

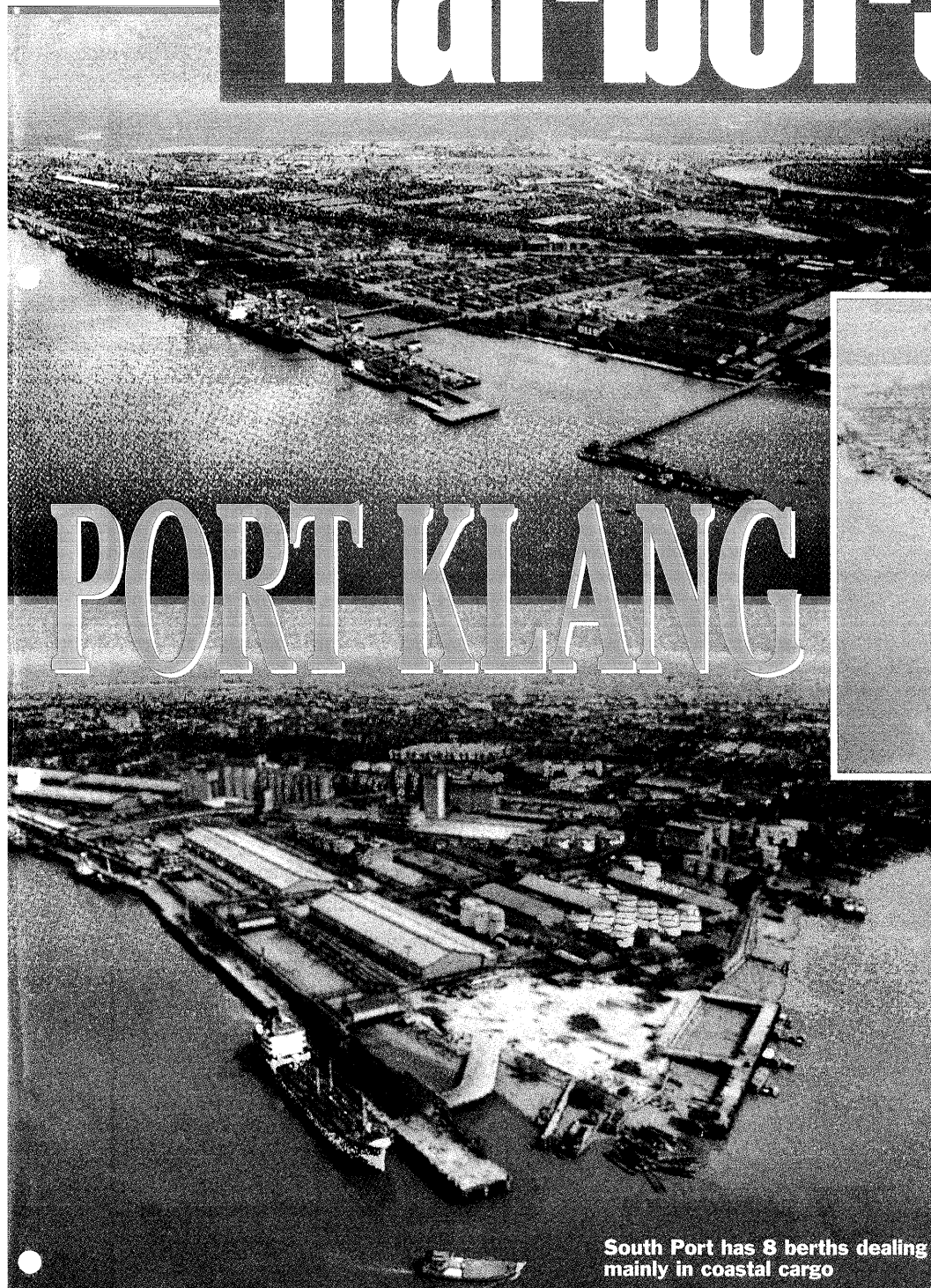


The Publisher : The International Association of Ports and Harbors

Ports & Harbors

昭和44年11月15日
第三種郵便物認可
平成10年10月号
平成10年9月20日発行
第43巻 第8号
(毎月1回 20日発行)
ISSN 0554-7555

**October
1998
Vol.43
No.8**



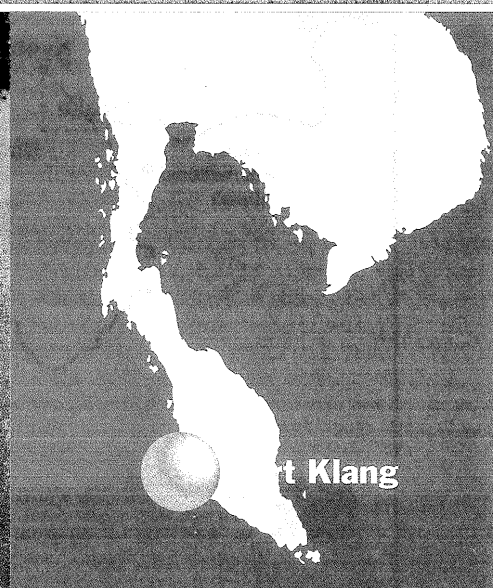
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Inside:

- IAPH Position Paper on Arrest of Ships submitted to UNCTAD and IMO
- "Port Health and Safety News" published
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- LA: Strong Performance In Cargo, Cruise Business
- Port of Cork Registers Record Cargo Throughput
- Rail transport's Share increasing in Amsterdam
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— "Japan" begins here. —

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Port Klang, the fast growing port of Malaysia located close to Kuala Lumpur, is becoming one of the busiest ports in the region. Privatisation of terminal operations has been energetically advanced creating even more diversity and flexibility in the main shipping routes in the region.

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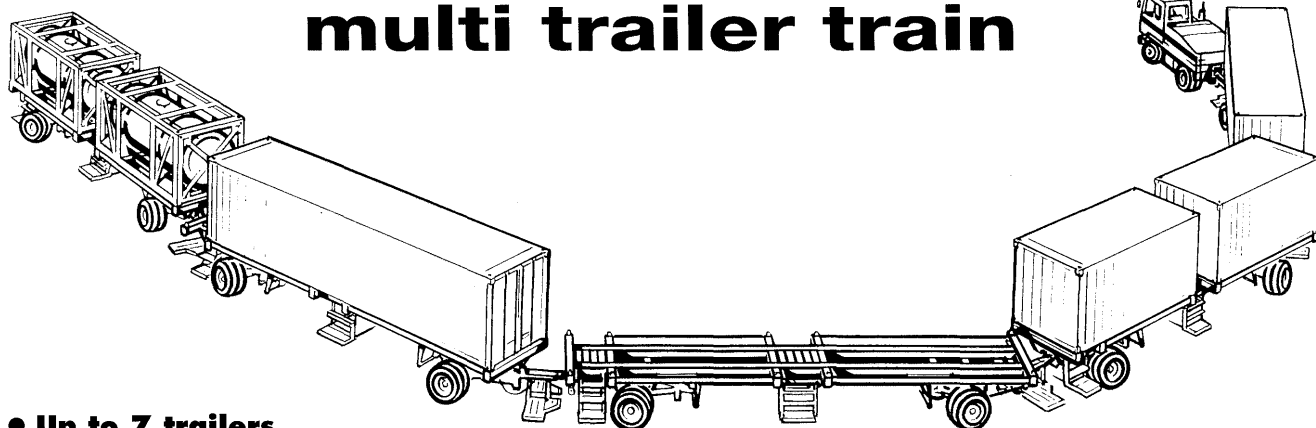
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IAPH ANNOUNCEMENTS AND NEWS

IAPH Position Paper on Arrest of Ships Submitted to UNCTAD and IMO

IN his letter of September 2, 1998, Mr. Hiroshi Kusaka, Secretary General of IAPH, submitted the IAPH Position Paper on Arrest of Ships to the Secretaries General of UNCTAD and IMO respectively so that the voice of ports be reflected to the Diplomatic Conference scheduled to be held from 1 to 12 March 1999. The IAPH Position Paper reads:

The Arrest of Sea-Going Ships Position Paper Adopted by IAPH

A diplomatic conference has been convened to consider the review of the International Convention on the Arrest of Sea-Going Ships of 10 May 1952.

It will conclude the session held by the IMO and UNCTAD with the JIGE (Joint Intergovernmental Group of Experts).

The issue is of particular importance to Port Authorities.

Throughout the world, ports are unwilling hosts of arrested vessels, which can block major berths for months and even years. Their operations are impeded and they can suffer heavy commercial losses. At the same time, the activities of port users and the traffic flows can be affected, with consequential, detrimental impact to the economy.

Furthermore, because ships agents quite often resign from their office, safety and protection measures for the vessels and the environment depend upon the initiatives of the Port Authority alone.

Unfortunately the draft convention, which is to be submitted to the diplomatic conference, deals with the issue as if it were a commercial agreement between the claimants and the sued parties. It does not mention the fact that the detention of an arrested ship cannot take place elsewhere than within the domain of a third party, the host port.

The draft text is incomplete when it leaves major points to be settled without mention by national and procedural legislation. This is not consistent with the universality aimed at by maritime law.

The members of the diplomatic conference should be aware of the expectations of ports :

- The convention should mention that the arrest and detention of a ship take place in a port.
- The competent authorities (ports, governmental agencies, responsible for navigation and safety...) should be in a position to settle all safety mea-

asures to be taken—location of the ship, crew to be kept on board, unloading of HNS or perishable cargo, maintenance of moorings, lights, etc....

- In the event of default by the shipowner, the claimant should bear port dues and costs incurred by the arrest and detention of the ship.
- Following arrest, detention should be limited in time, before release, renewal or conclusion by the forced sale of the ship.

It would be most useful if the preamble of the convention includes a reference to the needs of further legislation at national level, in order to protect the interests, not only of the ports but also those of all other parties involved at local or regional levels.

Such legislation exists in certain national laws, but it should be generalised by a proposal within the Preamble of Convention in order to fill the gaps left by the Convention itself, before the closure of the diplomatic conference.

IAPH Board Members are invited to take a supportive action for the Ports' Position to be reflected

1. Prior to submission to UNCTAD and IMO, in his letter of 28 August 1998, Secretary General Kusaka circulated the IAPH Position on Arrest of Ships to the IAPH Board Members and invited them to take an active action to appeal to the national authority responsible for the matter so that such voice of ports would be reflected to the national delegation to attend the diplomatic conference next year. Secretary General's letter of 28 August 1998 (Board/CLP/hn/98) reads:

Dear Sir/Madam,

To date, the international regime in respect of the arrest of sea-going ships is governed by the 1952 Convention. After several working sessions, the joint Group of Experts of UNCTAD and IMO,

as well as the CMI considered that the international convention should be reviewed with the aim of moving towards the unification of certain rules relating to ships' arrest.

Ports are particularly concerned by

the arrests of sea-going ships, since they are, generally, the unwilling hosts of such arrests and can be penalised from several aspects:

- Normal commercial operations can be hindered for long period of time by ships' arrests;
- The termination of representation of a ship's agent, often linked with such ships' arrests, make the safety measures that need to be taken, more or less uncertain, both technically and financially;
- National legal provisions, that are often incomplete, can generate certain gray areas which are not covered by the 1952 Convention; ports are in the front line and can suffer from this situation, given that they are in an interface position between international and national legislation.

For all these different reasons, it seems to us essential that the next international convention mentions in a plain and clear manner—either in the introductory text or elsewhere—that ports have understandable expectations, with regard to the upkeep and safety of vessels under arrest in ports, that these costs be covered in full, and that this be legally secured at both national and international level.

To this end, the International Association of Ports and Harbors (IAPH) has adopted a <position paper> herewith enclosed, and I would request that you be the advocate vis-à-vis the national authorities of your country who will send delegates to the joint UN/IMO

Diplomatic Conference on the Arrest of Ships to be held in Geneva from 1st to 12th March 1999, as the consequence of the proposal of UNCTAD's Trade and Development Board and the IMO Council.

To facilitate your task, I enclose a model of letter which could be sent to the Governmental Authorities of your country with a view to the debates that will take place in Geneva.

2. For this, a model letter captioned "Diplomatic conference on ships' arrests from 1st to 12th March 1999" to be addressed to national authority was appended. The model letter reads:

As you know, ports authorities pay particular attention to the facilitation of the transit of goods and to the security within their port area, while maintaining, on the other hand, the financial balance and the legal security of international trade.

From this point of view, the international regime of ships' arrest, which is governed by the 1952 Convention, can generate negative effects.

The United Nations General Assembly decided, in its resolution 52/182, to endorse the joint UNCTAD-IMO proposal to convene a diplomatic conference in Geneva from 1st to 12th March 1999 on the arrest of ships.

For this reason, the International Association of Ports and Harbors (IAPH) of which I am a member, has been undertaking action to persuade the above-mentioned diplomatic conference to take into consideration the requests of ports that their interests be safe-

guarded somewhere within the future convention, perhaps, within the introductory text.

The attached <position paper> which was adopted by the International Association of Ports and Harbors clearly explains our requests.

This is why I am taking the liberty of asking you that the position of ports as defined in the attached document be taken into consideration by our Government.

Thank you for your kind attention to this request I remain,

Yours faithfully,

Hiroshi Kusaka, Secretary General

Notes by the Secretariat: It is strongly hoped that IAPH members, or the ports not associated with IAPH, will be prepared to follow the suit to appeal their position by writing a letter of appeal to their respective authority.



21st World Ports Conference

Kuala Lumpur, Malaysia

REGISTRATION FEES

(as approved by the IAPH Board at its meeting by correspondence on 1st July 1998)

IAPH Members

Before 31 March 1999	RM4,500
On or after 31 March 1999	RM5,700

Non-IAPH Members

Before 31 March 1999	RM5,700
On or after 31 March 1999	RM7,000

Additional Accompanying Person(s)	RM1,300
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Honorary Members	Free Registration (FOC)
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RM: Ringgit Malaysia (US\$1=RM4.028 as of 16 June 1998)

Minutes of the Meeting of IAPH Cargo Operations Committee

April 27-28, 1998

At the Hilton Hotel, New Orleans, Louisiana

Present



Don Meyer

Port of Tacoma, chairman of the IAPH Cargo
Operations Committee

Nick Blell

Gambia Ports Authority

Yannick Guillemot

Port of Nantes, St. Nazaire

Yoseph Bassan

Port of Ashdod

Bernard Coloby

Port of Le Havre

Ted Bottiger

Port of Tacoma

S.M.E. Luhigo

Tanzania Harbours Authority

Errol Bush

Port Authority of Cayman Islands

Andrea Riniker

Port of Tacoma

Jose Perrot

Port of Le Havre

Peggy W. Grandpre

Port of New Orleans

Robert Galloway

U.S. Customs, Port of New Orleans

Allen Paterson

U.S. Customs, Port of New Orleans

Hans Beth

Port of Hamburg

Jose Luis Estrada

Puertos del Estado, Spain

R. Kondoh

IAPH

April 27

1) Introduction and Welcome:

The Chairman welcomed the Committee Members.

2) Approval of minutes from meeting in London, May 31, 1997:

Minutes proposed and accepted by Committee with Section 3.1 being amended as follows:

There was general concern over the increase in sizes of containers and the question raised about what is going to happen in the future as a direct result of this increase. This item was discussed and the consensus request was that there be a standardization of the size of containers.

3) Sub-Committee work on the establishments of criteria for a survey on productivity:

An IAPH Cargo Operations Committee Report was presented to the committee prepared by Yoseph Bassan, Port of Ashdod, Israel Ports and Railways Authority. Copies presented in IAPH packets.

Productivity performance was explained by Mr. Yoseph Bassan from the Port of Ashdod. He said productivity can be seen by performance and vessel operation. He explained that there should be three measures of time for performance.

1. Vessel time in the Port
2. How long vessel stays at the berth
3. Time the the vessel is actually working

He presented a thorough explanation of his report. Mr. Yannick Guillemot agreed with Mr. Bassan. The chairman referred the committee members to Page 19 in the packet. This was a chart for Productivity Measurements and Factors Affecting Port Productivity. He pointed out that ports may be sensitive about giving information on their moves of containers. Mr. Yannick Guillemot responded by saying that is very difficult to get a true port-to-port comparison measurements. There are different sizes of containers, ships, operating concepts, and equipment.

Mr. Errol Bush of the Port of Cayman Islands explained that prior to September, last year, they were sued for off-loading/loading ships. They went

to court to prove that they could keep up with volumes of containers. He reported: his port was not an ISO port, cable ropes for movement of containers slow down production, moves vary from ship to ship, and some containers are overloaded.

Mr. Bassan agreed with Mr. Bush that it is important to have some form of measurement numbers.

The chairman said that the committee needed to develop a model to measure productivity. They needed to develop a survey for each port to get useful data.

Mr. Yannick Guillemot said that they had to compare ports in the same class with the same size containers to get useful data. It also needed to reflect different types of cargoes.

The chairman decided that they needed a standard of performance for ports. They needed to know what are the customer expectations and they needed to see how different ports are measuring container performance.

Mr. Bush of Cayman Islands submitted a report showing how his port measures containers productivity. He explained the report to the committee and submitted copies to each member.

The chairman asked Mr. Luhigo of Port of Tanzania to describe the productivity for his port. He responded by saying that they have a strong competitive measures and have agreements in place stipulating minimum productivity requirements. They ensure productivity by motivation and a surcharge is placed on the cargo for non-performance. He agreed with the problems with the Port of Cayman Island but they strive to a minimum of 200 moves over a 24-hour period.

Mr. Bush asked what types of cranes they use and the answer was gantry cranes. Mr. Luhigo agreed to provide the committee with the production requirements as stipulated in their agreements.

The chairman gave a summary on why we need to measure productivity:

1. Leadership in the industry
2. Improvement through measurement
3. Differentiation on major factors like size of port, cargo types, vessel types, etc.
4. Labor relations by component
5. Measurement techniques acceptable to all involved parties (customers, labor, Port, safety groups).

Comments:

It was noted that the committee needed to see a similar survey prepared by the UNCTAD, Geneva, Switzerland. The contact name is Gary Cook and the chairman will follow up. It was agreed

that Mr. Bassan should revise his proposed survey document on productivity to incorporate the points raised during the discussion. The survey is expected to be completed and the appropriate analysis would be presented at the next biennial meeting in 1999.

4) Sub-Committee work on innovative cargo handling systems:

No activity

5) Review of materials for second meeting.

In the meeting on April 28, 1998 a video from Sea-Land and Japan will be presented.

6) Meeting adjourned at 11:55 a.m. until 9:30 a.m. Tuesday, April 28, 1998.

