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Dear IAPH Members:

Requesting your cooperation in supplying us with facts and realities on fumigated cargoes and the risk at ports

1. Either as a consequence of quarantine requirements or in view of pest control as well as for health reasons, cargoes are treated with fumigants such as methyl bromide or phosphine. In other cases, it is not the cargo that needs to be fumigated but the material that is used for stowing the cargo, such as pallets and dunnage used for stowage and securing. Methyl bromide is being phased out for environmental reasons and phosphine gas (hydrogen phosphide) is now the preferred fumigant and is increasingly being used. It is produced by the action of water or damp conditions on calcium, magnesium, aluminum or sodium phosphides, and it has a low threshold limit value. Damp conditions can reactivate these substances.

2. Cargo Transport Units (CTUs) such as containers and vehicles containing cargo under fumigation are subject to IMO regulations contained in the IMDG Code. This includes a declaration as a class 9 cargo and the affixing of a warning sign at the door end. Fumigated bulk cargoes should be handled according to IMO’s Recommendations on the Safe Use of Pesticides in Ships and should also be declared to the port operator and signs displayed.

3. However, both the Code and the Recommendations are advisory only and have not been made mandatory instruments in a number of countries.

4. As a result, fumigated containers arrive in ports without proper documentation and signage as indicated in the IMDG Code and the Pesticides Code. It will be evident that this may lead to very unsafe situations when these containers are opened for unloading by port personnel or by employees of the consignee or when stevedores enter a bulk hold.

5. The problem has been recently brought to the attention of IMO by Canada. In a two-week inspection in Canadian ports last year eight CTUs were found to be under fumigation, but were not actually declared as such.

6. Canada has now submitted a request to IMO to issue a circular reminding agents, shippers, terminal operators and ship owners of the requirements of the IMDG Code with respect to the transport of CTUs under fumigation and to highlight the risk to safety that improper procedures of fumigation and mis-declaration of CTUs under fumigation can have on the persons involved in the handling of these cargo transport units.

7. Both the Safety Panel of ICHCA (International Cargo Handling Co-ordination Association) and the IAPH Committee on Port Safety, Environment and Marine Operations have discussed this issue and concluded that the Canadian submission should be supported since this is no doubt a matter that is of great concern to ports and cargo handling organizations.

8. The IAPH/IMO Interface Group at its meeting in Marseilles in May of this year endorsed a committee proposal to prepare, jointly with ICHCA, a submission to IMO in support of the Canadian initiative – perhaps with the addition of suitable references to bulk operations as well.

9. In order to make the submission as effective as possible, it is felt that it should contain documented facts originating from ports. To that end IAPH member ports are requested to submit their experiences with fumigated CTUs to me at the address that appears at the end of this article.

10. Since the deadline for the submission to IMO is mid-September, your contributions should reach me preferably not later than the end of August 2000.

11. In the interest of the safety of ports and cargo handling your cooperation will be highly appreciated.

P.C. van der Kluit
IAPH Representative in Europe
IAPH Liaison Officer with IMO

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The 5th IT Award 2001:
IAPH invites entries in the following two different categories:

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

• Lower cost;
• Increased revenues;
• Improved safety;
• Environmental protection; and
• Enhanced efficiency

It is specifically intended that these criteria will enable ports in less developed countries, with limited resources and their own particular circumstances, to compete for the award alongside those who already use the available technologies extensively. Relative improvement for a port will be the key factor for comparison.

Description of Application:
• Summary - Briefly describe (up to 400 words) the application, including the business problem, the technology solution, the time taken to achieve results and the date of implementation.
• Results (up to 400 words) - Provide specific performance measurements which show the improvement brought about through the IT application, e.g., increase in revenues, decrease in costs, percentage change in results, time savings, operating impact, increase in port capabilities.
• Technology or Services used (up to 200 words) - List hardware, software and services that were used in the application.
• Obstacles Overcome (up to 300 words) - Explain the primary problems (technological, organisational, human or other) overcome or avoided that threatened the success of the project, and the measures used to overcome these difficulties.
• Technology Base (up to 300 words) - Give an indication of the level of technology in use within the organization before implementation.

ENTRY SUBMISSION:
Entry submission by mail, e-mail or fax to:
The IAPH Information Technology Award 2001
C/O The International Association of Ports and Harbors
5th Floor, North Tower, 1-11-1 Kaigan, Minato-ku, Tokyo, 105-0022, Japan
Tel: +81-3-5403-2770   Fax: +81-3-5403-7651
E-mail: info@iap.or.jp
Website: http://www.iaph.or.jp
good time to allow presentation of the awards to be made during the 22nd World Ports Conference of IAPH in Montreal, Canada, May 19 - 26, 2001.

PUBLICITY: The award-winning entries will be published in the IAPH magazine “Ports and Harbors.”

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The IAPH Information Technology Award 2001
C/O The International Association of Ports and Harbors
5th Floor, North Tower, 1-11-1 Kaigan, Minato-ku, Tokyo, 105-0022, Japan
Tel: +81-3-5403-2770   Fax: +81-3-5403-7651
E-mail: info@iap.or.jp
Website: http://www.iaph.or.jp
1st Pan-African Port Conference  
Dec. 5-6, 2000, Abidjan, Côte d'Ivoire  
Organised by  
Port Autonome d'Abidjan  
Under the co-auspices of  
The International Association of Ports & Harbors (IAPH)  
And  
The Pan-African Association for Port Cooperation

Central Theme
African Ports Facing the Changes in International Transport:  
Challenges and Perspectives

PROGRAMEE

Monday, December 4, 2000
0900-1230  Official opening ceremony of the  
50th Anniversary of the Port  
Autonome d’Abidjan in the presence of the Head of State  
• Speeches  
• Sundry events (decoration, commissioning facilities, etc.)
1230-1430 Lunch break
1430  
• Meeting of IAPH Europe/Africa Officials  
• Meeting of the Pan-African Association for Port Cooperation

Tuesday, December 5, 2000
0900-1030 Opening ceremony of the Pan-African Ports Conference by the Prime Minister  
• Opening of the Exhibition  
• Refreshment
1030-1230 1st Session  
Recent Evolution & Perspectives of International Trade  
Chairman: Dominic TADDEO, President, IAPH
1030-1050 Major Global Trends in Commercial Exchanges  
Professor Pierre BAUCHET  
Professor Emeritus and Past President of the University of Paris I Pantheon Sorbonne,  
Member of the Institute of France
1510-1530 Globalisation: The New Challenges for the World’s Ports  
Dominic TADDEO  
President, IAPH
1530-1600 Maritime Transport and Ports  
Sub-Theme 1: New Challenges in the Logistic Transport Chain  
Chairman: Professor Pierre BAUCHET
1530-1600 Maritime Transport and Ports  
Sub-Theme 2: Competitiveness of African Ports  
Chairman: Jean-Marie ANIELE, President, PMAWA
1615-1630 Coffee break
1630-1800 Panel discussion

Wednesday, December 6, 2000
3rd Session
0830-1000 Sub-Theme 1: African Ports & the New International Maritime Environment  
Chairman: Samson LUHIGO, President, PMAESA
0850-0910 New Developments in Information Technology: The Implication of the Port Community
0910-0930 Inter-regional and Regional Ports Co-operation, a Factor in Port Development
0930-1000 Panel discussion
1000-1030 Coffee break
1030-1200 Sub-Theme 2: Evolution of Institutional Framework & Port Reforms  
Chairman: Mohammed HALAB, President, UAPNA
1050-1110 Ports Investment Financing: Collaboration between the Public and Private Sectors  
Chairman: K.D. BOATENG, Director General, Ports & Harbours Authority, Ghana
1110-1130 The Possibilities of Financial Assistance in the Development of African Ports
1130-1150 Globalisation: The New Challenges for the World’s Ports  
Dominic TADDEO  
President, IAPH
1150-1230 Panel discussion
1230-1400 Lunch
1430-1800 Panel discussion

END OF SESSION
Joint Meeting of the Committee on Port Safety, Environment and Marine Operations and the Dredging Task Force in Marseilles on May 14 and 15, 2000

Peter van der Kluit summarizes the joint meetings in Marseilles

Further to the details of the discussion made at the meetings of the Port Safety, Environment and Marine Operations Committee which met jointly with the Dredging Task Force in Marseilles, Peter van der Kluit, IAPH European Representative and Liaison Officer with IMO, has recently sent a summary of the meetings for the benefit of IAPH members, in particular for those who might have failed to read the minutes of the joint meetings which were featured in the previous issue of this journal. A report from Peter van der Kluit follows.

The meetings took place immediately prior to the mid-term board meeting that started on May 16.

The extensive list of issues on the committee’s agenda had made it necessary to plan two meeting sessions, on May 14 and 15, respectively. They were jointly chaired by the newly appointed Chairman, Fer van de Laar from the Port of Amsterdam and the immediate past Chairman, Peter van der Kluit. Ms. Geraldine Knatz chaired the session on the work of the Dredging Task Force.

The meetings were well attended: some 20 people had found their way to the conference rooms of the Sofitel Hotel at Marseilles’ Vieux Port, and actively participated in the discussions.

A large number of issues were discussed at length and in the following paragraphs the most important ones are highlighted.

Mr. Jose Perrot from the Port of Le Havre presented details on the accident with the tanker Erika, that broke in two near the French coast in December 1999 causing severe pollution of the French beaches. In the wake of this event the European Commission has proposed a scheme to phase out single hull tankers.

According to the proposal, the IMO’s Working Group on the Ship/Port Interface would closely work together with ICHCA on this subject with the aim of making a joint submission to IMO.

The Committee endorsed the proposals regarding Port State Control and Classification Societies, but firmly disagreed with the proposal regarding the early phasing out of single hull tankers. Shipping being a global business, this matter should be dealt with by IMO and regional actions should be avoided.

In view of that consideration, the Committee decided to draft a resolution that was later approved by the IAPH/IMO Interface Group and endorsed by the Board later in the week.

The resolution will be submitted to a wide variety of international organizations such as IMO, the European Commission and industry organizations.

The Committee further discussed the dangers of fumigated cargoes, especially if these are not properly notified to the receiving port. It was decided that IAPH would closely work together with ICHCA on this subject with the aim of making a joint submission to IMO.

A lengthy discussion took place on IMO’s Working Group on the Ship/Port Interface, SPI. It was felt that this Working Group suffers from insufficient support from IMO member states and supportive action is required to enhance its recognition. A position paper that may serve as a basis for lobbying in favour of SPI was discussed and later in the week approved by the IAPH/IMO Interface Group. This resulted in the decision to...
mail the position paper with an accompanying letter to the IAPH membership.

On the issue of co-operation between IAPH and other international organizations, the meeting was informed about an initiative of IAPH and ICS to establish an Inter-Industry Shipping and Ports Contact Group. This group will consist of representatives from shipping as well as shore oriented organizations. A first meeting is tentatively planned for September 2000.

An important item on the agenda concerned port certification. There is increasing pressure on ports to carry out a self-assessment on safety related issues in a uniform manner, a sort of ISM-like approach (ISM: International Safety Management Code for ships). The Committee decided to embark on drafting “Port Safety Management Guidelines” for ports wishing to do so. At a further stage these guidelines will be discussed with relevant industry organizations such as those represented in the proposed Inter-Industry Shipping and Ports Contact Group.

Other issues that were discussed in some detail included port reception facilities, ballast water management, container top safety and dry bulk carrier safety. Separate articles will be published on dry bulk carrier safety and ballast water management.

Ms. Geraldine Knatz, Chair of the Dredging Task Force, advised the meeting that IMO, as a result of budget restrictions, is considering to cease providing secretarial functions to the London Convention and as a consequence, the Convention might be transferred from IMO to UNEP, the UN Environment Programme.

An important new development within the London Convention is the idea to move into a new issue: “the placement at sea of matter for purpose other than disposal.” In normal language this means that the London Convention will wish to deal with the use of dredged material for beneficial uses such as land reclamation and wetland or habitat creation. This matter will need careful watching by IAPH.

Finally, both the Committee as well as the Dredging Task Force were pleased to note that a number of potential new members had come forward requesting formal appointment; a most gratifying and welcome development.

Note: a detailed report of the meeting is available on the IAPH website.

July 2000
Peter van der Kluit
IAPH Representative in Europe

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Report on Port Finance Seminar

Institut Portuaire Du Havre (IPER), France
May 29, 2000 to June 9, 2000

Foong Yat Weng
Internal Auditor
Penang Port Commission, Malaysia

The Port Finance Seminar was held over a period of two weeks from May 29 to June 9, 2000 at the Institut Portuaire Du Havre (IPER), France. Since its formation in 1977, IPER being a joint creation of the Le Havre Chamber of Commerce and the Port of Le Havre Authority continues to provide high level training programmes amongst its other core activities attracting participants from all over the world.

I am grateful to Mr. Hiro Nagai, Assistant Under Secretary of IAPH and Mr. Goon Kok Loon, Chairman of the IAPH Committee on Human Resources for giving me the opportunity to attend this intensive and comprehensive seminar by approving the IAPH bursary. My participation in the seminar immensely widened my perception and understanding on port finance and its concepts and applications will further enhance value adding to my organization Penang Port Commission and the port industry in my country Malaysia as a whole.

Course Programme

1. The first week lectures were conducted by Mr. John Arnold on a variety of subjects incorporating talks, case studies, discussion, exchanges of views and presentations by individual groups/teams. Notes and handouts were used to supplement and support the daily lectures. The modules encompassed the following subjects/topics:

   - Introduction: Definition of Costs, Budgeting and Cost Control
   - This session touched on basic types of costs (namely, fixed and variable costs), port costs, cost control mechanisms, (i.e., labor, material and capital), reporting controllable costs, cost control systems, types of accounting systems, effective use of financial statements, role of accounting systems, structure of accounts, types of accounting systems, performance measures, controllable costs, cost centers, cost control systems, budgeting and cash flows.

   Observations: Pertaining to cost, it was noted that payments of over time should be viewed as an incentive for improved productivity and not as an entitlement. In addition, it was felt that productivity level is a better performance measurement than cost per tonne. Performance measures used are important in planning the development of the port and also used by outsiders to evaluate the efficiency and profitability of the port. However, cost considerations are normally more evident during economic downturn whilst in boom time cost is likely to be less felt being negated by increasing revenue.

