

## IAPH Officers

(1999 - 2001)

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 Association of French  
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Secretary General  
**Satoshi Inoue**  
 IAPH Head Office  
 Tokyo  
 Japan

## Marseilles welcomes IAPH gathering

**T**HE Port of Marseilles is very pleased to be selected as the host for the mid-term Board meetings of IAPH.

Marseilles offers the legendary conviviality of its inhabitants, the charm of sunny Provence and the authenticity of 2,600 year-old history and international experience.

We are extremely honored to present this wealth to IAPH delegates visiting Marseilles for the mid-term Board meetings.

### Mr. Eric Brassart

Chief Executive Director  
 Port Authority of Marseilles



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# IAPH ANNOUNCEMENTS AND NEWS

## Jean Smagghe on "Officier" of the "Legion d'honneur"

THE Tokyo head office has recently learned from Mr. José Perrot of Le Havre, Chairman of the Communication and Networking Committee of IAPH, that Mr. Jean Smagghe, our immediate past president from France, was made an "Officier" of the "Legion d'honneur" in January 2000 by the French Government. Mr. Smagghe had already been decorated as a "Chevalier" of the "Legion d'honneur" in 1986 while he was serving as Director General of the Port of Le Havre. Since 1968, he has served as CEO of the ports of Bordeaux, Nantes - Saint Nazaire and Le Havre, and is still involved in port life as a member of the Board of the Port of Dunkirk while serving as Vice-President of the French Ports Association (UPACCIM).



Mr. Perrot says, "The order of the Legion d'honneur" was created by Napoleon. The "Officier" of the "Legion d'honneur" is one of the highest rankings and it is rather rare for people to be

awarded this honor."

Photo of Mr. Smagghe (right) was taken on March 7, 2000 at the UPACCIM office in Paris.

## IAPH Membership Directory 2000 sent to all members

THE 2000 edition of the IAPH Membership Directory has been completed by the head office and sent out to all members of the association as well as various international organizations and institutions with which IAPH has close working relations.

On the initiative of Secretary General Dr. Inoue, efforts have been made by the IAPH head office staff to make the new edition more user-friendly and a practical tool for all who wish to know the latest situation concerning the key people from among the IAPH regular and associate members from 85 countries as well as lists of the board and executive committee members, committees, groups of experts and liaison officers.

In his covering letter dated March 31, 2000, Dr. Inoue says, "For this year's edi-

tion we have introduced a completely new format which will facilitate our users' quick and easy access to the needed information, such as concerning personnel, respective members' e-mail addresses or profiles of them.

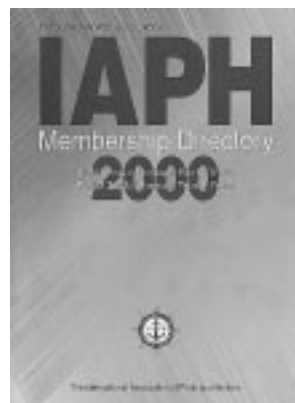
The 125-page publication includes a world map of the regular members, with the three regions of IAPH indicated with: ● for the African/European region, ▲ for the American region and ■ for the Asia/Oceania region. Another innovation consists of indices of members, in which regular members are alphabetically list-

ed by region and associate members by type of business.

The Secretary General notes that the rate of return of entry forms to the head office by regular members was 80%. He urges all members not to waste the once-a-year opportunity for them to publicize updated details of their organizations through the next and future editions of the directory, which has now become an essential reference source for people in port- and transport-related businesses in their professional activities.

Secretary General Inoue thanks those members who have generously contributed to this publication by running their advertisements in it.

The Tokyo head office will be pleased to send more copies of the directory to any members requiring them.



# Marseilles welcomes IAPH gathering

from May 12 to 18, 2000  
at Hotel Sofitel Marseille Vieux  
Port

In accordance with the decision made at the Kuala Lumpur Conference of IAPH, held in May 1999, the meetings of the board of directors, which used to be held in the conference year only, is now to take place also in the off-conference year as a mid-term meeting, starting with the coming meeting in Marseilles.

**The agenda will include:**

- Status report on the membership and finances by the chairmen of the respective committees
- Major activities since the Kuala Lumpur Conference
- Reports from the chairmen of the committees, the group of experts and liaison officers
- Considerations of the election for the executive committee to fill the two vacancies which exist in the African/European region
- Presentation by the host for the 22nd World Ports Conference in Montreal in May 2001 on the state of preparations: decision on the registration fees, outline of the program and plans for securing the speakers
- Presentation by the host for the 23rd World Ports Conference in Durban in 2003 on the state of preparations; other information
- Situation concerning the candidate(s) for the 24th World Ports Conference in the Asia/Oceania region in 2005
- Future biennial conferences
- A calendar of IAPH events and those to be sponsored by IAPH
- Issues stemming from the regional board meetings

An updated program of the meetings and the rooms allocated are listed as follows.

Provisional program with a rooming plan  
(updated on April 11, 2000)

	Room	Hotel
Friday, May 12, 2000		
Delegates arrive		
0900/1600 Trade Facilitation Committee (tentative)	Levant 1	Sofitel
Saturday, May 13, 2000		
Delegates arrive		
Sunday, May 14, 2000		
Delegates arrive		
1000/1230 Communication & Networking Committee	To be notified	
1400/1700 Legal Protection Committee	Levant 1	Sofitel
1400/1700 Port Safety & Environment and Marine Operations Committee together with the Dredging Task Force (first session)	Levant 2	Sofitel
1400/1700 Port Planning and Construction Committee	Friou I	Novotel
1500/1700 Officers' Meeting	Tiboulin	Novotel
1900 Buffet reception hosted by the IAPH President		
Monday, May 15, 2000		
0830/0900 Constitution & By-Laws Committee, Legal Counselors	Levant 1	Sofitel
0900/1200 Ship Trends Committee	Levant 2	Sofitel
0900/1200 Port Safety & Environment and Marine Operations Committee together with the Dredging Task Force (second session)	Tiboulin	Novotel
0900/1200 Cargo Operations Committee	Levant 1	Sofitel
0900/1030 Joint meeting of the Membership and Finance Committees	Catalan	Novotel
1030/1045 Coffee Break		
1045/1215 Long Range Planning/Review Committee	Catalan	Novotel
1215/1400 Business lunch (delegates only)	Pinque + Felouque	Sofitel
1400/1630 Combined Transport & Distribution Committee	Levant 2	Sofitel
1400/1500 Communication and Networking Committee	Levant 1	Sofitel
1500/1515 Coffee Break		
1515/1630 IAPH/IMO Interface Group	Catalan	Novotel
1630/1700 Meetings of vice presidents responsible for 3 groups of committees	1st V/P: Levant 1 2nd V/P: Tiboulin 3rd V/P: Catalan	Sofitel Novotel Novotel
1900 Welcome reception by the Port of Marseilles at Sofitel Hotel (All invited)	Pinque + Felouque Pinque + Felouque	Sofitel Sofitel
Tuesday, May 16, 2000 - <b>BOARD DAY 1</b>		
0830/0900 Officers' Morning Meeting	Tiboulin	Novotel
0900/1030 BOARD Meeting	Pharo	Novotel
1030/1045 Coffee Break		
1045/1200 BOARD Meeting	Pharo	Novotel
1200/1400 Business lunch (delegates only) hosted by the Conseil Regional Provence Alpes Cote d'Azur at Sofitel Hotel.	Phoceens	Novotel
1400/1530 BOARD Meeting	Pharo	Novotel
1530/1545 Coffee Break		
1545/1700 Regional Board Meeting of "African/European" Region (AE), "American" Region (AM), and "Asia/Oceania" Region (AO)	AE: Catalan AM: Frioul AO: Pharo	Novotel Novotel Novotel
Evening Free		
Wednesday, May 17, 2000 - <b>BOARD DAY 2</b>		
0830/0900 Officers' Morning Meeting	Tiboulin	Novotel
0900/1030 BOARD Meeting		
0900/1030 BOARD Meeting	Pharo	Novotel
1030/1045 Coffee Break		
1045/1200 BOARD Meeting	Pharo	Novotel
1200/1400 Lunch (delegates only)	Phoceens	Novotel
1400/1530 BOARD Meeting	Pharo	Novotel
1530/1545 Coffee Break		
1545/1700 BOARD Meeting	Pharo	Novotel
1900 Dinner hosted by the Chamber of Commerce at Palais de la Bourse (All invited)		
Thursday, May 18, 2000 - <b>BOARD DAY 3</b>		
0900/1000 Presentation by PAM	Pharo	Novotel
1000/1130 Technical visit to the Port by boat (All invited)		
1130/1700 Observation tour of the city (lunch served)		

**Host's Agency: Rial Evénements.**  
Attn: Ms. Valérie Miron  
7, rue Alfred Curtel, 13010 Marseilles, France  
Tel: 33-4-9178-2020 Fax: 33-4-9178-7800  
E-mail: rial-event@pacwan.fr

**HOTEL SOFITEL MARSEILLE VIEUX PORT (and Novotel)**  
36 Boulevard de Livon 13284 Marseille Cedex 07  
Tel: 33 4 9115 5900 Fax: 33 4 9115 5950  
E-mail: HO542@accor-hotels.com  
Booking Office: Fax: 33-4-9115-5955

# IAPH takes part in SingaPort 2000

SingaPort 2000, a maritime exhibition and conference, took place from 29 to 31 March 2000 in Singapore. This biennial event, which was being held for the sixth time, was jointly organized by PSA Exhibitions Pte Ltd, a wholly-owned subsidiary of PSA Corporation and its professional partners. The theme of the conference this year was "Challenges in the dot.com era" for the maritime industry. At the opening ceremony, Mr. Yeo Cheow Tong, Minister for Communications and

Information Technology, announced that the event was to be renamed "Asia Pacific Maritime" from the next occasion and unveiled its new logo.



From left to right; Mr. Yeo Cheow Tong, Minister for Communications & Information Technology, Mr. Goh Chok Tong, Prime Minister, Singapore and Dr. Yeo Ning Hong, Chairman, PSA Corporation



Official opening of SingaPort 2000 Conference & Exhibitions March 29, 2000

From left to right: Rear-Admiral Somartono, Special Senior Staff for Minister of Communications, Indonesia; Pak Sumardi, President/Director PELINDO III, Indonesia; Dr Yeo Ning Hong, Chairman, PSA Corporation; Pak Suprihat, Technical Director, PELINDO II, Indonesia II; Dr Satoshi Inoue, Secretary General, IAPH



IAPH President Mr. Dominic J. Taddeo, President and CEO of Montreal Port Authority, delivering a paper entitled "Port and line businesses are fast becoming 'commoditized.' How to achieve a comprehensive edge in the McDonald's approach to business?"

Representing IAPH as one of the supporting organizations, President Mr. Dominic J. Taddeo was invited to the event as a speaker, panelist and session chairman, and Secretary General Dr. Satoshi Inoue as session chairman. Also invited to give a presentation was Dr. Hans Ludwig Beth from the Port of Hamburg and Chair of IAPH Combined Transport and Distribution Committee. Among other speakers, Mr. Gary Crook, Economic Affairs Officer, Transport Section, UNCTAD, and Mr. Marc H. Juhel, Senior Port Specialist, the World Bank, also made presentations. (Mr. Crook's paper is reproduced with his permission on page 11 of this issue.)

This year's SingaPort exhibition is the largest since the inaugural event in 1990. The participating countries have significantly increased from 25 in 1998 to 39 this year, with some 450 companies and organizations represented.

In parallel with SingaPort 2000, PSA Corporation's Pasir Panjang Terminal was officially opened by Prime Minister Mr. Goh Chok Tong. Among those witnessing the event were many diplomats, CEOs of leading carriers and heads of the world's major ports and port-related representatives. (For details of the newly opened terminal, see page 40)

## IAPH Leaflet, Constitution and By-Laws revised

FOLLOWING the Kuala Lumpur Conference held in Malaysia in May 1999, where a number of changes in the organizational set-up and the composition of the executive committee were resolved in accordance with the recommendation of the Special Task Force IAPH 2000, the Tokyo head office prepared a leaflet concerning IAPH for dissemination to its members and for use in the membership campaign which has

been pursued by the officers, the executive committee members and moreover by the Membership Committee chaired by Datin O.C. Phang, General Manager and Chief Executive, Port Klang Authority. After use of the 1999 version of the leaflet on various occasions, such as the Indian International Maritime EXPO '99 held in Goa in October and the ASEAN Ports Association held in Bali late last year, the head office has prepared an

updated version of the leaflet, in which a profile of today's IAPH is presented in a simple yet eye-catching format.

The Tokyo head office has arranged for all IAPH members to receive a copy of the newly completed leaflet in the hope of providing IAPH members with a compact leaflet containing updates on IAPH and the benefits of being a member of this unique organization of the world ports.

Also distributed to all members from Tokyo was a copy of the revised version of the Constitution and By-Laws of IAPH.

## Tokyo appeals to IAPH members to advertize in the IAPH journal

SECRETARY General, Dr. Inoue, in his recent letter addressed to all members of IAPH, made an appeal for their support of "Ports and Harbors" in the form of advertisement in the journal. The campaign letter begins with the words, "*By promoting globally your ports, products and services, you can help sustain the IAPH journal.*"

The Secretary General continues, "The IAPH journal **Ports and Harbors** is now into Vol. 45, reflecting the age of the association itself. For nearly half a century, our journal has been the main medium for IAPH members as well as the world maritime community to dis-

seminate and exchange their views and information on wide-ranging critical issues." He thanks everyone for their cooperation and support over the years, without which our house magazine could not have achieved such long-lasting success.

"Advertising in our journal," the Secretary General says, "is a very effective means of promoting your ports, your products and your services in the global market. By so doing, you can at the same time contribute financially to the sustenance of **Ports and Harbors.**" "In short, revenues from advertisements are crucial in helping us to continue publishing the journal on a regular

basis."

All the members have been asked by Dr. Inoue not only to run their own advertisements but also to invite their suppliers, contractors and consultants, shippers and carriers as well as other port-related industries to place their orders for advertisement in our journal.

Placing an order is very simple. You can click the homepage of IAPH to see all about the journal and ad rates-table as well as the membership discount system. Alternatively, ask for more information through the Tokyo head office, which can be contacted via:

### The IAPH Head Office

5F North Tower New Pier Takeshiba, 1-11-1  
Kaigan, Minato-ku, Tokyo 105-0022, Japan  
Tel: +81-3-5403-2770  
Fax: +81-3-5403-7651  
E-mail: [iaph@msn.com](mailto:iaph@msn.com)  
Website: <http://www/iaph.or>

## Meeting of Committee on Port Safety, Environment and Marine Operations Singapore, January 17, 2000

By *Peter van der Kluit*  
IAPH European Representative

THANKS to the valuable support and assistance from the Maritime and Port Authority of Singapore, it was possible to hold a successful meeting of the committee just prior to the VTS2000 Symposium, which took place from January 18 to 21. As a gesture to the participants, the organisers of the VTS Symposium had offered a substantial reduction in fee to the members of IAPH who attended both the committee meeting as well as the VTS Symposium. This was apparently an offer that could not be refused by quite a number of people.

The committee meeting was attended by 14 people, who are listed in the appendix to this article.

In a good spirit a large number of issues were discussed, some at considerable length. Readers of "Ports and Harbors" who wish to familiarise themselves with the details of the discussions are advised to visit the IAPH website, where the full text of the minutes will be reproduced.

In the following paragraphs, the main

issues discussed during the meeting are summarized.

### Environmental Management Framework for Ports and Related Industries

A document with the above title has been published by PIANC's Permanent Environment commission (PEC). The committee considers this to be an important document that should be promoted. To this end it is suggested that an introductory leaflet be produced in which the contents of the publication will be highlighted in simple terms. This suggestion will be communicated to PIANC-PEC. In the meantime, a discussion on the subject has taken place and work is under way.

### Port Certification

The subject of the certification of ports in an ISM-like approach is of growing interest. In the press there are regular reports of ports obtaining ISO certificates. The shipping industry, being constantly under pressure for improving quality, is now asking ports for quantified evidence of their quality. Other sources support the idea of the

development of a globally applicable port safety code.

The committee agreed that these signals should not be ignored and that action on behalf of the ports is called for. It was further agreed that a first draft paper would be prepared for the committee meeting in Marseilles in May of this year. It was felt essential that the ports' customers, the shipping industry, could become involved in the project, which should result in guidance for ports in their self-assessment of the quality of their services.

### Container Top Safety

The committee discussed information about unsafe situations in ports where shore personnel have to work on containers stacked on ships' decks in order to apply or remove stacking cones. In the meantime, a number of countries have outlawed work on top of containers, which has led to the introduction of semi-automatic twistlocks. Since there are no uniform construction regulations for these twistlocks, operational mistakes take place, sometimes resulting in unsafe situations. A Seminar to address this issue was to take place in Rotterdam in February, and the results of the seminar will be reported to the committee meeting in Marseilles.

### Education and Training

This important issue was discussed based on activities in IMO, notably education and training for port marine per-

sonnel and shore based personnel involved in the handling of dangerous goods. ICHCA has announced that it will suggest that IMO and ILO collaborate on the latter subject. Unfortunately, a submission to that effect to IMO's DSC (Dangerous Goods, Solid Cargoes and Containers) Committee in February could not be discussed due to lack of time. A similar submission will now be presented at the forthcoming meeting of the Marine Safety Committee (MSC) in May.

The education and training of port marine personnel, which was an item on the agenda of the Ship/Port Interface Group, has since been removed from the agenda by the Marine Environment Protection Committee during its session in March.

### Ballast Water Management

The committee discussed the situation that has evolved following the deferral of a diplomatic conference to establish a legally binding instrument. This conference, which was planned for 2001, has now been postponed by at least two years. Australia has now announced that compulsory ballast water regulations will be in force as of 2001. These regulations are in line with the existing ballast water guidelines from IMO. The committee agrees that ports should be advised to contact their respective governments with the request to follow the IMO guidelines, should they contemplate issuing unilateral national regulations regarding ballast water.

### Tributyltin (TBT) paint

The committee discussed the developments in IMO regarding the planned total ban on the use of TBT-based paints on ships' hulls. A legally binding instrument will be established at a diplomatic conference in 2001. This would ban the application of TBT paints as of 2003 and its presence on ships' hulls as of 2008. In spite of claims from paint manufacturers that cost effective alternatives are unavailable, there remains scepticism as to whether this is indeed the case, and there are rumours that there may be a delay in the introduction of the total ban.

### Pilotage pre-planning

The committee discussed a submission of a number of shipping organisations to IMO's sub-committee on Standards of Training and Watchkeeping (STW) in January. In this submission the exchange of information between ship and shore is recommend-

ed as early as 24 hours before the arrival of the ship at the pilot station.

Discussions took place with IALA, IMPA and IHMA, who shared the view that this information exchange should start as soon as the pilot has boarded the ship. IMPA agreed that it would represent the IAPH views at the meeting of STW. The committee was informed that the proposal of the shipping organisations had not been adopted by STW.

### Committee Chairmanship

The committee was informed that the chairman could no longer combine the chairmanship with his job as the IAPH representative in Europe and liaison officer with IMO. A successor was proposed in the person of Mr. Fer van de Laar from the Port of Amsterdam. The committee endorsed his appointment, which has been formally approved by President Taddeo.

After words of thanks to colleagues from the Maritime and Port Authority of Singapore for their help in organising the meeting, the proceedings were closed.

### List of participants

1. **P. Struijs**  
*Port of Rotterdam, The Netherlands*
2. **F.M.J. van de Laar**  
*Port of Amsterdam, The Netherlands*
3. **M.C. Tsang**  
*Hong Kong Marine Department, China*
4. **C.Y. Tsang**  
*Hong Kong Marine Department, China*
5. **K.M. Lee**  
*Hong Kong Marine Department, China*
6. **D. Cooke**  
*Portnet, South Africa*
7. **R. Naicker**  
*Portnet, South Africa*
8. **M. Alfonso (Ms)**  
*Intertanko, Singapore*
9. **T. Kruuse**  
*IALA*
10. **M. Pouliot**  
*IMPA*
11. **H.J. Roos**  
*IHMA, Port of Bremen, Germany*
12. **J. Maat**  
*HMA, Port of Dordrecht, The Netherlands*
13. **J. Hirst (Vice Chair)**  
*AAPMA, Australia*
14. **P.C. van der Kluit (Chair) IAPH,**  
*The Netherlands*

## *PIANC invites input from IAPH experts to develop guidelines for wetland restoration*

**M**R. Peter van der Kluit, IAPH European Representative in Rotterdam, recently attended the first meeting of PIANC's Working Group 7 held in Brussels. According to our representative, the meeting was to reach an agreement on the objectives and terms of reference for the group. Through the IAPH representative, the PIANC meeting expressed the strong wish that any interested members in the work of the group be invited and that such volunteers come forward. Mr. van der Kluit has prepared a note on the meeting, which is given here.