April 28

Present:

Don Meyer, Port of Tacoma, chairman of the IAPH Cargo Operations Committee

Nick Blell, Gambia Ports Authority

Yannick Guillemot, Port of Nantes, St. Nazaire

Yoseph Bassan, Port of Ashdod

Bernard Coloby, Port of Le Havre

S.M.E. Luhigo, Tanzania Harbours Authority

Errol Bush, Port Authority of Cayman Islands

Robert Galloway, U.S. Customs, Port of New Orleans

Allen Paterson, U.S. Customs, Port of New Orleans

Hans Beth, Port of Hamburg

Jose Luis Estrada, Puertos del Estado, Spain

R. Kondoh, IAPH

AGENDA:

1. Follow-up comments from previous day
2. Tandem lifting of containers—Discussion and video presentation
3. Terms of Reference
4. Discussion of Internet applications in the port industry
5. Discussion of items submitted by members:
 - A. Overweight containers
 - B. Terminal handling charge

1. Follow-up comments from previous day:

The Committee Meeting convened at 9:30 a.m. After a self-introduction of each member present, the chairman made reference to the discussions of the previous day regarding the productivity issue: the usefulness to the industry of performing a survey and the ongoing port privatization trend. It was

also stipulated that the productivity survey results should be completed by the next 1999 Conference.

2. Tandem lifting of containers—Discussion and video presentation:

The chairman showed the members two video tapes. The first tape was a Sea-Land instructional video that demonstrated how they perform the tandem pickup of two empty 20' containers under the same spreader, double lifts of two empty 40' containers, with emphasis in the different twist locks engaging and disengaging methods. The video further showed dynamic testing of twist-locked containers. The chairman commented the significance of tandem pickups in increasing productivity and how steamship lines, such as Sea-Land, measure and rank port productivity at their terminals worldwide. He further highlighted the importance of this item when reviewing port productivity issues. Mr. Guillemot made reference to the ITC104 regulations regarding the corner casting standards for containers and flat racks in terms of safety. The chairman inquired if any member present was currently doing tandem liftings at their ports. Mr. Beth indicated that while no tandem lifting is done at the Port of Hamburg, tests have been conducted in the past. Mr. Kondoh made reference to existing problems in Japan when disengaging the semi-automatic twist locks. Mr. Bush inquired about the manufacturer of said twist locks, to which Mr. Guillemot mentioned the different manufacturers and different standards of twist locks. He further pleaded for worldwide uniformity of twist locks.

A Japanese video tape was shown, interpreted by Mr. Kondoh, in which an experimental system of lifting multiple containers was shown. An open discussion on this issue created concerns about the crane weight lift capacity and the need for new and costly equipment and port infrastructure. Nonetheless, Chairman Mayer noted that multiple lifting will likely be widespread reality in the future. He asked to include in the survey which ports are currently practicing tandem lifting.

After a short break, the chairman offered a copy of the shown Sea-Land video to those members interested in obtaining one. All representatives present requested a copy.

3. Terms of Reference:

No change was suggested. The chairman asked the members to re-evaluate the goals of the Cargo Operations Committee to include the identification of the best operating practices, the port privatization issue and the change in increased customer expectations, while

the resources are being less. He further suggested the use of new technologies and better working relationships as a means of achieving a higher customer satisfaction. He emphasized the need to get the private sector involved in the next Cargo Operations Committee meeting and to work closer to those privatized ports with a high productivity ratio.

4. Discussion of Internet applications in the port industry:

Chairman Meyer noted that an increased number of sessions in this year's IAPH meeting are dealing with information technology issues. He stressed the importance of the Internet as an excellent information exchange tool, while noting that the website of the Port of Tacoma provides updated gate information, which is very useful to the short-haul trucking companies. Mr. Meyer opened the floor for discussion on the relevancy of the Internet in port cargo operations and asked for input in forming an agenda for the 1999 meeting. Mr. Beth explained that the information technology at the Port of Hamburg assists with the automated positioning of containers in the yard, aside from providing general information such as the ship departures. The chairman suggested learning what ports currently use the Internet for cargo operations and use that experience as a reference. Mr. Beth further offered to bring the information technology specialist of his port to the next Cargo Operations Committee meeting for briefing on their system.

Mr. Guillemot made reference to the different radio frequency and its transmission power limitations at European ports, 250 MHz, compared to the 900 MHz used at U.S. ports. Mr. Luhigo noted the importance of learning from other ports how they are developing their Internet technology in cargo operations. Mr. Paterson of New Orleans made reference to the Automated Filing System in use at U.S. Customs, where U.S. Customs may receive an electronic manifest rather than the paper one. He further offered to bring to future Committee meetings the U.S. Customs EDI specialist based in Washington, D.C. to brief the members. Mr. Coloby of Le Havre noted that the IAPH has a Trade Facilitation Committee that is involved with EDI. Mr. Bush inquired about the commodity code system used by U.S. Customs. Mr. Paterson said that they use the Harmonized Code for classification of commodities, with different sub-classifications for imports and for exports.

The chairman asked the members to prepare an agenda for the 1999 meeting.

5. Discussion of items submitted by members:

A. Overweight containers: The interest in this topic was previously sent to the Committee Chairman in writing by John Hayes (Port of Sydney). This concern particularly attains to those containers whose weight is in excess to that declared in its documentation and its implications in over-the-road weight restrictions. Mr. Bassan explained how at the Port of Ashdod they had this problem, and that nowadays they weigh all export containers. He noted that the problem remains on import containers; he further noted the danger of overweight trucks. The chairman mentioned that the overweight issue cannot be discussed as a whole, as it is conditioned by the regulations and circumstances of each area. Therefore, he said that it should be handled at local level. Mr. Guillemot noted that is an existing problem everywhere. Mr. Beth indicated that at the Port of Hamburg they once conducted a weight test and found that 45% of containers had an incorrect weight stated in the documentation. Mr. Paterson noted that this weight misstatement could be due to wharfage fees or other taxes levied on the cargo; nonetheless, he added that U.S. Customs pays little attention to the weight of goods. The chairman mentioned that the fees at the Port of Tacoma are based on the number of container moves, not on the weight of the same; he further inquired whether any studies were conducted by the IAPH or others on this matter. He noted that he was not aware of any such study and recommended reviewing this issue in future meetings.

B. Terminal handling charge: There was no discussion on this issue.

New Item:

Proposed resolution for the endorsement of safe tandem lifting of empty containers for the enhancement of productivity (Page 27 in the packet). Chairman Meyer noted that the IAPH had not taken a position regarding the endorsement of tandem lifting of containers and he asked the members whether or not this Committee should propose a resolution to be taken in this matter. He further indicated that any advocated proposals should entail a safe procedure. Mr. Guillemot indicated that the regulation ISO3874 could be used as a basis for the development of a resolution. He further noted that the ICHA is an affiliate member of the IAPH, and he suggested learning any position that this organization had taken on this matter, if any.

The chairman reminded the members that the purpose of the IAPH is not setting standards. However, taking into

consideration its importance, the IAPH should take a leader role in this important issue, he said. Mr. Guillemot noted his disagreement with paragraph 2 (Page 27), noting that two fully loaded containers weigh more than 30 tons. He further noted no objection to the double lifting of empty containers and flat racks. Mr. Luhigo indicated that the Committee should take into account other existing studies on this procedure to ensure that tandem lifting of empty containers is a safe practice. The chairman said that he will gather further information on this practice to be used

as backup and that the Committee will prepare a draft accordingly.

The chairman noted how productive these meetings had been. He thanked the Port of New Orleans for their assistance, and thanked the U.S. Customs representatives for their participation. He further noted that he will send the Sea-Land video tape to all representatives present, and that Mr. Bush's report on productivity measurement will be shared with the Committee.

The meeting was adjourned at 12:00 noon.

"Port Health and Safety News"

EFFECTIVE from the September 1998 issue, as a trial for a certain period of time, a trimonthly news letter entitled "Port Health and Safety News" has been inserted in the journal. It is hoped that IAPH members will find this new service of value and interest.

Members' Comments, Advice Sought

IN his circular letter of September 9, 1998, Mr. Hiroshi Kusaka invited all members to comment on *Port Health and Safety News*, a new trial publication. His letter reads:

Dear Members:

You will have seen the first edition of an experimental IAPH publication "Port Health and Safety News" as inserted in September 1998 issue of our journal "Ports and Harbors".

That edition was the first of three included in a project approved by the Executive Committee as an experiment for one year only. The second issue will be included in December 1998 and the third in

March 1999. The project will then be reviewed by Exco at its meeting at the next Biennial Conference in Malaysia in May 1999.

In order to properly evaluate the project, members are asked to consider the value, contents and layout of the publication and make comments that they may have direct to:

*Mike Compton, PSO
Africa House, 64-78 Kingsway, London WC2B 6AH, UK
Fax: 44-171-404-6806
E-mail: info@portsafety.demon.co.uk*

Comments would be welcome and will be reflected in future editions wherever possible.

Best regards,

Hiroshi Kusaka

Working Group UNCITRAL Meets on Electronic Commerce in New York

IN his recent communication dated 14 August 1998, Mr. Patrick J. Falvey, IAPH Legal Counselor, submitted a report on the UNCITRAL Working Group Meeting on Electronic Commerce in New York from 29 June to 10 July 1998. His reports to follow:

The Group continued its work on drafting a Model Law to aid in development of a harmonious legal regimen to assist in the global conduct of trade

electronically. It agreed to add rules covering incorporation by reference in such trade and had considerable discussion of rules for electronic signatures and principles for certification authorities, both for the purpose of authenticating and protecting electronic transactions.

The latter two subjects will be treated at future Working Group meeting as well as encryption rules and possible

registry systems.

In my opinion, the Working Group continues, albeit slowly, to proceed prudently by not mandating any particular technology and by preserving party autonomy to regulate their own transactions and networks set up to administer such transactions always subject to

conformance to applicable controlling law.

The remaining open items will be taken up at the Working Group meeting in Vienna in February 1999. I hope IAPH will participate as an observer, particularly since we will be considering cooperating with the Trade Card System of

the WCTA (World Trade Center Association, New York).

The Working Group will also consider a proposal to convert the Model Law to a Convention or Treaty which would provide a binding, uniform regime for electronic commerce.

Visitors

ON 29 July 1998, Mr. Åke Selandar, Executive Secretary, International Council for Seafarers' Welfare (ICSW, London), and Mr. Masahiko Nakamura, ITF Japanese Office, visited the head office and met with Mr. Hiroshi Kusaka, Secretary General, to exchange view on the development of cooperative activity between ICSW and IAPH for the promotion of the sporting and resting facilities for the seafarers at ports.



Front Row L to R: Mr. Nakamura and Mr. Åke Selandar
Rear Row L to R: Mr. H. Kusaka and Mr. R. Kondoh

On 19 August 1998, Mr. Colin Lewin, Managing Director, and Mr. Jeffrey H.M. Pak, Underwriting Executive, Through Transport Mutual Services (Asia Pacific) Limited (TT Club) and Mr. Masaki Oiwa, Deputy Claims Manager, Inchcape Shipping Services (Inchcape P&I, Japan), visited the head office and were received by Mr. R. Kondoh, Dy. Secretary General, to exchange views on the potential problem areas involved in the Year 2000 issues. The visitors kindly offered a kit entitled "T2000 Toolkit - A practical approach to defusing the Millennium Time Bomb".



Front Row L to R: Mr. Lewin, Mr. Pak and Mr. Oiwa
Standing: Mr. R. Kondoh

Membership Notes:

New Member

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Containerization & Intermodal Institute [Class D] (U.S.A.)

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Changes

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Mr. Aare Kitsing

Head of Juridical Department, Member of the Board:

Mr. Jaanus Ikla

Financial Director: Mr. Märt Tomson

Counsel to Chairman of the Board:

Mr. Andi Meister

Harbour Master:

Capt. Eduard Hunt

Mauritius Ports Authority [Regular] (Mauritius)

The new Ports Acts has been proclaimed recently and the name of the Mauritius Marine Authority has been changed into the above.

The Dante B. Fascell Port of Miami-Dade Seaport Department [Regular](U.S.A.)

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Port Director



Damen Shipyards [Class A-2-1] (Netherlands)

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Managing Director

International Conventions Impacting on Ports and Port Operations

PART II
Maritime Commerce

By Captain Peter Heathcote

*Regional Maritime Legal Advisor
Secretariat of the
Pacific Community*

THE first part of this paper laid the foundation of how ships and shipping operations impact on port operations and how ports need to be economic, effective and efficient in order to survive in today's competitive world. The International Maritime Conventions impacting on ports and port operations were identified and the conventions in the first group, those dealing with ship safety, were described. This part continues the process, but focuses on those conventions dealing predominantly with maritime commerce, including carriage of goods and maritime liens and mortgages.

The FAL Convention

The purpose of the Convention on the Facilitation of Maritime Traffic (FAL Convention) is to facilitate maritime transportation by simplifying and minimising the formalities, documentary requirements and procedures associated with the arrival, stay, and departure of ships engaged on international voyages. It was originally developed to meet growing international concern about excessive documentation required for merchant shipping. Traditionally, large quantities of documents are required by customs, immigration, health, and other public authorities pertaining to the ship, its crew and passengers, baggage, cargo and mail. Unnecessary paperwork is a problem for most industries, but the potential for red tape is probably greater in shipping than other industries, because of its international nature and the traditional acceptance of formalities and procedures (FAL Convention 1994:iii).

The Convention emphasises the importance of facilitating maritime traffic and demonstrates why authorities and operators concerned with documents should adopt the standardised documentation system. Contracting Parties undertake to bring about uniformity and simplicity in the facilitation of maritime traffic.

The Annex to the Convention contains rules for simplifying formalities, documentary requirements and procedures on the arrival and departure of ships and, in particular, it reduces to eight the number of declarations which can be required by public authorities. These are the General Declaration, Cargo Declaration, Ship's Stores Declaration, Crew Effects Declaration, Crew List, and Passenger List, as well as two documents required under the Universal Postal Convention and the International Health Regulations. IMO has developed standard forms for six of these. As a further aid to compliance, the Annex to this Convention contains "Standards"¹ and "Recommended Practices"² on formalities, documentary requirements and procedures which should be applied on arrival, during their stay and on departure to the ships, their crews, passengers, baggage and cargo. (FAL Convention 1965 - 1994 Edition: iii)

While Australia and New Zealand are Parties to the FAL Convention, only three Pacific Island Countries, Fiji, the Marshall Islands and Vanuatu have acceded to its principles, the latter two of which operated "Open Registries". (IMO News 1996:20)

The Hague Rules

Historically, the shipowner was absolutely liable for loss or damage to goods in his possessions regardless of the cause and whether or not he was negligent. And why not? Cargo could

be properly stowed on a seaworthy vessel manned by a competent master and able crew and could be insured against perils of the sea. Towards the end of the 19th Century, however, ocean carriers had managed to write clauses in the contract of affreightment limiting their liability for the carriage of goods at sea, so much so that shippers and consignees began protesting. In spite of the backlash, it was not until 1924 that the issue was redressed to the satisfaction of shippers and to the distress of shipowners, as a result of a diplomatic conference in Den Hague known as the International Convention for the Unification of Certain Rules of Law Relating to Bills of Lading, 1924. That being such a mouthful, they became known as The Hague Rules. The Rules were drawn up so as to impose upon the carrier the duty of carrying the goods with care and of providing a seaworthy vessel at the commencement of the voyage. He could only escape liability if he could bring himself under one or more of a number of exceptions, such as fire, perils of the sea, fault or neglect of the master, mariner, pilot or servants in the navigation or management of the ship; or if he could prove that the loss or damage to the goods occurred without his actual fault or privity; or without the actual fault of neglect of his agents or servants. The carrier could further limit his liability to £100 in gold, per "package or unit."

One of this Convention's shortcomings was that it fixed the shipowner's liability per package at £100 Sterling gold. The very next year the pound lost its convertibility into gold, so each Contracting State converted the £100 in its own way, leading, after the Second World War, to totally conflicting interpretations of the rules. While these Rules served ocean transport reasonably well for 40 years, (they came into

effect in 1931 and have today 77 Contracting Parties) it became obvious that the Rules would have to be amended to accommodate the technological progress that had been made (UNCTAD 1995:27).

Hague Visby Rules

One of technological changes was the rapid adoption of containerization. This in turn led to specialized container ships, causing the size of general cargo liners to increase from 10,000/12,000dwt to over 50,000 dwt, with a much larger capital and operating cost. A second phenomenon was that the total value of the cargo often exceeded the value of the vessel.

Under the Visby Protocol 1968, the limit per package was set at 10,000 Poincaré francs per unit or 30 francs per kilo, whichever limit was more favourable to shippers. A further 1979 Protocol replaced Poincaré francs with SDRs, a weighted unit of account dispersed over five world currencies.

The 1968 Visby Protocol addressed the problem of containers: whether the limit should apply to each package in the container or whether the container would be the "unit". The approach taken depended on the description on the bill of lading. If the units are listed, they are taken as the basis for the calculation, but if only the container is listed, then the container becomes the unit and the per kilo limitation amount applies.

The Hamburg Rules

The United Nations Convention on Carriage of Goods by Sea, 1978, known as the Hamburg Rules, which entered into force on 1 November 1992, made several changes:

Responsibility is for the entire period the goods are in the charge of carrier.

Provisions apply to all contracts of carriage, not just bills of lading, although charter parties are still excluded from the Rules.

The long list of exculpatory clauses are eliminated and the carrier is liable for loss resulting from loss of, or damage to, the goods, as well as for delay in delivery. The carrier can escape liability if he can prove he or his employees or agents took all reasonable measures to avoid the occurrence and its consequences. The exception of fire is removed as such.

The exception "any reasonable deviation" is removed but the carrier is immune for loss, damage, or

delay to goods resulting from measures taken to save life or property at sea. The monetary unit is raised to 835 SDRs per package or 2.5 SDRs/kilo.

(Source: ESCAP Guidelines 1991, 163-165. United Nations 1991, 85-93).

Port operators should also be aware of a similar United Nations Convention on International Multimodal Transport of Goods, not yet in force, the limits of liability of which are similar but not identical to the Hamburg Rules, on which it was closely tailored.

Convention on Maritime Liens and Mortgages

Maritime liens can generally be said to represent a legal charge against a ship for a debt unpaid by the owner for services rendered to or damage occasioned by the ship. For example, a ship that entered a port and then left without paying port dues or pilotage fees would be subject to a lien in respect of those unpaid charges against the ship. There are maritime liens, possessory liens and statutory liens – the differences between them being their priority and their legal characteristics. A possessory lien is that held by a shipyard against the ship for payment of repairs done to the ship. The shipyard may retain possession of the ship until the bill is paid.³ A possessory lien is evident inasmuch as the ship is held on the premises of the lien holder.