   - Financial Ratios, Cash Flow Analysis, Capital Budgeting and Pricing Strategies

   This session examines the objectives, functions and techniques of cash flow management, cash flow systems, types of capital budgets, preparation of cash flow budget, project description, placement of cash, investments and application of financial ratios, preparation, uses and goals of capital budget, capital investment targets, strategic pricing (value-based pricing), tariff revision process and negotiations.

   Observations: On investment on long-term assets, the common use of appraisal methods such as Payback Period (PBP), Internal Rate of Return (IRR) and Net Present Value (NPV) should also take into account complementary attributes of all cash flows and not ignoring its timing mechanism whilst considering the assumptions. Budgets are not so much about accounting but more of a management tool. It was stressed that prices structured on recovery of capital costs should be used to set overall revenue targets instead of
setting prices.

Debt, Equity and Project Finance
This session dealt with three main topics, namely: (i) Debt, i.e., type, structure and characteristic of debts, commercial loans and debentures, cost structures and options of debts; (ii) Equity, i.e., types, characteristics and sources of equity, self finance (internal sources), capital subsidies, capitalization and divestitures; and (iii) project finance including bonds, major types of loans and sources of lending.

Observations: It is noted that the issue of bonds is a common form of funding in the international funds market. Where there is no local bond market it is still possible to obtain such funding on the international bond market after fulfilling certain conditions. It was reported recently that efforts are being made to enhance greater liquidity to Asia's emerging bond markets.

Risk, Risk Mitigation and Bankable Projects
The session involved two main topics, namely (i) risk and risk mitigation involving sources, types, determination of risks, techniques of risk mitigation and evaluation of mitigation measures and (ii) bankable projects encompassing economics, project preparation, risk allocation, tariff regime and regulatory authorities, concession agreement right as security for lenders, contractual dispute resolution and lender's due diligence.

2. Teamwork

There were nine participants in our English speaking groups coming from Gambia(2), Cambodia(1), India(1), Indonesia(3) and Malaysia(2). We were grouped into three main teams on the first day of the seminar session. The participants practiced teamwork while interacting in the evenings preparing and discussing the assignments in hand. A member of the team chosen was then given the task to present their work assignment results in the following day session involving (a) cost control structure for a landlord port; (b) pricing strategies for concession and (c) financial plan for a container terminal. In addition, the participants were also given hands-on experience involving practical work models using computers at the laboratory of IPER amongst which were (a) investment in a bulk coal terminals 1, 2 & 3 and (b) labor negotiations and redundancy analyses.

3. Port Visit

On the second day of the first week of the seminar we visited the Port of Le Harve by bus. Though it was raining that day, the interest and enthusiasm of the participants were not dampened. Also, the briefing given by Madam Gruchy from the Port Authority of Le Harve throughout the field trip was very informative and a lot of questions were asked especially on port operations and the port structure. The Port of Le Harve-Antifer is a rapid turnaround port and receives the world's largest tankers. It has a vast complex of 5 container terminals with 17 berths adapted to accommodate the latest generation of containerships. In 1998, the Port of Le Harve handled a total container traffic of 1.32 million TEUs, compared to a total container throughput of 3.06 million TEUs managed by Malaysian ports of which Port Klang handled 1.82 million TEUs. To summarize, the field trip was a good experience to all of us.

4. There were four (4) lecturers for the second week who covered a number of subjects/topics. Three major subjects were covered by Mr. J. Grosdidier De Matons who encouraged participants to discuss and put forward their views.

(i) Economic Objectives of Port Organizations (1), (2) & (3)
The first objective of ports to maximize their traffic and revenue is subject to (a) technical factors of port traffic, (b) impacts on and trend towards containerization, (c) geographic factors, (d) transport systems, (d) types of cargoes, and (e) institutional factors of port traffic. For example, the capacity to accommodate 4th-generation post-Panamax carrier ships are expected to have a capacity of 23 KTS (4,000-5,000 TEUs) withstanding the emergence of ultra-large container ships of up to 15,000 TEUs during the next two decades. The second objective is optimization of the transport system whereby ports are part of the transport system of a country and of its hinterland. Thirdly, ports are also viewed as centres of regional and national development as they generate added value and create employment. Thus, their objective will be here to impact on their economic environment.

(ii) Financial Profitability of Port Organizations
This session discussed added values in relation to Gross Domestic Product (GDP), potentiative effects and use of time sheets. The speaker presented the financial statements in relation to the financial objectives from the perspective of assets and liabilities, revenues and expenditures being either static or dynamic. In addition, it was noted that though the "value of staff" is an added value but it is not taken into account in any financial statements analyses. Explanations and illustrations were given on the mathematical forecasting techniques (which include (i) free hand method and (ii) straight line method), the method of semi-averages, the method of moving averages and the method of least squares.

(iii) Financing Port Projects
This session focused on the multilateral lending agencies as sources of finance for container terminal projects such as the International Finance Corporation, the Asian Development Bank, the Commonwealth Development Corporation and the European Bank for Reconstruction and Development. Other sources discussed include insurance companies, stock exchange floats, venture capital, pension funds, export credit finance and lease finance.

Mr. Gustaaf De Monie delivered four (4) major subjects covering a varied scope of issues by way of lectures, illustrations, case studies and discussions. Notes and handouts were used to supplement the daily lectures.

(a) Traffic Forecasting : Theory and Practice (1) and (2)
This session examined the two basic approaches to forecasting which included (i) top-down - from world economy to port tariff and (ii) bottom up - from grass root to port traffic. In addition to that, the speaker spoke in length on the strengths and weaknesses of the two forecast-
ing approaches. He completed the session by elaborating on the forecasting procedures explaining and the steps that were needed to be followed.

(b) Port Project Evaluation: Theoretical Concepts (1) & (2)
This session began with an understanding of the seven (7) phases of a port project. Port investment appraisal normally includes both (a) financial analysis and (b) economic analysis. Subsequently the session examined aspects of the economic costs of resources, shadow prices, economic benefits, labor costs, comparison of costs and benefits, possible benefits of a port investment project, direct benefits to the port. An example using “Port Evergreen,” a fictitious port, was used to illustrate whether transaction is economic or financial in nature or both. The last part of the session examined and discussed the elements of inflation, uncertainty and risks in any project appraisal. Interest rates and discount rates of the money market were taken up in the discussion of uncertainty and risks including sensitivity analyses and timing of investment.

(c) Port Project Evaluation: Practical case studies (1) - (4)
For this part of the session, the participants were given results of the case studies in relation to a non-existent port called “The Port of Kangaroo” entitled “Comparisons of Investment Alternatives to Meet Growing Demand for Port Services.” After an initial introduction, we were given time to study the results of the case studies in the evenings and encouraged to participate in the discussions on the answers in the following day sessions. The speaker was very patient in explaining and guiding the participants individually throughout all the case studies. The case studies gave us an opportunity to put the theories learned earlier on port evaluation into practice.

(d) Tariffs for General Cargo and Container Handling (1) and (2)
This session essentially examined four (4) main issues, namely:

(i) Pricing policies which are basically revenue-driven, market-driven or efficiency-driven.
(ii) Alternative pricing bases which examined the various tariff bases,
(iii) For instance, tariffs based on the level of dues and charges set by the port leader industry, e.g., Port of Singapore for the ASEAN region and Rotterdam for Europe.
(iv) Advantages of adequate port authority charges which include less external interferences, reduction of government deficits and a stronger bargaining position with lending agencies.

(iii) Specific pricing objectives which are (1) financial objectives, (2) marketing objectives, (3) performance objectives and (4) socio-economic objectives.

Mr M. Baux traced the historical evolution of the French ports organizations beginning from the time when France was a kingdom (decentralization) till the establishment of the present port organization. The basic features of the autonomous port organization discussed included (a) organization and (b) financial systems. In addition to general services and specific services offered by an autonomous port, there are two other functions assigned, namely, the management of superstructures and the management of state-owned land by leasing the public domain within its administrative boundaries.

In Malaysia, Klang Container Terminal was privatized in 1986 making it the first government, owned port facility to be privatized in the country. Following that the Penang Port Commission which was established on January 1, 1956, has its port operations and ferry services privatized on January 1, 1994. The concession was granted to a private port terminal operator, the Penang Port Sdn. Bhd. Nevertheless, the Penang Port Commission continues to exist as a port authority and also undertakes two other major roles as a regulatory authority and as a port resource centre for the northern area. On January 1, 1999, the Penang Port Commission’s jurisdiction has been extended to Teluk Ewa, Langkawi and Kedah.

The other speaker, Mr. Patrick Faurant delivered two main topics in relation to the Port of Le Harve as below:-

(a) Port Dues on Vessels and Cargoes
This session dealt with three main aspects, namely:-

(i) Economic impacts in turn relate to two aspects which refer to the importance of port dues in the port revenues and the share of port dues in the maritime transport total cost.
(ii) Legal aspects of port dues In France – In France, the port dues are levied by the Customs authorities and the revision of tariffs is done annually. In Malaysia, port dues are collected by the relevant port authorities in non-privatized ports and by the licensed port operators in privatized ports. Also, the ceiling of Malaysian port dues is pre-determined by the Malaysian Government and gazetted.
(iii) The calculation of port dues which examined the basic tariff calculation.

(b) Tariffs for Liquid and Solid Bulk Handling in The Port of Le Harve
This session was delivered by the use of charts, tables and maps illustrating and examining the impacts, trends and significant statistics pertaining to the following main areas, namely (i) importance of bulk in the world sea borne trade, (ii) importance of bulk in Le Harve Port traffic and (iii) importance of bulk in the Le Harve Port revenues.

5. Lecturers
The lecturers for the seminar were a balanced mix of both local and foreign nationals who were friendly, very experienced and knowledgeable in their respective fields. The lectures were conducted in fluent English and were very informative. The lecture room was comfortable for lectures. We, the participants in general, were able to seize this opportunity to tap into the expertise and knowledge of these speakers on the various topics or subjects featured in the seminar preparing us to meet challenges of and changes in the port industry ahead.
6. Conclusion

Personally, I, as an internal auditor who is fairly new to the port industry, finds the seminar very interesting and beneficial which gave me a closer insight and a better understanding of port finance concepts and applications to the port authority where I am presently employed, especially on (i) port objectives, (ii) port project evaluation, (iii) terminal pricing, tariffs and financing, (iv) budgeting, cost controls, traffic and expenditure, (v) traffic forecasting-theory and practice and (vi) risks and risk mitigation. The seminar also gave me an opportunity to meet participants from ports of African and Asian countries from both English speaking and French-speaking groups whereby we were able to interact, share, learn from each other, compare differences in port practices and exchange experiences during the two weeks together.

7. Appreciation

In conclusion, allow me to express my deepest appreciation once again to IAPH, Mr. Goon Kok Loon, Chairman of the IAPH Committee on Human Resources for making it possible for me to attend the seminar (which was my first seminar overseas) and not forgetting our General Manager, Penang Port Commission, Y. Bhg. Dato' Captain Haji Abdul Rahim bin Abd. Aziz for proposing me for this seminar; Y. Bhg. Dato' Zaharah Shaari, Secretary-General, Ministry of Transport of Malaysia and Y. Berusahah Enick Abdul Rahman bin Mohd Noor, Deputy Secretary-General, Ministry of Transport of Malaysia for approving my application. My sincere appreciation to Mr. Jean Bihan, Director of IPER, Madam Claudie Hedouin and staff of IPER whose warm welcome and kind assistance made my stay in Le Harve, France, a memorable one.

Takao Hirota Awarded JSCE International Prize

TAKAO HIROTA, an IAPH activist, former Exco member and a member of the Committee on Legal Protection (CLP), was one of the recipients of the 2000 International Prize of the Japan Society of Civil Engineers (JSCE) for his contribution to the development of civil engineering in and outside Japan. The commendation ceremony took place on May 26, 2000 on the occasion of the annual conference of the J S C E. According to a J S C E official, the international prize was created in 1995 in commemoration of the 80th anniversary of the society, and this biennial prize has been conferred on 12 people, and this year Hirota and two other people, including one from the Philippines, received the prize in recognition of their international contributions.

Hirota's career in the field of international cooperation has been most distinguished.

He has been at the forefront of Japan's international cooperation initiatives for the past 27 years, during which period he led or served as a member of more than 40 research or study missions. He served on the ESCAP (formerly called ECAFE) from its initial stage as a key member of its port survey team and the Asia Development Bank and contributed to the economic development of the Asian and Pacific countries through the region's port development. In his capacity as Japan International Cooperation Agency's social development director, he participated in the establishment of the social capital plan and guided the developing countries in their human resources development programs.

For nine years from 1982, he represented the Japanese government as Alternate Director of the “Panama Canal Alternatives Study Commission,” a tripartite commission composed of members representing Japan, the USA and Panama, during which period he contributed to the establishment of alternative plans to increase the efficiency of vessel traffic. As Director General of OCDI (Overseas Coastal Development Institute of Japan), he assisted emerging members. Applying his rich experiences and expertise, he is currently working for the Japan Bank for International Cooperation as its senior technical advisor.

In the IAPH theatre, Mr. Hirota has been active in the development of various international rules and cooperation programs, including the international law for insuring against damage from oil spill accidents and the “US-Japan Conference on Development of Natural Resources (UJNR).”

The other recipients of the 2000 JSCE Award included:

Outstanding Civil Engineering Achievement Award

Group I: Project: The construction of the “Kobe Port Island Tunnel” to support the lifeline for the manmade island

Recipients: The 3rd Ports and Harbors Construction Bureau, MOT, and the Port of Kobe

Group II: Project: The construction of a port as an international distribution center supporting the logistics chain in the metropolitan area - The speedy construction of a large-scale and deep-sea port facing the Pacific Ocean.

Recipients: The 2nd Ports and Harbors Construction Bureau, MOT, and Ibaraki Prefecture
Based on the agreement concluded between IAPH and the IAPH Foundation, a Japanese corporation, the IAPH head office members and those belonging to the Foundation have been closely working together as a team in carrying out their respective day-to-day work programs over the years. Hayashi was an active and experienced member of the Tokyo head office team. In addition to her responsibility for managing the documents and publications, which the head office and the foundation received from various sources, Hayashi looked after the updating of the membership records and prepared the annual membership directory. She was prodigious in recalling all the people who had once appeared in the IAPH arena, not just the past presidents and officers but almost everyone who had been associated with IAPH.

