will improve the existing 4 berths at Honmoku Pier, Yokohama's core of container cargo handling.

Also, we are planning to construct 2 deep-water container berths on land which is being reclaimed between jetties B and C of the same pier which has 4 jetties from A to D; increase water depth at two of the existing berths at Daikoku Pier; revise the original plan of Minami Honmoku Pier, currently under construction; and increase water depth at all of the 4 container berths to -15m or -16m while installing the state-of-the-art technology.

These deep-water container berths are developed by 2 in a same array, dramatically raising the convenience.

The feature of this plan is the redevelopment of existing facilities into high standard container terminals with small amount of investment and time.

(2) Large-Scale Earthquake Proof Facilities

The Great Earthquake of Hanshin and its location in Kanto where many major earthquakes take place have urged

Yokohama Port to work on earthquake resistance. This plan takes a further step and is aimed at establishing a marine emergency base to provide shelter and relief supply. In addition to the existing 3 berths at MM 21 and Yamanouchi Pier, we will develop earthquake proof berths at the North and the South where emergency supply can be unloaded.

Also, to maintain the availability of container berths which is important for international trade, we will redevelop the existing 6 berths (4 at Honmoku and 2 at Minami Honmoku) into earthquake proof.

(3) Expansion of Road Network

Efficient road network is crucial for a convenient port, because Japanese ports including Yokohama rely on trucks for domestic transportation.

Traffic congestions caused by cargo transportation from/to the port through inner city has been a big problem for the City of Yokohama. The city has been trying to solve this problem by developing a coastal artery which connects each pier.

Under this plan, the artery will be extended to Honmoku Pier, the port's logistics center. It is expected to lighten the traffic congestions inside the city and smooth the cargo flow.

Also, the City of Yokohama and Japanese government will be in charge of developing the road network around the city.

(4) Creation of Green Belts

The Port of Yokohama's concern is not only growing as a logistics center but also as a place where citizens can enjoy water and the port. We will open spaces by the sea where people can enjoy marine recreation in Tsurumi, Isogo, and Kanazawa.

We will also create large-scale coastal green areas in Yamanouchi and Yamashita, and create a shingle beach at Kanazawa.

These developments will serve to the welfare of citizens as well as the improvement of the environment.

(5) Redevelopment of the Metropolitan Coastal Area

We have been changing the logistics functions in the inner port area (Yamanouchi, MM21, Yamashita Pier, and Shin Yamashita areas). Under this plan, Yamanouchi will be redeveloped from a former dock site into a compound city area with functions of commerce, business, and R&D.

The development of MM21 which has been the center of the city's development project is progressing steadily.

These developments have been going on since the beginning of the current fiscal year.

The Port of Yokohama will follow this plan for the development of its facilities to ensure its position as an advanced international trade port as well as a people/environment-friendly port city.

(Yokohama Port News)

New Cold Store Complex At Tauranga Terminal

EXPORTERS using the new cold store at the Tauranga Terminal can expect to reap significant savings on their transport costs, says Eskimo Group Bay of Plenty General Manager, John Blockley.

The Tauranga Terminal facility, which allows chilled and frozen goods to be stored on wharf, is a joint venture between Eskimo Group and the Port of Tauranga Limited. The facility was officially opened in November.

"This on-wharf facility will offer exporters substantial savings on movement and/or freight costs," says Mr Blockley.

The cold store has been built to meet the growing needs of the meat, fish and dairy industries. Its current capacity is 4,000 tonnes, and the store will gradually be expanded according to customer demands.

Mr Blockley is confident the store's potential capacity of 20,000 tonnes will be a real boom for New Zealand exporters.

"The diverse locations of the businesses interested in the facility demonstrate that they are driven by more than geography," he says.

"The presence of on-wharf temperature controlled facilities at a port which is called on by major shipping lines presents some very real advantages to exporters of chilled and frozen products."

Although operational for the previous month, the Tauranga Terminal cold store complex services were officially launched to customers and local dignitaries at a function on 25 November. The Chairman of the Eskimo Group, Mark McGuinness and the Port of Tauranga Limited's Chairman, Fraser McKenzie, spoke at the launch, which was also attended by senior managers from the two companies.