Maritime and statutory liens are less evident. Take for example a situation where a ship has received bunkers (fuel oil) in Singapore and the owner has not paid the bill. The ship sails for Tonga⁴ and on arrival the owner sells it to an unsuspecting third party, known as a "bona fide purchaser for value without notice". The original owner, the vendor, endorses the Bill of Sale, or makes an Affidavit or Statutory Declaration to the effect that there are no outstanding encumbrances or liens against the ship. But indeed there are, because the supplier of bunkers in Singapore has a lien against the ship for providing "necessaries" for which the supplier has not been paid. In addition to the claim against the former owner, he has a lien against the ship itself. A maritime lien travels with the ship and is not extinguished by transfer of ownership. But the new owner is not aware of the lien and there is usually no way for him to find out before he purchases the ship.

Maritime liens are like a cloud hanging over a ship. It is a black cloud that both the debtor and lien holder can see,

but to the innocent purchaser it is a colourless, odourless and invisible vapour, that only turns into a visible black cloud when the lien holder arrests the ship and makes known his lien to the purchaser. If the purchaser wishes to release his ship, he must pay the amount of the vendor's debt into court as security against the lien holder's claim against the debtor and the debtor's former ship. This situation is inequitable. Although the purchaser has a right of action against the unscrupulous vendor to regain the amount of money he has to pay the lien holder, the process is fundamentally unjust. The innocent purchaser should not have to satisfy the lien, with which he had nothing to do in the first place. The vendor appears to get off without penalty, even though the lien holder can bring a personal action against him and the purchaser can later claim against the vendor for reimbursement.

When a potential purchaser intends to buy a ship, he can determine whether the vendor has good title to the ship by searching the records at the Registry of Ships. He can take note of any mortgages outstanding against the ship, which he may require be discharged before he hands over his money in exchange for the vessel and a Bill of Sale. However, he will not, under the present regime, find any evidence of a maritime lien in the registry where the ship is registered.⁵

It is difficult for the purchaser to protect himself from such an eventuality, since he cannot take the normal precautions of searching the register and he cannot always rely on the representations of the vendor. The vendor is aware of the existence of the lien, as is the unpaid supplier of necessities to the ship, but these are the only two parties who are aware of the invisible cloud. The rest of the world cannot see it until it attaches to the ship and becomes a black cloud, by which time it is too late for the purchaser to repudiate his purchase. He could always stipulate that the vendor indemnify him in the event that a maritime lien attaches against his new ship, but if the vendor misrepresented the existence of a maritime lien in the first place, the indemnification clause would not protect the purchaser in the short term. The purchaser has first to satisfy the vendor's debt and then seek recourse against the vendor. The other party who is aware of the existence of the lien is the creditor/supplier. This person must know of the existence of the debt and the fact that he has a right against the

ship. Surely it would not be too onerous to require the lien holder to register this lien in the ship register in the vessel's home port so that potential purchasers could make themselves aware of any invisible encumbrances. Such a requirement to register the lien would only be in respect of a *bona fide* purchaser for value without notice. A lien would be unenforceable against him if not registered, but would still be enforceable against the vendor/debtor irrespective of registration. Registration would not create new rights or give credence to a spurious claim. It only puts a purchaser on notice. Such a requirement would not only protect an innocent purchaser, it would also encourage the vendor to pay his debts, since the debt which gives rise to a maritime lien is now registered for all to see.⁶

An amendment to the present Shipping Act of all the countries in the region could effect these changes to protect the purchasers of ships in a fairly simple manner.⁷ Fees for registration of liens would be so structured as to encourage registration of liens and the registrar would be instructed to circulate the new legislation to Registrars of Ships within the region. Pacific Island Countries acceding to the Convention on Maritime Liens and Mortgages would have to do so with a reservation in respect of the requirement to register the lien for it to be enforceable against an innocent purchaser without actual notice.

This Convention is not yet in force and again applies to ships rather than ports. Nevertheless, port managers would be well advised to have at least a passing knowledge of the law in respect of ship mortgages and maritime liens. The detention and subsequent forced sale of a ship usually occur in a port, where the ship takes up berth space and the owner is often not prepared to pay the port dues if the detention is caused by a mortgagee or lien holder. Certain maritime liens arise in respect of salvage, collision damage, seaman's wages, master's disbursements, while some statutory liens exist in respect of unpaid port, pilotage, and light dues as well as for the provision of necessities to a ship.

pays the bill.

- 4 This scenario is based on two cases related to the author by Sione Tu'itupou Fotu, Secretary for Marine & Ports, Tonga.
- 5 He may find some record in the court records in Singapore, but the purchaser cannot be expected to check the records of all the courts in ports where the ship has visited within the last 12 months. A maritime lien is usually self-extinguishing after one year from the events giving rise to it, if still unsatisfied, because the lien holder has not pursued his right of action against the ship within that time.
- 6 This would operate in much the same way as one can register a default judgement

against a debtor's real property in some jurisdictions, which forces the debtor to pay the amount of the judgement before he can sell his property.

- 7 For example: "Notwithstanding anything contained in this Act or the International Convention on Maritime Liens and Mortgages, 1993, a maritime lien is not enforceable against a ship owned by a bona fide purchaser for value without notice unless such lien has been registered in the ship register at the port in which the ship is registered, but it is enforceable against the owner and vendor who has incurred the debt from which the maritime lien arises, irrespective of registration."

Pan-Pacific Economic Development and Port of Dalian's Outlook

(Delivered at the 9th Pan-Pacific Ports Seminar which was hosted by the Port of Dalian during June 21-24, 1998)

Yuan Fuxiu

Director
Port of Dalian Authority



I am very much honored to be able to participate in such a grand occasion with the well-known persons, specialists and scholars, old friends and new acquaintances from the various circles related to ports and shipping, both domestic and abroad, gathering under the same roof and exchanging views on future port development. Now, please allow me to give some comments on "Pan-Pacific Economic Development and Port of Dalian's Outlook".

New Trend in Economic Development of the World and the Pan-Pacific Region

Since the world entered the second half of this century, the structure of world economy and world trade has experienced enormous changes. From 1950s to 1970s, there appeared a high tide of new technical revolution. During the 20 years of this period, the world economy (GNP) was developing very fast, with an average growth rate of 4.9% per year. After entering the 1990s, the world economy has maintained a sustained growth. From 1993 to 1997,

the average annual growth rate of the world GNP was as high as 3.5%. In particular, the GDP of developing countries has been growing at an average rate of 5.5% per year. This period is an age with great strides of high tech centered on information technology and an age with all the countries throughout the world apply economic reform and adjustment and opening. Certain new trends and characteristics have emerged in world economy. First of all, the economic links between the different countries get increasingly closer. The degree of mutual dependence, mutual merging and mutual impact is largely enhanced than in the past. They are integrated into a global whole, which is commonly described as the unification of the world economy. The second is the regionalization of the world economy. For instance, the European Union will become a economic currency alliance after its unification of currencies. The North American Free Trade Zone and APEC both take free investment and free trade as one of their objectives. The developing countries have also established several economic unification organizations with different patterns and various characteristics. On the whole, these have pro-

1 Those measures the uniform application of which is necessary and practicable in order to facilitate international maritime traffic.

2 Those measures the application of which is desirable in order to facilitate international maritime traffic.

3 In much the same way as a service station has a Mechanic's Lien against the car it has repaired or serviced until the car owner

moted economic regionalization and the unification of the world economy. Other features of the world economic development are: with information technology being well developed and industrial economy transforming into intellectual economy, the development of human intelligence will become the fundamental element in economic development; the economy of developing countries is especially vigorous; transnational corporations acquire great influence and play an important role in the economic activities and political activities. All the above mentioned characteristics are not isolated and transient in nature. They are interlinked and interactive, and will be continuously existing and developing.

Pan-Pacific region is an important integral part of the world economy and the region with the fastest growing and the most vigorous economy in the world. Compared with the 1950s, the GDP of the United States takes up a smaller portion of the total volume of the world, but it still accounts for 26% of the world total. Japan takes up 16%. Especially the developing countries and regions of Asia have emerged as the fourth largest economic and trade center of the world. Since 1990s, their economy has been growing at a rate two times higher than that of the developed countries. The 10 major developing countries and regions of Asia (China, Korea, Singapore, Malaysia, Thailand, the Philippines, Indonesia, China Hong Kong, China Taiwan and India) hold 3/4 of the number of the ten rising markets of the world. In 1995, the total GDP of these countries and regions topped 5,000 billion US Dollars, taking up 1/5 of that of the world. Their trade volume is growing at a rate of over 10%. As estimated by the World Bank, 70% of the world economic growth from 1990 are rooted in the developing countries and regions while the developing countries and regions of Asia accounts for 70% in this contribution.

Port under New Circumstances

Port activities are the results of trade and transportation. The ports of today are not only joining and transferring points between land transportation and maritime transportation, but also an important component part of the international transportation chain and world trade centers which effect on and take the lead in economic development. In the recent years, as a result of the unification and regionalization of the world economy, the scale of flow of world trade, finance, investment, tech-

nology and labor is rapidly expanding. The volume of world trade is growing at an average rate of 6% per year. The increase in the volume of transportation of semi-finished products and end products leads to a rise in the value of transportation cargoes. From 1970 to 1987, the value of world trade increased 8.7 times while the tonnage of trade merely increased 1.4 times. In the transportation of the products with high added value, people give more concern on safety, efficiency and low cost of the transportation. The tendency of maritime vessels getting larger in size in a short period and the trend in systemized and large scale transportation not only reflects the motive of reducing cost and seeking profits through scale operation. At the same time, it produced new requirements on port development.

As an important link in the chain of transportation, ports need to work their best to adapt to the new requirements posted by the development of world economy and world trade. This has become the motive for them to pursue reform, competitiveness and development. Ports shall reduce transportation cost to the largest extent and guarantee efficiency and safety; they shall perfect their functions such as cargo handling, storage, bonded warehousing, processing, distribution and adding value for customers, and be equipped with the additional functions of commerce and trade, tourism, environment and information. Within a short period, the ports of the world evolved from the first generation ports before the 1960s with the single function of cargo handling and storage into the third generation ports from 1980s which are multifunctional and modernized. The containerization and larger vessels of world maritime transportation and the intensified and systemized operational structure of transportation are all motivated by this requirement of development. Under these new circumstances, it is vital that ports make adjustments and improvement in their organizational structure, operational strategy, scope of activities and the sense of service.

At present, there are about 2,000 commercial ports in the world, a large part of which are located in the Pan-Pacific region. According to the relevant statistics from the abroad, in 1996, there were 14 ports in the world with their throughput surpassing 100 million tons, among which 9 are in Asia. Among the top 50 ports of the world in terms of container throughput, the Pan-Pacific region accounts for 50% and handled 66% of the total volume of containers.

These facts fully show that in the economic development of the 21st century, the economy, markets, trade and transportation of the Pan-Pacific region will still play a leading and determining role. This on one hand provides the ports of the Pan-Pacific region with an opportunity for rapid development, while on the other, it also brings a new issue to the ports of the Pan-Pacific region as how to seek development in the intense competition.

The History and Present Situation of Port of Dalian

Next year, the Port of Dalian will be greeting her 100th anniversary of the founding of the port. The Port of Dalian was established in 1899 and its throughput reached 10 million tons as early as 1934. After the founding of New China, the Port has achieved great development. A number of large scale, modernized and specialized terminals and berths handling crude oil, coal, cement, containers, bulk grains and roll/roll transportation were completed and put into operation one after another. The scale of the Port is under constant expansion and the Port has complete and perfect functions. In 1997, the throughput of the Port of Dalian topped 70 million tons and the number of passengers topped 5.8 million. It has leapt over a new milestone on its way of building a large international port.

In 1899, 1906 and 1945, the Port of Dalian had been opened as a "free port" for three times. By now, it has established trading relations with 160 countries and regions of the world. The history continues with the Port of Dalian's tradition of opening to the world and with the Port's friendly relations with the people of the various countries of the Pan-Pacific region.

The Port of Dalian is located at the southern tip of Liaodong Peninsula of China, a central position of the Northeast Asia economic circle. It is the water communications hub for passengers and cargoes of the China Northeast Economic Zone to be connected to other areas of China and the various nations of the world. The Port is situated at the Dalian Bay and Dayao Bay on the deep water and rock-bottomed coast of the Yellow Sea. Surrounded by mountains on three sides and facing the ocean on one side, being free of ice and silt and with deep water and broad space, it is superior in natural conditions and a nice natural port well-known to the world.

The communications and transportation of the Port and its hinterland are

easy and convenient. Cargo collection and distribution systems are well developed. The port is directly linked to railroad, expressways and underground oil pipelines. Dalian International Airport operates 67 air routes to many cities of China and quite a few other countries and regions.

The Port of Dalian is located at a city with advanced economy. In 1997, the GDP of the City of Dalian was RMB 82.9 billion Yuan. The city has complete and sound infrastructure facilities, complete integrated service functions and an advantageous environment for investment. By the end of 1997, there were 6,789 overseas investment enterprises and over 1,400 offices established by overseas organizations. The scale of development and the volume of utilized overseas investment of the Dalian Economic and Technological Development Zone and Dalian Free Trade Zone are ranked among the best of the many economic and technological zones of China. All these have created a nice condition for port development and international transportation services.

The Port of Dalian takes the Northeast China Economic Zone as its direct hinterland, covering the three Northeast provinces and the eastern part of Inner Mongolia. The hinterland has a vast land and rich resources, is convenient in communications and with densely located cities, complete infrastructure and advanced education and technique. The population, land and GDP of this area takes up 9.5%, 12.9% and 12% of the national total respectively. The volume of power generation accounts for 15%, the production of timber 42%, crude oil 50% and automobiles 19%. Each year, there are a large amount of materials need to be imported and exported by maritime transportation and the Port of Dalian is their best choice. At present, 85% of the maritime transportation cargoes of the three Northeast provinces come in and out of the area through the Port of Dalian.

The Port of Dalian now operates more than 70 production berths, among which 42 may accommodate vessels of over 10,000 dwt. The number of berths of over 10,000 dwt accounts for 30% of that of the Bohai Rim. Bulk carriers, container ships, self-discharges ships, oil tankers, passenger/cargo roll/roll ships and the various other types of vessels can be accommodated at the Port. There are more than 800 sets or units of large scale cargo handling equipment, 150 kilometers of on-dock railway lines and 40 harbor work boats in the Port. A

large variety of cargoes, including crude oil, refined oils, bulk minerals, coal, timber, steel bars, grains, containers, complete sets of equipment and other general cargoes, can be handled or transferred at the Port. The berths of the Container Terminal may accommodate the fourth generation and the fifth generation container ships. The Crude Oil Terminal can accommodate oil tankers from 100,000 to 150,000 dwt. Bonded warehouses are also available in the port area servicing domestic and overseas customers.

The port in the Dalian area also includes nearly 20 local and enterprise-operated terminals. They have over 40 berths of 500 to 50,000 dwt and handle oil products, bulk and general cargoes and passenger roll/roll transportation, with an annual throughput of 15 million tons. The local ports, cargo owner operated terminals and the Port of Dalian of the City of Dalian together constitutes an urban port group with a perfect service system.

The Development and Future of Port of Dalian

As the world is entering the 21st century, to strive for a modernized port, the Port of Dalian defined a strategic aim as building "a large modern comprehensive international port with multi-functions". It is planning to develop the Port of Dalian into an international deep water transshipment port of North China in 15 years. Its cargo throughput will top 100 million tons and container volume reach 3 million TEU. The Port will be equipped with advanced management, perfect facilities and complete functions and convenient in cargo collection and distribution. The port community will be well developed. The Port will enjoy extensive contacts with the outside and there is a through flow of information. In one word, the Port of Dalian by then will have all the characteristics of a third generation port.

The Port of Dalian has the superior conditions to build itself into a major container hub port and the transshipment center of petro-chemical products, bulk minerals and grains. It has the potential and advantages to develop rail car ferry and passenger/cargo roll/roll transportation. It is planning to construct a number of the fourth generation and the fifth generation container berths, a 300,000 dwt crude oil import berth and a 200,000 dwt minerals import berth. At present, the Port of Dalian is centering all its strength on the development of the Dayao Bay new port area. Six berths for bulk grains,

containers and multi-purpose have been completed and put into operation. The development of Dayao Bay will last into the 21st century. In the end, an international transshipment port will take shape in the area, with 80 to 90 berths and an annual throughput capacity of over 50 million tons.

In the future 15 years, the focus of the development of the Port of Dalian is:

1. Developing container transportation. It will accelerate the growth of the joint venture container terminal, continue to construct large scale container terminals, set up a logistics network and system in the hinterland and linking to domestic and abroad, develop continental bridge transportation and "door to door" multimodal transportation system and open up more international mother lines.

2. Accelerating the construction of large scale deep water terminals. It will finish the construction of large scale deep water terminals and a transshipment base for crude oil, bulk minerals and grains, and form an international deep water transshipment port with a group of deep water berths as its framework.

3. Enlarging the extent of reform, modifying the operational structure and the layout of production, widening port functions and building a third generation port. Through reconstruction, the old port area will gradually merge together with the urban center and be developed into passenger transportation, tourist, commerce and trade and recreational center, thus with our best facilities and quality service, to create a port which is comfortable and intimate to the citizens.

Ladies and Gentlemen:

The development of world economy and the advancement of technology helped us to realize that the world is dependent on the various nations while the nations are also dependent on the world. As an important port of the Pan-Pacific region, the Port of Dalian will devote itself to promoting contacts and cooperation between the ports, ports and shipping lines as well as ports and port users. It will devote itself to promoting the prosperity and development of the regional economy and trade. We will make our untiring efforts for the world peace and development, and for the advancement and prosperity of the human society.

WORLD PORT NEWS

Forum on Ship Arrest In London in December

THE 4th annual international forum on ship arrest will be held Tuesday 8th – Wednesday 9th December 1998 at Park Lane Hotel, London. The forum will be chaired by John Guy, Merlin Corporate Communications.

As cargo markets soften and a shipping recession bites, more and more ships will be arrested in order to secure unpaid debts and guarantees. Everyone exposed to debts in shipping and everyone likely to be involved in arrests, needs to know how things are done in the most unlikely venues, and most important, who will be involved.

This established forum brings together ship arrest experts from around the world to provide you with a world-wide network of support.

This conference will cover:

Day 1

Keynote address: The new arrest convention – what is holding it up?