Dr. Inoue, Secretary General, on behalf of all her colleagues at the head office, thanked her for her dedicated service and wished her good health and all success in her next challenge after leaving IAPH. Hayashi, in appreciation of the farewell dinner and the gift she had received from her colleagues, commented: “I enjoyed working for this unique organization for nearly a quarter of a century and learned a lot through my work and meeting with IAPH members on various occasions. After recharging my batteries for a few months, I will do something new, although I must admit that my lifestyle will become less relevant to the IT society.”

O n the evening of Friday, June 30, a farewell dinner was hosted by the IAPH head office members for Ms. Izumi Hayashi who had been working for the IAPH Foundation since 1976.

Izumi Hayashi bids farewell to her IAPH friends

[ from Lloyd’s List dated July 26, 2000 ]

“A civil engineer by profession, he cut his teeth in the port sector in Hawaii, where he became superintendent of public works and chairman of the Harbor Board.

He arrived in San Francisco Bay and the peripheral port of Oakland in 1957, when this port was a general cargo facility handling around 2.5 million tons per annum.

When he retired 20 years later in 1977 the Bay port had become a major force in containerization and was handling 8.5m tons per year.

Nutter was at the forefront of many of the battles, which the proponents of this new method of cargo handling found they could not avoid.

The labor unions were ferociously opposed to containerization, and at one time threatened to require the contents of boxes to be handled on the quaysides where they were landed.

There was often local reluctance to invest in containerization, which the demands for land and deep water were considered.

Ben Nutter somehow managed to cope with all of these problems and before he retired (for the first time in 1977) had managed to build up the Port of Oakland into the third biggest container port in the world, centered on the 140 acre Seventh Street Terminal created by reclamation.

The Oakland International Airport was also his legacy. The Californian port, which had managed to attract Sealand, Matson, Johnson Line and other container pioneers to its facilities, became a victim of intense environmental pressures in the 1980s, with objections to further dredging and reclamation schemes slowing development.

Nutter by then had retired but soon established a reputation as an international port consultant.

With container terminals spreading around the world, he was to become established as a ‘guru’ of expertise in this specialist sector.

His legacy lives on in dozens of ports...
Mr. and Mrs. Nutter at the Sydney Conference in 1993

Nutter through the Port of Oakland. Nutter sent a letter of condolences to Mrs. Kondoh, jointly with Kimiko Takeda, in memory of Mrs. Nutter. Nutter ended his speech asking all present to stand and toast, and paid tribute to the Founding Fathers and wished everyone there continuing success in their endeavors in running their respective ports and leading this unique organization of World ports.

On behalf of the Secretary General, R. Kondoh, jointly with Kimiko Takeda, sent a letter of condolences to Mrs. Nutter through the Port of Oakland.

throughout the world, but the Ben E Nutter Terminal in the Port of Oakland will perpetuate his name."

For IAPH members, too, Nutter was a greatly admired figure, whose legendary contribution to the formation and later development of IAPH has become widely known among the successive officers and members not only through the history book of IAPH but also through contacts they may have made at conferences and other events, where Nutter with his wife Reone were regular participants. Starting from the inaugural Conference of IAPH held in Hollywood in 1955, Mr. and Mrs. Nutter attended all conferences except for just one (the 2nd in Mexico City) until the 20th held in Seattle/Tacoma in 1995.

He served as an Exco member (1963-1977), chaired the Committee on Containerization (1963-1977) and encouraged IAPH ports to develop through containerization. At its 10th conference held in Houston in 1977, IAPH elected him as an Honorary Member, and in this position he remained as a member of the Committee (now renamed the Cargo Operations Committee) and inspired his younger colleagues serving on it.

At the 12th conference held in Nagoya in 1981, which marked the 25th anniversary of the foundation of IAPH, Nutter was one of the 13 recipients of the silver jubilee commendations. As a luncheon speaker, He recalled his long association with IAPH. His speech is partly presented below.

“In the early 1950s, quite a number of port people had begun to sense the need for a worldwide association of ports and harbors. The leadership in the initial thrust came from a man whom we came to know, to trust and to admire: Gaku Matsumoto. I first met him in 1952, and periodically thereafter, as he crossed the Pacific, via Hawaii, to discuss the formation and the beginning of our organization. He stopped in Hawaii several times en route to the mainland US to hold discussions with us at the Hawaii Harbor Board, where I was, at first, Assistant Manager, and later Chairman of that six-port organization. These conversations at first seemed to be leading toward Japan/Hawaii/California, a Pacific basin-oriented type of organization. Later, as Canada, the eastern United States, England, Sweden, and others began to enter the picture, it was clear that it was being accepted internationally and was on its way.”

Nutter continued, “A quarter of a century after the official beginning and with a quarter of a century of growth and of service to the ports and harbors of the world now behind us, much of our success is because we have been greatly favored by the initiative and the great efforts of our secretaries-general, our past presidents, our current officers and all of those who work so ably in the Tokyo head office. We have all benefited from, and greatly enjoyed our conferences as well as mid-term meetings of the Executive Committee, Internal and Technical Committees. They have offered us the tremendous opportunities of technical and social contacts. Every conference has been outstanding as a very special event. I personally recall them all, but one, and with the greatest of pleasure.”

"In the early 1950s, quite a number of..."
Shopping the Ships of Shame

**Australian Maritime Safety Authority (AMSA)**

Worldwide, port state control is recognised as the most effective tool to combat unseaworthy and sub-standard shipping – the notorious "ships of shame".

The Australian Government and its regulatory agency, the Australian Maritime Safety Authority, are committed to preserving the marine environment and protecting life and property at sea, and it does this by implementing rigorous and effective port state control regimes.

Recently Australia was at the forefront of moves to lift the inspection rate from 50 per cent to 75 per cent for the Asia-Pacific region – an initiative taken under the Tokyo Memorandum of Understanding – and although Australia recognises that some ports such as Singapore and Hong Kong may need time to reach this target, a start has been made.

AMSA’s manager, ship inspection group, Mr Trevor Rose, says Australia’s own inspection rate is already around 60 per cent and rising.

Australia’s detention rate is falling significantly, but much remains to be done. Unfortunately it remains a fact that that some flag States are still either unwilling or unable to implement their international maritime convention responsibilities. AMSA believes that the long-term solutions to the problems associated with unseaworthy and substandard ships can only be found through concerted international action by individuals, organisations and governments having responsibility for ship safety.

This view is shared by ESPO -- the European Sea Ports Organization -- which recently declared itself in favour of a uniform global approach as initiated already through the International Maritime Organization’s Marpol 13F and 13G regulations.

The executive director -- management board, Port of Rotterdam, Pieter Struijs, said in a recent paper to ESPO: “Tightening of Port State Control rules seems logical and acceptable, although it may mean an extra burden for the member states’ inspection authorities. The ERIKA accident has made it clear once again that there are unacceptable differences in the implementation of the Port State Control rules.”

In Australia, there has been no need for this sort of wake-up call. Safety and environmental issues have long been on the agenda. During 1999, for example, 2753 inspections were carried out on ships from 62 countries. Bulk carriers constituted the majority of inspections by ship type (about 57 per cent) while container ships, general dry cargo ships, oil tankers and vehicle carriers registered a substantial portion of inspections at about 27 per cent.

In 1999, 144 ships registered in 36 countries were observed to have deficiencies sufficiently serious to impair their seaworthiness and warrant detention.

For further information, visit AMSA’s web site: [www.amsa.gov.au](http://www.amsa.gov.au) and follow the link to Maritime Operations.
European Container ports facing the challenges of globalization

ISEMAR-Institut Suepérieur d’Économie Maritime
Nicolas Terrassier, Managing Director

European ports remain major players in the port activity of the world. European ports dynamics is animated by ship owners’ alliances or by international handling groups. These ports benefit from the phenomenon of globalization.

Europe and the rest of the world

The distribution of the world port traffic - about 148 million TEU in 1996 - shows areas of growth. Northern Asia with over 43 million TEU in transit holds the first place in the world. Europe, with 25% of port traffic, holds the second place ahead of North America with 15.4%.

The average annual rate of growth for the traffic of containers in the world went up 10% from 1990 to 1996. We can notice regional differences. Europe, with an average annual growth rate of 7% is outstripped by most other regions except for North America and Africa.

<table>
<thead>
<tr>
<th>Region</th>
<th>Traffic in million TEU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Northern Asia</td>
<td>29.6%</td>
</tr>
<tr>
<td>Europe</td>
<td>21.5%</td>
</tr>
<tr>
<td>Middle East</td>
<td>6.3%</td>
</tr>
<tr>
<td>North America</td>
<td>15.3%</td>
</tr>
<tr>
<td>Central &amp; South America</td>
<td>5.1%</td>
</tr>
<tr>
<td>Africa</td>
<td>1.6%</td>
</tr>
<tr>
<td>Southern Asia</td>
<td>14.7%</td>
</tr>
<tr>
<td>Australia/NZ</td>
<td>2.2%</td>
</tr>
<tr>
<td>Middle East</td>
<td>6.3%</td>
</tr>
<tr>
<td>Central &amp; South America</td>
<td>5.1%</td>
</tr>
<tr>
<td>Australia/NZ</td>
<td>2.2%</td>
</tr>
</tbody>
</table>

Source: Isemar from Containerization International - CI

Average growth rate level by region between 1990 and 1996

Northern Asia: Hong Kong, Taiwan, South Korea (NPI) + China + Japan

Source: Isemar from DRI/Mac Graw Hill
Growth in North and South Asia has been steadfast. The port traffic of containers is taking off; its annual traffic growth being 19% over this period.

- We might be tempted to explain these differences by the impact of transshipment. Yet, taking this into account decreases traffic distribution only partially. The insularity of the Asian region remains an explanation factor.

### 1996 Regional Share (excluding transshipping)

<table>
<thead>
<tr>
<th>%</th>
<th>Share in world traffic</th>
<th>Regional transshipping rate</th>
<th>Amended transship. rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>North Am.</td>
<td>15.4</td>
<td>7</td>
<td>18.9</td>
</tr>
<tr>
<td>Europe</td>
<td>25.1</td>
<td>25</td>
<td>24.8</td>
</tr>
<tr>
<td>Asia</td>
<td>44.3</td>
<td>30</td>
<td>40.6</td>
</tr>
<tr>
<td>Central Am.</td>
<td>5.1</td>
<td>10</td>
<td>6.0</td>
</tr>
<tr>
<td>Africa</td>
<td>1.6</td>
<td>26</td>
<td>1.6</td>
</tr>
<tr>
<td>M-E</td>
<td>6.3</td>
<td>33</td>
<td>5.6</td>
</tr>
<tr>
<td>Aus./NZ</td>
<td>2.2</td>
<td>2.5</td>
<td>2.9</td>
</tr>
</tbody>
</table>

Source: ISEMAR from CI and Drewry Shipping Consultant

### Traffic distribution in Europe

The distribution by row of traffic in Europe continues to be marked by two co-existing central markets: Northern and Southern Europe and two peripheral markets: the Atlantic Coast and the Baltic Sea.

The average annual growth has been steadier in the Southern ports (10%) than in the Northern ones (6%) from 1990 to 1996.

### Distribution by row of European traffic in million TEU and % of the total

<table>
<thead>
<tr>
<th>Region</th>
<th>1990</th>
<th>1996</th>
</tr>
</thead>
<tbody>
<tr>
<td>TEU</td>
<td>%</td>
<td>TEU</td>
</tr>
<tr>
<td>Southern Europe total</td>
<td>6.8</td>
<td>29</td>
</tr>
<tr>
<td>South Med.</td>
<td>1.3</td>
<td>6</td>
</tr>
<tr>
<td>North Med.</td>
<td>4.7</td>
<td>20</td>
</tr>
<tr>
<td>Elsewhere Med.</td>
<td>0.8</td>
<td>3</td>
</tr>
<tr>
<td>Northern Europe total</td>
<td>14.1</td>
<td>60</td>
</tr>
<tr>
<td>North Cont. Eu.</td>
<td>9.8</td>
<td>42</td>
</tr>
<tr>
<td>British Isles</td>
<td>4.8</td>
<td>18</td>
</tr>
<tr>
<td>Atlantic Coast</td>
<td>0.9</td>
<td>4</td>
</tr>
<tr>
<td>Baltic</td>
<td>1.7</td>
<td>7</td>
</tr>
<tr>
<td>Total</td>
<td>23.5</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: ISEMAR from CI

### The emergence of Southern Europe

- The geographical situation of ports - favorable to traffic concentration in the North - is not enough to justify the difference between the two regions. Northern Europe "mature" port sector offers less leeway for the strategies of port operators than Southern Europe ports that are "taking off" and are a favored ground for becoming specialized ports responding to the needs of a specific operator or ship owner. These investments respond to a double logic. The creation of network of ports - Ship owners rationalize their services around main and secondary ports. Some owners apply themselves to building dedicated terminal networks in order to improve the productivity of their operations. Maersk/Sea-Land follows such a strategy on the south-west routes and MSC ship owner along the north-south

### Share of traffic for the first top 4 ports and transshipping traffic in the region

<table>
<thead>
<tr>
<th>Region</th>
<th>Share of traffic</th>
</tr>
</thead>
<tbody>
<tr>
<td>North Am.</td>
<td>40%</td>
</tr>
<tr>
<td>South Am.</td>
<td>35%</td>
</tr>
<tr>
<td>North Med.</td>
<td>10%</td>
</tr>
<tr>
<td>Elsewhere Med.</td>
<td>5%</td>
</tr>
</tbody>
</table>

Source: ISEMAR estimate from CI, Drewry and ports

### Average annual growth rate from 1990 to 1998 for European ports of over one million TEU in 1998

Average yearly growth rate from 1990 to 1998

<table>
<thead>
<tr>
<th>Region</th>
<th>Growth rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>North Europe</td>
<td>+70%</td>
</tr>
<tr>
<td>Southern Europe</td>
<td>+40%</td>
</tr>
</tbody>
</table>

Source: ISEMAR from CI

### The evolution of European traffic facing hub ports and port networks

Barcelona, Valencia where 80% of the traffic is directly distributed to the continent.