### *First Meeting of PIANC Working Group 7*

The group recognizes growing requirements for ports and harbors to consider and undertake wetland restoration schemes, often for the purpose of mitigating and compensating for the proposed developments. The practical guidance documents being developed by the working group will be of value to port managers, operators and engineers faced with the problems associated with the creation and restoration of both salt and freshwater wetlands.

One action arising from the meeting was to identify relevant contacts to act

as corresponding group members. These corresponding members of the working group will be able to contribute to and comment on the development of the technical guidance manual on wetland restoration and will be given recognition in the document for doing so. We are keen to ensure that the membership of the group is internationally representative. We are in the process of identifying representatives from developing countries.

Any IAPH member with experience or interest in wetland restoration who may wish to be a corresponding member of the working group and to forward information or comments and input, the IAPH representative in Europe will appreciate hearing of such interest, which should be communicated to:

Peter van der Kluit,  
IAH European Representative  
*c/o MarineSafety Rotterdam (MSR)*  
*Wilhelminakade 701, 3072 AP*  
*Rotterdam, P.O. Box 51290, 3007 GG*  
*Rotterdam, The Netherlands*  
*Tel: 31-10-486-6654 Fax: 31-10-484-6071*  
*E-mail: pvdkluit@marinesafety.nl*

# Safe container shipping

P.C. van der Kluit

IAPH Representative in Europe

O.C. Rosier

National Ports Council in the Netherlands

A considerable part of the containers carried across the seas is stowed on the decks of container ships—on some vessels as much as seven tiers high. This cargo needs to be secured properly to ensure the safety of crew, vessel, cargo and marine environment. Recent accidents highlight this necessity. Related to this is the safety of the employees securing freight containers on the decks of container ships when these are handled in ports. On most container ships, containers are secured on the decks using lashing rods, bridge fittings and twistlocks. Prior to unloading, the lashing rods (securing the containers diagonally) are removed. Also prior to unloading the twistlocks (securing the containers vertically) are unlocked. During unloading, the bridge fittings (securing the containers horizontally) and twistlocks are removed. During loading this procedure is performed the other way round. The employees involved are exposed to huge moving container handling machines and the loads they carry, falling securing devices and the danger of falling from a height themselves. Imagine—those men and women do their jobs in an environment of containerstacks like high-rise buildings, which appear and disappear in a matter of hours, day and night, rain or shine.

Health and safety during the unloading and loading of container ships are the subject of discussion in the National Ports Council (NPC) in the Netherlands. Of prime concern is the safety of dockworkers. Related problems are the enforcement of relevant European and national legislation and the creation of a level playing field to ensure free and fair competition among European ports and European container stevedores.

Obviously a national approach will not do to solve these problems; the container business is a global business. That is why the NPC has chosen an international approach, starting with a campaign to bring about recognition of the problems and to spread information about relevant legislation and possible solutions. As a part of that campaign the NPC organised the symposium "Securing of freight containers on the decks of container ships" on February 16th 2000 in Rotterdam.

More than a hundred people from

twelve countries attended, representing shipowners, ship designers, stevedores, dockworkers, port authorities and national authorities responsible for occupational health and safety. Seven lecturers have paved the way for the discussion that is summarised below:

1. Awareness of risks is a "*conditio sine qua non*" to ensure safety. The risks to crew, vessel, cargo and environment related to the transportation of containers on the decks of ships as well as the risks to dockworkers unloading containers from and loading containers on the decks of ships are recognized.
2. Existing EU legislation on occupational health and safety generally favours an approach that aims at taking away the cause of a risk. If such an approach is not feasible, collective safety measures are to be taken. Individual safety measures are only temporarily accepted.
3. It is felt that this EU legislation on occupational health and safety is adequate to create safe working conditions in ports in general and also in container stevedoring. Additional legislation does not seem to be required.
4. The EU legislation on occupational health and safety ought to be enforced in a uniform manner in the ports of all EU member states. The EU Senior Labour Inspectors Committee (SLIC) could play an important role in this respect. Through co-operation stevedores, dockworkers and local enforcement agencies could establish the best way to comply with EU legislation on occupational health and safety, taking into account specific conditions.
5. There are many different types of twistlocks, with different characteristics in terms of endurance, reliability, appearance and means of operation. Some vessels are equipped with different types of twistlocks, leading to confusion and consequently unsafe situations. Further standardisation of twistlocks will contribute to the reduction of risk during unloading and loading.
6. There are no simple general solutions. Open hatch container vessels with overhead cellguides presumably offer the best conditions for safe unloading and loading as well as safe carriage across the seas. The cellguides make lashing rods, twistlocks and bridge fit-

tings redundant. However, today only a limited number of this type of vessel is employed. It will take tens of years to change this situation substantially.

7. Meanwhile, the replacement of conventional twistlocks by semi automatic twistlocks (SATLs) could in a number of situations solve part of the problem. During the unloading of a container, conventional twistlocks are left behind in the top cornercastings of the container below. These twistlocks must be removed before this container may be unloaded. SATLs remain attached to the bottom cornercastings of a container being unloaded. By using SATLs the so-called "coning and deconing" may take place on the quay, thus eliminating the risk of falling from a height. And by "coning and deconing" on the quay outside the crane cycle, crane productivity may be improved. But the use of SATLs brings about a number of operational problems (particularly on smaller container ships) and other risks (twistlocks falling during unloading).
8. In a number of ports throughout the world vessels flying the Green Award flag enjoy certain benefits. These encourage the owners to comply with the Green Award requirements. The Green Award is voluntary scheme. A Green Award exists for tankers and is being developed for bulk carriers. It was proposed to investigate whether a Green Award for container ships could contribute to safe unloading and loading as well as safe carriage across the seas.
9. The NPC working group that prepared the symposium "Securing of freight containers on the decks of container ships" will continue to monitor relevant developments and stimulate international dialog on this matter.

Since container transport is a global business involving many different interests in all maritime nations around the world, only by an international multi-disciplinary approach can the problems described above may be solved. Unanimous views about the risks and widespread knowledge about possible solutions are required. The authors would like to know your opinion. Please let us know.

1. The NPC is an independant advisory board in which national authorities, ports authorities and the ports' industry (both employers and employees) are represented. It reports on request or of its own accord to all its members on all port-related matters.

2. Copies of the symposium report may be obtained from: Nationale Havenraad, mr O.C. Rosier, PO Box 20903, 2500 EX Den Haag, The Netherlands (phone: +31 70 351 76 59; fax: +31 70 351 76 00; email: otto.rosier@nhr.cend.minvenw.nl)

## IMO Report

## IMO Sub-Committee on Dangerous Goods, Solid Cargoes and Containers (DSC 5)

London, February 7-11, 2000

DSC 5 was attended by delegations from 50 member states, one associate member, one United Nations Agency, observers from two intergovernmental organizations and observers from 20 non-governmental organizations, including IAPH.

The meeting was chaired by Mr. Jong-Hae Choi of the Republic of Korea, except for the section related to the amendment of the IMDG Code that was chaired by the Chairman of the Working Group on that issue, Mr. Van Lancker of Belgium.

The agenda contained a number of issues that may be of interest to IAPH members and these are summarized in the following paragraphs. Readers wishing to read the proceedings of DSC 5 in detail are invited to take note of the official report of DSC 5 that is available from IMO as document DSC 5/13.

A matter relevant to the amendment of the IMDG Code referred to the carriage of calcium hypochlorite in view of a number of reported accidents with this product. DSC was urged to review the IMDG classification and transport regulations for this product. Calcium hypochlorite is a substance that is used for purification of drinking water and as such it is important for countries in the

developing world.

Lengthy discussions took place under the chairmanship of Mr. Van Lancker on the basis of numerous submissions that had been received.

It was finally decided not to change the classification of the substance but to develop specific guidance. The best medium to do so would be an MSC circular that would also stress the importance of adherence to the IMDG regulations such as proper stowage, away from any heat. Also the negative influence of impurities would be addressed.

Another subject that was discussed in detail referred to the transportation of dangerous goods by high speed craft. A proposal to ban this was not endorsed and any decision was deferred to DSC 6 pending receipt of views from member states on this matter.

The meeting discussed a proposal to require mandatory stowage declaration for nondangerous substances. The proposal was not endorsed, one of the reasons being that this would lead to unacceptable amounts of paperwork for ships' crews.

The meeting agreed to continue the work on a new Code of Safe Practice for Cargo Stowage and Securing (CSS) with the aim to finalize this in 2002.

The delegation of the Netherlands submitted a paper drawing attention to the subject of container top safety and the Dutch National Ports Council Seminar on this subject on February 16, in Rotterdam. The proposal to bring this issue to the attention of the working group on the Ship/Port Interface (SPI) was not endorsed, pending receipt from member states of more specific information on this subject.

The Marine Safety Committee (MSC) of IMO asked DSC to advise which parts of the IMDG Code would be unsuitable for mandatory status in the event MSC would decide to make the Code mandatory. After lengthy discussions a proposal by the Editorial and Technical Group as contained in their report DSC 5/3 was endorsed.

The discussion on the implementation of the IMDG Code for shore side personnel, that already started at the previous DSC meeting, prompted ICHCA to submit a paper inviting IMO to collaborate with ILO on this matter. Unfortunately, due to lack of time, the discussion on this issue was deferred to the next meeting of DSC, next year. ICHCA is now considering to submit the proposal directly to the next meeting of the Maritime Safety Committee (MSC 72) in May of this year. IAPH, being involved in the discussions on this issue, supports the ICHCA proposal, not least because IAPH has just received formal observer status with ILO.

*P.C. van der Kluit  
IAPH Liaison Officer with IMO  
(Rotterdam, 21 February)*

**CORRECTION:** In the article announcing the change in the chairmanship of the Port Safety and Environment Committee from Mr. Peter van der Kluit to Mr. van de Laar appearing on page 6 of the last issue, it was indicated that Mr. van der Kluit was to remain as Vice Chairman. However, this was not correct. **The Vice Chairman is Mr. John Hirst, Executive Director, The Association of Australian Ports and Marine Authorities Incorporated (AAPMA), Sydney.** Mr. van der Kluit confirms that he will attend future meetings of the Committee.

*The IAPH Head Office*

## Launch of Tokyo News Service's Website

Tokyo News Service, Ltd. has posted its website "S&TN OnLine" on the Internet. Provided on this homepage for easy reference are liner shipping schedules and related data extracted from Shipping and Trade News and Sea Sprite.

With use of the website initially being offered free of charge, we would like to invite you to sign up to access the latest updates on the homepage by first entering the information requested on the registration page.



**URL: <http://www.tokyonews.co.jp/marine>**

**Information posted:** 1. Sailing schedules a. Liner shipping schedules (export/import) to and from Japan b. Liner schedules (export) from Asian countries other than Japan c. Feeder schedules to and from Singapore  
2. Ship details 3. Telephone and fax numbers of shipping firms and agents 4. Surcharges 5. News (in preparation)

**Tokyo News Service, Ltd.**





# IAPH Award Scheme - Essay Contest

# 2000/2001

" My suggestions for the three changes required to improve  
the quality of service in my port"  
Your answer could win you the Akiyama Prize, a silver medal and US\$2,000 in cash  
plus  
an invitation, including traveling costs and hotel accommodation, to attend the  
22nd World Ports Conference of IAPH, 19-26 May 2001, in Montreal, Canada !

IAPH invites entries for its 2000/2001 award scheme from those working at all levels in IAPH member ports/organizations in developing countries. The scheme seeks to generate new ideas through the essay contest, which has been held biennially since 1979.

## Conditions for Entry to the Essay Contest 2000/2001

1. Essays should be written in English, French or Spanish, and submitted to the Secretary General, the International Association of Ports and Harbors, 5F, North Tower New Pier Takeshiba, 1-11-1 Kaigan, Minato-ku, Tokyo 105-0022, Japan. Hand-written ones are not to be accepted.
2. The suggestions to be made should focus on Cargo Operations Procedures, Maintenance of Cargo Handling Equipment, and Computerisation of Financial Management System. The cost and benefits of each suggestion have to be quantified, with an implementation schedule drawn and solutions to overcome implementation problems identified.
3. Entries should be made by individuals employed by IAPH members, and should be the original work of the entrant. Those which are the result of official studies or otherwise sponsored projects will not be eligible.
  - Entry texts should not exceed 20 pages excluding a reasonable number of appendices containing tables, graphs or drawings.
  - The paper size must be A4 (21.0 x 29.7 cm).
  - Regardless of language used (English, French or Spanish), the entry paper must be accompanied by a brief summary in English.
  - Three (3) copies of the entry paper should be submitted to the IAPH Head Office at the above address.
4. Entries will be judged by a panel of experts appointed by the Chairman of the Committee on Human Resources (formerly called CIPD). The panel will give greater merit to papers identifying and evaluating specific improvements than to entries covering a wide range of improvements in general terms.
5. The First Prize for the winning entry will consist of:
  - The Akiyama Prize (a silver medal plus US\$2,000 or the equivalent in local currency); and
  - An invitation, including traveling costs and hotel accommodation, to attend the 22nd World Ports Conference of IAPH, to be held from 19-26 May 2001 in Montreal, Canada.
6. In addition to the First Prize, Second, Third and Fourth Prizes of US\$500, US\$400, US\$300 will be awarded to the next best entries.
7. Additional prizes of US\$100 each will be awarded to any other entries judged by the panel to be of a sufficiently high standard.
8. A summary of winning entry may be eligible for publication in the "Ports and Harbors" magazine.
9. At the decision of the panel, a bursary may be awarded to any one prize winner (subject to agreement of the employer).
10. The closing date for receipt of entries is 30 September 2000.

## Abstract

**T**HE Asian recovery has been almost as rapid as was the decline with the growth rates of many countries in the region rebounding after the lows experienced during 1998. With the globalization of manufacturing and continuing FDI a growing portion of manufacturing has been shifted to this region. The Japanese Government's series of stimulus packages for its economy has begun to produce some results with economic growth slowly starting to improve. Latin America has still not moved to positive growth in a number of countries. Regardless of the civil strife in many African countries, the continent has experienced some of the highest rates of economic growth. Spurred on by the American economy, the long boom looks like it will continue over the next ten years which will result in a growing demand for transport services for the trade in goods. At the same time there will be continuing pressure to reduce costs. Electronic commerce is basically about reducing transaction costs by providing around the clock services and replacing costly paper documentation by electronic means. The majority of electronic commerce in the future will be between businesses that will then look to the most effective method to move the goods from the seller to the buyer. In the majority of cases, this will be by using maritime transport and most often with containers. There will be continuing pressure to lower prices and there will continue to be consolidation of the service providers on the major routes. Investments will continue to be needed to handle the growth in trade and at the same time to improve efficiency. The levels of tariffs are so low that in many cases they are only covering the operating costs and not the capital costs of the providers of transport services. In the long run either costs have to be further reduced and / or tariff levels increased. Information technology promises some cost saving and more efficient use of assets but new partnerships with shippers are required that offer more value-added services linked to increased revenue to the transport operator. Finally a mixture of methods for funding terminal development will be required and port

## Asia in Recovery Where is the Industry Heading?

(Presentation made at SingaPort 2000 Conference held on 29 March 2000 in Singapore)



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authorities will have an important role to play in coordinating port development.

### Introduction

At the beginning of the millennium it is a time for reflecting on what has occurred in the port industry in the past and attempting to foresee what will happen in the next decade. The port industry depends on international

trade, and at this point in time it would seem safe to forecast that trade and particularly seaborne trade will continue to grow but at the present rate rather than the rate before the crisis. In 1998, world trade in commercial goods, in volume terms, grew 3.7 per cent and world seaborne trade was over 5 billion metric tons. In comparison, airfreight accounted for some 26 million tons. As manufactured goods now represent over 75 per cent of trade in value terms, container traffic will also continue to grow. Global throughput of 188 million TEUs in 1998 is expected to grow to between 417 and 491 million TEUs by 2012 with the greatest growth being in Asia. Considering the initial fears of declining trade as a result of the Asian crisis this is good news; the bad news is that pressures to reduce tariffs of both shipping lines and terminals will grow stronger as will demands for better service. The type of first class service that shipping lines are looking for was quantified by one of the speakers at the Terminal Operators Conference held in Dubai in 1998; competitive rates -- \$US40 per move and a minimum of 50 moves per hour per gantry. Considerable investment will be required in parallel with steps to cut terminals handling costs. To survive terminal operators will need to be more efficient by using their infrastructure more intensively and also be more proactive in looking for new services to offer in order to generate additional revenue. Public-private partnerships would seem to be the most viable solution to allow port authorities and terminal operators to facilitate world trade.

### The Asian Crisis and Recovery

There can be little doubt that the financial crisis that started in Asia in mid-1997 has had serious consequences for regional growth in East and South East Asia. Equally, it has adversely affected trade and transport not only in the region, but also globally. When the crisis started two years ago in Bangkok, it was considered as a Thai crisis; then a Malaysian, an Indonesian and a South Korean one. But it then became a Russian, a Brazilian, and a South American crisis. In fact, with two notable exceptions, China and South

Asia, it struck practically all developing countries to differing extents. Its negative impact was practically confined to the developing world. The United States and Europe benefited through declines in commodity prices and in the reduced prices of imported manufactured goods from Asia, with the consequent gains in terms of trade, with the influx of flight capital and with the cumulative effects of all these factors to hold inflation down. The paradoxical aspect was that the crisis hit with particular intensity not the least, but the most advanced, among the developing countries. By far, the worse hit were those that were the most integrated in the international global economy, in its financial and trade dimensions: Thailand, Malaysia, Indonesia, Philippines and South Korea. These countries were forced to sharply cut down on imports by almost one-third, Japan reduced its imports by 10 per cent, and trade growth collapsed from almost 10 per cent in 1997 to about 3.7 per cent in 1998. Later it was the turn of the Russian Federation and later still, some of the most advanced and integrated South American economies like Brazil.

At present there is a common perception that, for all practical purposes the crisis is over. In terms of economic growth rates and exchange rates this is true, however, unemployment figures in many of the countries affected are still much higher than at the start of the crisis and the gap in income distribution has widened. Beyond the direct impact of the crisis, the world continues to present macroeconomic imbalances of great magnitude among the three largest economies, with Japan and Europe posting surpluses around US\$120 billion each in 1998 and the United States a deficit of US\$250 billion. In 1999, the surpluses were US\$124 billion in Japan and US\$64 billion in Japan and Europe, and in the United States the deficit reached US\$347 billion – a new high. The US economy has become in practice the major source of global import demand, absorbing a great deal of other countries' exports. Let us examine how economic growth and trade have been affected by the crisis.

World output growth (measured in terms of GDP) fell to 2.0 per cent in 1998 and the slowdown affected almost all regions and economic groupings. Growth in developing countries was strongly influenced by the impact of the crisis on trade and commodity prices, capital inflows and financing costs, as a result of which growth slowed dramati-

cally from 5.4 per cent to 1.8 per cent. For the first time since 1988, growth in developed market-economy countries exceeded that of developing countries. Estimates of real GDP growth rates in 1999 for Indonesia, South Korea, Malaysia, Philippines and Thailand were, -1.1, 2.0, 0.9, 2.0 and 1.0 per cent versus the rates in 1998 of -13.7, -5.5, -6.7, -0.5 and -8.0 per cent.

Similar developments could be observed in world trade. In value terms, world trade in 1998 not only failed to grow; it underwent its strongest decline since 1982, with exports falling by 2 per cent and imports by 1 per cent. For the first time in the post-war period, the share of primary products in world trade fell below 20 per cent, due to a continued increase in the value of trade in manufactures and a decline of trade in agricultural products, metals and fuels. The appreciation of the dollar in 1997 and most of 1998, together with the decline in prices of commodities contributed to a decline in the dollar value of export earnings of developing countries for the first time since 1991. The decline was particularly severe in the Middle East (21 per cent) and Africa (16 per cent).

After experiencing double-digit growth in the pre-crisis years, the volume of world trade decelerated abruptly in 1998. Growth in the volume of imports slowed down in all regions, but was particularly sharp in developing regions, and in Asia there was an absolute decline (see table 1). After a growth rate of 7 per cent in 1997, Asian imports contracted by more than 10 per cent in 1998. Among the developed countries, import growth remained strong in the United States, even though at a slightly slower rate than in 1997, whereas in Japan there was also an absolute decline. Differences in regional export performances were far less pronounced than for imports. The volume of exports rose most in the transition economies and the expansion was above the world average in the European Union and the United States. In Asia, export volume growth was below the world average, especially with respect to intra-regional trade and in Japan there was even a small absolute contraction.