- Remedies against charterers
- Catching ships in the Suez Canal
- Catching ships in Panama
- Catching ships in Rotterdam
- Catching ships in Denmark
- Catching ships in Korea

Day 2

Morning session: Interactive case study highlighting the pitfalls of different courses of action. Devised and conducted by Ince & Co, a leading London law firm, this case study will bring alive legal topics in a practical situation, with plenty of opportunity for feedback and discussion.

Afternoon session:

- What happens to the crew?
- The ISM code – a detention nightmare?
- Sister ships and associate ships – latest developments
- Getting your money

For further information, please contact:

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VTS 2000 Symposium Slated in Singapore

JOINTLY organised by the Maritime and Port Authority of Singapore (MPA) and IALA, the VTS 2000 Symposium offers an attractive conference program and exhibition for all who are involved in the planning, operating, using, providing or maintenance of VTS systems and services.

The international symposium, which will be held in Asia for the first time, will be from 18 to 21 January 2000. It will be held at a centrally located hotel or conference center. Easily accessible by public transport, the venue will also be within reach of local hotels and a host of shopping malls and dining places. Final details of the venue will be announced by end 1998.

During the 4-day conference, distinguished speakers will deliver papers that cover a range of VTS-related topics in 4 plenary sessions. In conjunction with the conference, an exhibition will also be organized where VTS-related manufacturers and companies can display and promote their latest innovative products and services such as ship transponder systems, ECDIS, and VTS/VTMS systems. Field visits to the PSA Institute, the MPA's VTIS Center and Ship Handling Simulator will also be arranged for interested participants.

VTS 2000 Symposium is therefore an ideal venue to gather the latest industry news on VTS or seek new business opportunities.

Session Topics

The four-day Symposium will have distinguished speakers sharing their views, knowledge and experiences on the following topics:

Current VTS Development and Practices: This topic could broadly look into the current VTS development and practices adopted in different VTS centers globally. Common practices and differences in the implementation of the systems could be discussed. Current VTS development with special emphasis on operations or IT applications and the assessments of these issues are also welcomed.

Vision for Future VTS: With mankind's ever increasing dependence on science

and technology, this topic focuses on the advances in these fields and the impact on VTS enhancement. Greater correlation between vessels and land based control stations may lead the shipping industry towards traffic control not dissimilar to air traffic control. Will vessels be directed with such precision and what are the necessary precision tools required to achieve this? This topic could include R&D subjects, standardization etc.

VTS Recruitment, Training and Certification: This topic could focus on issues of qualifications of VTS operators, such as operations experience or academic studies. The current practices and the areas of concerns with VTS training curriculum, trainers, assessment and certification of operators could be discussed. It could include proposals on standardization of training or measures to improve the quality of operators.

The Legal Implications of VTS: This topic looks into the implications of voluntary or mandatory participation of ship reporting system as a vessel traffic service and VTS/shipmaster relationship. Discussion hovers over the issues of legal considerations on both issues. The question of traffic lanes in international waters and/or waters belonging to more than one countries could be addressed. Further path of thoughts and reconciliation with the UNCLOS resolutions are opened to further debate. On the issue of VTS/shipmaster relationship, topics can range from the responsibility and obligations of a VTS to participating ships, what needs to be done to have the two sides working together to enhance navigational safety, legal considerations for a more proactive VTS to resolve traffic conflict.

Presenting a Paper

Contributions from all parts of the world by experienced operators, users, planners and trainers are vital for the success of such an event. And by presenting a paper you will make your achievements, systems, studies, concepts known worldwide.

Who can present a paper?: Anybody is entitled to present a paper at the Conference on condition of the acceptance by the paper committee.

On which subject?: The Symposium

Steering Committee has laid down the topics for discussion, which are listed under sessions topics. Should you intend, however, to deal with another subject, do not hesitate to send us an abstract of the proposed paper. The Paper Committee will study it and you will be able to present it at the Conference if they feel it can be of interest.

How to proceed?: Just fill in the Abstract Submission on page 4 and return it to the IALA Secretariat no later than 1st May 1999. The Steering Committee will review it and inform you of their decision in July 1999. If your paper is chosen, detailed instructions will be sent to you. It is, however, important to know that the complete paper will be needed by 1st September 1999.

Enquiries


Call for papers – please contact

IALA Headquarters
20 ter rue Schnapper
78100 Saint Germain-en-Laye
France
Tel: 33(0)1 34 51 70 01
Fax: 33(0)1 34 51 82 05

All other enquiries about the symposium – please contact

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7B Keppel Road
19 Storey Tanjong Pagar Complex
Singapore 089055
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E-mail: vts@mpa.gov.sg

First Joint BIMCO/MPA Course in Singapore

 On 7 and 8 October 1998, shipping interests in Singapore and the surrounding countries will once again have the excellent opportunity to take part in Towards Better Decisions, the Baltic and International Maritime Council's (BIMCO) renowned course. Mr Joseph Kwok, Group Chief Operating Officer of Neptune Orient Lines and Member of BIMCO's Board of Directors, will open the course.

Developed with the support and co-operation of the training division of The Maritime and Port Authority of Singapore (MPA), the program reflects the specific educational interests of those involved in Asian shipping. Course topics were selected only after carefully surveying BIMCO's Asian members to

ensure that this will be the most comprehensive BIMCO course in Singapore to date.

Uncovering the intricacies of Singapore's arbitration procedures will be the Chairman of the Singapore International Arbitration Centre, Tan Boon Teik, while BIMCO Consultant Peter Grube delves into various methods of avoiding documentary fraud.

The agent's right of arrest and the complications surrounding the release of cargo against the presentation of letters of indemnity will be discussed by Steven Hazelwood, Resident Partner at Ince & Company, Singapore. He will be joined by Julia Mavropoulos, Claims Manager of ITIC and Director of ITIM, London, who will cover recurring liability problems and exposure to claims for negligence. BIMCO's Bent Jorgensen will adeptly debate ethics in tanker chartering.

In addition to the lecture series, which will offer attendees a range of in-depth information available only from this two-

day course, participants will have the opportunity to discuss the issues face-to-face with the experts, posing their questions and obtaining clear answers on the spot.

BIMCO and the MPA are certain that this Towards Better Decisions course, backed by the Singapore Shipping Association and the Singapore Trade Development Board, will stand as a testament to BIMCO courses as one of the industry's most effective educational tools.

For more information, please contact any of the following offices:

BIMCO Courses, a division of BIMCO Publications A/S, 161 Bagsvaerdvej, 2880 Bagsvaerd, Denmark. Tel: +45 44 44 45 00, Fax: +45 44 44 44 50, E-mail: mailbox@bimco.dk

The Maritime and Port Authority of Singapore, Training Division, 460 Alexandra Road, 20th Storey, PSA Building, Singapore 119663. Tel: +65 375 1920, Fax: +65 375 1900, E-mail: chkoh@mpa.gov.sg

Sports for Promoting Int'l Understanding

Sports of the Seven Seas

Through peaceful competitions in healthy sports activities to create international understanding and co-operation between seafarers from all nations

The International Sports Committee for Seafarers (ISS) was founded in 1976 and is a sub-committee of the International Committee on Seafarers' Welfare (ICSW). A number of trade unions and welfare organisations for seafarers established the ISS in order to encourage and organise sports activities for seafarers.

International Sports Committee for Seafarers

c/o Norwegian Government Seamen's Service

The Norwegian Maritime Directorate
PO Box 8123 Dep 0032 Oslo Norway
Tel: +47 22 45 45 00
Fax: +47 22 56 79 75

International Committee on Seafarers' Welfare (ICSW)

10 Storey's Gate London SW1P 3AY
Great Britain
Tel: +44 171 222 4264
Fax: +44 171 222 4265

The Seven Seas Series

General Rules: All series begin on 1st December and games can be played until 30th November. Each ship team must be made up of players from the same ship.

Where and whom to play: Games may be arranged in any port all over the world where appropriate facilities exist, but only games between two ship teams will be registered.

Number of games: 6 games or more. A minimum of two of these six games must be played against ships from other nations (flags). You may play the same opponent twice, but not on the same day.

Calculation of points: Two points are awarded for a win, no points for a loss. After termination of the series, the ship's 6 best matches during the year will be recorded as the official games in the series. To decide the winner from among the ships with six victories (12 points), the points from their six beaten opponents will be added up. The ship with most points in this column will be declared the winner. The ranking of ships with less than 12 points will be determined on the basic points and goal average.

Match reports: After the match leaders from both teams shall sign the match report, and the organizer shall send the report promptly to the secretariat and no

later than two weeks after the event.

Protest: A protest must be filed no later than two days after the match.

The Seven Seas Football Series

The series are divided into two classes:

Class P/F: Cruise ships, ferries/passenger ships, training ships and other ships with more than 50 crew members.

Class C: Cargo ships and other ships.

Matches can be played with 7-11 players on each side, as long as both teams agree on the number of players before the match. The size of the playing field should be adjusted to suit the number of players. Playing time is 2x30 minutes. Depending on the size of the teams and during tournaments, playing time may be reduced to 2x15 minutes.

Match reports should be sent promptly to: International Sports Committee, c/o Handelsflaadens Velferdsraad, Aarhusgade 88, 2100 Copenhagen, Denmark.

The Seven Seas Basketball Series

Each team shall consist of 5 players, but a team may use up to 10 players during one game. With fewer players, 4 player teams may be allowed. Playing time is 2x15 minutes with the clock stopped for interruptions of play. If the score is level at the end of ordinary time, an extra 1x5 minutes will be played. If the score still remains level there will be a "sudden death" play off meaning that the first team to score will win.

Match reports should be sent promptly to: International Sports Committee, c/o Norwegian Maritime Directorate, P.O. Box 8123 Dep, 0032 Oslo, Norway.

The Seven Seas Table Tennis Series

Ships of any nation may enter one or more teams, but each player can only represent one team from his ship in the same year. A team shall have a minimum of two players and in a team match they will play four singles matches and one doubles match. Each match is played to best of three sets, and the match is over when one team has won three matches.

Match reports should be sent promptly to: International Sports Committee, c/o Swedish Government Seamen's Service, P.O. Box 15135, 104 65 Stockholm, Sweden.

The Seven Seas Volleyball Series

Each team shall consist of 6 players, but a team may use up to 10 players during

one game. When a ship is short of players, the minimum team size allowed is 4 players. The team that first takes 2 sets is the winner. Each set is won by the team who first scores 15 points with a minimum of 2 points lead. If a team has scored 15 points but is less than 2 points in the lead, the game will continue until one of the teams scores 17 points. In the deciding set, play will continue until one of the teams has won with a minimum of two points.

Match reports should be sent promptly to: International Sports Committee, c/o Finish Seamen's Service, Box 170, 00161 Helsinki, Finland.

IALA: Name Changed, Acronym Remains Same

AS a result of the 8th General Assembly of IALA it has been decided to change the English name of this Association to "International Association of Marine Aids to Navigation and Lighthouse Authorities".

It was found that by inserting "Marine Aids to Navigation" this new name better reflects our actual activities. The English acronym "IALA", which is now well known all over the world, has not been changed.

This change has no impact on the French name which remains "Association Internationale de Signalization Maritime" with the acronym "AISM".

Seminar: Management of Equipment Maintenance

Le Havre 2 – 6 November 1998

THE seminar has been specially designed for high level Executives or Managers from Port Authorities or cargo-handling companies, who are responsible for the development and implementation of an equipment management policy. The seminar content also aims to assist Senior Civil Servants in the Ministries of Transport, responsible for equipment policies.

Maintenance systems and the impact on the investment policy, the operational arrangements, the management of human resources, the quality of the information systems and the institutional

framework will be extensively covered in the seminar, using interactive pedagogical techniques.

Program Director

B.J. Thomas Senior Lecturer, Department of Maritime Studies, University of Cardiff

Lecturers

B.J. Thomas Senior Lecturer, Department of Maritime Studies, University of Cardiff

P. Collier Consultant – Mechanical Engineer

Program

Planning of the Port Equipment Inventory

- The need for an equipment plan
- The investment decision – Planning procedures

Equipment Procurement

- Equipment procurement strategies and policies
- Specifications and bidding documents – Tendering practices
- Bid evaluation – Execution of the contract

Maintenance Management

- Organization of the Engineering Department
- Maintenance policies, strategies and tactics
- Maintenance facilities, equipment, planning, procedures and costs
- Maintenance performance

Supplies Management

- The importance of supplies to maintenance
- Procedures and practices – Stores organization

Management of Equipment Operation

- Operational factors affecting maintenance
- The management of equipment allocation and operation
- Equipment running cost – Operating records

Manpower Development

- The role of manpower development
- Training systems – changing attitudes

Engineering Management Information Systems (EMIS)

- The Maintenance Department/Operational/Supplies Management Information Systems
- The nature and the use of the EMIS – The central role of the EMIS

The Institutional Framework of Equipment Management

- The port objectives and equipment management
- The exercise of government control

Improving the Management of the Maintenance

- Implications for decision-makers in ports

For further information, please contact:

IPER

30 rue de Richelieu 76087 LE HAVRE

CEDEX FRANCE

Tel: (33) 2 32 92 59 92

Fax: (33) 2 35 41 25 79

E-mail: IPER@esc-normandie.fr

New Publications

The Asian Crisis: Implications for Regional Containerisation

THIS highly topical report provides a detailed analysis of the effect of currency and stock market uncertainties on the underlying trade growth in East Asia and with the rest of the world. The demand outlook for regional container ports is fully re-evaluated by national and port region. This reappraisal highlights the differences within the region, identifying and assessing the severity of the crisis on a national basis.

The report provides a full revision of earlier Ocean Shipping Consultants' forecasts, which are also shown for purposes of comparison.

Container terminal handling capabilities and planned investments are reviewed and future investment needs are re-evaluated in the light of current and forecast future capacity utilisation levels. Areas of likely over-investment are identified.

The evolution and future development of the regional container trades and shipping capacity are also examined, including the deteriorating imbalances in trade flows which are a consequence of recent currency devaluations.

Ocean Shipping Consultants Limited
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Tel: 01932 560332
Fax: 01932 567084
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The Americas

From Commission to Port Authority - Nanaimo

EFFECTIVE January 1, 1999 the Nanaimo Harbour Commission will become one of Canada's new Port Authorities and be officially renamed Nanaimo Port Authority.

With the passing of Canada Marine Act Bill C-9 in May, the Nanaimo Harbour Commission is now in the process of undertaking all the necessary restructuring required to comply with the guidelines of the new Act. A recent meeting of port users was held to discuss the process for establishment of the Port Advisory Committee (PAC) and it is expected that names of appointees to the PAC will be announced shortly.

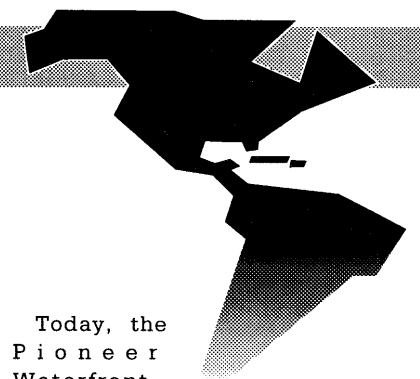
The changes implemented in the Canada Marine Act will impact the Nanaimo Harbour Commission by requiring payment of a stipend to Ottawa and grant-in-lieu of taxes to the City, increases in the Board size from 5 to 7 directors, compliance with the Official Languages Act and more public disclosure. (Harbour News)

Nanaimo Citizens Relax at Pioneer Waterfront Plaza

SINCE its completion in 1993, the Pioneer Waterfront Plaza has become a focal point of Nanaimo's picturesque downtown waterfront.

During the planning stage for the Plaza, the Commissioners of the Nanaimo Harbour commission wanted to build a facility which would commemorate the arrival site of Nanaimo's original settlers and create a public amenity which would enhance the existing Harbourside Walkway, provide waterfront retail space and create a public meeting and activity area which would showcase Nanaimo's beautiful inner harbour and its surrounding islands.

The Pioneer Waterfront Plaza has been embraced by locals and visitors alike as a wonderful place to visit. At the plaza people enjoy a local festival or celebration, or just relax and enjoy the natural splendor.



Today, the Pioneer Waterfront Plaza is a

very popular spot for a variety of outdoor events and, this year, over 30 events ranging from musical concerts to farmers' markets will be held in this downtown Nanaimo facility.

The Nanaimo Harbour Commission is very proud of the success of the Pioneer Waterfront Plaza and is pleased with the partnership with the City of Nanaimo in co-operatively maintaining and co-ordinating the variety of community activities held at this unique multi-purpose facility. (Harbour News)

US Waterborne Foreign Trade Hits Record High

Record imports cargo volumes drove U.S. waterborne foreign trade to an all time high of 1.067 billion metric tons in 1997. That was up 4.3% from 1996 and exceeded the annual average for the years 1992-96 by 13.3%. Exports continued to lose ground, falling to their lowest level in three years, to 373 million tons.

In value terms, exports accounted for \$222 billion (-6.8%) and imports for \$403.7 billion (+2.7%), for a total of \$625.7 billion (-0.3%).

A. U.S. Waterborne Foreign Commerce
TOTAL TRADE
Millions of Metric Tons

Calendar Year	Exports	Import	Total
1997	373	694	1,067
1996	393	626	1,020
1995	410	571	980
1994	340	598	938
1993	355	539	894
1992	392	486	878
Avera 1992-96	378	564	942

Source: U.S. Bureau of the Census

Last year's growth was largely concentrated in the tanker trades, with gains for both exports (+4.5%) and imports (+13.2%). The tramp trades

(i.e., dry cargo, mainly bulks, handled in chartered vessel) fell 2% due to an 8.1% drop in exports. Liner cargo fell to a three-year low of 121 million tons, with exports down 5.2% and imports down 1.1% compared to 1996.

**B. U.S. Waterborne Foreign Commerce
LINER, TANKER, AND TRAMP VESSEL CARGO**
Millions of Metric Tons

Calendar Year	Liner	Tanker	Tramp	Total
1997	121	532	414	1,067
1996	125	473	421	1,020
1995	136	425	419	980
1994	119	444	358	938
1993	110	438	334	894
1992	107	399	358	878
Average 1992-96	120	436	378	942

Source: U.S. Bureau of Census, *U.S. Waterborne Exports and General Imports, Annual, 1992-97*

Bulk liquids and dry cargo accounted for almost 90% of total trade by volume. Liner cargo, with just 11% of total trade tons, generated nearly two-thirds of the value of goods, imported and exported through U.S. ports in 1997, as illustrated in Table C.