The row of Northern European ports (The Continent and British Isles) shows a different type of development. A large part of the traffic is concentrated in a few large ports (56% of traffic for the first top ports of the continental Northern Europe range with an average global transshipping rate of 25%). The transshipping rate for Rotterdam is 40% 35% for Hamburg and Antwerp, 25% for Felixstowe and Bremen and 14% for Le Havre.

- On one hand we notice the emergence of ports specialized in transshipment traffic. Mainly, Algeciras in the Western Mediterranean and Gioia Tauro on a lesser scale with respectively 80 and 65% in transshipment traffic. New specialized ports are being created such as Cagliari in Sardegna or Taranto in Southern Italy.

- On the other hand, there is an expansion of ports whose containerized traffic activity is made up of transshipment traffic and serving a more or less wide hinterland depending on available land connections. This is the case for Genoa, Barcelona, Valencia where 80% of the traffic is directly distributed to the continent.

The geographical situation of ports - favorable to traffic concentration in the North - is not enough to justify the difference between the two regions. Northern Europe "mature" port sector offers less leeway for the strategies of port operators than Southern Europe ports that are "taking off" and are a favored ground for becoming specialized ports responding to the needs of a specific operator or ship owner. These investments respond to a double logic. The creation of network of ports - Ship owners rationalize their services around main and secondary ports. Some owners apply themselves to building dedicated terminal networks in order to improve the productivity of their operations. Maersk/Sea-Land follows such a strategy on the south-west routes and MSC ship owner along the north-south...
The constitution of alliances and mega-alliances changes traffic distribution. If we look at North-Atlantic services, the main Southern ports mentioned are touched by 1.8 services, in average, out of the 4 services offered by mega-alliances, while the main Northern ports are touched by 3 out of 4 routes.

Example - Transtlantic Services

<table>
<thead>
<tr>
<th>Services</th>
<th>Marsa lock</th>
<th>Gioia Tauro</th>
<th>Valen cia</th>
<th>Agen cros</th>
<th>Le Havre</th>
<th>Mar bilen</th>
</tr>
</thead>
<tbody>
<tr>
<td>Large Alliance-PAX</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maersk/Sea-Land Med Gulf Express</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maersk/Sea-Land Suez Express</td>
<td></td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>United Alliance-Pendulum AWE/PEA</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of contacts</td>
<td>2</td>
<td>4</td>
<td>4</td>
<td>2</td>
<td>3</td>
<td></td>
</tr>
</tbody>
</table>

The constitution of alliances and mega-alliances changes traffic distribution. If we look at North-Atlantic services, the main Southern ports are touched by 2 out of 4 mega-alliances, while the main Northern ports are touched by 3 out of 4 mega-alliances. If we look at North-Atlantic, the main Southern ports are touched by 1.8 services, in average, out of the 4 services offered by mega-alliances, while the main Northern ports are touched by 3 out of 4 mega-alliances. If we look at North-Atlantic, the main Southern ports are touched by 1.8 services, in average, out of the 4 services offered by mega-alliances, while the main Northern ports are touched by 3 out of 4 mega-alliances.

3) The port of Hamburg is touched by alliances through its links with the Middle-East but not North Atlantic.
4) 17 terminals in the world: 8 in China, 3 in England (Felixstowe, Thamesport and Harwich), 2 in Panama (Cristobal, Balboa), 1 in Malaysia, 1 in the Bahamas (Freeport) and 2 in Hong Kong. The 35% buy-out of ECT (Rotterdam principal operator) is subject to approval of the competitors’ regulation authorities.

The Globalisation of Cargo Handlers in Container Ports
A port dynamics is coming to life on a European scale in and between ports. The absence of some ports from these international happenings certainly constitutes a drawback for their future.

As shown on the map, a web of international cargo-handling groups shapes the future of the European container port industry. There are three types of cargo-handling groups - i) international groups such as Hutchison, P&O Ports or PSA, ii) ship owners operating dedicated facilities such as Maersk Sealand iii) European-based groups such as Eurogate which is a joint-venture between Eurokai in Hamburg (Germany) and BLG in Bremen (Germany). The following table gives another insight into the European container cargo-handling industry.

**Main global operators in Europe**

<table>
<thead>
<tr>
<th>Operator</th>
<th>Location</th>
<th>Holdings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bremen, Hamburg, Gioia Tauro, La Spezia, Salerno, Liboa</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| The shape of European container cargo-handling is changing at an accelerated pace. The recent merger of Hessenatie and Noord Natie in Antwerp and the entry of P&O Ports in the port of Antwerp traditionally operated by Belgium interests illustrate the growing importance of international groups in the container-handling industry.

**Becoming integrated in international networks**

Northern and Southern European ports have established themselves using two different models of development. Traffic in these ports is not being threatened, but to the contrary, takes advantage of ship owners’ strategies through the distribution of maritime services - alliances - or participating shares in international port operators. A developmental model remains to be invented in the surrounding regions.

This developmental model rests necessarily on integrating international port networks and getting participating shares in operating ports.

The development of feeder networks or tramping, the creation of hubs to serve regional markets is the first steps toward a greater integration.

Nicolas Terrassier  
Managing director, ISEM AR  
www.isemar.asso.fr

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1. Definitions. A brief description of the various expressions used throughout the present text would appear useful.

A contract for the multimodal or combined carriage of goods contains an undertaking by a carrier, who is called the multimodal or combined transport operator (M.T.O. or C.T.O.), to perform carriage of goods by at least two different modes of transport from the place where the goods are taken in charge to a place designated for delivery. A similar definition is given in the New Dutch Civil Code, which contains a comprehensive statutory regulation of multimodal transport. The same is now true of the new German transport law, which is not yet analyzed in the present text.

Multimodal or combined transport is opposed to unimodal transport, which is the transport of goods by one mode of carriage by one or more carriers, for instance, carriage by truck or carriage by ocean-going vessel. In this distinction, it is simply the means of transport which is the qualifying criterion.

If one contract for the unimodal carriage of goods involves more than one trajectory, the expression currently used is transport, which may be performed by the contracting carrier alone or by sub-contracting carriers. The principle is the same as in multimodal transport, but only one mode of transport is used, for instance, carriage by ocean-going vessel with transhipment along the way.

If one contract of carriage is performed by several carriers, which are all contracting parties in the main contract, the expression used is successive carriage. This system is used in the C.M.R., in the C.O.T.I.F.-C.I.M. and in the Warsaw Convention.

The definitions proposed here are cer-
tainly not uniformly used or accepted. For instance, multimodal transport is often described, less precisely, as through transport. Also, the distinction between through carriage and successive carriage is one which in some instances may be too subtle to make. Furthermore, notions such as house-to-house are also used in unimodal transport. Consequently, rather than proceeding on the name which the parties have given to it, each contract of carriage should be carefully analyzed in order to determine its nature.

Transport integration. The numerous developments of container transport and of combined or multimodal transport have changed the face of the law of carriage of goods considerably. It is most certainly so that the ever increasing use of containers has promoted the development of combined transport to a very large extent and this has had a direct reflection upon the traditional role of the freight forwarder. Briefly said, a forwarder was primarily looked upon as an agent who acted for a principal in the organisation of a transport operation. The above-mentioned developments have brought about the integration of transport operations to a very large extent. With this, the traditional view of the freight forwarder has changed as well. In order to clarify the evolution which a forwarder has gone through, this integration process in itself merits some attention. Provided that the technical possibilities are present (which nowadays is largely the case at least in the industrialised nations), ideally one person will be acting as carrier for a complete carriage from beginning to end and accepting responsibility for the goods throughout. This is a relative newcomer on the transport scene: the multimodal transport operator (M.T.O.) or combined transport operator (C.T.O.). In many cases, this is a traditional carrier who, as one of the original participants in the chain of transportation, extends his activities to other links in the chain. A frequent example is a sea carrier who offers house-to-house carriage. He may sub-contract the land trajectories or, taking the integration process a step further, he may develop his own land-carriage activities, for instance by acquiring an existing trucking company. This process may also work the other way round, although this is less frequent because of the enormously capital-intensive character of sea carriage. Nevertheless, in the United States there is at least one widely publicised case where a privately owned rail carrier has acquired a shipping line in order to integrate its transport activities. But, and this is where freight forwarding comes in, he may be a non-participant in the original transportation chain, i.e., a freight forwarder who has made the transition to carrier. A third, less important, integration model is where an actual M.T.O. is still contacted by a freight forwarder acting as intermediary. A simple comparison of the various models is made in the acetate which is attached to this text.

In model A, the freight forwarder organises the whole transport. He acts as a carrier and often performs part of the carriage himself. In an ideal situation, he will also accept full liability for the carriage from end to end. In other words, he acts as a principal, although precisely this point will often be the cause of serious problems which will be treated further on. For the sub-contracting carriers, this situation may be somewhat disadvantageous from an economic point of view, since their direct contacts with relatively numerous cargo interests are replaced by contacts with relatively few freight forwarders. These will try to control the market as much as possible, reducing the actual carriers’ ability to negotiate with cargo interests.

In model B, the whole transport is organised by one carrier, who has extended his activities to other modes of transport. The added value that is provided by the freight forwarder in model A, consisting of the organisation of a door-to-door package which is offered to cargo interests, here reverts to the carrier as well.

In model C, the freight forwarder acts as a simple intermediary between cargo interests and one carrier offering integrated services. There are various reasons for such a situation to develop. For instance, one freight forwarder may be in charge of the carriage of the goods of one consignor to a large number of destinations. For those destinations for which integrated transport services exist, he need not bother organizing the door-to-door carriage himself. Furthermore, the freight forwarder will locally often have a better marketing position than the carrier offering integrated services. He will simply be “easier to reach”: he may have offices in several cities in the same country and he may advertise more widely, whereas the carrier’s sale organisation is necessarily stretched out more thinly over a much larger area. The freight forwarder will often also be capable of offering a more personalized and flexible service.

Model D, finally, shows the freight forwarder in his traditional role: he is the architect of the carriage operation, but no more than that. He acts as an agent for the cargo interests and does not himself assume any carrier liability.

Definition of freight forwarding. A freight forwarder must be clearly distinguished from the other legal entities described above, and furthermore, his role in the transport network must be clearly defined. In other words, it must be established whether in a given set of circumstances he is acting as principal or agent. This may give rise to considerable difficulties in practice.

As was already briefly mentioned above, traditionally a freight forwarder is not a carrier, but an auxiliary person, a professional intermediary between the cargo interests and the carrier, who arranges and organizes the carriage of goods from departure to destination, but who does not undertake to carry himself and who does not accept liability as a carrier. The freight forwarder’s position is often humorously summarized in the slogan “we forward all you like, but we do not carry it”.

Traditionally, therefore, the freight forwarder acts as an agent and contracts only to arrange carriage, acting on behalf of the cargo interests. In the common law systems, he is under a duty to exercise reasonable skill and care. He must perform the undertaking and to the end, he must select qualified personnel, otherwise he will be guilty of a so-called culpa in eligendo. He must follow instructions and may not exceed his authority. This general statement is also true in continental law.

In Dutch law, the freight forwarder may represent the cargo interests directly or indirectly. Direct representation means that the forwarder acts in the cargo interests’ name for their account. Indirect representation means that he acts in his own name, but for the cargo interests’ account; the principal remains undisclosed. In Belgian and French law, the freight forwarder is generally a com-

3 Art. 8:16 Civ. Code: “The contract to arrange for the carriage of goods is the contract in which the first party (the freight forwarder) undertakes, vis-à-vis the second party (the principal), to pass, on the latter’s behalf, one or more contracts with a carrier for the carriage of goods which are to be provided by the second party, or to insert a clause to the latter’s behalf in one or more such contracts of carriage” (own translation). “Direct” and “indirect” representation are literal translations of the Dutch expressions onmiddellijke vertegenwoordiging and hebben as such no meaning in English legal terminology. The same applies to “contracting in his own name” or “in the principal’s (cargo interests’) name”: in English law, both would simply mean that the agent acts on behalf of the principal, but in the first case, the principal is undisclosed. Cf., generally, UNinker Venema, C.A., Law en eqi in het Anglo-Amerikaanse recht, Wolters, W.E., Tjeenk Willink, 1990, 288-289, on the undisclosed principal doctrine at common law (which does not exist as such in continental law); Reynolds, F.M.B., Bowstead on Agency, in The Common Law Library, vol. 7, London, Sweet & Maxwell, 1985, Art.79.
missionnaire, meaning someone who con-
tracts in his own name but for the account
of his client; again, the principal remains
undisclosed. He may also contract in the
cargo interests’ name, thus disclosing his
principal, but this would appear to be fairly
rare. In German law, the freight forwarder
is under a legal duty to contract in his own
name but for the cargo interests’ account; in
other words, he is not allowed to dis-

close his principal.

The principle, therefore, seems simple
enough. A carrier undertakes to carry
goods. A freight forwarder undertakes to
arrange for the carriage of goods. However,
uncertainty arises because of two major
reasons.

First, the changing nature of carriage of
goods, and more precisely the advent of
the above described intricately organized
door-to-door transport networks and multi-
modal transport in general, has induced
many freight forwarders to take on greater
responsibilities. This was illustrated above
with the so-called integration model A.

Secondly, some freight forwarders tend
to create the impression that they are act-
ing as carriers, while they are actually only
acting in their traditional role of agents.
For instance, the freight forwarder may
charge a fixed sum for the carriage, thus
suggesting, perhaps unwillingly, that he
will perform the carriage himself, instead
of a percentage on all freight, the amount
of which should be disclosed to the con-
signor. From a commercial point of view
this may be desirable in order to impress
an inexperienced customer, but it may lead
to disastrous results. Furthermore, the
activities that freight forwarding encom-
passes are not really clear. Taken in its
narrow sense, freight forwarding simply
means the arranging of transport and noth-
ing more. Taken in its broad sense, a host
of other activities may be included, such as
storing, weighing, packing, warehousing,
pick-up and delivery, physical distribution,
performing customs formalities, and so on.

The distinction as between carrier and
forwarder, so straightforward in theory, is
immensely important in practice. A carrier
is mostly subject to mandatory rules impos-
ing a minimum standard of liability
in relation to the goods that he carries.
Usually, he cannot contract out of this
regime. A freight forwarder is in a more
comfortable position. As the status of a
freight forwarder is not regulated by any
international convention and only in a few
domestic laws, he retains a considerable
amount of contractual freedom, which
allows him to use exemption clauses to a
much larger extent than any carrier.