Of particular significance was the drastic contraction of import volumes of Japan and of South and East Asia, excluding China. Imports of the five Asian countries most affected by the crisis fell by one-third, while their exports decreased by 3 per cent. For the global economy in general, and the

most affected Asian economies in particular, the general slowdown in the volume of imports by the Asian markets is the major factor underlying the widespread deceleration and decline in the export volumes of various countries and regions. In the case of Latin America, Asia accounts for some 10 per cent of its overall merchandise exports and rises to around 35 per cent in the case of Chile. Deteriorating economic conditions in East Asia were a key factor behind the continued decline in commodity prices during 1998, with an adverse impact not only on commodity-dependent developing countries in Africa, Latin America and elsewhere, but also on major developed country commodity exporters such as Canada and Australia.

Global trade expansion has not differed much in 1999 from the 3.7 per cent observed in 1998 and will probably reach around 4 per cent. Foreign direct investment flows to developing Asia in 1999 increased by 1 per cent over 1998 to US\$91 billion, contrary to a decline anticipated in the wake of the 1997-1998 financial crisis. There were, however, considerable variations in FDI flows to individual countries. China, the principal FDI recipient in developing Asia throughout the 1990s, retained its lead but saw a nearly 8 per cent drop to just over US\$40 billion. Compensating for this were the boom in the Republic of Korea (up nearly 55 per cent, to US\$8.5 billion), the 20 per cent increase in Singapore (to US\$8.7 billion) and the substantial recovery in Taiwan, Province of China (US\$2.4 billion). Among the five countries most affected by the crisis, flows declined in Indonesia, the Philippines and Thailand, but remained steady in Malaysia and skyrocketed in the Republic of Korea. Although FDI flows to Thailand dropped 15 per cent in 1999 this was in part due to the flattening of the wave of massive recapitalization in the banking sector which reached exceptional highs in 1998. FDI flows into Thailand in 1999 surpassed the historically high level the country had achieved in 1997. The investment prospects for developing Asia remain bright in the light of the recovery of the regional economy, the ongoing liberalization and restructuring efforts that are widespread in the region and the probable accession of China to the WTO. The Asian region through tough policy decisions has achieved remarkable progress in many critical areas and seems to be back on track to again becoming an engine for the global econ-

omy.

### Asian Liner Trades

The reduction in growth in seaborne trade has had an impact on the transport industry. There are three trades that not only make up the vast majority of Asian liner trades, but that are also among the most dynamic in the world. These are the transpacific trades, the Asia-Europe trades and the intra-Asia trades. In general, liner trade conditions are improving as the world recovers from the Asian crisis. Overall trade is turning upward, but directional differences are hurting every part of the industry from carriers to ports and leasing companies. While in 1998 liner trades showed a net decline from 1997, moderate growth resumed this year and is expected to continue at least through the year 2000.

Overall transpacific liner trade showed high growth rates until 1997. Even during the height of the crisis, trade continued to grow slightly, reaching a volume of approximately 7.8 million TEUs in 1998 and 8.4 million TEUs in 1999 (see Table 2). The overall growth, however, conceals the operational problems created in the trade because of the imbalance between eastbound and westbound cargo flows. While eastbound trades grew at 2-digit rates, from 3.7 million TEUs in 1966 to 5.5 million TEUs in 1999, westbound volumes were down by approximately 20 per cent in 1998 and are only slightly recovering in 1999. In addition, there have been considerable changes in the sources and destinations of cargo flows with North America. On the export side, China has emerged as the leading trading nation with some 40 per cent of Asian exports to the US, while the share of Japan has decreased considerably. On the import side, Japan remains the most important customer accounting for 36 per cent of the trade in 1998, while China accounts for only 11 per cent. The large and persistent imbalances cause financial losses despite rate increases in the eastbound trades. Good eastbound trading perspectives and the anticipation of general recovery have led to an increasing tonnage supply in the trade with additional downward pressure on westbound rates.

Total Europe-Asia trades grew at around 10 per cent until 1997, but stagnated in 1998 when eastbound declines offset westbound growth. Trades were fairly balanced until 1998, when the Asian crisis took its toll and caused

imbalance to emerge and grow to approximately 22 per cent in 1999, which still compares quite favourably to the 45 per cent imbalance in the transpacific trades. It is expected that the imbalance will develop into a perpetual problem for the trade in the medium and long term. Restructuring is also taking place in the European trades. China is emerging as a major exporter, while it is lagging behind on the import side, where South-East Asian countries are taking the lead role. In this trade, carriers are investing in larger ships in an attempt to cut costs on this longer route.

Intra-Asian trades have experienced dramatic growth since 1993 and are developing as the most important single trading area, far exceeding transpacific and European volumes. The crisis has had the most severe impact on this trade, in fact, in 1998, volumes decreased by nearly 10 per cent. It is expected that growth in 1999 will result in nearly 10 million TEUs that would be slightly above the 1997 trade figures. In 2000 and beyond, trade will continue to perform strongly mainly based on Chinese trades, but also on South-East Asian volumes, including intra-ASEAN trades. Imbalance is not so much an issue in the intra-Asian trades as the smaller imbalances can be partially compensated by operational adaptation by the carriers.

The Asian crisis has created an unprecedented need to move empty containers across the oceans. As a consequence repositioning is no longer just a revenue problem, but equally a logistics headache. In some cases, carriers have been purchasing new standard dry boxes that are produced in the exporting countries. While cargo loads are available for each newly produced box, this practise only adds to the imbalance. Long staying empty boxes in European and North American ports are causing problems.

In 1998 and 1999, in the transpacific trades, the gap between incoming and outgoing rates widened, with the average eastbound revenue per TEU recovering to about US\$1615, an increase of about 18 per cent over the year, while the westbound revenues took a further plunge to US\$840, a decrease of more than 40 per cent. In the Europe Asia trades, revenue increased by some 4 per cent to US\$1460 westbound and decreased by 24 per cent to US\$800 eastbound. One of the major reasons underlying the poor profitability record for the lines is the long-lasting decline in freight rates, exacerbated by the

Asian crisis. Since the large-scale introduction of containerization, freight rates have declined by around 50 per cent or even more in some trades. Liner companies have been consolidating activities to improve profitability by reducing operating costs, which in general has not produced satisfactory financial results.

What appears to be needed in the industry are steps to improve revenue, that is to stabilize and increase revenue flows. Profitable routes will be those with a balanced trade flow and ones where a long-term partnership will be established with the shipper so that both parties mutually benefit from the arrangement. This will allow the liner operator to rationalize his service, and enter into long-term relations with the terminal operator and inland transport operators. One method of doing this will be to develop logistic services tailored to individual shippers' requirements. This move from a "hardware based" service suppliers into a service industry that is knowledge and information technology driven will open new opportunities for shipping lines. Shippers require global logistics services that are integrated in their production and marketing processes. Prices and conditions negotiated in the context of such global contracts will bear little resemblance to traditional ocean tariffs. Shipping lines moving into logistics services increasingly compete with freight forwarding companies that offer similar services. The freight forwarding industry is going through a consolidation process, which is similar to that of the shipping industry. Linkages between forwarders and transport operators are becoming closer and more freight forwarding companies are teaming up in one way or another with shipping or other transport companies. Further concentration processes on the sea leg could characterize the future development, with companies providing shipping as a core around which logistics services will be built.

### Terminal Requirements

What will be the demands on terminals and port authorities in the future? Governments will need to give high priority to develop and modernize existing facilities and to increase the commercial orientation of seaports. Terminal operators and port authorities will be pressured to lower their charges as liner rates continue to fall. At the same time more exacting terminal and equipment specifications will be required to handle

the larger vessels at a faster rate. There will be a need for better qualified and trained staff to operate and maintain the new equipment. There will be higher maintenance costs because of the more sophisticated and automated equipment. There will be an increased need to source funds from financial institutions and investors. The large international operators with good track records will be more able to access these funds. There will be a concentration of services to a limited number of ports that offer the infrastructure and services required. Where volume is sufficient, dedicated terminals will develop with the line making some equity investment. Otherwise common user terminals that have been leased from the local port authority will be the norm.

Where will the productivity increases come from in the international maritime transport system? Obviously there are two areas where large savings are possible. The first is to reduce the dwell time of containers to a minimum. It is estimated that the average container spends 70 per cent of its life sitting idle or shipping nothing but air. Thus when they arrive at the terminal by road or rail they would spend only a few hours before being loaded onboard and at the port of discharge they would likewise spend only a couple of hours before being loaded for their onward destination. Customs clearance would be carried out at the final destination and thus the goods would spend the majority of their time in motion rather than at rest waiting for controls or onward transport. This will require improved information flows and cooperation of all players along the transport chain. The information technology now exists to do this. The benefits for the shipper are reduced transit times and lower transport costs. For transport operators this would mean more productive use of their equipment and thus greater revenue allowing him to reduce tariffs and also increasing his profitability. For container terminals, their capacity is mainly determined by the amount of storage capacity and this capacity can be greatly increased by reducing the dwell time of cargo, thus deferring millions of dollars of investment in new facilities.

When we talk of the dot com era what do we mean in terms of maritime transport. Electronic commerce started out as the use of electronic messages rather than paper messages for trade transactions. The meaning of E-commerce has become much broader. It signals the shift to a world market in which digital communications trans-

form virtually in every aspect of business and market organization. E-commerce now refers to using electronic means for marketing products and services, for placing orders, for billing and even for distribution electronically (for certain products such as music and entertainment, software, data warehousing and data mining, financial services, project management and consultancy and travel 'documents'). All this is offered 24 hours per day and seven days per week. While E-commerce only accounts for about 4.5 per cent of trade or between \$150 – 200 billion in 1998 (the estimated volume in 2000 is \$377 billion). There are projections that it will reach 10 to 20 per cent of world trade by 2003. The vast majority of this business will be done over the Internet and will be between one business and another. The business to consumer side will certainly grow but will have little impact on maritime transport, even if the distribution of goods will be one of the key elements for staying in business.

It is important to consider the availability of this service in order to have an idea where the fastest growth will occur. A rough classification of the degree of Internet connectivity as measured by the percentage of the country's population with access to the Internet suggests there are five main groupings. The Nordic countries are at the top (30-35 per cent connected), followed by North America and Australia (20-29 per cent), then the European leaders (9-15), the more advanced Asian economies such as Japan and Taiwan (8 per cent), and at the bottom are all the developing countries and economies in transition. Remember that 50 per cent of the world's population have never made a telephone call. The growth of E-commerce in the majority of developing countries will be held back by lack of telephone lines, electricity, affordable computers, education and literacy. According to the ITU, the US has 600 phone lines per 1000 people, China has 70, and Chad, Somalia and Afghanistan have one. The use of electronic systems for shipping documents such as Bolero offers the possibility of reducing documentation costs and, of more importance, delays caused by delays in receiving documents and missing information.

A second suggestion for potential savings is to minimize the number of containers that are moving empty. Drewry Shipping Consultants reckons that 21 per cent of all container movements by ship are empty. By finding

return cargo, additional revenue will be generated for the transport operators. The gray box that can be shared by transport operators and a number of information exchanges using the Internet are being offered as solutions to this problem. This development has great promise and offers considerable saving for shippers who wish to develop new markets. Lines and terminal operators could offer promotional tariffs to help get some of these trades started.

There will likely be an integration of the global supply chain that will force structural changes on the industry. The obvious change is that transport services will become more integrated – the transport operator will become a multi-modal operator with control over each of the modes and long-term relations with the terminals. Thus the transport operator will act as a freight forwarder for his major clients. This implies that the operation of transport services will be the responsibility of private operators with the infrastructure likely remaining the responsibility of the state – both for its development and its maintenance. Private operators will equip and manage the transport services on a long-term lease or concession basis from the state.

### Financing development

Based on present projections there will be a need for tripling the container handling capacity in the region in the next ten years. There will be a need for an integrated transport plan at the national level with regional cooperation to assure that intermodal links between countries function well. In fact the crisis and slowdown in trade may have been a blessing as it has given the governments of the region more time to develop the necessary infrastructure. A key concern will be the attracting the funding for this infrastructure. If we consider an additional 60 million TEUs will need to be handled in the region, we are looking at developing around 100 new terminals (each with a capacity of 600,000 TEUs) or roughly US\$150 billion.

Government financing may be available to port authorities for investment projects carried out in connection with objectives such as encouraging economic development. However, this government finance has come under increasing pressure in various countries because of macro-economic requirements to hold down the totality of government expenditure. As a result port

authorities are now increasingly looking for sources other than government financing to fund their investments. Potential sources of financing to meet port investment requirements include:

- self-financing from reserves;
- debt (borrowing, bond issues) and equity (raising of new capital) financing;
- joint-venture financing: with development costs being borne both by a port authority and by a user, e.g., a shipowner, a shipper or receiver, or a terminal operating company (concession or lease); and
- user financing: e.g., with the sole user of a terminal financing its development.

Self-financing from reserves is obviously a potentially important source of funding for port investment. However, it may be only sufficient to carry out investments of relatively modest size. Whenever a substantial investment is required new funds need to be tapped. For instance, unused physical assets without potential port use can be sold or monies from the sale of port land could be made available to the port authority. The extent of self-financing is potentially affected by profitability, the desire of the organization to make investments in port facilities/equipment and the amount of capital expenditure involved. Profitability is relevant in two ways. First, it generates resources which can be reinvested and generate future profits. Secondly, it has an important psychological impact in that port authorities and other parties become willing to make substantial investments in port facilities and equipment. Also there may be changes in the role of a port authority. For instance, instead of a port authority comprehensively providing port facilities, there may be a situation in which terminal operating companies provide the quay pavement and cranes. Such changes can significantly affect the port authority's investment requirements. If this opportunity does not exist, there will be a need to turn to alternative sources for this purpose.

Debt financing, notably from multilateral development agencies and backed by the government, has been a popular way to undertake port development in developing countries. The underlying purpose of multilateral funding is to encourage economic development. The multilateral aid agencies give a high priority to transportation project financing. Infrastructure has traditionally been the preserve of the public sector,

partly on account of its perceived strategic importance to the economy, and partly because of the large investment costs and long gestation periods usually associated with such projects. Recently, however, private lenders have been able to mobilize the funds necessary to finance infrastructural projects and willing to accept both project and country risks, provided that the institutional framework of the country has met certain minimum standards and the projects have been appropriately structured. Ultimately more funds need to be mobilized domestically and governments that recognize this are taking steps to develop their local capital markets. The main reasons for the shift towards private involvement in infrastructure is the growing disenchantment with public monopoly ownership and provision of infrastructure services, fiscal constraints on governments and external aid agencies, developments in technology and finance and the globalization of financial markets. Debt financing from bond issues is used by some public port authorities, notably those in the United States, to raise funds for development

Equity financing or the flotation of shares is another way in which port authorities may get funds for development. However, this alternative is only open to private port authorities and operators or to public ones in the process of privatization. Obviously, this type of solution is more attractive if it is in line with general government policy to increase the extent of private sector ownership. However, the successful flotation of shares will be dependent on the existence of a stock exchange in the country concerned, and on the extent to which sufficient capital is available. In any case, to make a port project financially attractive, its value should be maximized and its risks minimized, so that the prospective lender is convinced that the debt will be repaid with a low probability of default and the potential shareholder perceives an attractive return at an acceptable level of risk. Compared with other transport projects, port projects may be more attractive due to:

- Foreign exchange earnings;
- Strong market demand;
- Stability of revenue (long term service contracts);
- Low operating and maintenance costs;
- Lease financing of capital equipment.

A joint venture may be set up between a port authority and another party with financial resources and management skills relevant to a particular traffic. Its relevance may relate not only to its presumably being a potential source of capital for investment, but more importantly to its possibly providing a way of increasing port competitiveness. Consequently, a joint venture implies shared financing and normally a joint management of the business.

Another form of joint venture is the granting of a lease or concession to a terminal operator. This is the case for landlord port authorities selecting, often through competitive bidding, companies to lease land and/or facilities to develop and operate terminals. Normally, in this case, the port authority's only say in the management of the facility is specified in the terms of the lease. Whole port areas may be leased to these operating companies where quays and backing areas, transit sheds and cranes already exist. The extent, adequacy and quality of port facilities leased naturally makes a substantial difference to the investment requirements facing any company taking up a lease in a port.

Another form of joint venture is the Build-Operate-Transfer or BOT arrangement. Typically a private party (or consortium) agrees to finance, construct, operate and maintain a facility for a specific period and then transfer the facility to a government or other public authority. The port authority will provide the land while the consortium would be responsible for construction which could involve the construction of infrastructure, for example, quay walls as well as superstructure. The developer's equity stake is a guarantee to government that the facility will be well managed. A BOT proposal should include development plans, construction time schedule, business plan, terms and conditions for terminal operations, project financing plan and projected turnover plan.

User financing may apply to the development of a port, or port-related, facilities owned by the user. It generally relates to bulk terminals and under certain circumstances, container terminals. It can be carried out by national organizations, either from the public or private sector and by transnational corporations insofar as port facilities are regarded as part of a substantially wider investments, for example centered on an inland mining development and also including a connecting railway. Such investment generates poten-

tially important marketing benefits for the port. The traffics concerned pass through the port and therefore contribute towards port profitability. Furthermore, if port users make specialized and inherently immovable investments in a port, this helps to ensure their continuing use of it and their continuing contribution towards the port's revenues.

Port authorities have a key role to play in facilitating the growth of trade. In our interdependent global economy of today, economic growth can come most rapidly from increased specialization and international trade. Governments must assure that the benefits of economic growth are equitably shared by the nation. A country's transport system, including ports must be

realigned to fit the new economic strategy as trade facilitators and not as income or employment generators. The objective is to move the nation's international merchandised trade as efficiently and inexpensively as possible. With the implementation of this objective, ports will play a crucial role in economic growth and development in the coming decade.

Table 1  
Exports and Imports by major regions and economic groupings, 1990-1999  
(percentage change in volume over previous year)

	Exports					Imports				
	1990-1995 annual average	1996	1997	1998	1999	1990-1995 annual average	1996	1997	1998	1999
<b>World</b>	6.0	5.5	10.5	4.5	4.5	6.5	6.0	10.5	4.5	4.5
<b>Developing market economy countries</b>	5.3	5.2	10.2	3.4	3.6	5.6	5.4	8.5	7.4	7.0
<b>European Union</b>	5.5	5.5	9.5	6.0	3.5	4.5	5.0	8.5	8.5	4.0
<b>Japan</b>	1.5	1.0	12.0	-1.5	2.0	6.5	5.5	1.5	-5.5	9.5
<b>United States</b>	6.4	6.3	11.8	3.0	4.5	6.9	5.6	12.5	10.9	11.0
<b>Transition economies</b>	5.0	6.5	10.5	5.0	-3.0	2.5	16.0	13.5	5.0	-10.0
<b>Developing countries</b>	9.0	6.9	12.3	3.4	8.5	10.1	6.6	10.8	-4.5	10.0
<b>Africa</b>	0.6	6.4	4.9	-1.3	n.a.	3.5	0.8	9.0	0.6	n.a.
<b>China</b>	17.2	-0.8	20.5	3.6	n.a.	17.9	6.5	5.1	3.6	n.a.
<b>Latin America</b>	8.0	11.0	11.5	7.5	7.0	12.0	8.5	22.5	8.5	-2.0
<b>Asia</b>	12.6	6.2	12.0	3.5	6.0	13.7	5.8	5.5	-8.5	9.0

Source: UNCTAD secretariat calculations, based on statistics of the WTO.

Table 2  
Development of major container trade routes  
(in thousand TEUs)

	1995	1996	1997	1998	1999
<b>Transpacific</b>					
Eastbound	3 763	3 742	4 322	4 949	5 459
Westbound	3 439	3 312	3 381	2 853	2 955
Total	7 202	7 054	7 703	7 802	8 414
Imbalance ratio	91.4	88.5	78.2	57.6	54.1
<b>Europe-Asia</b>					
Eastbound	2 563	2 679	2 872	2 520	2 696
Westbound	2 647	2 767	2 946	3 281	3 379
Total	5 210	5 446	5 818	5 801	6 075
Imbalance ratio	96.8	96.8	97.5	76.8	79.8
<b>Intra-Asian</b>					
Total	8 653	9 011	9 965	9 399	9 099

# WORLD PORT NEWS

## UNEP Announces World Environment Day

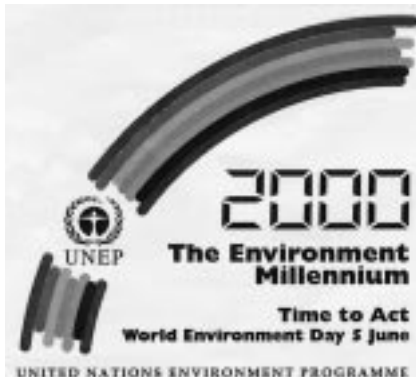
THE World Environment Day theme this year is "2000: The Environment Millennium - Time to Act."