**C. U.S. Waterborne Foreign Commerce 1997
TRADE SHARES BY VESSEL SERVICE**
U.S. Dollars (Thousands); Metric Tons (000s)

	Value	% Total	Tons	% Total
Liner	\$413,952	66.2%	120,802	11.3%
Tramp	\$132,337	21.2%	413,977	38.8%
Tanker	\$79,394	12.7%	531,984	49.9%
Total	\$625,682	100.0%	1,066,763	100.0%

Source: U.S. Bureau of the Census, *U.S. Waterborne Exports and General Imports, Annual 1997 (July 1998)*.

Top gainers among leading import commodities were crude oil (+15%), cement (+27%), motor vehicles (+22%), and coal (+14%). Imported crude and refined petroleum oil accounted for 67%

**D. U.S. Waterborne Foreign Commerce 1997
LEADING IMPORTS**
Metric Tons, 000s

COMMODITY	1997	1996	CHANGE
Crude Oil	376,325	326,225	15%
Refined Petroleum	84,969	82,284	3%
Iron Ore	18,745	18,590	1%
Cement	14,500	11,388	27%
Aluminum Ore	12,092	11,464	5%
Gravel, etc.	9,891	8,650	14%
Salt	9,114	10,627	-14%
Gypsum	8,374	7,984	5%
Coal	6,360	5,658	12%
Iron/Steel, Semi-Finished	6,149	6,389	-4%

Source: U.S. Bureau of the Census, *U.S. Waterborne Exports and General Imports, Annual, 1996 and 1997*.

of all imports and 43.2% of total U.S. waterborne foreign trade in 1997. Summary detail for the top 10 import commodities is presented in Table D.

Tonnage losses afflicted most of the leading export commodities of 1997. Hardest hit were wheat, corn, soybeans, wood, and coal. Specifics are shown here:

**E. U.S. Waterborne Foreign Commerce 1997
LEADING EXPORTS**
Metric Tons, 000s

COMMODITY	1997	1996	CHANGE
Coal	74,511	77,714	-4%
Corn	39,725	49,474	-20%
Wheat	25,305	30,483	-17%
Refined Petroleum	24,314	23,973	1%
Soybeans	24,155	23,899	1%
Petroleum Coke	19,213	18,512	4%
Fuel Wood, logs, chips, etc.	8,251	8,617	-4%
Rough wood	7,272	8,937	-19%
Scrap Iron/Steel	6,430	6,397	1%
Woodpulp	4,506	4,620	-2%

Source: U.S. Bureau of the Census, *U.S. Waterborne Exports and General Imports, Annual, 1996 and 1997*.

Among the U.S. port ranges, the South Atlantic (+8.8%) and Gulf (+11.6%) experienced the greatest tonnage growth over 1996, reflecting their preeminence as petroleum handlers. Much of the crude oil credited to the South Atlantic is offloaded in Puerto Rico and the Virgin Islands. Great Lakes import/export cargo increased by 1% but, results overall were negative for the North Atlantic (-6.1%), South Pacific (-0.1%) and North Pacific (-4.2%).

(AAPA Advisory)

June 30, 1998) underscores the vitality of international trade in Georgia and throughout the southeastern United States.

The statewide total of 11,370,911 tons of cargo, handled through GPA deep-water seaports in Savannah and Brunswick and at the inland barge terminals in Bainbridge and Columbus, represents a 5.1% increase in tonnage over the previous fiscal year.

Significant growth in container, agri-bulk and automobile traffic via Georgia's ports highlighted the productive year. Container business handled via the Port of Savannah represented approximately 66% of the freight handled through that facility and accounted for 51% of the total commerce handled statewide. General cargo handled in Savannah and Brunswick represented nearly 30% of the statewide total and liquid/dry bulk cargo represented 21% of the grand total.

"We are very pleased to have pushed past the 11 million ton mark during Fiscal Year 1998 despite some sluggish activity in the latter part of the year," stated GPA Executive Director Doug J. Marchand. "A number of terminal enhancements will come on-line during FY99 to enhance existing infrastructure efficiencies and improve growth opportunities for both shippers and carriers in the future."

The Georgia Ports Authority has undertaken numerous improvement projects to enhance facility infrastructure. In Savannah, projects include the development of a seventh container berth, the addition of two post panamax container cranes and two RTG's, and expansion of berthing and warehouse space for breakbulk cargo. In Brunswick, warehousing has been expanded and improvements of the agri-bulk facility to accommodate imports cargo are being made. At the inland terminal in Bainbridge, a new dock and radial stacker/conveyor have been added to enhance operations. Georgia's public and private marine terminal operations directly or indirectly

GPA Reports Another Record Setting Year

FOR the eleventh straight year, cargo handled via Georgian Ports Authority (GPA) facilities surged to record levels. The record setting performance in Fiscal Year '98 (ending

Georgia Ports Authority - Fiscal Year 1998 Results

	FY98	FY97	Difference	% Change
Container Tonnage	5,768,853	5,321,520	+447,333	↑ 8.4%
General Cargo Tonnage	3,143,882	3,283,349	-139,467	↓ 4.2%
Bulk Tonnage	2,458,176	2,209,988	+248,188	↑ 11.2%
Total Tonnage	11,370,911	10,814,857	+556,054	↑ 5.1%
TEU's	734,866	697,146	+37,720	↑ 5.4%
Automobile Count	166,417	139,332	+27,085	↑ 19.4%
Vessel Count	2,378	2,299	+168	↑ 7.3%

support 80,100 jobs, are responsible for \$ 1.8 billion in wages, generate \$23 billion in revenue and account for \$ 565 million in state and local taxes each year.

GPA: Feasibility Study On Channel Deepening

THE Georgia Ports Authority is nearing completion of a study to determine the economic, engineering and environmental feasibility of deepening the navigation channel at the Port of Savannah.

"We have identified the locally preferred plan for project depth," stated GPA Executive Director Doug J. Marchand. "After considerable analysis, discussions with our steamship line customers and our negotiations with potential new lines concerning draft requirements in the future, it was determined that the optimum draft for Savannah is -48 feet (14.6 meters)."

The next phase of the deepening project would be Congressional authorization under the Water Resources Development Act of 1998 (WRDA 98) to proceed with the design of detailed engineering plans that include advanced studies of the impact of the project on wildlife, fish and plant habitats, water quality and properties adjacent to the navigation channel. The GPA will continue to work with state and federal agencies to identify the scope of the scientific studies which are required to measure any impacts that might occur. When studies proceed, these agencies would then review the data the studies produce which would include a proposal to avoid, minimize or mitigate any impacts. The final phase - construction of the project - would proceed upon approval of a satisfactory Environmental Impact Statement and after Congress and the State of Georgia approve construction funding.

During the past several years the size and capacity of container vessels, which at present account for more than 60% of the Port of Savannah's total tonnage, have far exceeded the levels previously predicted. Because of the trend of steamship companies to increasing vessel size, it is anticipated that deep draft vessel calls at Savannah will increase dramatically over the next 50 years.

"Mergers, acquisition and global consortia will continue to demand better economics of scale," said GPA Director of Trade Development Byron X. Hock.

"The result will be larger vessels with multiple sharing partners operating in similar trades using various gateways to/from Europe, the Mediterranean, the Middle East and Asia. The growing East Coast market will continue to look to the Suez as a way of avoiding the limited draft of the Panama Canal for larger vessels. In turn, they will look to locations such as Savannah that offer not only consolidated port facilities and superior service, but sufficient land and water infrastructure necessary to facilitate growth. Savannah is committed to meeting these needs by offering a fully integrated Intermodal Container Transfer Facility and a 48 foot channel to further complement current capabilities."

A 1997 economic impact study estimates that Georgia's public and private

terminal operations directly or indirectly support 80,100 jobs, are responsible for \$1.8 billion in wages, generate \$23 billion in revenue and account for \$565 million in state and local taxes each year.

"The impact of the port industry on not only the Savannah area, but to more than 7.5 million Georgians across the state, is tremendous. As the world market continues to grow, so must the size of container vessels and the ability of the modern port to handle critical vessel requirements. It is imperative that Georgia continue to grow as a center for international commerce and that this and future generations of Georgians reap the rewards of a port prepared to accommodate the ongoing and diverse needs of the international shipping community," Marchand added.

Container Volume Record Broken at Long Beach

STRONG imports of back-to-school and Christmas holiday merchandise drove up July's total cargo container volume by 20.2 percent compared with July 1997 at the Port of Long Beach - the nation's leading seaport.

The equivalent of 378,714 20-long cargo containers was shipped through Long Beach - the port's highest monthly total ever. This is the fourth time in the past five months that Long Beach has set a monthly record. July's total is 6.7 percent more than the previous high, June's 355,036 20-foot equivalent units (TEUs).

July's inbound cargo or imports climbed to a record 199,138 TEUs, an increase of 17.2 percent over July 1997. The previous high for imports was September 1997's 183,914 TEUs.

Exports fell, as outbound cargo tumbled 15.9 percent to 80,950 TEUs. With

the trade imbalance increasing the demand overseas for cargo containers, the number of empties containers shipped through Long Beach soared by 102 percent to a record 98,626 TEUs. The previous high for empties was this June's 89,402 TEUs.

"Our 17.2 percent growth in containerized imports substantiates what we have been told by America's biggest retailers - that their orders for goods from Asian manufacturers will continue to grow in volume through the end of 1998," said Harold Hilliard, the port's marketing manager.

Hilliard said the U.S. economy remains very strong and U.S. consumers have the money and credit to continue their shopping spree for Asia's cheaper household and entertainment products. The Far East economic crisis has devalued Asian currencies, making imports from those countries less expensive in the United States. The dollar has become stronger, making U.S. exported

	Inbound	Outbound	Loaded	Empties	Total
July-98	199,138	80,950	280,088	98,626	378,714
July-97	169,964	96,244	266,208	48,792	315,000
% change	17.2%	-15.9%	5.2%	102.1%	20.2%
Jan.-98	144,758	72,420	217,178	71,096	288,274
Feb.-98	132,117	77,303	209,420	66,756	276,176
Mar.-98	167,712	88,518	256,230	77,104	333,334
Apr.-98	172,247	87,271	259,518	77,406	336,924
May-98	163,640	84,381	248,021	83,598	331,619
June-98	183,019	82,615	265,640	89,402	355,042

raw materials and manufactured goods more expensive in Asia.

Despite the record cargo volume, shipments continue to move through the port without major delays. Last fall, heavy railroad congestion blocked up cargo on the docks.

Since then, the port has increased space for the temporary storage of containers. Ocean carriers and marine terminals have acquired more container chassis and other cargo-handling equipment. The terminals are offering more flexible truck-gate hours. The pool of part-time dockworkers has been expanded by more than 2,000 casuals. And, the railroads have added more crews, locomotives and cars.

At the current pace, the port would easily surpass the total of 3,504,603 TEUs last year, when Long Beach was the only U.S. seaport to top 3 million TEUs.

The total for the first seven months is 2,300,007 TEUs, an 18.1 percent increase over the same period a year ago. Inbound containers jumped 16.2 percent to 1,162,631 TEUs. Outbound containers fell 12.3 percent to 573,458 TEUs. And empties increased 92.5 percent to 563,988 TEUs.

Long Beach, LA Seek Ways to Ease Traffic

EXECUTIVES from shipping lines, railroads and the ports of Long Beach and Los Angeles met Wednesday, August 12, to discuss ways to avert the congestion that backed up cargo last fall.

Gathered aboard the *Queen Mary*, the representatives assessed current cargo flows, reviewed measures implemented since last fall, and proposed further improvements to deal with this season's surge in holiday imports.

Cargo container volumes have been at record levels this year. There has been periodic rail yard congestion, but nothing like last fall's major snarl-up. Imports usually peak, however, between mid-summer and fall.

"We want to ensure that our customers' cargoes move as best as possible," said Jay Winter, executive secretary of the Steamship Association of Southern California, which hosted the session. "We may have extremely heavy volumes and some delays, but our objective is to keep delays to a minimum."

Many steps have been taken since last fall. Port executives reported that they have increased space to temporary store cargo. Ocean carriers and marine terminals have acquired more container chassis and other cargo-handling equipment. They are offering longer and more flexible truck-gate hours. More terminals are using computerized, "paperless" truck gates. And they are taking advanced reservations from truckers picking up cargo.

The Pacific Maritime Association, which represents the steamship lines and terminal operators in labor matters, said the pool of dockworkers has been greatly expanded. More than 2,000 part-time or "casual" dockworkers have been hired since last fall to augment the 5,000 full-time members of the International Longshore and Warehouse Union.

The railroads, too, have employed more workers, and acquired more locomotives and other equipment. Union Pacific has completed its merger with Southern Pacific, including a switchover to a single computer system.

The ports of Long Beach and Los Angeles are the leading entry points for Asian cargo destined east of the Rocky Mountains. Together, they are the world's third-largest container port complex. With the strong U.S. economy and the weakness of Asia currencies, record levels of imports have been pouring through the ports this year. Through the first six months, container volume climbed 17.7 percent in Long Beach and 13.1 percent in Los Angeles over the same period last year.

LA City Council OKs Channel Development

THE Los Angeles City Council adopted a Memorandum of Understanding (MOU) for the development of 80 acres of the Port of Los Angeles' West Channel by the Koll/Westrec Group, a joint venture of Koll Real Estate Group and Westrec Marinas.

The \$60 million marina-retail complex will feature 700 vessel slips, ranging in length from 30 feet to 140 feet, a dry stack storage building ultimately capable of accommodating 1,000 recreational vessels, and a new and used boat showroom. Other features include a marina-related commercial center with a Sports Chalet and a West Marine boating supply store, and restaurants,

including a Ruby's Lighthouse Diner and a Chart House Restaurant. A youth activity center will also be a part of the plan, featuring boating and scuba classes.

Koll/Westrec will be responsible for the design and construction of all the structures and improvements at the site, which are estimated at \$48 million. The Port will be responsible for the removal of existing buildings, paving, substructures and other improvements at an estimated cost of \$12.5 million.

Under a 50-year master lease with Koll/Westrec, the company will initially pay the Port \$125,000 in minimum annual rent, which will increase to \$500,000 by the third year, \$750,000 by the fourth year, \$1 million during the fifth year and \$1.2 million during the sixth through 10th years.

In addition, the Port will collect a percentage of gross receipts that exceed the minimum annual rent, including 20 to 25% of gross receipts from recreational vessel berthing; 16 to 20% from dry stack vessel storage; eight to 10% from vessel trailer storage; and 2 to 2-1/2% from restaurants. The MOU allows Koll/Westrec to prepare final designs and to secure environmental approvals for the project. They will return to the City's Board of Referred Powers in about six months to a year for approval of a detailed lease agreement.

The Port will begin clearing the area within a few months, with construction of the four-year project scheduled to begin next year.

LA: Strong Performance In Cargo, Cruise Business

THE Port of Los Angeles, one of the busiest and most diversified seaports in the world, posted strong increases in its cargo and cruise business in the first six months of this calendar year.

Larry A. Keller, Port executive director, stated, "Our global position as one of the world's busiest containerports can sometimes overshadow our diverse customer service capability, but there is no doubt that the Port of Los Angeles can accommodate any cargo or cruise requirements with the highest levels of quality and efficiency."

Containerized cargo volume in the January-June 1998 period totaled 1,608,310 TEUs, a 13.1% rise of 185,813 TEUs compared to the year-earlier period. At its current pace, the Port will

exceed the three-million-TEU mark in a calendar year for the first time. Increased container traffic is attributed primarily to record-setting import volumes in response to high U.S. demand for overseas commodities.

Cement imports in the first six months of this year reached 175,961 metric tons, a remarkable 534.2% boost of 143,214 metric tons over January-June 1997. Cement use is typically driven by civil engineering and residential construction projects, and its dramatic rise in metric tonnage is indicative of California's economic rebound and tremendous growth in construction activity.

Steel slab imports in January-June 1998 accounted for 716,957 metric tons, a 22.2% increase of 130,028 metric tons compared to the first six months of 1997. Imported predominantly from Brazil, steel slabs are commonly used in various finished goods processes.

The Port also showed growth in its "walking cargo" business. A total of 493,180 embarking and disembarking cruise passengers were welcomed at the Port's World Cruise Center, marking a 3.1% increase of 14,637 customers. The availability of three luxurious homeported cruiseships and the enduring popularity of the exciting Mexican Riviera accounted for much of the Port's cruise activity. Continued growth in the second half of this year will propel the Port to the one-million-passenger mark for the first time. An extensive \$30 million expansion of the World Cruise Center has been proposed in anticipation of even more cruise business at the busiest cruiseport on the West Coast.

Seattle Tops Nation In Cold Cargo Last Year

THE Port of Seattle last year handled more refrigerated cargo than any other port in the country, according to the U.S. Census Bureau.

Nearly 972,000 metric tons of international refrigerated cargo moved through the Port of Seattle in 1997. The Port was followed by the Port of Long Beach with 959,662 metric tons, the Port of Los Angeles with 907,256 metric tons, the Port of Oakland with 870,261 metric tons and the Port of Charleston with 470,334 metric tons.

The Port of Seattle's strongest performance was in U.S. shipments sent over-

seas. It handled 897,890 metric tons of exports and 74,017 metric tons of imports. In 1996, the American Association of Port Authorities ranked the Port of Seattle as the fourth-largest port in the United States based on the value of its two-way trade. The Port handled 6 percent of the nation's imports and 5 percent of its exports.

"Refrigerated cargo has long been an important part of our business," said Steve Sewell, Managing Director of the Port of Seattle's Marine Division. "At the same time, the Port and its customers have the capacity for substantially increasing the amount of refrigerated cargo through this gateway."

Fruit, vegetables, fish, meat and poultry form the core of the Port's refrigerated cargo. Exports include french fries, pears, salmon, crab, cod, beef, pork, chicken, corn, carrots and peas. Imports include apples from New Zealand and Chile.

Shipping lines use the Port of Seattle for refrigerated cargo because its proximity to destinations in Asia allows them to get perishable and price-volatile commodities to their customers in a timely fashion.

"We value the Port of Seattle because of its location," said Mike Fox, regional sales manager for Mitsui O.S.K. Lines. "It allows us to meet the needs of our customers with some of the quickest trans-Pacific vessel services."

Although most of the commodity shipments handled at the Port of Seattle are containerized, a key to the Port's success as a center for refrigerated cargo is its Terminal 91 Chill Facility for break-bulk cargo. The facility has on-terminal rail service and access to major highways. It offers 9,000 linear feet of berthage space, and refrigerated warehouses for fruit, meat and seafood.

Earlier this year, the Port of Seattle's Terminal 91 Chill Facility was certified by the U.S. Department of Agriculture as a cold treatment site.