Consequently, the basic practical issue
will almost invariably be whether exemp-
tion clauses, which are contained in the
contract passed between the cargo inter-
ests and the person purporting to be a
freight forwarder, will become void or void-
able because of this person’s subsequent
qualification as a carrier.

4) Caveat: commissaire de

transport. In continental law,
the matter is complicated even further,
because a third, separate entity exists in
some legal systems. This is the commis-
soenne de transport in French and
Belgian law, and the transportondernemer
in Dutch law. He is situated in between
the freight forwarder and the carrier. A
commissionnaire de transport is not a car-
rrier as such, he lets goods be carried. In
fact, he is a contractual carrier who sub-
contracts the whole carriage to an actual
carrier. Because of this physical inactivity,
he is sometimes called a “paper carrier”.
The distinction as such is rather meaning-
less, unless, as is the case in French law, a
separate legal regime is attached to it.

In Belgium, the commissionnaire de
transport - vervoercommissionair still
exists, but he has been made subject to
the same regime as an actual carrier.
Consequently, the only remaining impor-
tant distinction is that between freight
forwarders and carriers. The situation is
the same in The Netherlands, where the quali-
fication of transportondernemer has been
deliberately left out of the New Civil Code.
In German law, the distinction has never
been made.

French law has taken a totally different
direction. A commissionnaire de transport,
a contractual carrier who independently
organizes the transit of goods without
actually carrying them, is subject to a spe-
cific and quite complicated legal regime.
His responsibilities are much more compa-
rable to those of a carrier than those of a
freight forwarder. Although a commission-
naire de transport retains his contractual
freedom to insert exemption clauses into
the contract of carriage (whereas a carrier
cannot do so), he is in principle strictly
liable for loss of or damage to the goods.

Furthermore, he is vicariously liable for
the fault or neglect committed by servants,
agents and independent contractors
employed by him. Obviously, this status is
much less attractive than that of a simple
agent, a transitaire (an agent whose activi-
ties relate to the transit of goods) or a man-
dataire. But the possibilities for a freight
forwarder to be recognized as such in
French law are very remote indeed. The
freight forwarder must then act under
close instructions from his principal. He
does not have any freedom whatsoever in
the organization of the carriage, in the
choice of the mode of carriage and in the
choice of the individual carriers.

In the majority of cases, however, the
typical activity of a freight forwarder will
cause him to be qualified as a commissio-
naire de transport. The criteria which are
used to arrive at this qualification are
plied very liberally by the courts, making
a different outcome rather unlikely. A full
review of these criteria and of the commis-
sionnaire de transport’s liability is beyond
the scope of this paper, certainly in view of
the large body of case law on the subject.

Due to the particular nature of the com-
mis-sion de transport, a multimodal trans-
port operator (whether he intends to act
as a carrier or as a freight forwarder) will
almost inevitably be qualified as a commis-
sionnaire de transport whenever French
law is applicable.

Under certain circumstances, the
commissionaire may be subject to an
action in tort.

5) N.V.O.C.C. A specific kind of inter-
mediary is the so-called non-vessel-
operating common carrier or N.V.O.C.C.
Although it is a United States creation, this
expression is commonly encountered in
Europe as well. It should be clearly noted
that it has no real legal meaning outside
the United States and certainly not on the
European continent, where the concept of
common carrier as such does not exist.

An N.V.O.C.C. is an intermediary
between the shipper of the goods and the
operator of the ship that is to carry these
goods. He fulfills basically the same func-
tion as a group operator: he combines the
goods of various shippers into a single
shipment (usually in a sealed container),
contracts with an ocean carrier for the car-
rriage of the goods, and delivers the goods
to the ship. An N.V.O.C.C. is defined by

4 In Belgium, commissie-commissie is subject to the Act of 5 May 1872, which replaced the original Title VII, Book I C.Comm. Rights and duties under this contract are regulated in Title
XII, Book III C. concerning mandate-lagtingen. In France, the situation is much more complicated.
5 §407, sec. 1 H.G.B. (old): “Freight forwarder is he, who undertakes, as a professional activity, to procure transport of goods by carriers or by sea carriers, in his own
name, for the account of another (the consignor)” (own translation)
6 These expressions could be loosely translated as a “carriage contractor”, a meaningless expression in English.
statute as a "common carrier that does not operate the vessels by which the ocean transportation is provided, and is a shipper in its relationship with an ocean common carrier". On the other hand, an N.V.O.C.C. is a carrier in his relationship with the shipper of the goods.

Both an N.V.O.C.C. and a freight forwarder who issue separate bills of lading to cargo interests may incorporate the provisions of the Carriage of Goods by Sea Act 1936 by means of a suitable paramount clause, and thus be subject to the same rules of liability as a sea carrier.

The N.V.O.C.C. construction does not particularly help to remedy the confusion between freight forwarders and carriers. An N.V.O.C.C. may act as freight forwarder, as agent pure and simple for the cargo interests, so the distinction is not made any simpler.

6. Limited freedom of contract. The current situation regarding carrier liability in combined transport operations presents a picture of far greater uncertainty and confusion than is the case with the various forms of unimodal carriage.

The main reason for this confusion is that at the present time multimodal carriage presupposes on the carrier's part a voluntary assumption of responsibility, the will to "contract in". This will to contract in has in the unimodal forms of carriage been largely displaced by a framework of mandatorily applicable rules, which were usually established, though with varying degrees of success, by way of international conventions. Some of these have been almost universally adopted, such as the original 1924 Hague Rules on carriage of goods by sea under a bill of lading and the original 1929 Warsaw Convention on international carriage by air. Other conventions have only a limited scope of application ratione loci. In Europe, the prime examples are the C.M.R., which governs international carriage of goods by road, and the C.O.T.I.F., which governs international carriage by rail. By way of parenthesis, it is a disturbing tendency in the law of carriage of goods that the unification and harmonisation, which was thus realised (albeit only per mode of transport), is increasingly being broken down because (sometimes much-needed) changes in the international regimes are much less widely adopted than the original Conventions. The foremost example of this fragmentation is the Warsaw System, which has been subject to numerous changes, each one even less successful than the previous one.

If no international convention is applicable to a certain unimodal carriage, the contracting parties will still be bound by whatever mandatory rules are contained in the national law which their contract is subject to.

7. Network and uniform system. Multimodal carriage is, as such, at the present time not subject to any international convention, until the entry into force of the Multimodal Convention. On the other hand, it cannot be said that contractual freedom in multimodal carriage is at the same level as in, for instance, carriage of goods by sea in the 19th century, when ocean carriers seemed to have turned the inventing of large numbers of incredibly far-reaching contractual exemption clauses into their favourite pastime. This is so because very often the appropriate rules, which would govern the various modes which constitute a particular multimodal transport were it to be a series of subsequent unimodal contracts, will also govern, to some extent, the multimodal transport itself. These rules are mostly mandatory and the carrier performing a multimodal transport cannot escape their operation. Thus, the carrier is already, by force of law, subject to an embryonal form of pure network system. Under such a network system, the existing legal rules governing unimodal carriage are combined in such a way that wherever loss of or damage to the goods occurs, it will fall into one of the mazes of the net, which will then provide an immediately applicable solution that is totally consistent with the one that would have been reached were the transport a unimodal one. The system has also aply been baptised the chameleon system, because the multimodal transport operator changes color, as it were, each time the mode of transport by which the contract is performed changes. For instance, in a road-sea-rail combination, the operator will be treated as a road carrier during the first leg of the transport, as a sea carrier during the second, and as a rail carrier during the third, although, technically speaking, he may be neither of these three, or only one or two of them.

Nevertheless, if a carrier cannot escape these mandatory rules, it remains in each particular case to be established, first of all, that the person performing the contract is indeed a carrier and not a freight forwarder. And secondly, if the performing party is indeed acting as carrier, it still retains considerable freedom in establishing contractual liability rules and exemptions for non-localised loss and damage (i.e., loss or damage of which it is not known during which leg of the transport it occurred and to which consequently no mandatory regime applies automatically) and for those stages of the multimodal transport that are not governed by any mandatory regime, such as warehousing, transport over inland waters, and often loading, discharging and delivery of the goods. Therefore, contracts for multimodal carriage may vary considerably, leaving cargo interests uncertain as to exactly what rights and liabilities they are incurring. In other words, the network system is modified and adapted by contractual stipulations: hence its name, the modified network system. In contrast to this, the Multimodal Convention basically contains a uniform liability system.

8. Practical applications. Several practical applications have been made of the above-mentioned theoretical solutions. On the one hand, an attempt has been made to create a mandatory international convention concerning multimodal transport. After extremely elaborate and lengthy negotiations, the 1980 U.N. Multimodal Convention was concluded. It tries to combine the advantages of both the uniform and modified network solutions. As this Convention is still inoperative, there is no case law to illustrate its working or gauge its effectiveness and its treatment here would serve no apparent practical purpose.

However, in 1992 a new set of model Rules was drafted by UNCTAD together with the International Chamber of Commerce, which are based to a large extent upon the Convention. These Rules are currently used by FIATA, the international organization of freight forwarders. In 1995, BIMCO - the Baltic and International Maritime Council - responded with the Multidoc 95, which is a more traditional document based upon a modified network structure.

Before the coming about of the Multimodal Convention, at an earlier stage one of its drafts was adopted by the International Chamber of Commerce as a non-binding set of Rules for drafting a combined transport document. These 1973 ICC Rules (modified in 1975) are also based on the modified network system.

8 46 U.S.A. App. §1702(17).
II. THE MODEL RULES OF THE INTERNATIONAL CHAMBER OF COMMERCE

9. UNCTAD/I.C.C. Rules 1992. Until some time ago, the International Chamber of Commerce recommended the use of model Rules, which had been drafted in 1973 and slightly modified in 1975, for incorporation into multimodal transport documents. These Rules were relatively recently replaced with a new set, drafted in close cooperation with UNCTAD and based upon the Multimodal Convention. What follows here is only a selective review of some marked differences between the old and the new Rules.

10. Applicability. The 1975 Rules applied only if a combined transport document as defined in these Rules was issued. The 1975 Rules adopted, in this respect, the formality requirement which was first introduced in the T.C.M. Draft Convention. The Unctad/I.C.C. Rules do not contain this formal requirement any more. Incorporation of the Unctad/I.C.C. Rules into a contract of carriage is based solely upon the parties’ will and does not require the fulfilment of any formalities whatsoever. Thus, incorporation of the Rules into the contract may be done in writing, orally or otherwise. “Otherwise” may be, for instance, through certain actions or behaviour by one of the parties which indicates clearly and unequivocally its intention of indeed incorporating the Rules. Thus, consent may be deduced from a party’s conduct.

All this is no more than an application of the general rules of the law of contract.

As to how the UNCTAD/I.C.C. Rules may be incorporated, Rule 1, §1 clearly states that simple reference is sufficient. Therefore, a party to the contract cannot escape application of the Rules by invoking the fact that it did not know the contents of the Rules and that consequently it could not have accepted them. This seems a useful addition to the 1975 Rules as not all legal systems contain the same requirements as to knowledge and acceptance of contractual terms.

Furthermore, the general idea of Rule 1, litt. c of the 1975 Rules is conserved in the new Rule 1, §2: the Rules supersedes any additional terms of the contract which conflict with them, except to the extent that they increase the multimodal transport operator’s duties or responsibilities. There is no express mention any more of the nullity of such conflicting stipulations. The new Rules simply use the word “supercede”: no provision is necessary any more as to the effect of the nullity of one contractual stipulation upon the whole of the contract. The language is simpler, and the result remains exactly the same. The basic idea of Rule 1, §2, of course, is the same as in any other convention on international carriage of goods: a minimum standard of liability which is mandatory for the carrier but which may be increased should the carrier wish to do so.

11. Definitions. The list of definitions contained in Rule 2 of the 1975 Rules has grown considerably longer in Rule 2 of the new UNCTAD/I.C.C. Rules. Rule 2, §1 defines the multimodal transport contract in the classic manner as a single contract for the carriage of goods by at least two different modes of transport. In the explanatory memorandum to the new Rules the draftsmen remark, quite correctly, that the definition should indeed focus on the multimodal transport contract and not, as was the case in the 1975 version, on multimodal (combined) transport as such. Without disregard for the importance of precise draftsmanship, this semantic improvement does not seem to have any practical consequences.

Rule 2, §2 defines a multimodal transport operator as any person who concludes a multimodal transport contract and assumes responsibility for the performance thereof as a carrier. This definition differs substantially from the one given in Rule 2, litt. b of the 1975 Rules. The difference of course brought about by the abovementioned fact that an operator is no longer required to issue a multimodal document in order for the Rules to apply. The final phrase (“... and assumes responsibility for the performance thereof as a carrier”) seems to indicate that it would be possible to conclude a multimodal transport contract without assuming such liability. It has already been submitted above that this is impossible - it is a contradiction in terms. It is of course possible to conclude a contract in which no multimodal transport operator liability is undertaken, but this would rather go towards a freight forwarding contract. Therefore the abovementioned phrase is unfortunate. By concluding a multimodal transport contract the contracting party who will perform the carriage is automatically liable as a carrier, and not as a freight forwarder. It was probably inserted only to clarify the extent of the notion of multimodal transport operator, but it may give rise to doubt.

In Rule 2, §3, “carrier” is defined as the person who actually performs or undertakes to perform the carriage, or part thereof, whether he is identical to the multimodal transport operator or not. This definition is included simply to distinguish any performing carrier - not identical to the operator - from the operator himself, who is the contracting carrier.

The definitions in Rule 2, §§4 and 5 of consignor and consignee are self-explanatory; “consignor” means the person who concludes the multimodal transport contract with the multimodal transport operator; “consignee” means the person entitled to receive the goods from the multimodal transport operator.