The main international celebrations will be held in Adelaide on 5 June and the United Nations Environment Programme is indeed honoured that Australia has generously offered to host this important United Nations day.

World Environment Day, considered by many as the most important event on the environment calendar, is celebrated every year in more than 100 countries around the world. This observance is used to draw attention to some of the ways in which humanity is imperiling its own habitat and to emphasize the urgent need to change attitudes and behaviours.

This occasion is used to inspire political and community action. Governments, individuals, non-governmental organizations, community and youth groups, business, industry and the media organize countless activities to improve their environment, including clean-up campaigns, tree planting, colourful street rallies, green concerts, essay competitions in schools, recycling efforts and much more.

World Environment Day is also a multi-media event, which inspires thousands of journalists and broadcasters to report critically and enthusiastically on the environment. It is a visual event with television documentaries, photograph and art exhibits as well as poster displays. It is also an intellectual event for those who organize and participate in seminars, round-table meetings and symposia.



## UNCTAD: Technical Note The Fourth-Generation Port

IN 1994, the UNCTAD secretariat coined the expression, "the third-generation port," for those ports that in addition to cargo handling offered other value-added services such as warehousing, packaging and distribution which provide additional employment and revenue to the port community. There is now talk of the "fourth-generation port" which is physically separated but linked through common operators or through a common administration.

An example of the latter is the merging of the ports of Copenhagen, Denmark and Malmo, Sweden. The main reason for this merger is the construction of the Oresund Fixed Link which through a bridge and tunnel complex will connect the two countries by road and rail. The two ports are joining forces as the best strategy for staying competitive. The port authorities have set up a Swedish joint venture company to manage the combined terminals, and each authority will have a 50 percent share. Competitiveness will be increased by removing duplication. There will only be one accounts department, one marketing department and one centralized administrative office. This will allow the new port organization to keep handling charges at a minimum while offering high levels of service. It will be essential to convince clients to continue using its ferry services and feeder links rather than shifting cargo to the roads. Another example of a fourth-generation port is provided by the company Eurogate, which is a joint-venture between the container division of Bremen-based BLG Bremen Lagerhaus-Gesellschaft and the Hamburg terminal operator Eurokai.

It is more frequent to have terminals linked through common operators with the expansion of management by international terminal operators and by shipping lines. The worldwide alliances of container ship owners have resulted in the use of larger ships, the development of feeder networks with hub ports and a permanent demand for higher productivity and lower rates. The development of the hub and feeder network with the

resulting transshipment activities has also led to the emergence of multi-port operating companies, such as Hutchinson Port Holdings, P&O Ports, PSA Corp and Stevedoring Services of America, which operate dozens of terminals around the world. Advances in communications and information technology allow terminal operators to increase their productivity through better planning and reduced dwell time of cargo in the port. These terminals can be considered fourth-generation ports as they provide standard facilities with common operating and administrative systems.

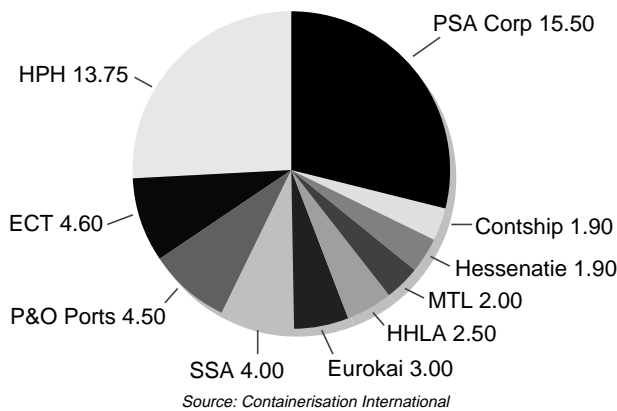
On July 30, 1999, Hutchinson Port Holdings (HPH) and Rotterdam Municipal Port Management (RMPM) advised the European Commission they had decided that HPH would acquire a 35 percent interest in European Container Terminals (ECT). RMPM will also hold 35 per cent with the remaining 30 per cent being held by financial institutions (28 per cent) and employees (2 per cent). HPH currently operates in 17 ports including ports in the Bahamas, China, Indonesia, Myanmar and Panama. Other major terminal operators are P&O Ports (four terminals in Australia and others in Argentina, China, Hong Kong (China), India, Indonesia, New Zealand, Pakistan, Philippines, Russian Federation, Sri Lanka, Thailand and United Kingdom); PSA Corp (in addition to four terminals in Singapore, it operates seven others in Brunei Darussalam, China, India, Italy, Portugal and Yemen); and International Container Terminal Services, Inc. (ICTSI) (in addition to Manila, ICTSI operates two terminals in Argentina, two in Mexico, and one each in Pakistan and Saudi Arabia). Stevedoring Services of America (SSA) and Ceres Terminals operate mostly in the United States, but have terminals also in Panama (SSA), Canada and Ukraine (both Ceres). With the recent merger between parts of Sea-Land and A.P. Moller, Maersk/Sea-Land will operate 24 terminals, and CSX Corporation will only operate nine in Australia, China, Dominican Republic, Finland and Russian Federation. The pooling of information technology, administration, sales and marketing functions will save



significant sums of money.

The graph below shows the estimated throughput for the top 10 terminal operating companies which is to be compared to the global throughput of 164 million TEUs in 1997. What is particularly striking is how the two companies dominate the scene in terms of throughput. However it must be recalled that the figures for PSA Corp include Singapore and for HPH include Hong Kong. The common feature of these fourth-generation ports is that they are handling containers and that they are often a hub port for transshipment or a major transit port

**Top 10 Terminal Operating Companies**  
(Million TEUs - 1997)



What is the future for public port authorities? Opinions differ greatly with respect to the need for maintaining a port authority (or similar body) once the private sector becomes responsible for running most of a country's port facilities and services. Not surprisingly, private sector representatives are generally of the view that organizations of the "port authority type" constitute merely an additional layer of bureaucracy and consequently use a substantial amount of national economic resources without generating measurable output. Thus, they press for the abolition of port authorities and at best will accept the establishment of a landlord-type company which has a limited liability status, is profit-driven and remains solely responsible for managing the port's real estate. At the other end of the spectrum, one finds staunch defenders of the continuation of the public port authority, although it is understood that the actual running of operational activities, such as cargo-handling, towage, mooring, pilotage, shipchandling and other specific services, will be entrusted

to private operators.

A smooth privatization process requires that the Government and the initiators of the privatization scheme define their position at the outset. This will to a large extent then determine the mode and modalities of privatization. As a result, it will affect the definition and wording of clauses in licensing and concession agreements. In essence, however, what is needed in modern port management is flexibility and the capacity to command, which the private sector is well able to deliver, and at the same time control and long-term vision, which are the recognized strengths of public organizations. Hence, the growing private involvement in ports is not synonymous with the redundancy of a port-authority-type organization.

What is absolutely clear is that privatization schemes will fundamentally change the mission and functions of the traditional port authority. A modern port authority will essentially have to concentrate its efforts on the efficient provision and execution (directly or through subcontracting) of five fundamental functions:

the landlord function; the policy-making and planning function; the regulatory, supervisory and surveillance function; the monitoring and promotion function; and the port training function. The planning function is key to ensuring that road and rail infrastructures are developed in parallel with port expansion. The supervisory function must ensure that there are no negative impacts of the privatization process on operations. For instance, minimum performance standards could be set (to avoid reducing service quality), and in cases with limited competition, tariff control or an appeals procedure to contest certain charges could be established (to avoid inappropriate tariff increases).

Through their port authorities in a number of developing countries, Governments have chosen to open the provision of container handling services to international terminal operators and shipping lines. In general this has resulted in increased investment, transfer of knowledge and improved performance of container handling services. The procedure of using a lease or con-

cession provides autonomy to the operator while at the same time retaining ultimate control for the State as landlord. The tendering procedure also provides a methodology to ensure that the "best" operator is chosen and that the services to be provided will benefit national interests. With the tendering procedure and the leasing of public domain assets rather than their sale, the opening of access of cargo handling services should not create problems for developing countries, as the port authority will effectively control access through licensing of a limited port area. Further, a condition of leases and concession is normally that the terminal is operated on a common-user basis so there will be no discrimination to access. However, to sustain efficiency achievements, governments will need to encourage a good commercial environment within the port that gives shippers for the ability to choose. As long as the port authority retains the landlord and planning functions and seeks to improve performance levels, market access to the provision of cargo handling services will be beneficial for the trading community.

(UNCTAD Ports Newsletter  
November 1999)

## **EC presses ahead with Erika proposals**

**A**FTER having tabled three working documents before a hearing with industry on 1 March and EU member states on 2 March, the Commission is currently pressing ahead with its proposals. These proposals are expected to be tabled formally at a commission meeting on 22 March in the form of a communication on "safe tanker shipping." Despite heavy opposition from both member states' experts and from industry - particularly on Part Three of the package - the Commission's proposals seem likely to focus on 3 areas, i.e.,

1. Changes to the EU Directive on Port State Control (PSC)  
These include enhanced surveys for tankers over 15 years, increased flow of information between class, PSC and flag state, and listing of the charterer in PSC detention data.
2. Changes to the EU Directive on Classification Societies  
These include the increased possi-

bility for the Commission to prevent class societies from doing statutory work for member states, and increased EU surveillance of the quality standards of classification societies.

3. Faster phasing out of single skin tankers in European waters. This initiative includes compliance with the MARPOL phasing out rules for tankers below 20,000 dwt, and to put a final deadline for single hull tankers irrespective of age at 2015, (i.e., two years earlier than under the MARPOL rules).

As things now stand the proposals are likely to be tabled for discussion with the ministers at the Transport Council on 28 March. INTERTANKO has been in constant contact with the Commission as well as with leading member states primarily discouraging any EU actions (on Part Three) outside the IMO. This activity is bound to continue well beyond 28 March, but then be primarily directed towards member states and European Parliament.

Furthermore, the Commission has announced its intention to come forward with yet another policy document on maritime safety later in the year. In this document the following issues will be addressed:

1. Increased transparency of information within the industry (ref. the planned start-up of the "European Quality Shipping Information System" EQUASIS - later this year)
2. Improved VTS in Europe
3. A possible European maritime safety agency
4. Challenges arising from the widening of the EU by accession of new member states (Cyprus, Malta)
5. Possible amendments to the existing oil spill liability system

Among the five, the latter one is likely to create most of the debate. Judging from the political mood in the aftermath of Erika, the Commission is likely to seek both (substantially) higher levels of compensation and some form of financial incitements in order to increase in particular cargo owners' responsibility. It seems pretty clear, however, that the Commission has fully accepted that the Civil Liability and Fund Conventions are useful systems, which must be maintained and built upon.

## Port reception facilities

Following the Council Common Position which was adopted in June last year, the European Parliament (EP) had its second reading of the proposed directive on 13 and 14 March. The EP's discussions were based on a draft report prepared by the rapporteur, MEP Mr. Theo Bouwmann (Green, NL) arguing for among other things a higher proportion of the costs to be included in the general port fees.

It is now clear that the majority of the Parliament voted for major amendments to the Council's Common Position and

that the issue will therefore have to be dealt with under the so-called "conciliation procedure," which in effect is a negotiation between the Parliament and the Council on a possible compromise text. In the rather unlikely event of no agreement being reached the whole draft legislation will fall. More likely, however, a compromise that is acceptable to INTERTANKO is likely to emerge and to be adopted before the end of the year.

For further information:

Mail to: [dagfinn.lunde@intertanko.com](mailto:dagfinn.lunde@intertanko.com).  
(INTERTANKO NEWS)

## **IPER in Le Havre: International Port Training Programmes**

2000 Programme	Dates	Price
Human resource management in a port	17 to 28 April	12 300 Frs / 1 875 €
Advanced strategic port management	02 to 12 May	12 300 Frs / 1 875 €
Port planning and operations	15 to 26 May	12 300 Frs / 1 875 €
Port finance	29 May to 09 June	7 700 Frs / 1 174 €
Measuring container terminal performance	19 to 23 June	7 700 Frs / 1 174 €
The advanced course on port operations and management	04 Sept. to 06 Oct.	in association with IMO (1)
The management of port equipment	13 to 17 November	7 700Frs / 1 174 €

(1) Applications should reach the IMO Secretariat through local UNDP representative.

**Registrations and Information: IPER 30 rue de Richelieu - 78087 Le Havre Cedex (France)**  
Tel: 02.32.92.59.92 Fax: 02.35.41.25.79  
E-mail: [iper@esc-normandie.fr](mailto:iper@esc-normandie.fr)

### **"IPER keeps pace with the economic development of the Le Havre Port community"**

**A**S a demonstration of the willingness of the Le Havre Port Community to provide technical port training of the highest quality, IPER, the Port Training Institute of Le Havre, was jointly created by the Port and the Chamber of Commerce and Industry of Le Havre. IPER keeps pace with the economic development of the Port of Le Havre community and its training programmes feature the advanced technologies found in companies. In fact, the Port of Le Havre ranks among the major European ports and its evolution gives IPER the opportunity to develop training programmes which meet the new demands of global competition.

The Port of Le Havre did not wait until January 1st, 2000 to face the challenge of

the new millennium. It has already begun a project to develop its port facilities as a whole in order to provide berths for the largest containerships, thus reinforcing its position in the European logistics sector. This project, which is supported by the whole of the local business community, is reflected in IPER training programmes. Well aware of the fact that a command of logistics operations will be a major asset for the development of company activities in the year 2000 and beyond, IPER offers a Master's degree in Transport/Export/Logistics, an undergraduate programme in "Logistics purchasing operations" as well as a port and maritime training programme.

Training is provided by internationally acknowledged experts who combine their day-to-day practice with in-depth

reflection to offer a distillation of their professional experience. IPER is recognized by prestigious international organisations such as the IMO, UNCTAD, ODU Norfolk (USA). IPER's teaching staff are ready to organise "tailor-made" training courses in France or overseas. The teaching resources of the Normandy Business School campus guarantee that the training incorporates new communication technology.

The brochure presenting the general IPER programme, details of each seminar and the aims and objects of each course will be issued by IPER at regular intervals.

## Conditions for Participation

### Registration

Please send the registration form at least one month before the start of the programme to IPER.

### Payment of Registration Fee

- *In advance of the seminar*
  - by bank transfer to:  
Chambre de Commerce et d'Industrie du Havre  
Crédit Industriel de Normandie Le Havre  
Compte 00019-047 1900312 N
  - Or by cheque to IPER
- *On the first day of the seminar*
  - by cheque to IPER
  - Or in cash in French Francs

### Financial Assistance

#### Please contact:

UNDP: Formalities for obtaining bursaries must be completed by the national agency or office responsible for co-ordination with the United Nations.

IAPH: Bursary scheme available to IAPH member port staff in developing countries:

Address: 5th fl. North Tower New Pier Takeshiba  
1-11-1 Kaigan, Minato-ku  
Tokyo 105-0022 Japan  
Tel: 81 3 5403 2770 -  
Fax: 81 3 5403 7651  
E-mail: info@iaph.or.jp  
or iaph@msn.com

*French Embassy:* Request must be presented by the Port Authority of the candidate.

### Responsibility

IPER cannot be held responsible for any changes to the programme due to circumstances beyond its control, and in particular due to the cancellation of a training activity because of an insuffi-

cient number of registrations.

### Cancellations

Cancellation must be in writing (by letter, fax, e-mail) and addressed to the registration service as soon as possible. For any cancellation declared less than three weeks before the start of the training activity only 50% of the paid participation fee will be reimbursed. No reimbursement will be made if no cancellation is received, or if the participant's cancellation is received after the start of the training programme.

## RORO 2000, May 23-25, Göteborg

### Highlights of RORO 2000 include

THE exhibition will feature over 250 companies exhibiting the most up to date ro-ro technology available in the world. Many companies will be showcasing their latest product releases at this year's exhibition. RORO 2000 is the only international exhibition and conference that is specifically designed for the needs of the booming market. The event will allow exhibitors, visitors and delegates to maximise their networking opportunities, both during the event and across the wide range of planned social activities.

The conference will provide a truly international platform for discussion, against a backdrop of solid market demand, and the unfolding of new commercial initiatives and possibilities.

While building on the long track record of the event as a forum for operational and technology advances and as a window to the market, RORO 2000 will also give closer attention to intermodal factors, door-to-door logistics and the evolving needs of shippers. Over 400 delegates participated in the 1998 event, so don't delay, places are given on a strictly first come, first served basis.

#### For more information:

Phone +44(0) 171 453 5492

Fax: +44(0) 171 636 6868

email: [cust.serv@ibcuk.co.uk](mailto:cust.serv@ibcuk.co.uk) or visit [www.roroex.com](http://www.roroex.com)

#### Official RORO 2000 Airline

Lloyd's List Events are delighted to announce that the official airline for the RORO exhibition and conference is SAS. For information regarding discounted tickets and reservations please visit their web-site [www.scandinavian.net](http://www.scandinavian.net)

Please quote reference: CFSE0012

### Accommodation

The enormous popularity of RORO 2000, and Göteborg as an exhibition and conference location, means that early booking of accommodation is a must. With this in mind, Lloyd's List Events have appointed Expotel International Travel and Events as the official accommodation and travel agent, with specially negotiated rates and a free booking service. Bookings should be made as early as possible to secure accommodation of your choice.

Telephone: +44 (0) 171 372 2001

Fax: +44 (0) 171 624 4847

E-mail: [events@expotel.co.uk](mailto:events@expotel.co.uk)

Please quote: RORO 2000

## CMI Colloquium in Toledo, September 17-20, 2000

Organised by the Spanish Maritime Law Association in conjunction with the Comité Maritime International (CMI)

### Introduction

THE CMI, together with the Spanish MLA, will be holding this COLLOQUIUM in Spain to deal with topics likely to be addressed in next XXXVII Conference scheduled to take place in Singapore in February 2001. Since the XXIII Conference held in Madrid in 1955, the CMI has not convened an international meeting in Spain. This particular event should be of paramount importance as it will provide a unique opportunity for discussing at an international forum the vital issues of Maritime Law at the outset of the new century, which will be studied by the CMI and other international organisations in the forthcoming years. The historically world-famous city of TOLEDO has been chosen not only to thereby render homage to the old tradition of the hispanic research and to the ancient school of translators but also to outline the growing interplay between land and sea in modern international trade. The five self-contained sessions will include periods in which the topics will be presented by speakers and will allow time for discussions led by the Chairmen and Vice Chairmen. The presentations and debates will be of importance and interest to shipowners, charterers, insurers, trades, brokers, adjusters, lawyers, arbitrators, law professors and law students and to all those concerned with the evolution of

shipping and transport law.

## Secretariat and Registration

### Colloquium Secretariat:

ULTRAMAR EXPRESS S.A.  
C/Enrique Jardiel Poncela, 6 - 2°  
28016 - MADRID (SPAIN)  
Telephone: + 34 91 780 1214  
Telefax: + 34 91 345 76 99  
(attn.: Miss Mireya)

### Registration:

	Before 31 May	After 31 May
Delegates	141.429 Pts./€ 850	166.386 Pts./€ 1.000
Guests	74.874 Pts./€ 450	83.194 Pts./€ 500

The annexed registration form duly filled in, with cheque, must be received by the Secretariat before 1 September 2000.

### Important Notes:

- Accommodation at Hotel Beatriz is limited and cannot be guaranteed after 30 June 2000.
- No registration can be confirmed until the fees have been paid.
- Transfer coaches between Barajas International Airport (Madrid) and Toledo will be provided and included in the registration fees.
- Translation into English will be provided at all sessions of the Colloquium
- The Registration fees include accommodation with breakfast in the Hotel Beatriz from the 17th to 21st September (four nights).
- This program maybe subject to later alterations.