This will allow foreign exporters and domestic importers whose products do not go through pre-clearance programs for Department of Agriculture pest inspections, to send fruit and vegetable shipments directly through the Port of Seattle for cold treatment before distributing them in West Coast consumer markets.

Previously, these fruit and vegetable shipments destined for West Coast markets had to be sent to ports with cold treatment facilities on the East Coast, such as New York, New Jersey and Philadelphia, according to Jerry Levitt, U.S.D.A. port director for the

southern Puget Sound region.

"This will definitely meet a need," Levitt said. "I see it as a real plus for this area."

Asian Import Surge Softens at Seattle

PORTS from Asia at the Port of Seattle rose 18 percent during the second quarter of 1998, indicating the surge in imports from that region softened from the first quarter of the year.

The number of full containers arriving on Seattle's waterfront from the Pacific Rim rose to 119,247 (TEUs) compared to 100,970 during the second quarter of 1997. About 93 percent of the Port's imports come from Asia. In the first quarter of 1998, Asian imports increased 37 percent.

Exports to Asia through the Port of Seattle fell 21 percent during the second quarter to 97,947 full containers from 123,516 during the same period in 1997. During the first quarter of 1998, Asian exports had fallen 25 percent.

Total container volume (full and empty containers) for the period increased slightly to 331,640 from 330,148 during the same quarter last year. Total inbound cargo at the Port of Seattle, including domestic cargo, rose 17 percent to 131,354 full TEUs during the second quarter of 1998. Total outbound cargo declined 16 percent to 121,328 full TEUs during the period.

In June, full imports from Asia were up 14 percent, but full exports down just 7 percent compared to the same month last year. Northwest exporters, particularly in agriculture have suffered from the effects of the Asian financial crisis in recent months.

But during the month of June, total container volume (imports, exports and domestic) rose 4 percent, an upward trend that may continue for the rest of the year with the redeployment of the New World Alliance's Pacific South 1 service that began on July 17.

"The New World Alliance's new rotation could raise our total annual volume by more than 100,000 TEUs," said Steve Sewell, managing director of the Port's Marine Division. The New World Alliance includes APL, Hyundai Merchant Marine and Mitsui O.S.K. Lines.

For the first half of 1998, total inbound waterborne cargo (including domestic) through the Port of Seattle

rose 24 percent to 259,855 containers, while outbound trade declined 18 percent to 242,660 during the same period. Total volume (including full and empty containers) during the first six months of the year was flat, falling slightly to 651,860 containers from last year's 659,559.

Dredging Project for Charleston Funded

IN June, the Port of Charleston took a huge step forward in its quest to efficiently service post-Panamax ships when additional federal funding for the widening and deepening of Charleston's channels was approved. The federal government will appropriate between \$17 million and \$27 million to the project in the upcoming fiscal year. To date, the federal government has put \$2 million into the project and the State of South Carolina has \$8 million in carry forward funds from the last deepening project in the harbor. The project will take Charleston's entrance channel down to 47 feet and the inner channels to 45 feet.

"Getting this deepening project underway has been at the top of our priority list for a long time," said Duane Grantham, executive vice president and chief operating officer for the Port of Charleston. "This funding from the federal government allows us to move forward and start deepening this fall. The lines are already introducing bigger ships into the Atlantic and they will need deeper water, so it is critical that we get our channels deepened sooner, not later."

In all the Charleston Harbor Project is expected to take about five years and cost \$159.7 million. Of that total, \$85 million is expected to come from the federal government, with the remaining \$74 million coming from the State of South Carolina.

The project was launched at a news conference held at the Wando Welch Terminal on June 12. U.S. Senator Ernest F. Hollings and U.S. Representative James E. Clyburn were on hand to take part in the announcement. Their deep understanding of the role of ports nationally, and in South Carolina especially, was crucial in the funding process. Sen. Hollings serves on the Appropriations and Budget committees and is the ranking minority member on the Commerce, Science, and Transportation Committee. Rep. Clyburn

serves on the House Transportation and Infrastructure and Veterans Affairs committees. All South Carolinians should note when the appropriations bills came up for vote, every S.C. congressional delegation member was present and voted for deepening.

The details of the project demonstrate its enormous scope. Dredges will deepen the 16-mile entrance channel by seven feet. The rest of the channel, from the end of the entrance all the way to North Charleston Terminal will be dredged five feet deeper to 45 feet. Additionally, Shutes Folly reach in the lower harbor will be realigned. Daniel Island Reach on the Cooper River will be widened to 875 feet at Myers Bend, tapering to a width of 600 feet at Daniel Island Bend. The project also calls for removal of the existing contraction dike at the southern tip of Daniel Island and other dike maintenance work.

In the dredging process, 37 million cubic yards of material will have to be removed and pumped to a number of special disposal sites in the Charleston area. Some disposal sites are offshore,

others are spread around the harbor area. Any construction grade material from the project will be used as fill on Daniel Island in preparation for a new terminal.

In its background report on the project, the Army Corps of Engineers summarized the need.

"The design of the existing channels in Charleston Harbor is inadequate to accommodate the dramatic changes in Charleston's vessel fleet and the rapid growth of commodity traffic that have occurred in the last decade. The deepening of the main channel to the current project depth of 40 feet was completed in 1991. The deepening of the Wando River Extension was completed in 1994 and Shipyard River in 1996. However, the volume of containerized cargo shipped through Charleston has increased from eight to 15 percent annually, greatly exceeding all projections. Containerships that will begin to call Charleston in July 1998 are more than 200 feet longer than the vessels for which the existing industry was destined." *(Port News Magazine)*

'Tacoma Seven' to Work On 7 Lines of Businesses

PORT of Tacoma Executive Director Andrea Riniker has named seven key staff members to lead various lines of businesses at the Port, which were developed as part of the Port's strategic planning process.

"By establishing these lines of business," Riniker said, "It will focus our people throughout the organization on our customers' needs, our customers' business, and make everyone feel like they are directly involved in serving our customers and this community. Our commitment to customers has been a key part of this Port's success in the past, and it will be even more important to ensuring our future success."

The Port's strategic planning process, which started earlier this year, has involved all five Port Commissioners, senior staff, longshore leadership, as well as a cross-section of the Port's 210 employees. "This Port has a tremendous commitment to customer service that is evident throughout the organization," Riniker said. "By setting up these lines of business, I am confident we can strengthen our ties with our customers, our labor force, and our community."

Through the Port's strategic planning process, a variety of meetings were held with customers as well as local business, labor, and community leaders, to get their views on future plans as well as priorities. As a result of the community input, the Port is planning to expand its role in community economic development, and will review how its greater involvement in this area best relates back to the Port's overall mission.

Now that the lines of business have been established, the leader of each line of business will create teams consisting of Port staff members from various departments.

"By having these interdisciplinary teams focusing on customer needs and industry trends," Riniker said, "I believe we are going to capitalize on our employees' commitment to serve the customer. We will get more of a sense of involvement and more identification with our overall goals, as well as strengthening the involvement of our employees."

The seven lines of business, and the team leaders for each are:

1. Steamship Lines Serving Foreign Markets at Leased Facilities (Team Leader: Brendan Dugan)

This line of business includes the major container shipping lines calling at the Port – Evergreen, “K” Line, Maersk Line, and Sea-Land.

2. Steamship Lines Serving Foreign Markets, Calling at Port-Operated Facilities (Team Leader: John Bush)

This line of business includes equipment rental to stevedoring companies, services provided to steamship lines, and services provided to shippers, freight forwarders, and brokers.

3. Steamship Lines Serving Domestic Markets (Team Leader: Ed Engelhardt)

This line of business covers Alaska, which accounts for about one-third of the Port's container activity. With Sea-Land and Totem Ocean Trailer Express both calling in Tacoma, the Port is the Gateway to Alaska, handling over 70 percent of all waterborne commerce going to that state.

4. Inland Transportation Connections (Team Leader: Paul Chilcote)

This line of business includes the two major transcontinental railroads calling at the Port of Tacoma – Burlington Northern-Santa Fe and Union Pacific – as well as coordination with the Tacoma Municipal Belt Line, and trucking companies. The Port is currently working on a number of rail and road improvements to handle the growth it anticipates in the future.

5. Specialty Cargo Customers (Team Leader: Bob DeWald)

The Port's focus of this line of business includes automobile business customers, log exporters, and bulk customers with facilities they lease from the Port. These customers include: Auto Warehousing (automobiles), Weyerhaeuser (wood chips), Kaiser (alumina), Tacoma Export Marketing Company (grain), and Georgia-Pacific (gypsum)

6. Industrial and Commercial Real Estate (Team Leader: Bob Emerson)

This line of business includes the Port's warehouse customers, industrial customers, developers, commercial vessel repair and provisioning, and the Port marina.

7. Community Economic Development (Team Leader: Jeannie Beckett)

This line covers a variety of economic initiatives that the Port is involved in, including the World Trade Center and the effort to establish an International Services Development Zone in downtown Tacoma.

The seven Port teams will work with their respective customer groups to develop strategies around their lines of business over the next month. These strategies will be incorporated into the Port's goals and objectives process and budget process which starts this fall.

achieve this result.

Antwerp handled 9.4% more bulk cargo than during the first half of last year. Liquid bulk stabilised at 14.6 million tonnes (+2%) whereas the handling of dry bulk cargo amounted to 15 million tonnes (+17.6%). Especially remarkable is the 65% growth of crude oil imports. At the end of June already 4.7 million tonnes of crude oil had been discharged.

Ore imports showed a growth for the first time since 1995. In total the port handled 4.8 million tonnes of ores, 28% more than during the first half year of '97. Coal traffic too increased a lot showing a result of 4.7 million tonnes (+27%).

The long period of traffic increases that started in July last year, brings about that the overall traffic volume over the last twelve months shows an exceptionally high figure of 117.6 million tonnes. Next to the typical growers of recent years, such as containers, cellulose, paper and crude oil, the port succeeded in attracting traffics that are closely related to the increasing imports of steel products and ores into Europe.

Antwerp: 2 Additional Super-postpanamax Cranes

IN late July the first of two super-postpanamax Nelcon cranes was delivered at Hesseantatie's Europe Terminal. The cranes were commissioned in order to cope with increasing traffic. They have a reach of 18 containers and a capacity of 70 tonnes. They will become operational by early September and early November 1998, respectively.

Together with the six existing post-panamax cranes the new ones will further boost the handling speed and flexibility of the terminal. Over the past year, Hesseantatie handled 576,000 containers (813,500 TEU) at the Europe Terminal, where the average annual capacity hovered around 600,000 containers.

The Europe Terminal is situated on the right bank of the River Scheldt, before the locks. The quay length amounts to 1,180 m, with a draft of 14.3 m at the lowest water. It is possible to handle four postpanamax vessels simultaneously. On the side of the docks, there is a special container terminal for barges.

Africa/Europe

Antwerp Cargo: +10.4% In First 6 Months of 1998

DURING the first half year of 1998, 60,340,347 tonnes of cargo were handled on the port's terminals. This is 10.4% more than during the corresponding period of last year and the best half year result ever achieved by the port. Remarkable is the strong increase in the import tonnage (+17% to 36 million tonnes). Exports maintained at last year's level (+2% to 24 million tonnes). This can be explained by the changing trade relations with Asian countries: exports went down by 17% (-550,000 tonnes) while imports went up by 74% (+1.2 million tonnes).

Container traffic, RoRo and breakbulk cargo all increased by 11%. Container traffic went up by 11.3% to 17.8 million tonnes and by 14.4% in units (1,615,657 TEU). Ro-Ro traffic grew by 11.6% to almost 3 million tonnes.

Breakbulk handling showed an increase of 11.9% to 10 million tonnes. Especially imports of steel (1.9 million tonnes, +86%), cellulose and paper (2 million tonnes, +14%) and sugar exports (700,000 tonnes, +58%) helped



Port of Cork Registers Record Cargo Throughput

THE Port of Cork enjoyed unprecedented traffic levels during the first half of 1998 when cargo throughput reached an all time high of 4.4 million tonnes, an increase of 370,000 tonnes or 9.1% over the corresponding period of 1997. Imports increased by 170,000 tonnes or 6.8% to 2.65 million tonnes while exports increased by 200,000 tonnes or 12.7% to 1.76 million tonnes.

The Port's container traffic registered spectacular growth of 27% to 47,000 teu's, clear evidence of the strength of the Irish economy and the excellent facilities and high level of service available at the Tivoli Container Terminal. Exporters from the southern parts of Ireland can now avail of as many as eleven sailings per week to ports such as Rotterdam, Antwerp, Le Havre, Thamesport and Felixstowe. Over the past four years capital investment in the container terminal has exceeded £7.5 million, while recently the Port of Cork awarded a £3 million contract to Liebherr of Killarney for the construction of a new gantry type container crane. On delivery in May 1999, the ultra-modern crane will improve still further the quality of service at the container terminal and will accelerate vessel turn around.

The port's bulk liquid traffic also grew quite considerably. Throughput of petroleum products increased by 244,000 tonnes or 10% due in large measure to extended capacity at Whitegate Oil Refinery.

On the agri front, imports of cereals increased by 26,000 tonnes or 54% to 75,000 tonnes due principally to a poor native harvest in 1997. While imports of animal feedstuffs showed a 3% reduction to 239,000 tonnes, this represented an increase in market share for the Port of Cork due to reduced imports nationwide. Meanwhile, imports of fertilisers increased by 10% to 149,000 tonnes.

In January of this year the first call of a Grimaldi Line vessel to Cork marked the introduction of that company's Euro-Med service to Ireland. Since then all Irish imports of Fiat vehicles have been handled at the Ringaskiddy Deepwater Terminal and this has been the primary reason for an increase of 40% in imports of assembled vehicles. In addition to Fiat, the Port of Cork handles all imports of Ford and General Motors' vehicles.

With regard to passenger traffic, both Swansea Cork Ferries' service to

Swansea and Brittany Ferries' service to Roscoff are performing very satisfactorily and there are prospects of increased capacity in 1998. Meanwhile, cruise passenger traffic is enjoying another record year with both passenger and cruise ship levels registering growth of 30%. In addition to regular cruise calls by the world's major cruise lines, e.g. Cunard Line, Princess Cruises, Royal Caribbean International

and Narwegian Cruise Line, this year also marked the first ever arrival of a Crystal Cruises' ship when the m.v. *Crystal Symphony* berthed at the Cobh Cruise Terminal.

With record levels of traffic during the first half of 1998, there is every likelihood that the overall year will prove the most successful ever in history of the Port of Cork.

Port of Garston Wins New Container Business

A brand-new business handling containers has begun at Associated British Ports' (ABP) Port of Garston, following the signing of a one-year contract with Delmas Conteneurs of Le Havre and Elder Dempster Agencies of Liverpool.

The new business, won from competitors, involves the transportation of empty containers to ABP Garston by road from all over the North-West. The port stores and loads them onto feeder ships which call at the port; they are subsequently transported to European ports including Le Havre and Antwerp. To date two ships, sailing from Stalbridge Dock, have been loaded with over 350 containers. Six shipments are expected to be handled during the season. The contract is seasonal – between October and July – as the containers are used for the West African cocoa bean trade.

Budha Majumdar, ABP's Regional Ports Manager for the North-West, says the new business

is good for the port and reinforces ABP's commitment to best-practice in environment management.

"We are delighted that Garston is handling containers again. It is business that helps to reduce road congestion by transporting the containers from the North-West rather than from the East Coast to Europe. ABP Garston is serving short-sea shipping in the most cost-effective way," said Mr Majumdar.



Pictured left to right: Roger Thomas, Commercial Officer, ABP Garston; Ged Dillon, Operations Manager, ABP Garston; and Ian Platt of Elder Dempster Agencies.

UECC Freighter Off-loads Cars at Port of Garston

FORD recently took full advantage of coastal shipping and the services of Associated British Ports (ABP) when two consignments of its award-winning Ka marque were transported between the Ports of Southampton and Garston.

United European Car Carriers' (UECC) mv Autocarrier recently sailed from Berth 201 at Southampton with 758 models on-board bound for the Port of Garston. While UECC regularly call at Southampton, it was the first time in three years Garston has handled this trade. UECC's sister ship mv Auto-

freighter was loaded at Southampton with a further consignment of more than 650 Ford Kas and 20 Ford commercial vehicles which sailed into Garston's Stalbridge Dock.

Budha Majumdar, Regional Ports Manager, ABP's North-West ports, said:

"This is particularly good news for Garston, and emphasises ABP's ability to service coastal shipping links between its 23 ports, reinforcing ABP's environment policy in support of the Government's White Paper on Transport."

Once they have been off-loaded from the ships, the vehicles were stored at the Port of Garston which offers ample secure facilities for cargo such as vehicles.

happy with this increase in train transport. "It is every bit as favorable to us as transport by water due to its good economic and environmental performance", says Godfried van den Heuvel, Executive Director of the Amsterdam Port Authority. "Transport by road of such large quantities of goods to the same destination is complex and expensive. In this case of coal and other dry bulk, Amsterdam is now more accessible to those areas in Germany that are not connected to deep inland water. In the case of containers, it's better if more than one 'rail service station' from different points in the Western part of Holland can ship to the international hinterland."

He continues: "Increase in rail transport will mean, however, that pressure on the capacity of the tracks to the east through Amsterdam Central Station will grow. Construction of planned 'rail bypasses' whereby freight trains will go around the city and no longer need to pass through the Central Station is now becoming very urgent".



Associated British Ports' (ABP) Port of Garston hosted United European Car Carriers' m.v. Autocarrier which transhipped 758 models of Ford Kas from ABP's Port of Southampton.

Rail Transport's Share Increasing in Amsterdam

RAIL transport's share in the movement of goods in the port of Amsterdam is increasing strongly. From September 1st on there will be a significant increase in the number of rail connections for transport of goods towards Germany.

The Amsterdam bulk handling operation OBA Bulkterminal Amsterdam will, from September 1st onwards, be supplying three customers in Germany by rail. Once daily, seven days a week, three freight trains will depart carrying coal from Amsterdam's Westhaven to Duisburg, Stuttgart and Mannheim. Each will carry between 2,500 and 3,000 tons of coal. For the OBA the transport by train is a strategic addition to its inland shipping capabilities, which until now has delivered the major part of shipments. An additional benefit is that rail transport will be less

dependent on weather conditions such as low water levels and floating ice.

From the end of September a project will start in the port whereby the company Balkenende Aircargo Handling will cooperate with P&O Transeuropean to ship air cargo from Schiphol Airport to Frankfurt by rail. Increasing traffic density and worries about the environment are main reasons for the initiative. The distribution center Amsterdam Westpoint in the Amsterdam port will act as loading station. Special containers will be equipped with 'rolling' floors by which the cargo will be driven in effortlessly. The containers will then be loaded onto the train at Westpoint in the direction of Frankfurt. Not only air cargo but also seaborne cargo will be able to use this rail connection. In the beginning transports will be twice a week in both directions and if there is sufficient demand this will be increased to six times a week.