The definition of a multimodal transport document is substantially shorter in Rule 2, §6 than in Rule 2, litt. c of the 1975 Rules, but it is not fundamentally different. The document may be issued either in negotiable or in non-negotiable form. New, however, is the express reference to E.D.I. Rule 2, §§7 and 8 define the taking in charge and delivery of the goods. These paragraphs correspond to Rule 2, litt. d of the 1975 Rules, which only defined delivery. The definition of taking in charge is again self-explanatory: it simply means that the goods have been handed over to and accepted for carriage by the multimodal transport operator. The definition of delivery has been largely expanded and, above all, clarified in comparison to its counterpart in the 1975 Rules. Delivery may now have three distinct meanings. First, it may retain its colloquial significance; it is then simply the handing over of the goods to the consignee - one might add, of course, at the agreed destination. Secondly, it may mean the placing of the goods at the disposal of the consignee in accordance with the multimodal transport contract or with the law or usage of the particular trade applicable at the place of delivery. Obviously, this part of the definition refers to clauses in the contract of carriage by which the parties mutually agree to consider that delivery takes place at a given moment, whether or not the consignee is present. These so-called “delivery clauses” are quite common in bills of lading for carriage by sea. Local custom may also play an important role. Thirdly,

11 Rule 1, litt. a.
12 Rule 1, §1.
delivery may mean the handing over of the goods to an authority or other third party to whom, pursuant to the law or regulations applicable at the place of delivery, the goods must be handed over. This last phrase refers to ports where direct delivery to the consignee or his agent is impossible because local law requires the goods to be delivered either to customs or to a nationally controlled stevedoring monopoly (which is a very common situation). All in all, this definition is much more precise (which is a very common situation). All in all, this definition is much more precise (which is a very common situation).

And finally, Rule 2, §10 defines “goods” as any property including live animals as well as containers, pallets or similar articles of transport or packaging not supplied by the operator, irrespective of whether such property is to be or is carried on or under deck. This definition is probably included to avoid any confusion with the Hague and Hague Visby Rules, which contain special rules as to the abovementioned categories of goods - confusion which might possibly arise because of the decades of practical use of Hague Rules wording.

12. Evidentiary effect of the multimodal transport document. As to the evidentiary effect of the multimodal transport document, Rule 3 follows the same line of reasoning as the Hague Visby Rules, which was already present as well in Rule 9, in fine, of the 1975 Rules. Rule 3 states that the information in the document shall be prima facie evidence of the taking in charge by the operator of the goods as described by such information, unless a contrary indication, such as “shipper’s weight, load and count,” “shipper-packed container” or similar expressions, has been made in the printed text or superimposed on the document. The wording of the exception seems doubtful, however. It seems to imply that a pre-printed formula such as the above-mentioned would suffice to take away the document’s evidentiary value. This is hardly desirable and has hitherto never been accepted.

Furthermore, Rule 3 reiterates the idea first elaborated in the Visby Amendments to the Hague Rules, in stating that proof to the contrary shall not be admissible when the document has been transferred, or the equivalent electronic data interchange message has been transmitted to and acknowledged by the consignee who in good faith has relied and acted thereon.

The basic idea is that of the Visby Amendments, but whereas Rule 9 of the 1975 I.C.C. Rules used exactly the same wording as the Visby Amendments (“[...] when the document is issued in negotiable form and has been transferred to a third party acting in good faith”), the new Rules contain slightly different language. First, there is no mention of a “negotiable” document any more - the text only concerns itself with the transfer of the document as such. This would seem to include the non-negotiable documents as well. Normally
the idea behind a truly negotiable document is that it represents the goods and is therefore a document of title which may confer upon its holder better rights than his predecessor had. A non-negotiable document, however, does not represent the goods - it does not act with regard to the law of the property - and it is therefore not a document of title.

The Hague Visby Rules concern only bills of lading, which are documents of title anyway. But conferring the same protection upon a simple instrument of proof goes quite a bit further. It amounts to a change of the structure of the contract of carriage, since in both legal systems (common law and continental law) proof to the contrary is normally admissible. Furthermore, by referring to the “transfer” of such documents, it is unclear what transfer is meant exactly. If the draftsmen mean the transfer from the consignor to the consignee, then this is no transfer in the actual sense of the word as the consignee is the named party in the document, who becomes a party to the contract of carriage, but who never has better rights than his predecessor. If, however, transfer to another party is meant, then this would mean recognition of the possibility of transfer not of the document, but of the whole contract. This technique, though not impossible, differs considerably in various legal systems and would best be avoided in the case of a contract of carriage.

15. Multimodal transport document as document of title under model rules. Under the UNCTAD/I.C.C. Rules, as well as under the 1975 I.C.C. Rules, it is perfectly possible to issue a negotiable multimodal transport document. Such a document has many of the characteristics of a bill of lading. It possesses the necessary easy transferability: it may be transferred by indorsement and delivery, if it has been issued to order

REGULATION OF MULTIMODAL TRANSPORT

1. Uniform Rules for a Multimodal Transport Document
   M odel rules based upon network system for voluntary incorporation into multimodal transport contracts, drafted by I.C.C. in use since 1973, changed in 1975.


3. UNCTAD/I.C.C. Rules for Multimodal Transport Documents
   M odel rules based upon the Multimodal Convention, for voluntary incorporation into multimodal transport contracts, drafted by UNCTAD and I.C.C. in use since 1 January 1992.

FROM BILL OF LADING TO MULTIMODAL TRANSPORT DOCUMENT

Evolution from negotiable bill of lading to non-negotiable:
- Port-to-port bill of lading
- Shipped bill of lading
- Received for shipment bill of lading
- Straight bill of lading
- Sea waybill
- Through bill of lading
- "pure" through bill of lading
- Berne/Dutch/Konnossement
- "collective" through bill of lading, gemeinschaftliches DOK
- MULTIMODAL TRANSPORT DOCUMENT

EXAMPLES OF CONTRACT CLAUSES REGARDING THE NATURE OF THE CONTRACT

- “False” multimodal transport documents
- Deniase clause, identity of carrier clause
- Paramount clause
- Incarnation clauses
- Clauses regarding proof
- Incorporation clauses
- Convention subject to carriage contract
- Indemnity clause
- Action in tort
- Action in tort
- Payment of damages upon cargo interests
- Recovery of indemnity because of breach of promise not to sue
- Carrier is completely or partly freight forwarder
- Indicates specific carrier
- Indicates legal regime applicable to “contracting in” phases
- Displace burden of proof
- Refer to other documents

EX LEGE ACTION

CARGO INTERESTS: Possibly
freight forwarder
Contract subject to
Hague, Hague-Visby or Hamburg rules
SEA CARRIER
VOYAGE OR SLOT CHARTERER
TIME CHARTERER
BAREBOAT OR DENISE CHARTERER
SHIPOWNER

CIRCULAR INDEMNITY CLAUSE

1. Sub-contract for carriage from Marseille to Basrah
2. Sub-contract for carriage from Basrah to Iraq
3. Sub-contract for carriage from Iraq to Basrah
4. Sub-contract for carriage from Basrah to Marseille

FROM BILL OF LADING TO MULTIMODAL TRANSPORT DOCUMENT

Evolution from negotiable bill of lading to non-negotiable:
- Port-to-port bill of lading
- Shipped bill of lading
- Received for shipment bill of lading
- Straight bill of lading
- Sea waybill
- Through bill of lading
- “pure” through bill of lading
- Berne/Dutch/Konnossement
- “collective” through bill of lading, gemeinschaftliches DOK
- “false” through bill of lading
- Multimodal transport document

13 Art. 4, §3 UNCTAD/I.C.C. Rules; Rule 2, litt. c 1975 I.C.C. Rules.
14 Art. 4, §3, litt. b, UNCTAD/I.C.C. Rules; Rule 3, litt. b, 1975 I.C.C. Rules. Delivery is not mentioned, but is clearly assumed to be necessary in the expression duly endorsed.
15 Art. 4, §3, litt. a, UNCTAD/I.C.C. Rules; Rule 3, litt. c, 1975 I.C.C. Rules.
16 Art. 4, §3, litt. c, UNCTAD/I.C.C. Rules.
18 Rule 3, litt. g, 1975 I.C.C. Rules.
19 Art. 4, §3, litt. a-c, UNCTAD/I.C.C. Rules.
20 Art. 3 UNCTAD/I.C.C. Rules; Rule 9 1975 I.C.C. Rules.
and by delivery without indorsement if it is made out to bearer. The UNCTAD/I.C.C. Rules even provide for the issue of a named document with an order clause. The document legitimates its holder: delivery of the goods may only be demanded from the multimodal transport operator against surrender of the document. The 1975 I.C.C. Rules contained an express provision for cases where the document was issued in a set of more than one original, discharging the multimodal transport operator upon delivery of the goods in good faith against one of such originals. This provision has disappeared in the new version, but the solution is, it is submitted, still the same, which comes implicitly from the fact that the operator is discharged upon delivery to a person surrendering one original. The literal character of the document, protecting third party holders, poses no problem in the continental law systems. Whether it can actually overrule the document’s status as “transferable” and not really “negotiable” at common law, would appear doubtful, but it is submitted that the operator’s undertaking in the document not to prove against its contents may create an estoppel. As the Rules only have the force of contract and not of law, the mere fact of their incorporation will not of itself confer upon the multimodal transport document the characteristics of a document of title at common law, but it may be evidence (if sufficiently widespread) of a custom having that effect. In German law, too, such a document cannot always be a document of title.

The Kyoto Convention - A New Port-Customs Relationship

By John Raven, former IAPH Reporting Officer with WCO

Customs and Ports

Ports are often as efficient as Customs will allow them to be. Simple, transparent and predictable Customs procedures are the hallmarks of all leading ports. Complex, unreliable and obscure formalities characterise and handicap many less successful undertakings, particularly in developing economies.

The World Customs Organisation has now completed its revision of the Kyoto Convention, the main international instrument regulating Customs procedures and practices. It may be timely to identify and describe some of the benefits which it will bring to the world port community, once it receives the number of signatories required to achieve full legal status.

The central improvement of the new Convention is, itself, procedural. In the original Kyoto structure signatories could limit their obligations to just one of thirty or so individual Annexes. The revised Convention has placed all the main reforms in a single General Annex, which all signatories are required to observe in full. In addition the whole tone of obligation has been stiffened. Many clauses in the original Kyoto text provide that “Customs may”. In the revised Convention this permissive note has been replaced by much more incisive require-

ments that “Customs shall”. Several provisions focus on rapid release of consignments, a key contribution to, and requirement of, efficient port operations. Ports, in which goods move rapidly from ship to consignee, with minimal delay in Customs, are greatly assisted in attracting and retaining shipowners and traders. They are able to optimise the use of scarce quay and container parking space and maximise capacity to receive and handle vessels and cargo.

The revised Convention offers practical support to such operational advantages by specific provisions requiring Customs to apply risk-assessment and automation, limit information requirements for release, defer payment of duties and taxes, use post entry audit systems in place of consignment by consignment clearance, simplify needs for financial security, process declarations prior to the arrival of cargo and accept declarations in electronic format.

This may seem a modest and unexciting list of facilities, but a combination of all these improvements, put into Customs practice, would transform operational conditions in many hard-pressed ports.

Furtherance of coordination

A further set of provisions, of considerable importance to ports, is concerned with consultation. There is a necessarily close working relationship between Customs and port management. This can be conducted by Customs, in splendid isolation, and from a position of unquestioned authority, leaving the port and its customers to make the best of the resulting situation. Alternatively, Customs can bring the port and its supporting commercial community into regular consultation with consequent benefits for all concerned.

The revised Convention includes, at the very beginning of the General Annex, a requirement that “The Customs shall institute and maintain formal consultative relationships with the trade to increase co-operation and facilitate participation in establishing the most effective methods of working commensurate with national provisions and international agreements”.

This is strengthened with later stipulations that “The Customs shall provide for third parties to participate in their formal consultations with the trade” and “The introduction of information technology shall be carried out in consultation with other parties directly affected, to the greatest extent possible”.

It is not unknown for ports to suffer because their customers have no easy means of obtaining full information of relevant regulations and procedures. The Convention requires that “The Customs shall ensure that all relevant information of general application pertaining to Customs law is readily available to any interested person.” and “At the request of the interested person, the Customs shall provide, as quickly and as accurately as possible, information relating to the specific matters raised by the interested person and pertaining to Customs law.”

Dialogue with Customs - The Key

A nother hindrance to port efficiency can result from frequent differences of opinion between Customs and declarant on the value or classification of consignments. Goods can be held up for considerable periods, on their way through the port, until some satisfactory understanding is reached. One way of
avoiding such problems is for the declarant to obtain advance, binding rulings. Not all Customs services are currently willing to provide these, but the Convention requires that “The Customs shall issue binding rulings at the request of the interested person, provided that the Customs have all the information they deem necessary.”

The Convention provides frequent opportunities for amendment. A Management Committee will meet at least annually and interested trade bodies, including the IAPH, will be able to attend and suggest changes, though they will not, of course, be able to vote on them alongside the signatories. There are many points at which the special interests of port management could be reflected in future adjustments.

Some mention could be made of the advantages of Customs participating in port-sponsored consultative committees, which can often be more flexible in operation and more comprehensive in membership and scope than formal committees run by Customs themselves.

IAPH could stress the need for Customs normal working hours to take account of port operational needs, especially where short Customs hours are extended only on payment of expensive overtime rates, a practice which tends to work its way into port working arrangements with serious additional on-costs and, often, a rich crop of labour disputes.

One innovative proposal would be for Customs to make a reasonable contribution to the costs of what are often very substantial inspection facilities on port premises and the associated use of port equipment to move containerised and other cargo to and from inspection sites.

A fair costing of such services might often play a decisive part in persuading Customs to abandon undiscriminating “comprehensive” inspection routines in favour of a greatly reduced number of selective interventions, based on modern risk-assessment system principles.

Finally, much progress could be made towards easier international trading if export and import Customs could cooperate with each other along the line of the total transaction, to provide an integrated control, based on the single submission of agreed, minimal standard data.

These benefits of such partnerships would be greatly strengthened and enlarged if Customs were to develop similar end-to-end co-ordination arrangements.

The Convention provides that “The Customs shall seek to co-operate with other Customs administrations and seek to conclude mutual administrative assistance agreements to enhance Customs control.” The IAPH could well use the opportunity of an early Kyoto Management Committee meeting to suggest that this should be interpreted as widely as possible and used as a basis to explore, test and apply integrated export/import procedures.