## Programme

### Saturday, 16th September

Arrival of participants and accompanying persons  
Hospitality desk in Hotel Beatriz from 16.00 to 20.00 hours

### Sunday, 17th September

09.30	CMI Executive Council meeting
16.30 – 19.30	Guided tour of the city of Toledo
20.30 – 22.00	Welcoming cocktail.

### Monday, 18th September

09.30	Opening ceremony
10.00 – 13.00	Session I IMPLEMENTATION AND INTERPRETATION OF MARITIME CONVENTIONS Chairman: Mr. Jose M. Alcantara, President of the Spanish MLA Vice-Chairman and Rapporteur: Prof. Francesco

Berlingieri, Honorary  
President of the CMI

13.30 – 15.00	Lunch
15.00 – 18.00	Session II ISSUES OF TRANSPORT LAW Chairman: Mr. Stuart N. Beare Vice-Chairman: Mr. Jose D. Ray Rapporteur: Prof. Michael Sturley

Evening free

### Tuesday, 19th September

08.30 – 11.30	Session III ISSUES OF MARINE INSURANCE Chairman: Prof. John Hare. Rapporteur: Miss Trine Lise Wilhelmsem
11.30 – 20.30	Excursion DON QUIXOTE ADVENTURE (Mora, Consuegra, Madridejos, Tembleque, Puertolapice, Almagro)

Evening free

### Wednesday, 20th September

10.00 – 13.00	Session IV GENERAL AVERAGE (the IUMI proposals) Chairman: Dr. Thomas Reme Vice-Chairman: Mr. Pierre Latron Rapporteur: Mr. Richard Shaw
13.00 – 14.30	Lunch
14.30 – 17.30	Session V CURRENT ISSUES OF INTERNATIONAL MARITIME LAW Chairman: Mr. Patrick Griggs, President of the CMI. Vice-Chairman and Rapporteur: Mr. Frank Wiswall
17.30 – 18.30	Closing of the Colloquium
21.00 – 23.00	Gala dinner at Hotel Beatriz (black tie or lounge suit)

## Guests Programme

### Sunday, 17th September

16.30 – 19.00	Guided tour of the city of Toledo (with delegates)
20.30 – 22.00	Welcoming cocktail (with delegates)

### Monday, 18th September

11.00 – 17.00	Visit to the Royal Site of Aranjuez
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### Tuesday, 19th September

11.30 – 20.30	Excursion DON QUIXOTE (with delegates)
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### Wednesday, 20th September

11.00 – 17.00	Excursion to Chinchon and Colmenar de Oreja.
21.00 – 23.00	Gala dinner at Hotel Beatriz (with delegates)

Note: Other visits and tours per- and post-Colloquium will be available from ULTRAMAR EXPRESS.

## New Publications

### UNCTAD Report: Legal Aspects of International Trade

**T**HIS recent, 61-page report focuses on the legal framework that underlies export-import transactions and examines the risks inherent in international trade and the means by which they can be managed. It reviews the most frequent legal problems that arise from the sale of goods when the seller and the buyer are based in different countries.

After introducing the provisions governing the international sale of goods, the publication discusses the nature and function of international commercial terms (Incoterms). These are internationally standardized definitions prepared by the International Chamber of Commerce that set out the rights and responsibilities of the exporter and importer regarding arrangements and payment for the delivery of goods in international transactions. The report then describes the different ways of ensuring that the main contractual obligations under the sale transaction are respected and, in particular, that the promised goods and services are delivered by the seller and the agreed payment is made by the buyer. The principal instruments to secure payment (documentary credits and documentary collections) and performance of the contract (bank guarantees) are described. The report is a useful reference for providers of transport services who are directly dealing with shippers.

**For additional information, please contact.**

UNCTAD Transport Section  
Palais des Nations  
CH-1211 Geneve 10 Switzerland  
Telephone: (41 22) 907 2038  
Telefax: (41 22) 907 0050  
E-mail: transport.section@unctad.org

## Site investigation requirements for dredging works

*Report of Working Group 23-PTC II*

**P**IANC has Permanent Technical Commissions concerned with inland waterways and ports (PTC 1), coastal and ocean waterways (including ports and harbours) (PTC II), environmental aspects (PEC) and sport and recreational navigation (SRN).

This report has been produced by an international working group convened by Permanent Technical Commission II. Members of the working group represent several countries and are acknowledged experts in the subject under study.

The objective of this report is to provide information and recommendations on good practice.

Conformity is not obligatory and engineering judgement should be used in its application, especially in special circumstances.

### INTRODUCTION

In planning and executing site investigations for dredging works, a port authority or other employer may intend to obtain data on ground and environmental conditions for two separate purposes:

- 1) For the design of permanent works with regard to aspects dependent on ground conditions (for example, slope stability, sediment transport, suitability of material for use as fill) and on environmental conditions (for example, channel alignment, mooring forces, berth usability).
- 2) For planning and costing of dredging operations, in so far as these are affected by ground and environmental conditions.

This report is concerned with the requirements for planning, execution, interpreting and reporting site investigations for the latter purpose.

Dredging works are major operations which are often complex and costly. They may account for a substantial proportion of the cost of maritime projects. Effective planning and execution of dredging works require knowledge about the material to be dredged and the environmental conditions in which the dredging plant will operate. The high mobilisation and capital costs of dredging plant mean that wrong assessment of basic ground and environmental parameters and consequent selection of unsuitable plant and meth-

ods may lead to substantial economic losses. Appropriate ground and environmental surveys are fundamental to the success of dredging operations, from both technical and economic points of view. It is in the interests of both contract and/or employer to obtain a full understanding of ground and environmental conditions at the site, in order to ensure the smooth progress of the works and avoid claims and disputes.

The survey techniques applicable to the marine environment are different from those applicable on land. The difficulty of working (sometimes in poor conditions), the cost of the specialised techniques which are required, and the often large areas which need to be investigated for dredging projects probably explain why investigations for dredging works are sometimes inadequate.

Surveys should be based on a preliminary study of existing geological and environmental data against the background of a preliminary design of what is proposed to be dredged. The study should lead to an overall appreciation of the site and provide a focus on the difficulties likely to be encountered in the course of the works, the types of data which need to be collected, and the areas and depths to be investigated. The field investigations are likely to include one or more of the following:

- bathymetric surveys to define water depths in and around the dredging and disposal sites;
- geophysical investigations to identify obstacles on or under the seabed (shipwrecks, pipelines, debris, etc.);
- geophysical and geotechnical investigations of the bed to identify the types of soil and rock to be dredged, and to define their physical and mechanical properties;
- investigations of the environmental conditions (hydraulic, meteorological, etc.) which affect dredging operations.

Dredging methods and disposal of dredged materials may also be influenced by contamination of the materials to be dredged. The investigation of the extent and degree of contamination is not addressed in this report but attention is drawn to this possibility.

*For more information, please contact:*

**PIANC General Secretariat**  
Graaf de Ferraris-gebouw - 11th floor  
Boulevard du Roi Albert II 20, Box 3  
B-1000 Brussels, BELGIUM

## Container Handling in Ports

**T**HE equipment market is one of a large number of detailed studies published by Ocean Shipping Consultants Ltd. about container shipping, ports and associated markets. Among other recent titles are:

- 'World Container Port Markets to 2012'
- 'European Intermodalism'
- 'The Container Market to 2012'  
[container production & demand]
- 'American Container Trades & Shipping Prospects to 2010'
- 'Multi-Purpose Dry Cargo Vessels to 2010'
- 'The Asian Crisis: Implications for Regional Containerisation'
- 'Mediterranean Containerisation – Growth Prospects to 2010'
- 'Reefer Shipping – Trade and Market Prospects to 2005'
- 'Transitional Economies: Seaborne Trade Prospects to 2010'

Price £540.00 (UK) or US\$980.00 (for overseas sale), inclusive of airmail postage and packing charges.

Further details of all publications and major consultancy projects undertaken by Ocean Shipping Consultants Ltd. are available on request.

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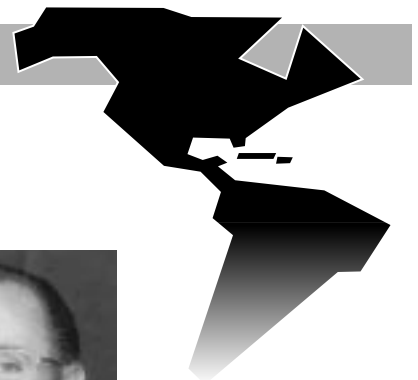
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For instance, it's easy to check the location of a port, its recent performances, current systems, capabilities and future plans – and even the right persons to contact in the port authority. All within minutes.

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## The Americas



### **Montreal Port CEO Stresses Port's Value to the City**

**M**ONTREAL'S business community got an inside look at its port when the president and chief executive officer of the Montreal Port Authority, Mr. Dominic J. Taddeo, addressed the Board of Trade of Metropolitan Montreal on December 7, 1999.

Mr. Taddeo's speech was entitled: Preserving a Treasure of Unsuspected Wealth ... or ... Can the Port of Montreal Grow Elsewhere than on the Waterfront?

On the eve of a new century and millennium, Mr. Taddeo talked mainly about the latest technologies and, above all, social consensus that are among the main ingredients to preserve a treasure of unsuspected wealth for



Montreal – its major world port.

Close to 500 people, including strong representation from the maritime community, attended the event, part of the board of trade's Business Luncheon series.

Mr. Taddeo spoke about the initiatives the port authority and its partners have taken and are continuing to take to make the entire Port of Montreal System even more competitive.

"All those involved in port activity, from shipping lines and agents to land

carriers, terminal operators and the Montreal Port Authority, have intensified their efforts over the course of many years to streamline expenses and reduce door-to-door transportation times and costs, and to improve fleets, infrastructure and equipment," he stated.

He spoke about the newest technologies - electronic navigation, computerized dockside gantry cranes and fibre optics networks to name but a few, and he explained how new technologies helped the port authority carry out its selective dredging project to increase the minimal depth of navigable waters in the channel to Montreal by 30 centimeters or one foot to 11.3 metres or 37 feet.

But Mr. Taddeo also spoke of the social implications involving ports and how port land is increasingly coveted for condominiums, commercial space,

hotels, parks and so on.

He also explained the measures the port authority has taken to reduce the impact of port activity on the social environment. For example, the Port of Montreal no longer handles bulk cargo in sensitive areas.

"You cannot put a price on the value of the port," he said. "It must have its place and it should not be taken for granted."

"But we need social consensus from far and wide and the support of government, socioeconomic groups and the public in general to preserve this treasure for the common good."

This was Mr. Taddeo's second appearance at the board of trade in as many years. In November 1997, he delivered a speech entitled "Do You Remember January 1, 2000?", to the board as part of its perspectives series breakfast meetings.

Double-digit losses were virtually across the board, affecting both steam and metallurgical coal and all major U.S. markets in the Americas, Europe, and Asia. Among the top ten buyers, who together account for over 80% of U.S. export sales, not one registered a tonnage increase over 1998.

Fewer than five million tons were shipped to Japan, down 36% from 1998 and barely a fifth of U.S. exports to that country during the boom years of the early 1980s.

Exports to the United Kingdom, which earlier in the decade had risen substantially following the privatization of the British coal and steel industries, fell 47% from 1998, to just 3.2 million tons. Exports to Brazil, a leading importer of U.S. metallurgical coal, fell 31%. Summary detail is provided in Table 2.

**2. U.S. BITUMINOUS COAL EXPORTS**  
BY WORLD REGION 1999-1998  
Short Tons, 000s

WORLD REGION	January-December		
	1999	1998	Change
Europe	21,686	32,008	-32.2%
European Union (EU)	20,705	29,789	-30.5%
Non-EU	981	2,219	-55.8%
NORTH AMERICA	20,142	20,858	-3.4%
SOUTH AMERICA	4,482	6,870	-34.8%
ASIA, AFRICA, OCEANIA	10,914	16,448	-33.6%
WORLD TOTAL	57,224	76,184	-24.9%

Source: National Mining Association

## Quebec: Ross Gaudreault elected AAPA Chairman

**C**HAIRMAN-ELECT - **R**oss Gaudreault was elected Chairman of the Board-elect of the American Association of Port Authorities during the Spring Conference meeting



of the AAPA board of directors. At that same meeting, the board also selected Tampa as the site of the AAPA Convention in the year 2005.

Mr. Gaudreault has been president and chief executive officer of the Port of Quebec Authority and its predecessor agency, the Port of Quebec Corporation, since October 1987.

He was born in Quebec City and after graduating from the University of Sherbrooke with a degree in commerce and business administration, he served more than 26 years in auditing, sales and marketing, and, from 1975 until 1987, as general manager in the Province of Quebec for Irving Oil Inc. In July 1985, he was named chairman of the board of directors for the Port of Quebec Corporation.

Mr. Gaudreault, who was recently appointed Honorary Colonel of the 439th Combat Support Squadron in Canada's armed forces, holds several corporate directorships in the Quebec City region. He currently serves on AAPA's executive

committee and board of directors and chairs its Cruise Committee.

Mr. Gaudreault will be installed formally as chairman of the board at the AAPA Convention this fall in Veracruz, Mexico.

(AAPA ADVISORY)

## U.S. Coal Trade, the lowest in more than 20 yeas

**U**.S. COAL TRADES - For America's bituminous coal exporters, 1999 was little short of a disaster, with volume plummeting 25% below 1998's depressed level, to 57.2 million tons, the lowest in more than 20 years and almost half the record 110 million tons exported in 1981.

**1. U.S. BITUMINOUS COAL EXPORTS**  
1980-1999  
Short Tons, 000s

CALENDAR YEAR	TONS	CALENDAR YEAR	TONS
1999	57,222	1988	94,007
1998	76,187	1987	78,392
1997	82,433	1986	84,017
1996	89,464	1985	91,914
1995	87,695	1984	80,802
1994	70,872	1983	76,872
1992	101,954	1982	105,244
1991	108,484	1981	110,243
1990	105,037	1980	89,882

Source: National Mining Association

Imports of bituminous coal by the U.S., on the other hand, increased by 1.5% to a record high in 1999 of 8.8 million tons. The principal suppliers were Colombia, Venezuela and Indonesia.

(AAPA ADVISORY)

## L.A. Port's Keller Forecasts China & Chile as Growth Markets

**A** year ago, the world economy was recovering from the Asian crisis. Now it looks like China and Chile will be two critical markets to watch in 2000, according to remarks by Executive Director Larry Keller recently at the Port's annual business forum, "Breakfast Beyond the Waterfront." "I firmly agree that the worst is over," said Keller about the Asian crisis. "China and Chile offer the most remarkable trade trend changes and that is where we should see the most promising opportunities in the next few

years.”

China represents a quarter of the Port's total cargo mix. "The potential for more two-way trade with China, along with Taiwan and Hong Kong, is best described by one small word - huge." To illustrate the country's growing role with the Port, Keller noted that China Shipping, reportedly one of the world's fastest growing container lines, recently began its service to Los Angeles. In recent months, nine start-up shipping lines have come to Southern California, with seven going to the Port of L.A., according to Keller.

Looking southward, Keller said increases in agricultural products shipped from South American trading partners, like Chile, mean local business opportunities. He believed that 1999 would be viewed as an economic "speed bump" in a prolonged, 15-year stretch of economic growth in Chile. Last year was particularly difficult for Chile, according to Keller, but that country has focused on and streamlined its private sector economy.

During his remarks to an audience of

regional business leaders, Keller included highlights of the Port's infrastructure improvements designed to keep the Port a leader in the industry, including the commitment from Maersk Sealand to move its West Coast hub to L.A. Keller said, "Our planning is strategic and, in some cases, comes a decade before the first shovel of dirt is turned. It is this kind of investment and faith in Los Angeles that means a secure, healthy 21st century," continued Keller.

Keller closed his remarks by encouraging Southern California leaders to take advantage of burgeoning opportunities in their own businesses. "The 21st century will bring Los Angeles spectacular achievements of unheard of dimensions. All of us, regardless of industry, need to make our products and services even more attractive to meet the demands of a rapidly changing marketplace." For a copy of Larry Keller's full presentation, please call the Port's Public Affairs Division at (310) 732-3506.

*(PORT SIDE NEWS)*

The 1,300-member port authority police force - the 26th largest law-enforcement agency in the United States - patrols Kennedy International, Newark International and LaGuardia airports, the agency's four interstate bridges and two tunnels, the port authority bus terminal, the World Trade Center, marine terminals in both states and the PATH interstate rail transit system.

In addition, it provides aircraft rescue and firefighting at the three major airports, and is the only port authority police force in the United States, and possibly the world, to have its own training academy.

As part of the Port Authority Police Department's aggressive enforcement, Mr. Boyle said highly trained undercover officers reduced targeted crimes - such as auto thefts, robberies, larcenies, luggage and cargo thefts - by 11% overall, and by 14% at the airports.

Total criminal complaints for the agency's trade and transportation facilities - which serve more than 400 million passengers and commuters a year - were reduced by 10.6%. Decreases by facility are shown below:

- George Washington Bridge 32%
- Marine terminals 11%
- Port Authority Bus Terminal 9%
- Lincoln Tunnel 9%
- PATH rapid transit system 8%
- JFK International Airport 6%
- Holland Tunnel 3%
- World Trade Center 1%

Crime at all port authority airports, which served nearly 90 million passengers last year, was reduced by 11%, and most dramatically so at LaGuardia Airport, where total incidents dropped by 20%, according to Port Authority Director of Public Safety/Superintendent of Police Ferd V. Morrone.

Another large decline occurred at Newark International Airport, where police reduced crime overall by 14.7% and auto theft by 63%. "Our officers are breaking the backs of car-theft rings throughout the port authority's airport system," Superintendent Morrone said.

He attributed the decline to increased uniformed and plainclothes patrols that led to the arrest of a significant number of criminals who were targeting the parking lots. He also cited physical improvement in airport parking lots, such as additional lighting.

*(AAPA ADVISORY)*

## **Container Growth Still Strong**

**T**HE Port of Los Angeles, which handled a record-setting 3,828,851 units of 20-foot-long marine cargo containers last year, continued its strong performance last month by moving 358,235 TEUs (twenty-foot equivalent units) - the highest January total ever recorded by the Port.

Total container volume last month represents a 33.1% increase compared to January 1999 (269,138 TEUs). Container traffic last month was unaffected by apparent Y2K inventory stockpiling last year by U.S. companies fearful of computer problems.

The Port is attributing its January 2000 performance to the continued buoyancy of the U.S. economy and strong purchasing power of American consumers seeking competitively priced retail merchandise.

Inbound loaded container volume last month also was a January record for the Port at 185,914 TEUs, a 40.7% increase compared to the January 1999 figure (132,118 TEUs). The January 2000 import figure also would have placed second only to October (198,681 TEUs) last year.

Export traffic showed strong growth

last month, as the Port handled 73,881 TEUs of outbound loaded container volume, a 28.4% increase compared to January 1999 (57,550 TEUs).

The sharp rise in exports reflects improving economic stability throughout Asia and the continuation of a financial recovery that showed consistency last year.

*(PORT SIDE NEWS)*

## **New York/New Jersey: Crime Rate Drops 10.6%**

**N**EW YORK / NEW JERSEY - Thanks to the efforts of its Police Department, the Port Authority of New York and New Jersey in 1999 recorded a 10.6% drop in crime at its airports, marine terminals, bridges and other properties. It was the 10th consecutive year of successful crime reduction.

"The safety and security of the traveling public is one of my top priorities at the Port Authority, and our Port Authority Police have demonstrated that they rank with the very best police forces in the nation," said Port Authority Executive Director Robert E. Boyle.



## North Carolina Ports' Strategic Planning for New Millennium

As we enter the new century, the North Carolina State Ports Authority has embarked on a comprehensive and strategic inquiry into the appropriate role and future direction of our



Erik Stromberg  
Executive Director

Ports. A strategic planning initiative is timely for a number of reasons, key among them the following. In the decade since the Ports Authority's last strategic plan, change in the shipping industry can best be characterized as "revolutionary" not "evolutionary." Our State's economic base has undergone a period of dynamic growth and is now, more than ever, reliant on the global marketplace. Finally, in the past four years, the Ports Authority has enjoyed a revitalized and ambitious capital projects program, thanks in major part to the renewed interest by the State in our Ports.

Strategic planning as a management tool achieved academic popularity in the middle 1960s, and gained more widespread use, primarily in the private sector in the 1970s. Strategic planning offered a formal process to mold day-to-day corporate activities into defined long-term strategic goals, according to the American Association of Port Authorities' (AAPA) handbook, *Strategic Planning: A Guide for the Port Industry*. Within the port community, interest and use of strategic planning grew during the 1980s as port managers sought a foundation on which to make better decisions and appropriately address the increasing array of changes affecting the future of their organizations. The NC State Ports Authority developed its first strategic plan in the late 1980s, with two minor updates in the early 1990s.

It is not only healthy, but essential, for any organization to regularly review its mission, goals and means to achieve them. Such a review is even more timely given the fact that within the past year the majority of the Ports Authority Board of Directors has been appointed and that the board has experienced a total turnover since 1995. Under the leadership of Chairman J. Richard Futrell, the current board represents a broad cross section of North Carolina business leaders who bring a wealth of

insight and expertise to the table. Chairman Futrell has asked the Marketing Committee, chaired by John Emrich, Chief Executive Officer of Guilford Mills in Greensboro, to take the lead in the effort to develop the year 2000 Strategic Plan.