The Amsterdam Port Authority is

Helsinki: Cargo, Passenger Traffic Continues to Rise

THE Finnish economy is continuing to expand at a good clip. An important indicator of this growth is the rising volumes of cargo traffic at Finnish harbours, and above all the rise in import volumes. The Port of Helsinki's traffic in their main segments – general cargo and passenger traffic – has shown positive development.

The Port of Helsinki's general cargo traffic has grown by six percent compared with the first half of last year, rising to 4.3 million tonnes. Imports (+8%) have outstripped exports (+3%). General cargo imports consist of consumer and capital investment goods as well as semimanufactured products, whereas exports are made up largely of products of the forest and metal industries. Of Finland's entire general cargo traffic, imports via the Port of Helsinki amounted to 43 percent and exports to 17 percent. Transit transports via the Port of Helsinki came to nearly 0.3 million tonnes and represented six percent of the Port's general cargo volume.

The number of passengers via the Port of Helsinki is still on the increase. Passenger travel to Stockholm was up three percent and tourism on the

Tallinn route grew by ten percent. All in all, the number of passengers in the January-June period was 3.9 million (+6%), or 54 percent of all the passengers who passed through Finland's ports. (Port of Helsinki Info)

Göteborg Gets Quality Diploma From Wallenius

PORT of Göteborg's deep-sea car terminal has been awarded Wallenius Lines' "Good cargo handling quality award" for 1997. The recognition was presented in the form of a diploma by Wallenius' general manager, cargo handling and quality, Ulf Malmberg, to Mikael Karlsson, head of the Skandia car terminal, Port of Göteborg AB. The ceremony took place on-board Wallenius Lines' m/s *Titus* in Göteborg's Skandia Harbor.

The Skandia deep-sea car terminal within the Port of Göteborg has been built up during the last few years in close collaboration with port customers – shipping lines as well as shippers. Quality ambitions have been high from the start, with specially trained and dedicated workforce, a pre-delivery inspection facility and good port infrastructure.

The Port of Göteborg is the port most worthy of this recognition for 1997, said Ulf Malmberg on the presentation of the quality award. The event took place on-board the m/s *Titus* at berth 610, Skandia Harbor, Göteborg while she was loading 2,000 Volvo and SAAB cars for the US.

Receiving the award, Mikael Karlsson said that he looked upon it as evidence that the ambitions of the Port were right:

"We are proud to receive this award



and realize that we are working in the right direction. We now want to take our cargo-handling quality further

together with our customers."

The Port of Göteborg, Scandinavia's largest port, also has the largest number of cars shipped. In 1997, almost a quarter of a million cars were exported or imported via the port, half of them deep-sea, half of them intra-European.

Wallenius Lines, one of the world's largest car carrier companies, operates more than 30 car carriers. Traffic areas include Europe, the Mediterranean, the Far East, the US and Australia.

Asia/Oceania

Brisbane: Best Year Yet; Big Container Increase

STRONG growth in containerised cargo has underpinned a surge in total trade through the Port of Brisbane with figures for the year reaching a record 20,400,490 tonnes.

Total imports increased 9.3% to 10,785,270 tonnes, offsetting a slight downturn in exports to 9,615,220 tonnes.

Total containerised cargo jumped by 16% to 316,549 teus, the biggest percentage increase at the Port of Brisbane in a decade. Container imports rose 19% to 161,240 teus, with continuing growth in meat and cotton exports fuelling container exports, up 13% to 155,345 teus.

Port of Brisbane Corporation Chairman Elizabeth Nosworthy said that she was delighted to report that the Port of Brisbane had dominated container trade growth in Australia during 1997/98, surpassing the growth in the

ports of Sydney and Melbourne.

She said, "Containers now comprise around 14% of our trade mix against bulk and break-bulk cargoes, and this reflects one of our significant competitive advantages, that is, we are a highly diversified port, offering our customers a full range cargo facilities and services."

Port of Brisbane Corporation Chief Executive Officer Graham Mulligan said that this year's figures were extremely encouraging for Brisbane's long-term outlook.

"Given a combination of the effects of the Asian economic crisis on key markets for Australian commodities, and difficult agricultural conditions resulting

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US\$300/yr.
(including postage)

in reduced export activity, particularly for grain exports, it's good to have it confirmed that we are continuing to stay ahead of the game. In anyone's terms, this is an excellent result for Brisbane, after a difficult year for the industry, both nationally and internationally."

However, Mr Mulligan said that he doubted whether the full effects of the Asian Crisis have been felt yet, and the results of trading for the year included a natural trading lag.

"Once forward orders and futures contracts expire, we may expect a downturn in trade. Exactly when this may happen, or to what degree, is very difficult to predict, although in the month of June imports jumped dramatically and exports deteriorated, signalling changing economic conditions. We expect a volatile trading year in 1998/99," he said.

An analysis of trade by commodity revealed that the expected fall in grain exports had been partially offset by

solid growth in export of metal ores, meat manufactures, woodchips and cotton lint.

Container growth was largely driven by import fulls, which ran into triple figures for the first time ever at almost 112,000 teus, a 26% increase over the previous year.

Mr Mulligan said that while export fulls had increased by 9% export empties rose 40% from the same period last year, a figure he regards as an interesting indicator of potential changes to Brisbane's traditional container trade balance.

Imports of crude oil rose 6.2% to 7,581,700 tonnes while imports of fertilisers and chemicals jumped 22% to 622,210 tonnes mainly due to the establishment of new facilities for both Pivot Agriculture and Summit Fertilisers at the Port.

Motor vehicle imports recorded a 40% increase to 122,815 units with Japanese imports comprising the bulk of the increase.

nificant initiative by an Australian port to centralise cargo through one port. Sea-Land will be focussed on Brisbane only, rather than Sydney and Melbourne, providing PBC with the greatest opportunity to turn landbridging from theory to reality.

Negotiations between Sea-Land, rail bodies and the Brisbane Multimodal Terminal have taken place, and are expected to have a favorable outcome. The arrangement between the companies should see a significant proportion of Sea-Land business being routed through the Brisbane Multimodal Terminal at Fisherman Islands.

Port of Brisbane Corporation Chief Executive Officer Graham Mulligan said that the venture made Brisbane the first Australian port to host more than two major container stevedores, and is expected to encourage more flexible and productive working practices.

"Competition is one of the healthiest possible factors in attracting new business, and as a forward-thinking corporate entity, we are delighted to welcome Sea-Land to Brisbane.

"From our point of view, Sea-Land's presence here in Brisbane is a prime example of the new direction the Corporation is taking in developing working relationships with key businesses. We intend to maximize every opportunity to increase trade through this port," Mr Mulligan said.

He added that the Sea-Land operation would bring extensive expertise tailored to attract shipping lines looking for a seamless, fast-turnaround solution from an Australian eastern seaboard port.

Brisbane: Sea-Land Gears Up for 1st Customer

IN a major boost for trade through the Port of Brisbane, US transportation and container giant Sea-Land is on target to receive its first ship at the Port of Brisbane.

Yesterday's (July 30, 1998) arrival of container cranes and other essential infrastructure on board the heavy lift ship *Zhen Hua 3*, operated by Shanghai-based Zhenhua Port Machinery Co. (ZPMC), means that Sea-Land will be

fully operational in time for the arrival of its first customer.

An advance team of ZPMC personnel arrived in Brisbane ahead of delivery of the outside load, to discuss final unloading arrangements with Sea-Land and Port of Brisbane Corporation personnel.

A business deal struck between Sea-Land and Port of Brisbane Corporation earlier this year gives Sea-Land priority use to operate the port's terminal seven at Fisherman Islands.

The alliance represents the most sig-



Brisbane Adopts IMS To Improve Operation

PORT of Brisbane Corporation (PBC) will introduce an Integrated Management System (IMS) during 1998/99, to ensure the Corporation is achieving world-class standards in its management and operation of the Port of Brisbane.

The IMS will consist of the International Safety Rating System (ISRS) and the International Environmental Rating System (IERS). PBC has been granted a license to use both systems by the world renowned company, Det Norske Veritas (DNV). DNV provides risk assessment and loss control management services, and has developed international rating systems for health,

safety, environment and quality to measure loss control performance.

Chief Executive Officer, Graham Mulligan, is confident that the Corporation will rate well in its first audit in 1999.

"It is my vision to ensure that PBC becomes a safe, rewarding and truly competitive organization – and is the best run Corporation in Queensland," said Mr Mulligan.

THE BENEFITS OF THE IMS INCLUDE:

- elimination of management inefficiencies to reduce the operating costs of accidents and other losses
- techniques to appraise group and organizational performance
- techniques to meet regulatory requirements and standards for occupational health and safety, and environmental management

"The Port is a key component in the economic prosperity of Brisbane and the southeastern region of Queensland. To ensure that the Port of Brisbane continues to contribute to the economic benefit of the people of Queensland, we have made this commitment to develop and operate the Port according to world's best practice."

ISRS is a management tool used to objectively evaluate and quantify a company's health and safety efforts against world's best management practices. ISRS was developed in 1978, and has been adopted by many national and international businesses such as Western Mining Company, Fremantle Port Authority, BP Oil, Queensland Rail and 20% of the Fortune 500 companies. To drive the process of implementation, PBC has established its own Loss Control Unit.

IERS is an integrated, proactive approach to environmental management. The primary goal of the IERS is to provide an organization's management with the early warnings that are critical to the prevention and control of loss. Every PBC activity, including the operation of workshops, dredging, stormwater management, project development and management of contractors, will be assessed for environmental risk. IERS will also enable the Corporation to comply with current and future legislation, demonstrating a responsible approach to its workforce, neighbors and customers.

Mr Mulligan said, "We have already taken our first step towards introducing the IMS culture by developing measurable standards which will be audited

on an annual basis against leading international organizations. To date, our entire workforce has attended an Integrated Management System Awareness Session, three of our officers have successfully completed an Accredited Safety Auditor course, and 32 officers have undertaken a Modern Safety Management course."

(Brisbane Portrait)

Brisbane Dispute Proves Value of Intermodalism

DURING the recent waterfront dispute, the Port of Brisbane continued to work, receive an dispatch containers direct to the wharf via the Brisbane Multimodal Terminal.

While the crisis revealed isolated logistical problems throughout the supply chain, it demonstrated that genuine efficiencies were achieved through the close collaboration of sea, rail and road transport modes at the Port. Of all major ports in Australia, only the ports of Brisbane and Adelaide provide this intermodal capacity.

During the month of April the Port of Brisbane handled 54 vessels.

(Brisbane Portrait)

Gladstone: 'Development Of Port to Full Potential'

"GLADSTONE is a Port City", proclaimed GPA's General Manager, Reg Tanna, at a public meeting held recently by GPA. Over 200 Gladstone citizens gathered at the meeting to discuss the future of the Auckland Point/Barney Point Lands. This land is being developed by the Gladstone Port Authority for the handling of containerised and non-dusty bulk cargoes.

The public meeting was called after a group of citizens signed a petition which called for a moratorium on development of the Auckland Point/Barney Point Lands to allow investigations of use for other than port purposes.

Presentations were made at the meeting by GPA's Chairman Leo Zussino, General Manager Reg Tanna and Administration Manager Bryan Jordan which covered:

- (1) The history and development of

the Auckland Point/Barney Point area;

- (2) The planning and public consultation processes undertaken for development of the area; and
- (3) Projected future cargo growth and resulting land transport requirements for the area.

Significant interest was shown by those who attended the public meeting and feedback received has proven that the event was successful in explaining GPA's role in the community and the importance of the Auckland Point/Barney Point area to Gladstone's future.

Reg Tanna summarised, "If the Port of Gladstone is to play its rightful role in ensuring the future prosperity of our nation, Gladstone must do what Gladstone can do best, namely, develop its Port to its full potential. The use of Auckland Point/Barney Point is an essential ingredient of this development."

(Port-Talk)

9th Pan-Pacific Ports Seminar Held in Dalian

THE 9th Pan-Pacific Ports Seminar was hosted by the Port of Dalian at Furama Hotel Dalian June 21-24, 1998. Around 270 delegates and guests representing 44 ports and 24 shipping lines from 20 countries and regions participated in the conference. Mr Hong Shanxiang, Deputy Minister for Communications, China, attended the Opening Ceremony. Also present at the Opening Ceremony are Mr Zhao Xinliang, Vice Governor of Liaoning Province and Mr Wang Chengmin, Vice Mayor of Dalian.

During the conference, 23 speakers gave presentations on a wide range of issues facing the world port and shipping industry. Most of them are industry leaders, port and shipping line executives and academic experts. Mr Hu Hanxiang, Director of Water Transportation Administration Department, Ministry of Communications, PRC, delivered a keynote speech on "China Ports and Shipping Facing the 21st Century". Delegates also visited the terminal facilities of Port of Dalian. The conference trade show attracted 19 port equipment suppliers.

Pan-Pacific Ports Seminar is a regional port and shipping event. Its six founding ports—Ports of Dalian, Melbourne, Oakland, Shanghai, Vancouver and Yokohama in turn host the seminar once every two years. The pur-

pose is to promote the development of friendly relations and cooperation between ports of the region in a bid to contribute to the regional economic development and common prosperity. The first seminar was held in Oakland, USA, in 1982.

As agreed by representatives of the six founding ports, the 10th Pan-Pacific Ports Seminar will be hosted by the Port of Melbourne in Melbourne, Australia in 2000.

Cargo Handling Capacity Enhanced at Johor Port

JOHOR Port has been consistently investing over the last couple of years in cargo handling facilities, information technology and productivity measures to meet port users' requirements. The efforts have not only increased the confidence of shippers but also enhanced the cargo handling capacity of the port.

Dato' Mohd Taufik Abdullah, the Executive Chairman of Johor Port Berhad, said on presenting the Port's 1997 Annual Report: "I am happy to announce that as a result of all the measures that we have taken to improve on our operational performance, we have managed to create additional capacity to receive and handle cargo through the port, boosting the Port's overall capacity to almost 40 million tonnes from 23 million tonnes previously announced."

Dato' Taufik mentioned that substantial investments have been made in recent years to enhance the application of Information Technology in operations. This includes an investment of RM10 million in a full-computerised container planning and control system which enables the port to provide real-time electronic data submissions, updates and enquires.

"With the efficient system and other enhanced operational procedures, Johor Port is able to handle in excess of one million TEUs compared with the 600,000 TEUs previously established," said Dato' Taufik.

Besides that, prudent investments have been made to develop the port's infrastructure and procure major cargo handling equipment. These include the completion of the 1,000-meter berth and acquisition of multipurpose handling equipment to handle a variety of bulk and general cargo.

Dato' Taufik added that Johor Port will be constructing a new hazardous

cargo jetty to cope with the expanding trade in petrochemicals. Work on the 270-meter berth will be proceeding on schedule. With these facilities in full operation, the Port should be able to handle up to 23 million tonnes of bulk and break-bulk cargo, a substantial revision from the previously declared capacity, he said.

"This enhanced capacity of the port will enable us to move away from the perceived saturation point and we can now look forward to higher throughputs in the years to come," said the Executive Chairman.

Johor Port handled 20.8 million tonnes of cargo in 1997 and for the first time breached the 20 million tonnes mark.

(Johor Port Monitor)

Auckland: New Unit For Intermodal Business

A change in its organizational structure is designed to make Ports of Auckland more strongly focused on its major business areas and to improve customer service.

The company reorganised from July 1 into two business units, one tasked with developing the growing intermodal container business and the other covering traditional cargo and port services.

The container business unit was launched as Axis Intermodal, with its own brand and identity. Its activities cover intermodal services, including marine terminals, road and rail interchanges, inter-wharf cartage, consolidation, and computerised container planning and tracking systems.

Sandy Gibson, previously General Manager Port Operations, is now General Manager Axis Intermodal.

Meanwhile, new appointment Will Harvey has become General Manager Port Services, which focuses on conventional cargo handling (bulk liquids, breakbulk and bulk cargoes) and Marine Services, which includes pilotage and towing.

A clear focus

"The new structure provides for a clear focus for each of our key service areas and ensures the needs of both types of customers are met," said Chief Executive Geoff Vazey.

The restructuring was designed to make both the container and conventional cargo operations focus on their

core areas of expertise.

Container terminals are capital intensive and use more technology. With standard operations and throughput they can achieve economies of scale and good productivity.

Conventional cargo activities, including Marine Services, deal with non-standard ships and cargo, where different and changing demands are placed on labour. They have different requirements in technology and information systems.

Both types of activities are important in meeting the needs of our customers, but the needs and skills required in each area are quite separate.

Driven by market

"The reorganization was driven by developments in the international shipping and freight industries. Containers are now the main method of carriage for most general cargo and are the area of strongest growth, both in domestic and international transport. The technologies and skills required for container handling are becoming very specialised," Mr Vazey said.

Major international shipping lines are seeking to become more efficient by developing fixed schedules and using a single port of entry in each country, rather than multiple port calls. They are also using electronic data interchange and computerised logistics to make their operations faster, more reliable and more efficient.

"We can build on this growth by providing streamlined services, better links with domestic transport and specialist products for container handling," he said.

He emphasised that the reorganisation is a positive move for staff in both parts of the company. The clarity of focus and introduction of self-managed, multi-skilled teams will enhance motivation and performance. *(Vital Link)*

Singapore: Highlights of MPA Annual Report 1997

FOR the Maritime and Port Authority of Singapore (MPA), 1997 was marked by significant achievements of the Port and new developments.

Port Performance

In spite of keen competition from regional ports, 1997 saw Singapore

retaining its position as the busiest port in the world with a shipping tonnage of 808 million gross tons and 130,333 vessel calls. Singapore's container traffic grew by 9.2% from 12.94 million TEUs in 1996 to 14.14 million TEUs last year. Total tonnage of cargo handled by the port rose by 4.2 percent to 327 million tonnes. Singapore also held its place as the world's top bunkering port with bunker sales totaling 16.94 million tonnes.

The Singapore merchant fleet expanded by 2.53 million gross tons to a total of 20.77 million gross tons. It is currently ranked 8th largest in the world. On this achievement, Mr Peter Ho, Chairman of MPA, said, "The growth of our merchant fleet will encourage the development of ancillary services to enable Singapore to become a more attractive International Maritime Center."