The benefits of the revised Convention will not fall automatically into the arms of the world port community. Forty of the sixty signatories to the existing texts will have to agree to the new proposals and then the Convention will go on the market for acceptance by the remainder of the 250 or so members of the WCO and any other interested countries.

The first, essential requirement to launch the revised Kyoto Convention, is support from forty current signatories. The IAPH can obtain regular information of progress in this direction and report to its members accordingly. Once the legal basis of the revised instrument is assured the second stage has to be a sustained effort to secure acceptance world-wide.

The influence and support of IAPH ports and their associated business communities could do much to persuade governments of the importance and urgency of success in these two objectives.

Public-Private mix: Risk management and distribution

Jean Smagghe
President of ISTED (LINSTITUT DES SCIENCES ET DES TECHNIQUES DE L’EQUIPMENT ET DE L’ENVIRONNEMENT POUR LE DÉVELOPPEMENT)

The increasing involvement of the private sector in the development, financing, implementation and operation of public services has been further strengthened in the past decade. Without a doubt, public-private partnerships, in varying forms, are today’s key solutions for reconciling profitability requirements and the public interest.

The systems mainly concern developing and emerging countries or those in transition, where economic and financial constraints are heavy. But they are also increasingly relevant to countries applying for accession to the European Union as well as developed countries (cf. studies of the French Planning Office on the development of networked public services in France in the European context).

This approach centers around the methods of sharing, management and coverage of risks described in this issue of the Lettre. Risks related to construction and operating costs must be managed and distributed among public and private partners with the help of financial agencies. Revenue-related risks which, in the case of our study on ports, depend on traffic volumes, are sensitive to the particularities of local political contexts, with a direct impact on the costs of cover. Marked differences exist between sectors, particularly as regards the volume and economic feasibility of investments, which require appropriate involvement of the public authorities. These differences also concern the players, who include local authorities and users, particularly in the case of urban services.

But sectors have many points in common, particularly in the institutional and legal areas, as each allocation of responsibility for infrastructure or a public service requires clear identification of the players and consolidation of the relationships between them at all levels.

The partners to these contracts will all have to fulfill the requirements on which their goals depend. This particular situation of a long-term, two-way commitment between public and private partners must be based on a relationship of trust and contractual flexibility, which includes the means to settle disputes through an appropriate regulation mechanism.
Developing countries
Port Concessions: risks to be shared

Report of ISTED

ISTED, a non-profit organization, is a platform for study and debate, information and action, at the service of its public and private members in the public works, transport, planning and environment sectors. It facilitates their international activities, optimizes the use of French knowhow throughout the world and helps to implement international programmes with third country leaders.

In developing countries, the trend is towards privatization or delegated management of public services. This is particularly so in the port sector where calls for bids are multiplying. But as a recent study on public-private port concessions emphasizes, the various stakeholders have to take heavy risks.

Over the past few years, there has been a general trend towards introducing private management into ports. This mainly concerns handling and storage tasks for goods transiting through the port, and the financing and use of infrastructure and equipment for these operations. It is a development that requires a complex, multi-faceted partnership to be set up between the port authority, which is often public, and the terminal management company.

The concept of a port terminal management company covers various realities, which depend on the types of traffic handled and the amount of competition in this area of activity. This diversity determines the extent to which the company’s activities have to be regulated by the port authority. In fact, regulation has major implications for the company in terms of the level of risk to be borne and the ability to manage such risk. Consequently, the principles of risk-sharing between the port authority and the company must take into account this aspect, which is critical. To simplify in the extreme, the company bears two fundamental risks: a cost risk, i.e., overruns compared to initial estimations of project construction or operation costs, and a revenue risk or commercial risk, which depends on traffic and charges.

Regulation is essential
This is nothing out of the ordinary as any company, whatever its field of activity, has to bear such risk. But the port company carries out its business on public lands and it may draw on government investment, provide a public service and benefit from a de facto monopoly. Beyond the legal framework, relatively strong regulation of its activities is therefore essential. This may cover many aspects, whether technical (project definition, standards of performance, standards for maintenance of works, economic (public service obligations, field of activity restrictions) or financial (control of charges, dues or subsidies).

What is the impact of regulation on cost and revenue risks, and how does it determine the principles of sharing these risks?

Risks and constraints
The delegated management operations that are being introduced in most of the emerging countries, all emanate from the same intention on the part of governments: to marshal private resources to finance public infrastructure. They thus mainly center on a financing technique that will determine the legal engineering to be implemented. Funding has to comply with specific constraints, particularly constraints in project structuring.

Projects are mainly financed by donors who consent to loans being repaid out of future revenues and guaranteed by the project assets. The extent of the risk they take justifies the need to make extremely precise, rigorous documentation available, which must be subject to compliance with “bankability” criteria. This documentation will include three groups of contracts covering the concession, the commercial and the financial spheres.

The concession sphere consists of contracts governing the relations between the conceding authority and the project company: concession, delegation, supply commitment...

Where there is no concession contract, it may be necessary to make the information available through a specific contractual arrangement. There are four key aspects: ensure minimum revenue for the project company throughout the term of the concession, address early termination of the contract, implement a reliable system for viable operations throughout the project life span (access to land and necessary resources, obtaining approvals), ensure clear-cut, careful distribution of the force majeure risks inherent in projects.

Contracts governing the relations between the project company and the developers on the one hand, and the project company and the builders on the other hand belong to the commercial sphere. Relations between the project company and the operators are also covered by such contracts.

The financial sphere comprises the financing documentation. As negotiations with the conceding authority often begin even before the specific constraints imposed by lenders have been identified, compliance with “bankability” criteria must be a constant concern.

Emerging countries usually pose a minimum political risk that must be taken into account when structuring the financing arrangements. It is possible to involve several types of foreign participants able to assume this risk: multilateral agencies and insurance companies, export credit agencies. The building period, which is the period of maximum risk for donors, must be specifically covered.

All project assets and contracts are covered by security to the benefit of lenders - a defensive mechanism to make it easier for lenders to use of rights of intervention to replace a defaulting project company. For this reason, it is often necessary for the conceding authority to recognize lender’s rights under concession contracts of direct agreements.

(Source: six delegated management contracts for French companies abroad: experience feedback - paper by Olivier Dauchez, Cainet Gide Loyrette Nouel - One-day discussion conference on 23 March 2000 organized by ISTED, the Ministries of Foreign Affairs (DCT) and Public Works (DAEI) and the French Development Agency)

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Tel:33(0) 1 56 58 55 82
Fax:33(0) 1 44 49 08 25
E-mail: fcroville@isted.com
Internet: http://www.isted.com

1) The report “Public-private port partnerships in developing countries: analysis, sharing and management of risks”, drawn up by Herve Martel, was supervised by the ISTED think tank on ports, set up in January 1999. It brings together French institutional players, autonomous ports, donors, consultants and private contractors working in this sector.
Baltic Sea - Europe's New Maritime Highway

Baltic Sea trade is developing more rapidly than Europe as a whole and more than anyone expected just a few years ago. Within the last 5 years, the conveyance of goods by ship in the Baltic Sea shows an annual growth of 7% during the last 5 years from 280 to 360 million tones. The figure appears from a survey among the 61 BPO member ports, which cover more than 90% of the sea trade in the region.

Liquid bulk shows an annual growth of 8.7%, dry bulk of 3.4% and general cargo as much as 14% a year.

Only passenger traffic shows a pronounced decline, as passenger traffic reduced 1 million passengers from 1998 to 1999. This figure is attributable to abolition of Duty Free Sales July 1, 1999. Several ferry connections have stopped or substantially reduced their activities.

“The figures are at a minimum, compared to the actual sea transport in the region, but the trend is quite clear,” Chairman of Baltic Ports Organization, Henning Hummelmose, Port of Copenhagen, stated at the 5th General Assembly in St. Petersburg on May 25, 2000, where the figures were presented.

“The Baltic Sea region is one of the fastest growing regions in the world at present,” Hummelmose said, “In defiance of the Asian crisis and the economic draw back in Russia in 1998 which also had its effect on Baltic Sea trade, most ports in the region have been reporting growing figures in cargo transshipment and passenger flow and the growth continues,” he said.

“The integration between the economies in Europe becomes stronger and the demand to strengthen the efficiency of ports and the logistics of the transport chain becomes still more evident. The ports must be prepared to meet this challenge, now that we have entered the gate to the new millennium,” Hummelmose said.

Governor of St. Petersburg, Vladimir Yakovlev opened the General Assembly and other prominent speakers explained the development in Russia and in the St. Petersburg region.

The General Assembly added new dimensions to the Strategy of the BPO, which was adopted in 1998. The assembly approved setting up of a new “Short Sea Shipping Working Group,” which aims at identifying bottlenecks that hamper the development of short sea shipping in the region and to identify best Short Sea Shipping (SSS) practices in the Baltic Ports. Not to forget the environmental dimension of SSS, BPO should also focus on the commercial aspects, such as establishing of new liner services and thus increasing cargo flows at BPO ports.

Newly elected board members were Igor Rusu, General Director of Sea Commercial Port of St. Petersburg; Riho Rasmann, Managing Director of the Port of Tallinn; and Christel Wiman, Managing Director of Port of the Stockholm.

Elected Deputy Chairmen were Commercial and Development Director, Krzysztof Urbas, Gdansk and Marketing Director Peter Weise, Rostock.

Further information: Henning Hummelmose, Chairman of BPO and Managing Director of Port of Copenhagen or Per Schmidt, Secretary General, BPO. Tel:+45 3347 9999, e-mail: bpo@cphport.dk.

Key figures 1995-99.

<table>
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<th></th>
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<tbody>
<tr>
<td>Total cargo (mill. tones)</td>
<td>282</td>
<td>296</td>
<td>315</td>
<td>356</td>
</tr>
<tr>
<td>Containers (mill. TEUs)</td>
<td>1.5</td>
<td>1.7</td>
<td>1.9</td>
<td>2.0</td>
</tr>
<tr>
<td>Trailers (Mill. units)</td>
<td>1.8</td>
<td>1.9</td>
<td>2.2</td>
<td>2.8</td>
</tr>
<tr>
<td>Passengers (mill.)</td>
<td>46.3</td>
<td>46.6</td>
<td>48.1</td>
<td>54.1</td>
</tr>
<tr>
<td>New cars (1000 units)</td>
<td>514</td>
<td>550</td>
<td>697</td>
<td>870</td>
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</table>


<table>
<thead>
<tr>
<th>Annual Growth</th>
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<tbody>
<tr>
<td>Liquid bulk</td>
</tr>
<tr>
<td>Dry bulk</td>
</tr>
<tr>
<td>General Cargo</td>
</tr>
<tr>
<td>Total cargo</td>
</tr>
</tbody>
</table>

Figures are collected among the 61 BPO member ports in the Baltic Sea Region.

BIMCO Basic Course
An Introduction to Shipping
Tuesday/Wednesday, October 10-11, 2000
Hotel Olympia, Tallinn, Estonia

BIMCO courses have, for the last 13 years, staged a large number of Traveling Courses. More than 5,000 participants in over 60 countries can attest that these courses are an effective method of obtaining practical information on the latest developments in shipping in general, as well as on matters of local interest.

Our main objective with these courses has been to assist our members educationally in areas of importance to the shipping industry. We believe we have reached our goal in this respect, mainly
addressing middle management and those with some experience within the industry.

There is, however, also a constant flow of new employees with no or little knowledge of the shipping industry, its contracts, special documents or vocabulary. In most countries, there is no special “shipping education” and trainees have to pick up their shipping knowledge through on-the-job training, often without the benefit of instruction from experienced persons. Also seafarers, whether they are coming ashore or continuing their sea-service are often not familiar with the background for decisions made by their shore-based colleagues.

Finally, the trend towards specialization in a narrow field is spreading, resulting in many shipping experts lacking the overall view of the shipping industry and understanding of other people’s responsibilities.

In the light of these facts, BIMCO wishes to extend its educational efforts to the above-mentioned groups. “An Introduction to Shipping” course in Tallinn is the third, following courses in Antwerp and in Istanbul in March and April, in a series of basic shipping courses which we intend to hold in the future, the next being in Alexandria in January 2001. We acknowledge with thanks the support, assistance and cooperation rendered by the Estonian Shipping Company Ltd. in arranging this course.

We look forward to welcoming as many participants as possible to Tallinn in October 2000.

Torben C. Strand
Manager, Course Division, BIMCO Publications A/S
(BIMCO - Baltic and International Maritime Council)

Tokyo MOU: Port State Control in the Asia-Pacific Region

REVIEW OF YEAR 1999

OVER the past six years, since inception of the Memorandum, port state control in the Asia-Pacific region has increasingly attracted the attention and interest of the shipping industry and the general public. Over this period there have been a number of developments and initiatives taken by the Tokyo MOU to enhance and promote port state control activities, both from a national and a regional perspective.

In the previous report it was advised that the MOU committee had decided to develop a new ship inspection and information system, based on modern communication and computer technology, on the basis of a feasibility study and the requirements of members, the committee selected the Authority of the Russian Federation to be the host authority responsible for the development and maintenance of the new data and exchange system. It was further decided that the new system would come into operation on January 1, 2000. The new information system will ensure that member authorities can connect to the system easily by using the Internet and provide a user-friendly interface for all system users. The development of this new information system will further promote exchange of port state control information in the region and provide a better tool for inspection targeting and tracking of sub-standard ships.

Some ten years ago, IMO adopted amendments to the SOLAS convention for introduction of a Global Maritime Distress and Safety System (GMDSS). On February 1, 1999, the GMDSS requirements became mandatory for all ships. In order to facilitate and ensure implementation of GMDSS requirements, the Tokyo MOU chose GMDSS...
compliance as the subject for its second concentrated inspection campaign. Guidelines for the inspection by GMDSS and a checklist were developed for this purpose. The campaign ran from October 1 to December 31, 1999. During the campaign period, a total of 2,707 inspections were carried out by member authorities. Further, a total of 60 detentions were warranted to ships which were found not compliant with the GMDSS requirements or its personnel lack of necessary knowledge to operate the GMDSS equipment. This represents an average detention percentage of 2.2%.