AAPA's strategic planning handbook points out that one of the most important differences between strategic planning and other forms of planning is its emphasis on identifying and understanding changes taking place in the organization's internal and external environment. We began an evaluation of the status, trends and potential changes in the decision-making environment of North Carolina's Ports by hosting the successful conference, "North Carolina's Global Connections - Increasing World Trade through North Carolina," in Raleigh last December. Over the next six months port management will schedule and implement a series of informal interviews and workshops. We will bring in experts from both public and private sectors, from within our industry and throughout our State, to discuss the strategic environment for our Ports. I expect to rely on a number of key organizations in our State which have over the past several years been so important to the Ports Authority in achieving its commercial and public agendas. These include the Ports Advisory Council, NC Citizens for Business & Industry, NC World Trade Association, World Trade Center North Carolina, NC Agribusiness Council, NC Forestry Association, and local and regional economic development organizations from the coast to the mountains.

Our one-year time frame will require a significant effort from the board and management. However, a completed Strategic Plan will provide benefits to the Authority and, I believe, our entire State, for years to come. The Ports Authority's year 2000 Strategic Plan will document specific activities and objectives required in order to achieve identified long-range goals. The plan will provide the board and management with a basis for the development of future operational and capital budgets; it will direct business and facilities development strategies, lay the groundwork for our annual business plans and requests for capital assistance from the state government. In fact, the timing of this effort should be fortuitous, as we should have available a Strategic Plan to justify our legislative agenda going before a new Governor and General Assembly in January 2001. In sum, our year 2000 Strategic Plan will provide the Ports

Authority with a road map for maximizing future successes in service to North Carolina's business, industry and consumers and in strengthening the benefits we provide to the State's economy through business recruitment and expansion opportunities, jobs and tax revenues.

## Portland: Pilot project for ballast water control

To help prevent an influx of foreign organisms into the Columbia River that hitch rides in the ballast water of visiting ocean-going ships, the Port of Portland recently agreed to develop a plan in cooperation with U.S. Sen. Ron Wyden (DOR), the Port of Astoria and others.

The prevention of invasive aquatic plants and animals that prey on native species and their habitat is becoming a top priority in ports and commercial waterways around the world.

The first goal of the consortium is to create a task force, headed by the Pacific States Marine Fisheries Commission, to act as a coordinating, data gathering and funding entity. The consortium members would then pursue support for a pilot project designed to analyze alternatives for the effective treatment and management of ballast water in the lower Columbia River.

Later, using the findings of the alternatives analysis as a guide, the consortium will look into the feasibility of establishing a research and development center that could provide a focal point for evaluating new ballast water management technologies and for testing pilot projects.

The consortium has agreed there should be no presumption about the most effective and economical method of treating ballast water. "We commend Sen. Wyden for advancing this proposal and getting together like-minded interests to work with him in spearheading a ballast water research center," said Portland Port executive director Mike Thorne.

The invasive species research consortium also includes Oregon Sea Grant, Portland State University, the Marine and Environmental Research and Training Station, Clatsop Community College and others dedicated to protecting and preserving the river system and its native habitat.

(AAPA Advisory)

**Port of Stockton Hires  
New Port Director**

THE Port of Stockton Board of Commissioners is pleased to announce that it has hired Mr. Richard Aschieris to be the Port's new port director. Mr. Aschieris, 46, has been described as a "consensus-builder" and an "achiever." He brings an extensive background in the port industry and local government to the Port of Stockton.



Since August 1997, Mr. Aschieris has served as executive director of the Port of Anacortes, Washington, handling a \$6.5 million budget and more than \$40 million in total assets for the busiest bulk loading port in the North Puget Sound area. While in Anacortes, Mr. Aschieris was credited with taking what had once been described as an agency with severe financial problems to a port that came within a single vote of being named Washington's Port of the Year.

In 1988, Mr. Aschieris successfully negotiated the highest per ton petroleum coke shipping contract on the West Coast, and expanded the Port of Anacortes' marine terminals for the first time in 30 years. In addition, Mr. Aschieris provided the leadership for developing the Port of Anacortes' aggressive multimillion-dollar capital improvement program designed to upgrade terminal and warehouse facilities and replace marine docks.

During his tenure at the Port of Anacortes, Mr. Aschieris was also instrumental in attracting SHS.com, a software development firm in the healthcare industry, to port property. This resulted in the creation of hundreds of family wage jobs in the relatively small community. Mr. Aschieris is also credited in using, what some have described as his outstanding people skills, to develop a strong and cooperative relationship between the Port and Anacortes city and country governments, port tenants, the press and the general public that had not existed in the previous 20 years.

Mr. Aschieris is a third generation California native and is a graduate of both San Francisco State University and the University of Southern California. He will be relocating to Stockton with his wife of 22 years, Kathy, a lawyer who graduated from the University of California's Hastings College of The Law in San Francisco. They are the parents of one daughter, Lisa, and twin boys, John and

Michael.

Mr. Aschieris has been involved in a number of community groups including Little League, United Way, and the Board of Directors of the Long Beach Area Council Boy Scouts of America, where as a youth he earned his Eagle Scout Award.

He serves on a number of committees related to his professional endeavors including the Economic Development Association of Skagit County, Washington, and the Skagit County Public Facility Projects Committee.

**Africa/Europe**



**Final cargo handling results even better than expected**

A total of 15,493 seagoing ships called in Antwerp during 1999, and in this period 115,654,020 tonnages of goods were loaded and discharged from these ships. The volume of goods handled in 1999 was Antwerp's second best result ever and was less than in the record year 1998 by only 3.5%.

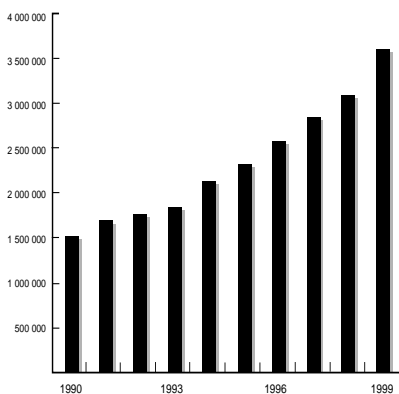
Incoming seaborne goods fell by close to 8% to 66.1 million tonnes. Outgoings on the other hand rose by 3.1% to 49.5 million tonnes, the best result ever.

The container trade rose by 10.7% in terms of TEU (3,614,246) and by 11.5% in tonnage (39.4 million tonnes). Once again this makes Antwerp the fastest riser among Europe's three largest container ports (Rotterdam up by 8.2%, Hamburg up by 4.5%).

new sailing schedule is as follows: Kingston in Jamaica, Puerto Limon in Costa Rica, Portsmouth in the United Kingdom and Antwerp. In Antwerp the ships are handled at the Belgian New Fruit Wharf Terminal, where some 800 pallets of bananas and several reefer containers are brought in with each call. The return cargo consists of containerised and packed general cargo and cars. The reason for the move is that the agent Ovet Shipping in Terneuzen decided to concentrate its logistic operations for a part of Western Europe in Antwerp.

*(Antwerp Port News)*

**Maritime container trade**



**Jamaica banana line transferred to Antwerp**

The shipowner Jamaica Producers Shipping, specialised in shipping bananas from Jamaica and Costa Rica has transferred its weekly banana service from Zeebrugge to Antwerp. The

**Cyprus Ports Authority:  
Passenger and cruise movements**

A total of 820,000 passengers and cruisers arrived at and departed from Limassol Port with a total of 919 calls during 1999 showing an increase of 13% in comparison to the previous year. Thirteen (13) passenger/cruise ships used the island as their home port. These vessels undertook 810 cruises to Egypt, Israel, Greece and the Greek islands. Limassol Port has a total quay length of 1,900 m. and passenger/cruise vessels may berth anywhere. Passenger terminal facilities are available with duty free shops, tourist information, communication facilities, etc.

**Le Havre: Jean-Marc Lacave  
Appointed Executive Director**

ON Wednesday, March 1st, during a meeting of the French Council of Ministers, Jean-Marc Lacave, chief civil engineer, was appointed executive director of the Port of Le Havre Authority, following his nomination by the Minister of Public Works, Transport and Housing.

On March 2nd, Jean-Marc Lacave, 43 years old, took office as executive director of the Port of Le Havre Authority and succeeded Andre Graillot.

A graduate of the schools 'Ecole Polytechnique' and 'Ecole Nationale des Ponts et Chaussées' (high school of civil engineering), Jean-Marc Lacave began his career as manager of the research, development and planning department at the local division of public works ('DDE' in French) in the French 'Department' of 'Deux-Sevres' (1980-

1983), before becoming manager of the Highways Department of the Greater Nantes City area at the local division of Public Works (DDE) in the Department of 'Loire-Atlantique' (1983-1988).

From 1988 to 1991, he was deputy director of Highway Development at the Highways Division for the Ministry of Public Works, and then in 1991, he was technical adviser (road network) to the Cabinet of Louis Besson (the Minister of Public Works, Housing, Transport and the Sea).

He became afterwards local director of public works of the department of 'La Sarthe' (1991-1997), before being appointed regional director of public works in Lower-Normandy and local director of public works in 'Calvadors' from 1997, a position he was still holding so far.

Jean-Marc Lacave and his wife have 5 children and he especially enjoys music and literature.

Andre Graillot has been the executive director of the Port of Le Havre Authority since February 15, 1994. He is going to take up another post at the General Council of Civil Works.

**Latvian Port Gearing  
up for Expansion**

SINCE Latvia regained its independence from the Soviet Union in 1991, Ventspils has become the largest Baltic port in terms of turnover. In 1998 total throughput was 36 million tons, with oil, oil products and dry bulk as the main cargo types. 20% of the world's potash trade and 15% of Russian oil exports are channeled through Ventspils.

In order to maintain and strengthen this leading position, the Free Port of Ventspils Authority has undertaken a large investment programme. Nethconsult affiliate Tebodin and NEDECO group company Witteveen+Bos Consulting Engineers have been working together since 1994 to assist the Port Authority with the realization of these plans.

**Ventspils' history**

Due to Latvia's geographic location and its possession of an ice-free port in Ventspils, its national economy (like that of the Netherlands) is heavily dependent on the transport sector. In the 16th century, Ventspils was part of the Hanseatic League. The initial development of the port began during the reign of the great Duke Jacob of Courland in the 17th century. The next significant phase of development occurred in the time of Imperial Russia. Following the construction of the Ribinsk-Moscow-Ventspils railway in 1904, Ventspils became famous as one of the largest ports in the Russian Empire.

Important events later in the century were the construction of the oil and oil product pipelines from Samara to Ventspils in the 1960s, and the building of chemical cargo and potassium salt terminals. Following independence in 1991, the position of the port changed substantially. There was a considerable reduction in cargo turnover, partly as a result of the disappearance of the fishing industry. However, the port has since managed to regain and strengthen its position. In 1997 Ventspils was granted free port status and by 1998 its total

**Le Havre: Further cuts pilotage,  
towing & other charges**

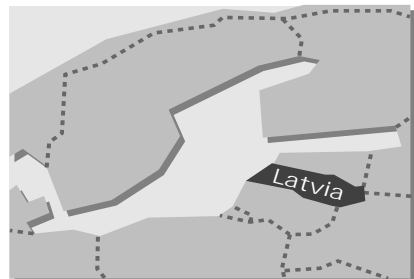
AT their December meeting, the directors of the Port of Le Havre Authority took cognizance of the pilotage and towing charges for the year 2000. Pilotage dues are down by an average of 0.8%, following cuts of 1% in 1999 and 3% in 1998. Containerships, including (significantly) feeders, and ro/ro vessels are the main beneficiaries, with the rates unchanged for other vessels. Towing charges are down by an average of 6.5%, after 4% in 1999 and 1.5% in 1998. Over and above general simplification of the tariff scale for all vessels, there is an average reduction of 10% for containerships and 20% for ro/ro vessels. There are no changes for linesmen.

Charges for cranes and gantries are maintained at the 1999 rate for the current year, with one or two specific reductions, i.e., on the volumes handled at the grain terminal, and volume-related reductions, sometimes of as much as 65%, for the use of berths and ro/ro jetties in the inner docks.

**24 gantry drivers  
trained for Djibouti**

THE International Port of Djibouti formerly possessed two container gantries, operated by 13 drivers and two foremen, but the port authority recently acquired two more gantries, and so needed to increase the number of drivers before bringing the new equipment into service.

As the Port of Le Havre had already set up a similar course in the past, the Djibouti authorities again asked us to help in recruiting and training more gantry drivers. Applications were therefore invited from young people with good professional qualifications in electricity or industrial electronics and 300 were tested. The 100 best were then assessed on a psychotechnical basis, and 24 were finally chosen for training.



throughput of 36 million tons made it one of the largest ports in Europe and by far the largest port in the Baltic Sea region.

### **Expanding access**

The first phase of the investment programme for the port included the dredging of the entrance channel and outer harbour to a least available depth of 17.5 metres. This enabled the port to accommodate 'Afromax' type ships – at 130,000 DWT, the largest vessels that can navigate the Baltic Sea – with substantial benefits to shipping companies (less dead freight).

In the second phase, the Venta River was dredged to a greater depth as part of the Venta River Project, a number of quay walls were upgraded to provide berths for vessels with a greater draught, and a water pipeline crossing was constructed under the Venta River, which flows into the sea at Ventspils. Finally, a new container quay and terminal are currently under construction. All upgrading and new construction works are expected to be completed by early 2000.

The various assignments carried out by Tebodin/Witteveen+Bos have included feasibility studies, preparation of bankable documents, an inventory of potential financiers, preparation of tender documents suitable for international tendering, supervision of tender procedures, monitoring of the works, technical checks, and evaluation of alternatives. In addition, since November 1997 monthly

progress inspection reports have been produced on behalf of the cofinancier of the project, the European Investment Bank (EIB).

Technical designs for the various works have been prepared by the St. Petersburg-based Russian company Lenmorniiproekt. The Ventspils Free Port Authority has recently contracted Tebodin/Witteveen+Bos to conduct a study of options for the development of the port in the very long term.

The projects are managed from Tebodin's office in Latvia, assisted by staff from the two companies' offices in the Netherlands. The team cooperates closely with staff of the Ventspils Free Port Authority, Latvian contractors VENCEB and BMGS, and Russian design engineers from Lenmorniiproekt.

Through this initiative – including the planning and realization of the works and the subsequent improvement on the facilities now available to its present and potential users – the Ventspils Free Port Authority has demonstrated that it is ready and willing to tackle the challenges of the next millennium.

**Ir. Dirk J. Brakel**  
*Manager International Operations Department  
 Tebodin*

**Ir. Albert Treffers**  
*Head Ports Division  
 Witteveen+Bos Consulting Engineers  
 NEDECO Group Company*

*(Land & Water International 96 2000 NEDECO,  
 Netherlands Engineering Consultants)*

the large number of redundancies it will create. In order to deal with this, CFM has developed a retrenchment programme and reserved large sums of money both for a comprehensive programme to develop alternative employment opportunities and for early retirement schemes.

NEI conducted an economic analysis of the total privatization process, including the retrenchment effort. Based on the alternative institutional arrangements between CFM and the concessionaires currently envisaged, financial projections were produced for the 'New CFM'. However, the results of these will inevitably change as a result both of continuing negotiations between CFM and its concessionaires and of developing views on future levels of trade and traffic. This realization prompted the development of a tool enabling CFM to reiterate the financial assessments whenever necessary. This was done in close cooperation with DFM staff.

**Dr. Simme J.H. Veldman**  
*Senior Consultant  
 NEI  
 NEDECO Group company*

*(Land & Water International 96 2000 NEDECO,  
 Netherlands Engineering Consultants)*

### **Amsterdam builds innovative**

#### **Ceres Paragon Container Terminal**

**T**HE Amsterdam Port Authority has just awarded the contract for the construction of the innovative Ceres Paragon Container Terminal. The contract has been awarded to a consortium of Dutch companies consisting of Van Oord ACZ B.V., Ooms Avenhorn Group B.V., De Klerk B.V., Bemo Rail B.V. and GTI Zaanstad B.V.

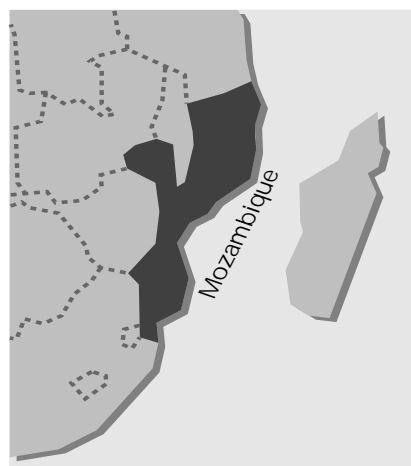
The selected contractors will start their work at the end of March. The Ceres Paragon Terminal will be fully operational by mid-2001. The total contract value is approximately NLG 90 million (EURO 41 million).

The contract that has been awarded includes all construction activities for the new container terminal such as the "indented berth" dock and the quay walls; paving, lighting and fencing; drainage, electrical systems and other subsoil infrastructure; a rail terminal and the rails for the container cranes. Contracts for the delivery of 9 super post-Panamax container cranes and 39 straddle carriers have already been

### **Performances of Mozambique Port and Railway Systems**

**F**ROM mid-1998 to early 1999, NEDECO Group company NEI was engaged in a study of the future economic and financial performance of Mozambique's railway and port systems. The study's financiers and clients were the World Bank and the Mozambican railway company CFM, with the major part of funds originating from Dutch trust funds.

CFM owns and operates the port and railway systems of Mozambique and is the country's largest employer, with a payroll of some 22,000. The organization is currently in the process of conducting a large-scale privatization of its core activities by separately privatizing each of its three major ports and the railway lines connecting these ports with South



Africa and the landlocked countries of Zimbabwe, Malawi, Zambia and Swaziland. One of the difficult issues raised by the privatization exercise is



awarded at an earlier stage.

"Now that we have awarded this construction contract, we have now committed 90% of the required investments for the new terminal and are well on schedule to be fully operational by mid-2001," according to Godfried van den Heuvel, President/CEO of the Amsterdam Port Authority.

Later this year, terminal operator Ceres Inc. will award the contract for the construction of the terminal buildings.

Ceres Paragon will be the world's first container terminal featuring an "indented berth" where container vessels can be worked with up to 9 cranes that are positioned simultaneously over both sides of the vessel. This innovative concept will reduce the time in port for large container vessels by 30-50%. In addition to the "indented berth," Ceres Paragon will also have 615 meters of conventional, deep-sea berth. The new Amsterdam terminal will be accessible for the largest container vessels afloat within 2.5 hours from open sea. Furthermore, the Port of Amsterdam is characterised by its excellent connectivity with the European highways, rail networks and inland rivers.

Upon its opening mid-2001, Ceres Paragon will be a 50-hectare facility with an annual throughput capacity of 600,000 containers (950,000 TEU). At a later stage, expansion of the terminal can be easily realised on the adjacent port area, allocated for this purpose.



**Maize** – Has shot up by 240,000 tonnes which, taken together with the increase in the "other solid cargoes," has helped keep down the fall in solid bulk cargoes.

**General goods** – This type of cargo, which has the highest added value and largest revenue, has continued its upward trend, increasing by 16% over the year before, reaching 15,323,550 tonnes.

Of this total, 11,531,747 tonnes are for container cargoes (+15%). Coffee and Valencian floor tiles have been the most significant items in volume and growth terms.

The rest has been conventional cargo (+23%), such as steel reels and other steel products and new vehicles, in particular.

The number of containers handled totalled 1,235,000 TEUs (20-foot equivalent container units), up by 13%, which consolidates the Port of Barcelona's position at the head of the Mediterranean.

The reason for the fall in the traffic of new vehicles, down by 9%, is the boost in multimodality for this type of cargo: a train line which transports vehicles of the Seat-VW-Audi group to Germany started operating this year, taking up some of the maritime traffic. The increased domestic demand for this product in Spain has led to a drop in exports. In spite of these results, the

## ***Cargo traffic via the Port of Barcelona experiences a 13% increase in 1999***

CARGO traffic via the Port of Barcelona, according to definitive statistics, recorded a 13% increase in 1999, more than the average 5% growth for Spanish ports. Last year the port handled over 28 million tonnes. This means that for the first time ever it has become the top port in Spain in terms of the volume of cargo traffic, after Algeciras, but better than the ports that have traditionally recorded higher levels of cargo traffic, such as Bilbao and Tarragona.

Last year, the Port of Barcelona consolidated its position as one of the top ports in the Mediterranean for general cargo, which has the highest added value, as a result of an increase of 13% to 1,235,000 containers it handled.

The Port of Barcelona follows this tendency at the beginning of year 2000. In January it handled 2,408,608 tonnes of cargo (20% more than last year) and 92,773 containers (+11%) and registered 43,123 passengers, up by 23% compared to January 1999.