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closer *to your markets*

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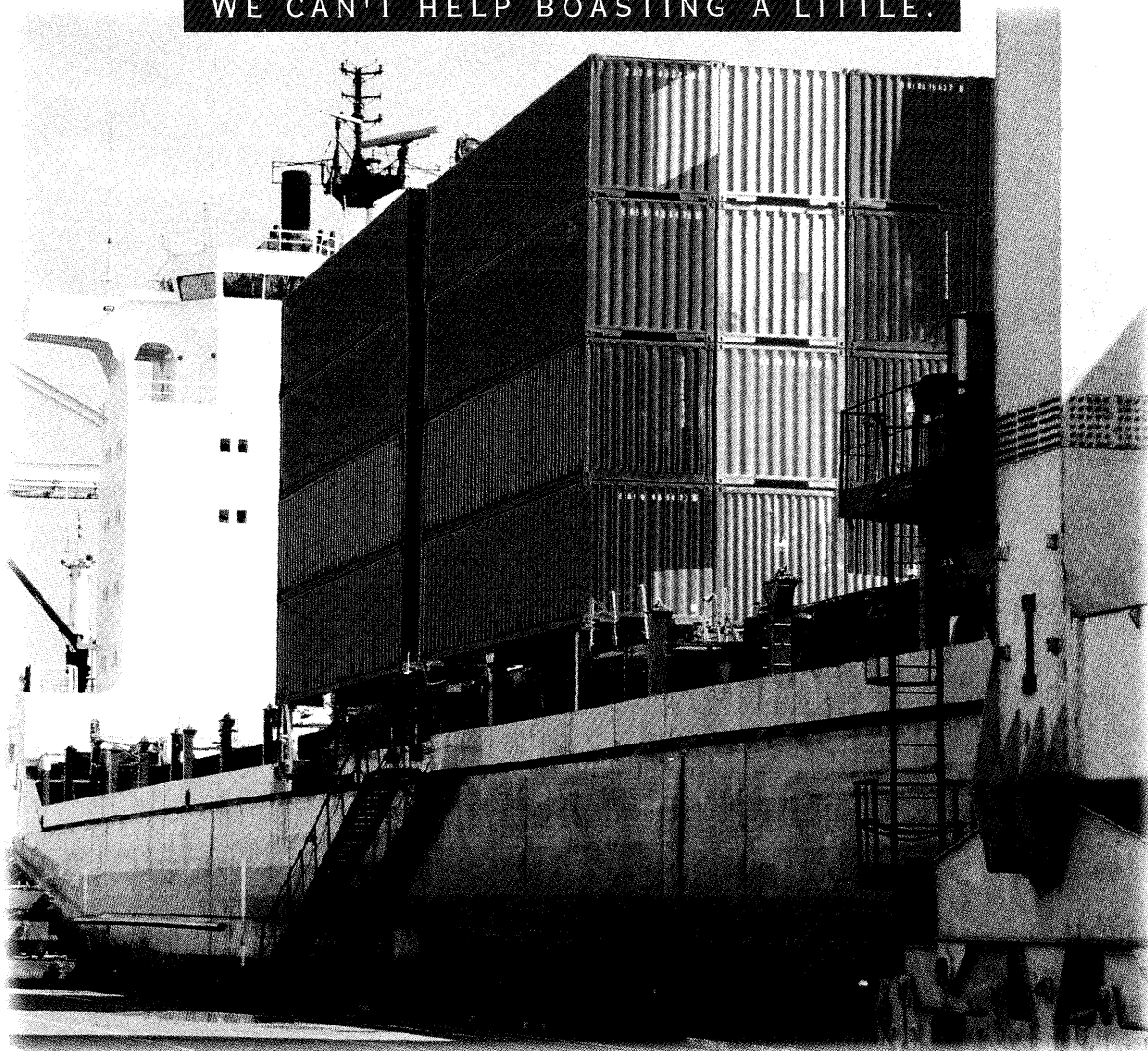
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