Liberalization of Towage Services

To boost the port's competitiveness, the MPA decided in 1997 to liberalize tugboat services. The MPA introduced Phase 1 of the liberalization plan on 1 Sep 97. The port authority lifted restrictions on the purchase of new tugs for replacement purposes. It also removed the requirement for towage service providers to charter or time-share new tugs to PSA Corporation. Phase 2 has now been implemented as new tug operators have been given public licenses to service vessels calling at shipyards, oil terminals and Jurong Port.

Corporatisation of PSA

Last year, the MPA also issued PSA Corporation with three public licences for the operation of cargo and passenger terminals as well as the provision of pilotage and towage services. This marked a milestone in Singapore's port development, a transition to a more competitive operating environment for the port.

International Relations

Through the joint efforts of the MPA and the Ministry of Foreign Affairs, Singapore was re-elected to the Council of the International Maritime Organisation (IMO) in Nov 97. The Republic garnered the highest number of votes among the 24 countries vying for the 16 seats. The Council seat marks the IMO members' recognition of Singapore's active involvement in the organisation and its contribution to the development of world shipping and international trade.

New Developments

The MPA embarked on several projects to further enhance navigational safety within the port and protect the marine environment. Chief among these is the development of a new Port Operations Control Centre (POCC 2) at PSA Vista and the upgrading of the existing control centre at Tanjong Pagar at the cost of \$20 million. Occupying 1,000 sq m of space on the top floor of PSA Vista, POCC 2 will be equipped with an integrated state-of-the-art electronic, communication and computer systems for monitoring vessel traffic.

To better manage the use of Singapore's anchorages, the MPA together with the Nanyang Technological University (NTU) is jointly developing an Anchorage Management System (AMS). The AMS is a computer-aided management system that helps select anchoring positions for ships based on the overall demand of a particular anchorage, vessel type and height restrictions, and the safety distances between anchored ships. A prototype of the system is presently being tested in selected anchorages.

Financial Performance

The MPA performed well in 1997 with a net surplus of S\$60.9 million. Operating income was S\$150.4 million and the bulk of it came from the collection of port dues and marine services.

Looking ahead, Mr Ho said, "1998 promises to be a challenging year for the MPA. As our operating environment evolves, we will adjust our plans and strategies. The MPA will spare no effort in the year ahead working with other agencies to cushion the effects of the economic fallout and to overcome difficulties arising from it."

Towage Service Licence Given to Jurong Marine

THE Maritime and Port Authority of Singapore (MPA) issued a public licence for towage services to Jurong Marine Services Pte Ltd on 21 Aug 98. This was in line with MPA's liberalisation policy announced in Aug 97.

Jurong Marine Services will now join the existing companies, PSA Corporation, Sembawang Marine and Logistics Ltd (SML) and Keppel Smit Towage Pte Ltd, in providing towage services to our port users. The licence will be valid for a period of 30 years.

Since the announcement in Aug 97, MPA has carried out the liberalisation of tug services in phases, with the aim of providing port users with reliable and value-for-money tug services, thereby enhancing the competitiveness of the Port of Singapore and maintaining our status as a world premier port.

Seeing the Big Picture: MPA of Singapore

THE mission of the Maritime and Port Authority of Singapore (MPA) is to develop and promote Singapore as a premier global hub port and an International Maritime Centre (IMC), and to safeguard Singapore's strategic maritime interests.

In order to achieve this, we have to see the big picture – the global arena in which Singapore plays.

With that big picture in mind, we are responsible for making sure that Singapore – in terms of its planning, its port status, its ship registry, its regulatory framework, its infrastructure, its training, and its international links – has all the components of a hub port and an IMC in place.

Master-planning

The MPA provides a vision for Singapore as an IMC and a hub port. This role has two aspects: planning and policy.

Planning – the MPA is charged with creating the blueprint for Singapore's physical development as a hub port.

Policy – the MPA formulates and promotes policies that will develop and strengthen Singapore's position as a hub port and an IMC, locally and internationally.

Hub Port Status

A regional hub port is created from a blend of natural advantage, the vision of man and careful implementation. Singapore's deep harbour, strategically located at the crossroads of important shipping routes, is nature's legacy. Over the years, we have built on this legacy through systematically installing the kind of infrastructure that has made us a focal point for some 400 shipping lines, with links to over 700 ports worldwide.

Singapore is now the busiest port in the world in terms of shipping tonnage, cargo tonnage and volume of bunkers sold. It is also the globe's second

largest port in terms of container throughput, registering 14.14 million TEUs in 1997. Singapore's terminals are fully automated including the latest at Pasir Panjang. Complementing this giant marine infrastructure is a seamless network of collateral logistics facilities such as distriparks, making the picture of a hub port complete.

Realising the importance of a safe hub port, we have installed the sophisticated radar-based Vessel Traffic Information System (VTIS) to ensure safety of navigation within the port and surrounding waters.

Expanding Registry

In the international maritime arena, the flag flown by a ship is important. A ship's flag indicates the standards to which it must adhere, and these standards are enforced by the ship's registry.

That the Singapore Registry of Ships should record the eighth largest merchant fleet in the world is no accident. In October 1997, we breached the 20 million gross tons (GT) mark, a feat which demonstrates the confidence and high regard that the international shipping community continues to place in us. An excellent safety record and attractive incentives are some of the benefits that our ships can enjoy.

Total Maritime Infrastructure

One essential component of an IMC is the quality and the comprehensiveness of the infrastructure that supports it, both hard and soft.

In terms of physical infrastructure, Singapore has state-of-the-art port and telecommunications facilities, and the critical mass of maritime industry amenities that an IMC needs, encompassing chandling, bunkering, shipbuilding, and ship repair. It also has the necessary ancillary support services such as shipping logistics, insurance and legal services.

In terms of soft infrastructure, Singapore has the stable government, pro-business environment, sound legal framework, skilled manpower and international web of industry links that an IMC depends on.

Accredited Training

An international maritime centre must have people educated and trained to international standards. For this reason it must possess training facilities that will meet its own manpower needs as well as those of the region, raising the level of professionalism in the maritime and port industries.

The National Maritime Academy (NMA), our training arm, conducts courses for all levels of marine personnel, including ship officers, harbour craft personnel and shipping executives. The NMA was one of the first maritime training institutions in this region to obtain ISO 9002:1994 certification, and its courses conform to the requirements of the 1978 Revised International Convention on the Standards of Training, Certification and Watchkeeping for Seafarers.

We work closely with the local shipping association, seafarers' unions and training institutions, such as the Singapore Polytechnic, to chart new directions for maritime and port training in Singapore.

International Presence

The protection of Singapore's long-term strategic maritime interests is one of our top priorities. Crucial to this founding role is our active representation on international bodies where we can help to shape matters affecting international shipping and maritime traffic.

Our strong and active participation in the International Maritime Organisation (IMO) has raised the profile of Singapore internationally, and our election to a third term on the IMO Council is a significant indication of our growing international stature.

(MPA's Annual Report 1997)

PSA Corp Enters Into 2nd Indian Port Venture

PSA Corporation has entered into its second port project in India by acquiring a significant stake in Pipavav Port in the Indian state of Gujarat. The port is privately owned by Gujarat Pipavav Port Limited (GPPL). PSA Corporation will acquire up to 40% equity of GPPL.

Pipavav Port, which currently handles bulk liquid, coal and gas cargo, as well as general break-bulk cargo, will be further developed into a full-fledged container terminal for main line container ships. PSA Corporation will provide planning, operations and management expertise for the container terminal.

The Shareholders' and the Sales and Purchase Agreements were signed on 1 August 98 by Mr Nikhil Gandhi, Managing Director of Gujarat Pipavav Port Limited and Mr Khoo Teng Chye,

Group President of PSA Corporation Limited. Commonwealth Development Corporation (CDC), which has a minority stake in GPPL, was also a signatory.

Said Mr Nikhil Gandhi, Managing Director, Gujarat Pipavav Port Limited, "Pipavav Port will develop its existing conventional facilities into a full container handling terminal. By partnering with PSA Corporation, the world's largest container terminal operator, we will achieve our vision of developing Pipavav Port as a major regional hub port for South Asia".

"Pipavav Port has a natural harbour with excellent deep water. It is well-placed to tap on the growth of the North West Indian hinterland. PSA will bring its expertise to Pipavav Port and offer to shipping lines the level of service that we are renowned for. With support from the Indian Government, the Gujarat Maritime Board and the shipping community, we are confident that Pipavav Port will become a premier port in India," said Mr Khoo Teng Chye, Group President, PSA Corporation Limited.

Pipavav Port, strategically located along the Saurashtra Coast of Gujarat, is also India's first private common-user port. The port has the potential to serve a wider hinterland beyond Gujarat state. When fully developed, Pipavav Port will attract cargo traffic by serving as a 'mother' port to the intermediate and minor ports in the region.

Pipavav Port has a quay length of about 1,200 metres and over 400 hectares of land available for the development of port and port related businesses. In the first phase of the redevelopment, the port will have a container wharf length of 600 metres equipped with 5 quay cranes. The converted container terminal will have an estimated handling capacity of 600,000 TEUs.

PSA's first port project in South Asia is the Tuticorin Container Terminal in the state of Tamil Nadu, India. PSA Corporation has a 30-year contract for the operations and maintenance of the container terminal. The development for the 370 metre quay-line container terminal will be completed in 1998.

VTE Achieves Record 'Turnaround' for COSCO

PSA Corporation's first European port project, Voltri Terminal Europa (VTE) Container Terminal, achieved a record perfor-

mance in the turnaround of a COSCO vessel, *MV Sea Empress*, on 27 July 1998 in Genoa, Italy. During *MV Sea Empress*'s stay, a total of 523 moves were handled in more than 5 hours achieving an impressive vessel rate of 103 moves per vessel hour.

This is the fastest vessel record set by VTE for COSCO since it introduced the North American Express Atlantic (NEA) Service. It is also the first time VTE has handled more than 100 moves per vessel hour since it first began operations in 1994. The previous vessel record set for the NEA service was at PSA's Dalian Container Terminal (DCT) in China with 98 moves per vessel hour.

Mr. Cirillo Orlandi, Managing Director, Voltri Terminal Europa, said, "We would like to thank COSCO, and COSCOS (Agency for COSCO) for their strong support and assistance in helping the VTE team achieve this record breaking performance. We've had a close working relationship with COSCO since the start of our operations in 1994. We are pleased to be able to facilitate COSCO's request to turnaround *MV Sea Empress* quickly and efficiently. As one of VTE's key customers, COSCO can be assured of our continued commitment to provide them with our best service."

Mr. Augusto Cosulich, Managing Director of COSCOS, said, "We are impressed with the terminal's performance and grateful that VTE continues to provide us with very efficient service that facilitates our FE-to-North America operations. VTE understood our exceptional operational needs for *MV Sea Empress* and facilitated speedy departure of the boxes. The early departure of *Sea Empress* has enabled her to catch up with its tight schedule and maintained fast connection of the import boxes to the next port."

VTE has seen strong growth of 16.4% from April to July this year, as compared to the year before, since the PSA team started working with their Italian counterparts on increasing operational efficiency and productivity. From handling a throughput of 60,000 containers in 1994, VTE's container throughput for 1997 reached more than 550,000 TEUs. The container throughput for 1998 is expected to be more than 700,000 TEUs.

Said Mr. Goon Kok Loon, Chairman of the Voltri Terminal Europa's Board of Directors, and President (International Business Division) of PSA Corporation Limited, "The outstanding performance at VTE is attributed to the tireless efforts and dedication of its employees in maintaining the high standards of operational efficiency and productivity

in the terminal. We are confident that PSA's involvement and support will further raise the maritime status of Genoa and realise our goal of making VTE into an international port of call".

Reliability No. 1 Factor In Hub Port Selection

SHIPPERS in India consider hub port reliability and efficiency to be the most important criteria in their selection of hub ports, a survey of 200 exporters, freight forwarders and shipping lines/agencies in India has shown. The survey was conducted by PSA Corporation during marketing seminars held in the four Indian cities of Madras, Bombay, Chennai and New Delhi from 28 Jun - 2 Jul 98.

The survey asked seminar participants from the four major Indian cities to rank, in terms of importance, eight criteria used in hub port selection: hub port charges, reliability of hub ports, efficiency of hub ports, feeder freight rates, frequency of feeder services, concentration of mainhaul services, services at hub ports and total transit time.

A majority 58 percent of Indian shippers ranked hub port reliability and efficiency as their most important criteria in hub port selection. Of the two, reliability was more important than efficiency, with a third of Indian shippers voting for the former and a quarter, for the latter.

Hub port charges ranked only third in the Indian shippers' list of most important criteria in hub port selection, with 12% of exporters citing it as an important factor in their choice of hub port. This was followed by the frequency of feeder services (11% of shippers), freight rates (10%), concentration of mainhaul services (8%), and total transit times (7%).

The findings explain the upward trend of Indian shippers transshipping at Singapore, which has seen a more than 20% increase in annual container traffic to and from India in the last five years.

Indian shippers are impressed with the greater efficiency and reliability of transshipping through Singapore's container terminals. For US-bound cargoes, Singapore offers the best transit times from Bombay/New Delhi to US West Coast (transshipping at Singapore) at competitive freight rates with a transit time of 23 days. PSA is also able to connect containers even when the time

window between the first and second carriers is a matter of hours, and sometimes even when the second carrier arrives before the first carrier.

The survey also reveals differing trends among shippers in different parts of India. While shippers in Calcutta, Madras and New Delhi rated efficiency and reliability as critical factors in hub port selection, for shippers in Bombay, it was freight rates.

Exporter Dr. Junaid Rasheed, from Iqra Traders Pte Ltd, who traditionally used Colombo as a transshipment hub, and who has now switched to Singapore, said, "I am impressed with the increased efficiency and reliability provided at PSA. There, I do not have to worry about any delays. I use Singapore as a transshipment hub because it provides value-for-money services."

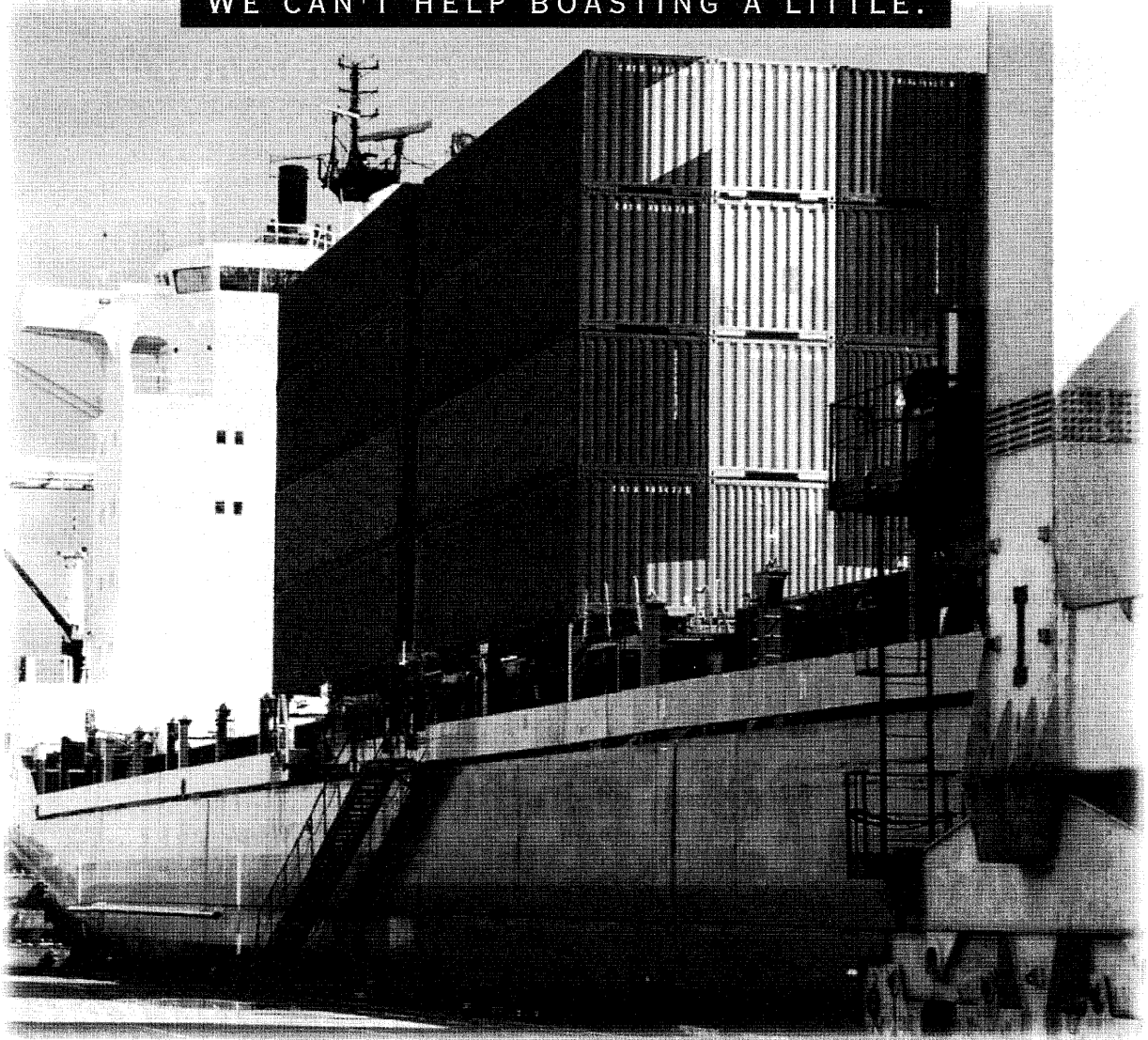
Mr. Anand R. Ladsariya, Director, Everest Flavours Ltd, a menthol exporter, said that he was very pleased with PSA's services, "Despite the fact that my cargo is sensitive to high temperature and requires special care at the yard, all my consignments of menthol have been delivered to my customers without damages."

S'pore: MPA to Revise Port Dues for Oil Rigs

WITH effect from 1 Sep 98, the Maritime and Port Authority of Singapore (MPA) will be revising the port dues for oil rigs in line with its aim of improving the competitiveness of the Port of Singapore. Oil rigs are generally classified into jack-up rigs, drill ships and semi-submersible rigs. Currently, jack-up rigs are charged the same port dues as other vessel types while drill ships pay twice the amount and semi-submersible rigs six times more. With the revision, all oil rigs will pay the same port dues as other vessel types. Drill ships and semi-submersible rigs will be able to enjoy substantial savings from the lower port dues.

The reduction in port dues will help boost Singapore's attractiveness as a ship-repair center through the expected increase in repair, refurbishment and upgrading works for oil rigs. This will in turn generate spin-offs for other sectors such as ship agencies, ship supplies and offshore supply activities.

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