### **Cargo Traffic in 1999**

Analysis by type of cargo:

- **Hydrocarbons** – This shipment has recovered noticeably, recording an increase of 20% from 1998. The service facilities have meant that the adverse impact caused by the start of operations at the new reception/degasification plant at the Port of Cartagena, can be seen by the increase of more than 500,000 Tm in natural gas (+16%). The other increase has been recorded for petrol products such as diesel oil and gasoline, while other liquid bulk cargoes have overcome the drops recorded the year before as a result of the recovery in the traffic of caustic soda and bulk oil.

- **Solid bulk** – This is the only traffic that has not been able to recover compared to the year before, in spite of the differences in the performance of different products.

**Cement** – High demand in the domestic building industry has meant that domestic cement production has been diverted towards domestic consumption rather than being exported. This situation has made up for a drop of around 500,000 tonnes in export traffic.

**Soybeans** – Have recorded a drop of 6%.





Port of Barcelona, with 564,806 vehicles passing through the port, has held its position as the third port in Europe, after Bremenhafen and Zeebrugge, and the top port in the Mediterranean for this type of traffic.

It should also be pointed out that during 1999 the mixed passenger-cargo coastal service to Genoa, which started operating the year before, has become consolidated. Nearly 575,000 tonnes of goods have travelled using this line operated by the Grimaldi group. This represents a major step forward for

encouraging short sea shipping for certain routes and cargoes, contributing to reducing traffic congestion on roads in Southern Europe and reducing environmental impacts on road traffic.

During 1999, 1,378,252 passengers came through the Port of Barcelona, including cruise liner passengers and passengers travelling to the Balearic Islands and Genoa, up by 31% compared to 1998.

Total short-distance traffic was up by 39%. The ferry service run by the Grimaldi group between Genoa and

Barcelona, which started operating in September 1998, has become a daily service, and has carried 78,400 passengers a year.

On the lines connecting Barcelona to the Balearic Islands, Buquebús has consolidated its position and has grown by 157%, carrying 259,706 passengers to and from Palma de Mallorca. Transmediterránea has carried 498,550 passengers to all the three islands to which it runs services. Moreover, the company Umafisa started, in November, a service with a ship on the Barcelona-Ibiza line

## Definitive Traffic Results 1999

ITEM		1998	1999	%	
CONTAINER GOODS (Tonnes)	LIQUID BULK	HYDROCARBONS	5,999,327	7,206,870	20%
		Natural gas	3,328,577	3,868,381	16%
		All other hydrocarbons	2,670,750	3,338,426	25%
		OTHER LIQUIDS	1,239,096	1,292,789	4%
	TOTAL	7,238,423	8,499,596	17%	
	SOLID BULK	TOTAL SOLID	4,406,605	4,053,580	-8%
		Maize	54,000	294,602	446%
		Cement	1,701,691	1,198,475	-32%
		Soybeans	1,560,201	1,469,343	-6%
		Other solid bulk	1,090,713	1,091,160	0%
	GENERAL GOODS	CONVENTIONAL	3,078,976	3,791,804	23%
IN CONTAINERS		10,001,113	11,531,747	15%	
TOTAL		13,080,089	15,323,550	17%	
<b>TOTAL (1)</b>		<b>24,725,117</b>	<b>27,876,726</b>	<b>13%</b>	
OTHER GOODS (Tonnes)	FISHING	4,396	6,183	41%	
	PROVISIONING	PETROL P. REST	286,727	309,961	8%
		REST	322,896	315,640	-2%
		TOTAL	609,623	625,000	3%
	<b>TOTAL (2)</b>		<b>614,019</b>	<b>631,784</b>	<b>3%</b>
<b>TOTAL IN TRAFFIC PORT (1)+(2)</b>		<b>25,339,136</b>	<b>28,508,510</b>	<b>13%</b>	
GOODS (Tonnes)	LOADED	SHORT-DISTANCE	2,924,624	3,352,598	15%
		LONG-DISTANCE	6,148,313	6,430,714	5%
	UNLOADED	SHORT-DISTANCE	2,020,050	2,092,548	4%
		LONG-DISTANCE	13,632,130	16,000,868	17%
OTHER DATA	<b>N° OF CONTAINERS (TEUs)</b>		1,095,113	1,234,987	13%
	SHIPS	NUMBER	7,712	9,204	19%
		G.T.	101,713,506	118,696,988	17%
	VEHICLES (NUMBER)		622,165	564,806	-9%
	TOTAL PASSENGERS		1,065,422	1,378,252	31%
PASSENGERS (Number)	SHORT-DISTANCE		602,361	836,656	39%
		Trasmediterránea	484,792	498,550	3%
		Buquebús	105,110	259,706	147%
		Grimaldi	12,459	78,400	529%
	CRUISE LINERS		463,061	541,596	17%
		Cruise liner stop-offs	447	506	13%

with a capacity for 1,000 passengers and 250 cars.

The cruise liner sector grew by 17% in 1999, with nearly 80,000 passengers more than the year before, with a figure of 541,596 cruise passengers. Stop-offs have increased more slowly, by 13%, to 506. This difference in figures is due to the fact that the cruise liners stopping at the port are getting bigger.

In 1999 the two International Terminals located in the World Trade Center Barcelona (WTCB) complex started operating. The formation of the company *Cruers del Port de Barcelona, S.A.*, in charge of running the terminals and providing services for cruise liners, has been involved in the privatization of the services of 4 of the 6 tourist cruise liner terminals in the Port of Barcelona. The new facilities of the WTCB mean that the port is now the largest cruise liner port in the Mediterranean, and the

third-largest in the world, after Miami and Singapore.

A study carried out during the third quarter of 1999 by the *Gerencia Urbanistica Port 2000* on the profile and tourist habits of the passengers of cruise liners shows that they come mainly from Spain, the United States and the United Kingdom and are from the upper middle class. In Barcelona they walk along *la Rambla* and the Old City (80%), go shopping (27%), visit Gaudi's buildings (24%) and take a tour around the city, combining some activities with others.

20% of the passengers who start or finish their cruise in Barcelona spend one or more nights in hotels in the city. Barcelona is in fact the city that is preferred by 50% of these tourists, and 85% of those surveyed want to return and recommend revisits.

tonnes.

Work on Humber International Terminal, which will offer the only deep-water general cargo terminal on the east coast between the Thames and the Tees, continues at a rapid pace and is on course to open in June 2000.

Exxtor, ABP's ro-ro terminal operator at Immingham, has performed ahead of expectations during its first full year of ownership.

## Hull and Goole

Although throughput was slightly down on last year's record year, Hull has won a number of significant new contracts that will generate future growth. In May, the port was chosen by some of the world's leading paper producers as their northern UK centre. The new facility we are building – Finland Terminal – will provide covered storage for a wide range of forest products and will consolidate Hull's position as the leading UK port for timber imports.

Hull's ro-ro trade, which accounts for more than one-third of its annual throughput, has seen further expansion this year. A new ro-ro service operating twice-weekly sailings to Hamburg, operated by CargoConnect Transport & Logistics Limited (CCTL), commenced in July. Since then, demand for the service has grown such that, in September, CCTL added an additional vessel to the route, increasing sailings to four times a week.

We have also reached an agreement with P&O North Sea Ferries for the construction of a new passenger terminal to support the introduction of two new super-cruise ferries to be introduced on the Rotterdam service in 2001.

At Goole, the opening of the Caldaire Terminal, accommodating a wide range of cargoes including steel, general cargo and agribulks, was driven by customer demand.

## Southampton

The port achieved another highly successful year with growth across key trades. Volumes of fresh produce handled through the port were up 16 per cent on 1998. Southampton further consolidated its position as the UK's market-leading port for vehicle-handling with volumes of vehicles handled showing continued growth.

The increased vehicle trade at the port includes the addition of Wilhelmsen Lines under the merger with Wallenius Lines in July, and a new weekly service by United European Car Carriers to destinations in Scandinavia and Poland.

## ABP CE Bo Lerenius Says

### "Tremendous Positive Change Gives Strong Platform for Quality Growth Prospects"

"Last year saw tremendous positive change," said Group Chief Executive of ABP Holdings, Bo Lerenius, when he announced the Group's 1999 year-end results on February 22, 2000 with newly appointed Group Finance Director, Richard Adam. "We are putting into action our strategy for growth and I am confident that we have the right team to pursue this strategy," he continued.



through rigorously targeted investment.

### Grimby & Immingham

Grimby & Immingham saw record levels of total throughput for the fourteenth successive year, with a combined figure of 47.3 million tonnes handled.

Unit-load traffic increased by 5 per cent to 8.4 million tonnes and Immingham's Nordic Terminal handled record ro-ro volumes, up 8 per cent to over 522,000 TEU. Immingham's position as one of the UK's most important ro-ro ports was further boosted by the announcement that DFDS has extended its agreement with ABP for the use of the port's Nordic terminal to 2014.

The Immingham Bulk Park exceeded expectations with nearly 200,000 tonnes of fertiliser, pumice and gypsum being handled at the store in the facility's first full year of operation. The port also saw a 5 per cent increase in liquid bulks handled with the Immingham Oil Terminal seeing a record year with throughput in excess of 21.4 million

### Ports and transport

Our main business generated turnover of £310.1m, up 13 per cent compared to 1998 (£274.1m). Underlying operating profit grew by 5 per cent to £126.9m (1998: £121.0m).

We have strengthened our position in a number of key trades, such as roll-on/roll-off (ro-ro), containers and steel exports. During the course of the year, we announced several new developments involving long-term agreements with quality customers. This is in line with our strategy of growing existing business and developing new business



Hull's ro-ro trade has seen further expansion. A new service to Hamburg, operated by Cargo Connect Transport & Logistics Limited (CCTL), commenced during 1999.

Southampton reaffirmed its position as the UK's premier cruise port with nearly a quarter of a million cruise passengers passing through the port. Southampton welcomed a number of maiden cruise-calls during the year and, in November, Cunard Lines confirmed Southampton as the home port for Cunard's UK-based vessels including Queen Elizabeth 2.

### **South Wales Ports**

As expected, our South Wales ports continued to feel the impact of declining throughput in trades such as iron ore and coal. In particular, petroleum exports and imports at Swansea have been affected by the closure of BP's oil refinery at Llandarcy. Newport's fresh-produce volumes will be adversely impacted upon the withdrawal of Jamaica Producers' fruit distribution in early 2000.

The ports are continuing to expand their trades in other areas, with timber traffic having grown as a result of a number of new contracts at Newport, Cardiff and Swansea. Steel exports are showing recovery with volumes up on

last year.

At Cardiff, the opening of the Bob Martin Terminal for the leading pet products specialist boosted the port's dry-bulk business. The completion of Dow Corning's genesis project, which has created one of the largest silicone-manufacturing plants in the world, will result in increased volumes of chemical imports through Barry.

In December, Newport completed an investment in a rail-served coal facility in support of a new, long-term agreement to supply coal to Fifoots Point Power Station. The coal-fired power station is currently being refurbished and is scheduled to become operational by June 2000.

### **Short-Sea Ports**

Growth at Ipswich has been achieved through a combination of rigorously targeted investment and the provision of higher-margin, value-added services with, for example, the opening of the IAWS Fertiliser Terminal and the state-of-the-art Ipswich Timber Treatment Centre. We have also announced our intention to develop a

new £1.1m marina at Ipswich.

Ro-ro is a growth area within the short-sea ports. Since the year-end, Ipswich has announced the start of a new daily ro-ro freight service, operated by Ferryways NV, and this began in February. It is the first regular ferry service at the port since 1995.

Troon was successful in its bid to secure new ro-ro trade when P&O European Ferries (Irish Sea) chose the port for its twice-daily freight service to Larne, Northern Ireland.

King's Lynn's agribulks trade received a boost when agreement was reached with Dalgety Arable on the construction of the first malting barley silo to be built within a port. ABP has awarded a £3.5m contract to build this facility, which is expected to be operational by July 2000.

### **American Port Services**

American Port Services (APS) was acquired in June 1998. The first full year of operation under ABP ownership saw APS generate turnover of £42.7m in the full year 1999, compared to £20.4m in the half year 1998, and total operating profit rose from £1.7m to £3.3m in the same period. The Seaport Division of APS handled over 314,000 vehicles in the USA, compared to just over 300,000 for the full year 1998. Profits from these operations have, however, disappointed due to reduced profit margins with some accounts performing well below expectations. The Aviation Division has, on the other hand, been relatively successful during the year, benefiting from the buoyant US economy. In May, it acquired Dawn Aero, a fixed-base operation in New Castle Airport, Wilmington, Delaware.

### **Red Funnel**

Our Southampton-based ferry and towage business enjoyed a buoyant performance in 1999, due mainly to the increased capacity provided by extra sailings. Passenger numbers continued to grow, rising 7 per cent on the previous year to a record 2.5 million passengers. Other sectors of the business also showed good growth with freight carryings up 6 per cent on the previous year, with car and coach carryings showing growth of 9 per cent and 11 per cent, respectively. Additional sailings in 1999 extended the daily operating timetable to 24 hours, enabling Red Funnel to attract drop-trailer traffic.

### **Associates**

ABP's share in the turnover of Southampton Container Terminals





Scott Harbour, Cardiff Bay, one of Europe's leading business destinations.

(SCT) and Tilbury Container Services (TCS) increased by 4 per cent to £32.6m (1988: £31.3m). Share of operating profits increased by 28.1 per cent to £7.3m (1998: £5.7m).

At SCT, throughput increased by almost 9 per cent over the previous year, with total throughput of 921,000 TEU, reflecting growth in the Far East/Middle East container trades and the contribution of the Norasia, CMA and NSCSA contracts won in autumn 1998. TCS had a record year, increasing throughput by almost 28 per cent on the previous year, with 255,000 TEU handled. A second riverside berth at Northfleet Hope on the Thames at Tilbury is on course for completion in 2001. This will provide increased capacity, allowing TCS to keep pace with the growth in the container market.

#### **Property Investment and Development**

Property investment turnover was down by 11 per cent to £17.9m (1998: £20.1m), with operating profit down by 10 per cent to £15.0m (1998: £16.7m).

This reflects, in part, our policy of disposing of non-port-located property within the Grosvenor Waterside portfolio, an exercise which is now complete, with receipt of £31m in respect of non-port-located investment property having been sold during 1999. The policy of

selling mature, non-operational, port-located sites continues. Here, sales of £36m were achieved including the sale of St Andrew's Quay, Hull, for a figure in excess of £24m.

Property development turnover fell by 49 per cent to £23.1m (1998: £44.9m), with operating profit up 21 per cent to £8.2m (1998: £6.8m).

At Cardiff Bay, Grosvenor Waterside completed the sale of a 5-acre (2ha) waterfront site to Bank One International. At The Waterfront, Barry, a 290-acre (77ha) mixed-use development in conjunction with the Welsh Development Agency, a 6.8 acre (2.75ha) site was sold to Wm Morrison Supermarkets. These two sales generated revenue in excess of £14m.

In addition, over £3m of land sales were achieved from surplus land within the ABP port estate.

#### **Prospects**

Building on the positive changes we have seen in 1999, we are putting into action our strategy for growth. Our core ports business is very strong and we have a number of major projects agreed and in the pipeline that will drive future growth. Our property activities are now concentrated on schemes at our ports and we continue to exploit the considerable potential of our land bank. I am optimistic for the future and expect further good progress in the year 2000.

(Ports)

#### **Tideland Lanterns for Lighthouse Upgrading and Conversion**

TIDELAND Signal's long-range TRB-400 lantern is now available fitted with a direct drive turntable to permit direct and inexpensive conversion of an existing lighthouse, where the building is in good repair but the lighting equipment does not meet current standards, or is difficult and expensive to maintain.

Previously, the TRB-400, which has a range in excess of 24 miles, was available only as a complete, self-contained lantern and was a popular choice for



Tideland's TRB-400 rotating lantern with direct drive turntable and 24nm range for lighthouse conversion.

newly built lighthouse structures. By fitting the unit within an existing lantern housing, the TRB-400 can provide a powerful replacement for the traditional beacon, capable of remote monitoring and benefiting from advanced minimum maintenance features, within the original building.

The direct drive turntable has precise, user-selectable speed control and a motor design life of 25 years. Both the drive system and the TRB-400's lamp-changer units include built-in facilities for remote monitoring, either by radio, satellite or telephone, using the Tideland NavLink system.

The TRB-400 lantern is intended for solar-powered operation and so allows operators to dispense with elaborate duplicate or triplicate diesel generator sets which require a regular supply of fuel and a sustained maintenance procedures. The solar energy system uses extremely reliable high quality solar modules with an operating life in excess of 20 years and is individually computer-designed for each application, depending on the geography of the location. Maintenance-free batteries can be supplied as a back-up energy reserve and an additional 10nm lantern is available to switch on automatically in the event of a main beacon failure.

Approved to ISO 9001, Tideland Signal Limited is a British-based member of the Tideland group of companies, which specialises in aids to navigation and solar generation. The Tideland group is independently owned and has its headquarters in Houston, Texas.

## Asia/Oceania



### **AQIS: Implementation of New Compulsory Ballast Water Rules**

**A** USTRALIA Announces Move to Mandatory Measures for Ballast Water

On September 15, 1999 the Commonwealth Minister for Agriculture, Fisheries and Forestry, the Hon Warren Truss MP, announced that Australia will implement strict new rules to make it compulsory for international trading vessels to manage their ballast water so that it will not introduce exotic pests into Australia's marine environment. These new arrangements will come in effect by mid-2001 and will be complementary with developments within the International Maritime Organisation's Marine Environment Protection Committee towards the finalisation of international regulatory arrangements for the management of ballast water.

#### **New Directions Proposed for the Prevention and Management of Marine Pest Incursions**

A National Taskforce on the Prevention and Management of Marine Pest Incursions submitted its report to the Australia and New Zealand Environment and Conservation Council and the Ministerial Council on Forestry, Fisheries and Aquaculture on December 24, 1999. The report proposes a National System for the Prevention and Management of Introduced Marine Pests, coordinated by a single reporting body. The report's 57 recommendations outline interim and longer-term action to establish the three main components of the national system.

First for the prevention of new marine pest incursions and translocations. The report confirms the leadership role in this area for the Australian Quarantine and Inspection Service. The further development and implementation of AQIS's draft action plan for minimising the risks to Australia from the introduction and translocation of marine pests by vessels has been identified by the Taskforce as an essential part of the proposed National System (All other vectors are also proposed to be managed under the National System). Second, for coordinating emergency response actions to new marine pest

outbreaks. The report proposes a leadership role for the National Office of Animal and Plant Health, in Agriculture, Fisheries and Forestry-Australia, in coordinating national responses to outbreaks. A draft Australian Emergency Marine Pest Plan is included in the report that, when finalised, will provide a framework for conducting a staged response in a marine pest outbreak. Third, for undertaking longer term mitigation and control measures to combat established marine pests. The report proposes that the Commonwealth and States/Northern Territory explore the development of statutory plans to reduce, eliminate or prevent the impacts of introduced marine species on the biodiversity of Australia.

The outcomes of the Taskforce and the terms of reference may be obtained at the website <http://www.agis.gov.au/docs/ballast/prevandmanag.htm>. A final position on the report's recommendations and the availability of the report is not anticipated before the end of March 2000.

#### **Progress Made at Workshop Towards Harmonising Australia's Ballast Water Arrangements**

On September 15-16, 1999 AQIS convened 'Harmonising Australia's Ballast Water Arrangements,' a workshop on the single national management regime which drew representation from the Commonwealth, States/Northern Territory, the shipping, fishing and aquaculture industries and environmental interests. The participants agreed there was an essential and urgent need for a single national integrated management regime against introduced marine pests and that to achieve this outcome the workshop recognised: the need for a single national approach, articulated through an Action Plan; that the Commonwealth, through AQIS, should take the leading role in developing the single national management regime in close cooperation with the States/Northern Territory and stakeholders; and that the regime must be integrated,

i.e., recognise and complement international, national and local arrangements.

Since the workshop was held, AQIS has developed a draft 'action plan for minimising the risks to Australia from the introduction and translocation of marine pests by vessels.' It will be essential to the successful implementation of the action plan that the funding arrangements between the Commonwealth, States/Northern Territory be agreed, as well as areas of responsibility (while the Commonwealth is prepared to take lead in some areas, other stakeholders, especially States/Northern Territory, will also need to contribute directly in other areas).

#### **Victoria Releases Draft Industrial Waste Management Policy (Ballast Water and Hull Cleaning)**

The Victorian Minister for Environment and Conservation, the Honourable Sherryl Garbutt MP, announced on December 22, 1999 a package of draft measures to manage marine pests in Victorian waters, which included a statutory framework to control ships' ballast water, hull cleaning practices and the management of marine pest outbreaks. The Minister stated, "For the first time Victoria will have a structured and proactive basis from which to respond to marine pest issues instead of the previous ad-hoc approach which only focused on the latest pest problem." The policy documents will be open for public comment until April 14, 2000 and additional information may be obtained directly from the EPA Information Centre in Victoria.

Tel: 03 9695 2722,

website: [www.epa.vic.gov.au](http://www.epa.vic.gov.au)

or the Natural Resources and the Environment (NRE) Information Centre,

Tel 03 9637 8080

website: [www.nre.vic.gov.au](http://www.nre.vic.gov.au)

#### **Victoria Acts to Prevent Translocation of Northern Pacific Starfish**

The Victorian Environment Protection Agency has acted quickly in response to the perceived risk of translocation of the northern Pacific starfish from Port Phillip Bay to Westernport Bay in Victoria. Late in the 1999 spawning season for the starfish authorities were made aware of a pending coastal voyage by an international oil tanker, from the port of Geelong (in Port Phillip Bay) to the Port of Hastings (in Westernport Bay). Under s.62B of the Environment Protection Act 1970 (Vic) ballast water samples were taken from the tanker

prior to its departure and analysed by MAFRI. Larvae of the northern Pacific starfish were found and, consequently, the tanker was directed to undertake ballast water exchange en route to the port of Hastings. The Victorian EPA has advised that parallel action will be taken from now on in respect of similar coastal voyages in Victorian waters.

A series of meetings is being held between AQIS and Victorian officials to progress the development of harmonised arrangements within the Single National Management Regime for ballast water that has been agreed in principle between the Commonwealth and the States/Northern Territory.

### Outcomes of the 8th ABWMAC Meeting

The ABWMAC last met on October 14 & 15, 1999 in Melbourne. The meeting focused on a range of issues, including:

- the significance of the outcomes of the 43rd meeting of the Marine Environment Protection Committee (London);
- the Government's announcement on September 15, 1999 on the introduction of mandatory ballast water arrangements for international shipping by mid-2001 (Council unanimously supported this action, noting the urgent need to address all coastal voyages and pathways other than ballast water);
- AQIS's workshop 'Harmonising Australia's Ballast Water Arrangements' and its outcomes, particularly the development of the draft AQIS Action Plan;
- the work of the National Taskforce on the Prevention and Management of Marine Pest Incursions;
- progress on the development of the ballast water Decision Support System;
- work under the Strategic Ballast Water Research and Development Program including the need for secure R&D funding, release and success of the Maritime Awareness Kit, release of the Marine Target Species List and moves to study hull fouling;
- Strategic framework for ballast water management;
- Progress on the development of a Cooperative Research Centre proposal by CRIMP;
- the outcomes of the three port trial of coastal ballast water arrangements; and
- status of port surveys.

You may contact the Australian Ballast Water Management Program by  
Tel: + 612 6271 6489  
Fax: -12 6272 3036  
e-mail: ballastwater@aqis.gov.au

### Port Authorities in Taiwan to Become Special Public Juridical Persons

A consensus for a new form of harbor operation has nearly been reached by the Council for Economic Planning and Development (CEPD) and the Ministry of Transportation and Communications (MOTC). Consequently the structure of harbor management in Taiwan will be eventually changed. After a number of meetings, both CEPD and MOTC agreed that the responsibility for harbor operation would fall into three levels: enforcement of laws and regulations, harbor management and service, and commercial business.

The first level concerns the enforcement of laws and regulations, which will be the responsibility of the public authority. In fact, MOTC has been planning to establish a new administrative agency for maritime affairs. On the second level, general services involving the enforcement of public power and harbor development and management will be

the responsibility of the harbor administrative agency in the form of a special public juridical person. As for the third level, business operations such as the planning and construction of harbor facilities, control of ship entry and departure, enforcement of safety regulations, allocation of berths, port operation management, tariff policy, and environmental protection will continue to be privatized. In the short term, the special public persons will still be able to administer matters on the third level before the privatization is fully implemented.

A plan for establishing a new "Maritime and Port Administration" is proposed to govern the shipping and port administrative matters of Taiwan. The subjugation of Kaohsiung Harbor Bureau (as well as the other three international ports in Taiwan) directly to the jurisdiction of MOTC since July 1, 1999 is a step towards the implementation of this new policy. Under the agreement between CEPD and MOTC, KHB is to become a special public juridical management entity, which is independent from the governmental supervision on its budget, personnel administration and procurement system. It will then be in charge of general service, development, and management that need to be enforced by public power. However, in order to improve its operational efficiency and become more competitive, the business part of the port's operation will continue to be privatized.



Port of Kaohsiung

## ***KHB deals with chem. accidents in port area with 13 firms***

**A**N agreement was signed by the KHB and 13 petrochemical companies to deal with chemical accidents and related emergencies in the port area. The agreement brought the formation of a joint security system enacted in January 2000.

According to the agreement, members of the security system are obliged to provide manpower and equipment to support other members when chemical casualties occur. In addition, members will also be able to offer technical knowledge and rescue assistance in fire fighting, environmental protection, and

transportation to the supervising departments in charge.

*(KaoPort Newsletter)*

## ***Kaohsiung Port Statistics***

### Freight Tonnage

Year	Total
1995	80,930,061
1996	83,232,072
1997	93,347,181
1998	98,02,961
1999	110,722,237

### Container Cargo Handling

(Unit: M.T.)

Year	Total	Imports	Exports
1995	5,053,183	2,512,137	2,541,046
1996	5,063,348	2,523,896	2,539,152
1997	5,693,339	2,814,592	2,878,749
1998	6,271,053	3,062,480	3,208,573
1999	6,985,361	3,398,909	3,586,452

## ***Port of Guangzhou exceeds over 100 million-tons throughput in 1999***

**A**S the world entered the new millennium, South China's Port of Guangzhou could be proud of what it accomplished in 1999. The port handled 101.57 million tons of cargo last year, becoming the second port in Mainland China recording an annual throughput of above 100 million tons after the Port of Shanghai. In terms of container movement quantity, the port ranked in Mainland China's top five by handling 1.17 million TEUs last year. The Guangzhou Municipal Government held a grand ceremony on February 29, 2000 to celebrate the port's impressive achievements.

As pointed out in the ceremony by Mr. Lin Shusen, Mayor of Guangzhou, the city of Guangzhou, known as China's "south gateway," has been a port city throughout its 2000-year history. The port played an important role in enhancing the city's social and economic development. To meet the needs of the city's recent rapid development, in

1994 the city government outlined an expansion program for the Port of Guangzhou, according to which the port was predicted to complete an annual throughput of about 100 million tons by the year 2005. However, it turned out that the port has achieved this goal six years in advance.

For the Port of Guangzhou, the 1990s

witnessed several milestones. The port broke historical records by handling 50 million tons for the first time in 1992, 60 million tons in 1993 and 70 million tons in 1994. In 1998, the port achieved a new high of 78 million tons.

Of total throughput, loading and offloading through the Port of Guangzhou amount to approximately 30% and 70%, respectively, with coal, crude oil, grain & cereals, steel and chemical fertilizers as the major types of cargo handled. As the hub port for South China with a vast hinterland comprising several provinces, such as Hunan, Guizhou and Jiangxi., the port has played a key role in propelling the local social and economic development. Compared with other coastal ports in South China, as a river port the Port of Guangzhou has the most advantageous location in view of the extent of manufacturing activity and the dense population of the region. With trade volumes increasing, the port has taken some strategic measures, which include two big infrastructure projects under way. Those are the dredging of the 115km long navigational channel the whole way from the Huangpu new port terminal to the estuary of the Pearl River and the new berths construction project in Xinsha Terminal.

The first stage of the dredging project commenced in November 1998 and will be completed by the end of 2000. Upon completion, the water depth will be down to 13.5m at high tide. The second stage will bring the depth down to 15m by 2003.

The Port of Guangzhou will have seven new deep-water container berths in Xinsha Terminal, of which four have been completed. Up to now, there are 10 berths along the 2000m-long quay front in Xinsha Terminal.



*Huangpu Container Terminal, Port of Guangzhou*

**Kobe mourns  
ex-mayor Miyazaki**

**M**R. Tatsuo Miyazaki, former mayor of Kobe, passed away on February 22, 2000. He was 88 years old.

Mr. Miyazaki entered the Kobe City Government in 1937. After serving as vice mayor for four 4-year terms (1953-1969), he became the mayor in 1969 and served for 20 years, or five consecutive terms. Throughout that period, he positively promoted various large-scale land development projects, landscaping mountains to create housing sites. Soil from the construction sites was used to

create the man-made islands of Port Island and Rokko Island. Those who viewed these gigantic land developments which were going on in Kobe often used the expression "The mountains move to the sea" to express their admiration for the mayor, whose unique management skill had given the city nickname of "Kobe Company Limited" ably led by its CEO mayor Miyazaki.

In addition to the engineering ventures which contributed to modernizing the port city of Kobe, on the initiative of the mayor, Kobe played an important role as a pioneer in putting a number of innovations into effect, including a children's allowance system, a system of free medical treatment for elderly citizens, the passing of an anti-pollution law.

After his retirement as mayor in 1989, he continued to promote regional development projects in his capacity as director general of the Kobe Urban Issue Research Institute.

Mr. Miyazaki was honored by the French

Government by being awarded the "Legion d'honneur in 1973, was given the "First Class Order of the Sacred Treasure" by the Emperor of Japan in 1990 and was granted an honorary citizenship by the city of Kobe in 1990. He wrote a number of books on such subjects as "For the Creation of a City for Citizens," "City Management of Tomorrow" and "Study on Local Cities' Autonomy in the U. S. and Europe."

A farewell get-together for Mr. Miyazaki was held on April 6, 2000 in the Kobe Bunka Hall. It was attended by some 2,500 people, including Kobe citizens and a number of heads of local city governments.



Some 2,500 people gather to bid farewell to ex-mayor Miyazaki .

**Int'l Box Cargo Throughput  
At Japan's Ports Up 9.3%**

**I**NTERNATIONAL marine container cargoes passing through the 52 Japanese ports covered by regular international container services amounted to 11,589,742 TEUs (both loaded and empty) in calendar year 1999, up 9.3 percent from the previous year, according to statistics compiled by *Shipping and Trade News* (preliminary figures and estimates included).

Both export and import containers turned upward - 8.2 percent to 5,687,096 TEUs and 10.3 percent to 5,902,646 TEUs, respectively.

In 1998, all major ports, except Tokyo, posted declines. But in 1999, the Big Five ports (Tokyo, Yokohama, Nagoya, Osaka and Kobe) all scored gains, handling a total of 9,329,885 TEUs, up 6.7 percent from the previous year.

Local ports, meanwhile, continued to increase their share of the international container cargo thanks to the inauguration of new services (mainly to South Korea), registering a steep rise of 21.3 percent in the process.

*STN's* statistics are based on replies to a survey sent out to the 52 ports requesting data on international container cargo volumes handled in 1999.

Of the 52 ports, 47 reported statistics for the whole of 1999, including preliminary figures. However, since annual statistics were not yet available for five of the ports at the time of the survey, their respective volumes have been estimated.

Among the 52 ports, Tokyo ranked first in 1999 as in the previous year, with 1,123,939 TEUs of exports (up 8.2 percent) and 1,275,033 TEUs of imports (up 9.9 percent), for a total of 2,398,972 TEUs, a rise of 9.1 percent.

Yokohama, which suffered an 11.6 per-

**MSA renamed JCG**

**E**FFECTIVE from April 1, 2000, the official English name for Japan's Maritime Safety Agency (MSA) has been changed to the Japan Coast Guard (JCG). The change has been made to better reflect the duties carried out by the agency on an international basis. The division of responsibilities within the JCG is outlined as follows.

- Guard & Rescue Department:** Maintenance of public order, oil pollution responses and search and rescue
- Hydrographic Department:** Hydrographic survey, oceanographic observation and provision of navigation charts, publications and information required to ensure navigational safety
- Aids to Navigation Department:** Construction, maintenance and operation of aids to navigation
- Technology Department:** Shipbuilding and construction of JCG's airplanes
- Administration Department:** Public relations, international relations, personnel management, budget, etc.

Homepage: [http://www.kaiho.motnet.go.jp/e/shigoto/index\\_e.htm](http://www.kaiho.motnet.go.jp/e/shigoto/index_e.htm)

cent decline in 1998, scored a gain in 1999, with a total of 2,129,575 TEUs, up 3.5 percent. Both exports and imports turned upward - 1.9 percent to 1,043,812 TEUs and 5.2 percent to 1,085,763 TEUs, respectively. On a monthly basis, Yokohama's total remained below the year-before level through April, but surged forward beginning in May and chalked up monthly gains of about 10 percent from September.

Regarding other major ports, Kobe registered a total of 1,991,676 TEUs, up 4.8 percent (exports: up 5.1 percent to 987,933 TEUs, imports: up 4.4 percent to 1,003,743 TEUs); Nagoya 1,536,542 TEUs, up 7.3 percent (exports: up 5.1 percent to 787,959 TEUs, imports: up 9.9 percent to 748,583 TEUs); and Osaka 1,273,120 TEUs, up 10.1 percent (exports: up 9.2 percent to 601,317 TEUs, imports: up 10.9 percent to 671,803 TEUs).

Thus, all of the Big Five ports scored gains over the preceding year. Their total came to 9,329,885 TEUs, up 6.7 percent, with exports up 5.6 percent to 4,544,960 TEUs and imports up 7.8 percent to 4,784,925 TEUs.

Concerning the 47 local ports, all but a few posted increases over 1998. Both total exports and imports exceeded the million-TEU mark for the first time, with exports up 19.7 percent to 1,142,136 TEUs and imports up 22.9 percent to 1,117,721 TEUs.

The export-import total posted an increase of 21.3 percent to 2,259,857 TEUs. The growth rate thus surpassed not only the 3.3 percent of 1998 when the Asian economic crisis slowed down cargo traffic, but also the 17.1 percent registered in 1997. As a result, the combined share of local ports in Japan's international container cargo total expanded by 1.9 points from 17.6 percent in 1998 to 19.5 percent in 1999.

In 1999, two local ports - Kumamoto and Yatsushiro - began handling international container cargoes as two South Korean carriers commenced services from these ports to their country - Korea Marine Transport Co., Ltd. (from Kumamoto and Yatsushiro in July) and Heung-A Shipping Co., Ltd. (from Yatsushiro in June).

In addition, Muroran began to handle international container cargo in March this year when Korea Marine Transport included the port in its South Korea service, while Hitachinaka in Ibaraki Prefecture will in April make available for use an international container terminal. Consequently, the total number of Japanese ports handling international container cargo is now 54.

(Source: *Shipping and Trade News*)

### Port Klang Soars to New Heights

THROUGHPUT volume handled by Port Klang in 1999 soars to new heights. Cargo throughput handled by the port witnessed a 29.2 percent surge when the volume increased from 47.3 million freight weight tonnes in 1998 to 61.2 million freight weight tonnes in 1999. Growth trend achieved by the port in terms of container traffic was even more remarkable when the volume handled increased from 1,820,018 TEUs in 1998 to 2,550,419 TEUs in 1999, registering an unprecedented growth of 40.1 percent.

The strong showing by Port Klang was a welcome relief to all quarters in the industry especially when the rebound in throughput volume moved via Port Klang in 1999 was not only immediate but a complete reversal of trends that were witnessed by the port since the middle of 1997 until September 1998 along with the economic slowdown experienced by the country. Contributing significantly to the container volume handled by the port was regional transshipment and re-distribution traffic which accounted for 37.9 percent of the overall container traffic handled by the port in 1999 as compared to 23.9 percent share in 1998. Transshipment volume handled by the port in 1999 amounted to 966,090 TEUs, as compared to 435,854 TEUs in 1998, reflecting a vibrant growth of 121.7 percent.



The clear rebound in traffic growth in Port Klang was mainly contributed by the following factors: -

Restoration of business confidence in the country as a result of the prudent monetary and fiscal measures in the form of selective exchange rate controls and re-capitalization programmes implemented by the Government since September 1998 to revive the ailing economy; and,

Aggressive load centering and hubbing strategies pursued by the Authority and the three privatized terminals in Port Klang throughout 1999.

With the rebound in traffic continuing to remain unabated for the first two months of the year 2000, Port Klang is poised to achieve even greater heights this year. The performance statistics are appended in the table below.



Shipside activities amidst the bursting purple blooms that fringe our inlet channel

PORT KLANG - PERFORMANCE 1998 AND 1999			
Category	1998	1999	Growth (%)
CARGO THROUGHPUT (FWT)	47,341,849	61,183,989	29.2
CONTAINER THROUGHPUT (TEUs)	1,820,018	2,550,419	40.1
TRANSSHIPMENT (TEUs) *	435,854	966,090	121.7
* as a component of overall container throughput.			

**Prime Minister Goh Chok Tong Opens PSA Corporation's Pasir Panjang Terminal**

PSA Corporation has invited some 800 dignitaries and members of the international shipping/maritime community to witness the opening of the world's most advanced container terminal – Pasir Panjang Terminal - on Mar 30, 2000. Officiating at the event was Mr Goh Chok Tong, Prime Minister, of the Republic of Singapore.

PPT is acknowledged by the shipping community as a new generation port which harnesses state-of-the-art information technology to provide customers with excellent container handling facilities, the best in the world. PPT is a testimony of PSA's commitment to higher productivity, reliability, flexibility, and cost-efficiency to meet customers' needs well into the millennium. Phases I and II of PPT would cost S\$7 billion.

The official opening of Pasir Panjang Terminal could not have come at a better time. The first three months of this new millennium has seen a surge of container traffic worldwide. There is a renewed sense of optimism in the global and regional economies as the veil of uncertainty by the Asian economic crisis is removed. Trade has rebounded as economies in the region regain their competitiveness and as consumers' spending increases.

Dr Yeo Ning Hong, Chairman, PSA Corporation, said, "Pasir Panjang Terminal (PPT) is a new generation port. We have invested in the latest information technology to create new waves in port innovations, to enable our customers' present and future needs to be well taken care of, without corresponding increase in costs. We have applied

three decades of container terminal expertise and experience in the design and construction of this new terminal. Our leading-edge technology in remotely-controlled bridge cranes is among a number of breakthrough port technology, pioneered by PSA. Through PPT, we push the envelope of our productivity further to improve our world-class efficiency and reliability. PPT is indeed a new generation port designed for the requirements of the new millennium."

PPT is operated as one integrated facility together with Brani, Keppel and Tanjong Pagar terminals to provide customers with fast, flexible and reliable world-class service. Customers can expect a quantum leap in productivity and a shorter turnaround time with PPT's unique and advanced features:

- i. Remote-controlled bridge cranes that can stack containers nine-high, with each operator able to handle up to four bridge cranes;
- ii. Quay cranes with an outreach of 55 metres, which can service 18 containers across vessels;
- iii. Being a greenfield development, PPT is custom-built and has tremendous potential to enhance its operations and productivity through automation;
- iv. PPT is integrated with Brani, Keppel and Tanjong Pagar terminals to allow vessels the same level of world-class service, regardless of the terminal at which they are berthed;
- v. Ability to handle up to 1 million TEUs per berth per annum, with 15-metre drafts, which allow PPT to handle the largest vessels in the world.



Since its start of operations in October 1997, PPT has achieved several operational records:

- i. On Feb 21, 2000, PPT achieved a vessel rate of 203 containers per hour for the vessel 'EVER GROWTH' - the highest vessel rate achieved by Evergreen in the world;
- ii. A vessel rate of 154 containers per hour was achieved for COSCO, a new record for the China-based shipping line;
- iii. PPT handled 46 vessels at vessel rates of 100 containers per hour (VR 100) and above in 1999;
- iv. PPT handled 1.4 million TEUs in 1999.

With Phase One completed, PPT is currently operating with six berths (Please refer to the Appendix for the milestones in the development of PPT's facilities)

**Appendix**

**1) Key Milestones in the Development of Pasir Panjang Terminal**

No	Year	Milestone
1.	1993	Start of land reclamation
2.	1996	2 berths constructed
3.	1997	• Installation of remote-controlled bridge cranes, and quay Cranes • Start of operations
4.	1999	6 berths operational

**(II) Facilities**

Berth	6 main berths
Draught	-15 meters
Land area	84 hectares
Wharf length	2,145 meters
Quay crane (QC)	24
Bridge crane (BC)	44
Rail mounted gantry cranes (RMG)	15
Stacking yard	14,000 ground slots
Reefer points	1,000
Container gate	12 lanes



*PPT is fully integrated and interchangeable with all the other PSA Corp terminals.*