Recognizing the wide disparity in the cultures and state of development of its members, the Asia-Pacific MOU Committee has, since the beginning, given high priority to the training of port state control officers in the region. Based on a strategic plan, a five-year training project was developed and implemented from 1995 to 1999. During this period, nine training courses were organized and a total of 216 port state control officers from 14 authorities were given basic training. The successful implementation of this training project improved the knowledge and expertise of port state control officers and promoted port state control activities in the region in general. In addition to the training courses, a number of seminars, expert training missions and port state control officers exchange programmes were also organized under the Tokyo MOU technical co-operation scheme. All these activities contributed significantly to the successful operation of the MOU, helped to facilitate achievement of its objectives and improved harmonization in port State control throughout the region in the long term.

Following the acceptance of the Memorandum by the Authority of Vietnam, the Tokyo MOU now has seventeen member authorities, namely: Australia, Canada, China, Fiji, Hong Kong (China), Indonesia, Japan, Republic of Korea, Malaysia, New Zealand, Papua New Guinea, the Philippines, the Russian Federation, Singapore, Thailand, Vanuatu and Vietnam.

**Tokyo MOU Secretariat**

The permanent secretariat (Tokyo MOU Secretariat) of the Memorandum of Understanding on port state control in the Asia-Pacific Region is located in Tokyo, Japan. The secretariat may be approached for further information or inquiries on the operation of the Memorandum.

Tokyo MOU Secretariat, Tomoecho Annex Building, 3-B-26 Toranomon, Minato-ku,

**WCO News:**

**E-Commerce and Customs**

*FOR the government services in general, and Customs administrations in particular, e-commerce presents three challenges:*

**The technological challenge**

The technological challenge is the first one since it relates to the tool itself. For many years, Customs information systems have been developing rapidly towards open systems. These systems can thus respond both to the requirements of all international traders and to those of governments which aim at rationalization and efficiency to cut costs.

EDI, based on the UN/EDIFACT Standard and generally adopted by Customs administrations, was at the origin of the development of Customs computer system interfaces. This data interchange technology illustrates the race against the clock for Customs administrations under the pressure of a demanding environment. Global commerce requires fast, reactive procedures from all those involved. The WCO is already recommending that its members offer Customs clearance on line.

**A regulatory challenge**

The regulatory challenge was born out of the spread of e-commerce as a means of conveying goods, technologies and services, which calls for an evaluation of its potential impact. The collection of duties and taxes and controls on prohibited articles pose a problem in this context. Following the WTO Ministerial Declaration of Electronic Commerce in 1998, at this time no Customs duties should be applied to electronic transmissions themselves. The issue of whether taxation would be applicable needs to be addressed by policy-makers. However, it has to be possible to exercise customs controls on restrictions and prohibitions (protection of intellectual property, the fight against the transmission of paedophilia material.). A vast amount of legal and technical works has to be done in

**ANNEX 2**

**PORT STATE INSPECTION STATISTICS**

**STATISTIC FOR 1999**

**Table 2: PORT STATE INSPECTIONS CARRIED OUT BY AUTHORITIES**

<table>
<thead>
<tr>
<th>Authority</th>
<th>No. of inspections</th>
<th>No. of ships with deficiencies</th>
<th>No. of deficiencies</th>
<th>No. of detentions</th>
<th>No. of individuals</th>
<th>Inspection rate (%)</th>
<th>Detention percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>2,753</td>
<td>1,749</td>
<td>10,681</td>
<td>145</td>
<td>4,630</td>
<td>59.46</td>
<td>5.27</td>
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<tr>
<td>Canada</td>
<td>350</td>
<td>219</td>
<td>916</td>
<td>48</td>
<td>1,908</td>
<td>18.34</td>
<td>13.71</td>
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<tr>
<td>China</td>
<td>1,510</td>
<td>919</td>
<td>3,905</td>
<td>67</td>
<td>7,091</td>
<td>21.29</td>
<td>4.44</td>
</tr>
<tr>
<td>Fiji</td>
<td>100</td>
<td>89</td>
<td>155</td>
<td>0</td>
<td>218</td>
<td>45.87</td>
<td>0</td>
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<tr>
<td>Hong Kong China</td>
<td>900</td>
<td>745</td>
<td>5,696</td>
<td>122</td>
<td>5,580</td>
<td>16.13</td>
<td>13.56</td>
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<td>Indonesia</td>
<td>853</td>
<td>481</td>
<td>2,118</td>
<td>5</td>
<td>5,596</td>
<td>15.24</td>
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<td>Japan</td>
<td>3,579</td>
<td>2,302</td>
<td>11,165</td>
<td>354</td>
<td>10,928</td>
<td>32.75</td>
<td>9.89</td>
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<td>Republic of Korea</td>
<td>1,846</td>
<td>1,113</td>
<td>4,110</td>
<td>91</td>
<td>9,378</td>
<td>19.68</td>
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<td>Malaysia</td>
<td>338</td>
<td>121</td>
<td>441</td>
<td>11</td>
<td>5,297</td>
<td>63.8</td>
<td>3.25</td>
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<td>New Zealand</td>
<td>743</td>
<td>348</td>
<td>1,288</td>
<td>26</td>
<td>1,233</td>
<td>60.26</td>
<td>3.50</td>
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<td>Papua New Guinea</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>452</td>
<td>0</td>
<td>0</td>
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<tr>
<td>Philippines</td>
<td>135</td>
<td>132</td>
<td>1,670</td>
<td>20</td>
<td>2,431</td>
<td>5.55</td>
<td>14.88</td>
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<td>Russian Federation</td>
<td>428</td>
<td>317</td>
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<td>70</td>
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<td>Singapore</td>
<td>1,019</td>
<td>822</td>
<td>3,871</td>
<td>76</td>
<td>11,101</td>
<td>9.18</td>
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<td>83</td>
<td>51</td>
<td>395</td>
<td>25</td>
<td>3,583</td>
<td>2.32</td>
<td>30.12</td>
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<td>Vanuatu</td>
<td>14</td>
<td>1</td>
<td>2</td>
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<td>30</td>
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<td>Vietnam</td>
<td>270</td>
<td>190</td>
<td>1,588</td>
<td>11</td>
<td>1,090</td>
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<td>9,599</td>
<td>50,136</td>
<td>1,071</td>
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</table>

1) LMIS data for 1999. (Sum of the number of individual ship visits during the first and second half of the year 1999) 2) Number of individual ships for the Pacific ports only.

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**Table 2: PORT STATE INSPECTION STATISTICS**

**PORTS AND HARBOURS September 2000**

29
consultation with the leading intergovernmental bodies to define the framework for the co-operation required between States to ensure some control over the Internet.

An economic challenge
The economic and budgetary challenge is the consequence of the first two challenges and the problems they bring. This can be analysed in terms of the repercussions on the national and regional economies. Will the map of trade flows be modified or will a virtual map replace the real and tangible maps? What will be the budgetary impact on States? States are worried about the effects of the e-commerce revolution, and international organization also. The WCO must tackle this issue to make a contribution to the international community and, through its expertise and technical assistance, to its members.

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The New Public Website
A revised version for our Internet visitors has been created. The Secretariat gives a lot of attention to the WCO’s websites. Several ongoing projects are aimed at improving the sites.

The new presentation of the public website is one such project. It has been devised and implemented by the Information System Branch with impetus from the Communications Strategy Group. The public website is being analysed to alter, update, delete or add to its contents (chapters, topics, articles or documents). This is a demanding task. The challenge is to provide relevant and up-to-date information. The Communications Service and the Web User Group (one representative per department) are working to do this. The WCO private website is a working site for members only and is essentially devoted to preparing meetings. Its general configuration reflects this operational aim: the site provides Members with working documents, enrolment forms and meeting calendars, so as to promote full participation in the WCO’s working groups and committees.

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Port Holding Discussions with Terminal Operators
In response to the request for proposals issued by the Halifax Port Authority, terminal operators submitted proposals to operate the south end container terminal in Halifax. The Halifax Port Authority will be holding discussions with two of the world’s largest terminal companies. Hutchison International Port Holdings Limited (HPH), a subsidiary of Hutchison Whampoa Group, based in Hong Kong, is the world’s largest independent port operator with operations in over 20 ports worldwide, representing 18 million TEUs (twenty-foot equivalent containers) per year or 11% of global throughput. Logistec Stevedoring Inc. and International Terminal Operating Co. Inc. (a P & O Ports Company) jointly submitted a proposal. Logistec Stevedoring Inc. is the largest independent stevedoring and terminal operating company in Canada and has operations in 27 ports in Canada and eastern United States. International Operating Co. Inc. (ITO), which is based

WORLD PORTS NEWS

The Middle East and Indian Subcontinent Containerport Market to 2010
CONTAINERPORT markets in this region have seen considerable demand growth in recent years. In the Middle East, the prospect of relatively high and stable oil prices has prompted the start-up of many formerly delayed projects and laid the foundation for substantial further growth in container port demand, not least from ongoing major petrochemical export projects.

In the Indian subcontinent, privatization and deregulation have prepared the ground for the development of a number of containerport projects, and provide the basis for strong containerport demand growth. The continuing containerization of general and bulk cargoes will underpin further growth in this potentially vast market.

With regional trades focused heavily on transshipment and feeder services, the development of new hub ports on the Arabian Sea is set to transform the pattern of vessel deployments.

This study provides an analysis of trends and forecast demand for the containerport markets in this region, including the development of transshipment traffic. The analysis covers the following port ranges and national markets:

Arabian Gulf:
- United Arab Emirates
- Eastern Saudi Arabia
- Kuwait
- Iran
- Iraq
- Bahrain
- Qatar
- North Oman

Arabian Sea:
- Southwest Yemen
- Jordan
- Southeast Egypt
- South Israel
- Eritrea
- West Yemen

Indian Subcontinent:
- Sri Lanka
- India
- Pakistan
- Bangladesh

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Price £555 or Us$970
in New Jersey, operates in 16 ports in the United States, and its parent company P & O Ports currently operates in 60 ports in 18 countries worldwide.

These two world class terminal operators submitted proposals which recognize the fair commercial value of the Halifax Port Authority’s south end container terminal.

The Halifax Port Authority will ensure ongoing, efficient operations at its leased terminals for the benefit of its customers and all stakeholders in the Port of Halifax.

The economic impact generated by the Port of Halifax in 1999 equated to over 8000 jobs representing $545 million in total income.

Good first half for the Port of Montreal: Traffic up in almost every sector

WITH growth in every cargo category but one, total traffic through the Port of Montreal reached 9.6 million tons during the first half of 2000, an increase of 425,000 tons or 4.6 per cent, compared to the same period last year.

The leading North American container port on the North Atlantic market, Montreal handled 4.6 million tons of containerized cargo during the first half of this year, an increase of more than 200,000 tons or 5.2 per cent compared to the same period of 1999. Based on this performance, an eighth consecutive record-setting year in this sector is within sight.

A total of 500,055 TEUs (20-foot equivalent units) moved through the port as of June 30, 2000, compared to 478,825 during the first six months of 1999, an increase of 4.4 per cent.

The highly-competitive services offered throughout the Port of Montreal System on the whole, the strength of the North American economies, and ongoing economic recovery in Europe helped spur container traffic through the port during the first half of 2000. “Another record year in the highly-competitive containerized cargo sector is on the horizon, and the ingredients for this success are fast, reliable and efficient services at highly-competitive prices and, of course, labour peace,” said Dominic J. Taddeo, President and Chief Executive Officer of the Montreal Port Authority.

“Moreover, it is almost certain that the port will join the select one-million TEU club this year,” Taddeo said. The port missed the milestone by less than 7,000 containers in 1999.

“We are doubly proud of our record performances in the containerized cargo category considering that this sector of activity provides the most jobs and generates the greatest economic spinoffs,” Taddeo said.

In the non-containerized general cargo sector traffic reached more than 500,000 tones for the first six months of 2000, an increase of more than 100,000 tones or 20.6 per cent. It was the best first half in this sector of activity in the past decade. Increased movements of steel products, and in particular steel beams, contributed to the increase.

The stronger economy has led greater demand for steel, especially in the Montreal region as well as throughout Quebec and Ontario.

On the whole, general cargo traffic (containerized and non-containerized) reached 5.1 million tons during the first half of 2000, an increase of about 300,000 tons or 7.4 per cent. This category represented more than 53 per cent of the port’s total traffic for the first six months.

Dry bulk traffic totaled 2.7 million tons for the first half of this year, an increase of about 200,000 tons or 8.4 per cent compared to the same period in 1999.

Within this category, grain traffic totaled close to 900,000 tons, up some 150,000 tons or 20 per cent. Grain movements got off to a strong start when the Canadian Wheat Board bumped up earlier in the year than usual grain shipments to the port for export overseas. The storage and export of corn and soybeans from local markets early in the year also help explain the increase. By the end of 2000, however, grain traffic should compare with the 1.8 million tons handled last year.

Other dry bulks reached 1.8 million tons for the first six months of 2000, up by about 100,000 tons or 3.5 per cent. The Port of Montreal is vitally important to local industries that depend on raw materials and products of all types or to export goods throughout the world.

Port Commission approves a five-year agreement

THE Vancouver Port Commission recently approved a five-year agreement with Kinder Morgan Bulk Terminals, Inc. to operate and manage the Port of Vancouver’s export bulk facility at Terminal 2, Berth 7.

(AAPA ADVISORY)

A brand new auto carrier calls from Kawasaki

A brand new auto carrier called July 8 at the Port of Vancouver, where she discharged 1,243 Subaru automobiles imported from Kawasaki, Japan.

Built this year in Croatia, M/V Dresden is approximately 580 feet long and has a deadweight of 12,743 tons. The Liberian-flag vessel is operated by NYK Lines under charter from its owner, Providence Shipping, Inc.

Vancouver has been handling Subaru automobiles since December 1992, when it signed a contract with Subaru of America (Advisory, January 11, 1993, pp. 5-6).

After processing in Vancouver by Distribution and Auto Service (DAS),
the autos are distributed throughout the United States.

DAS also processes Subaru models railed or trucked to Vancouver from a plant in Lafayette (Ind.).

(AAPA ADVISORY)

An Increase of 4.6% in Canal Traffic

A strong movement of Panamax vessels, accounting for 2,660 transits or 35% of total oceangoing transits recorded during the same period the previous year. However, total oceangoing transits declined by 4% to 7,352 or 34.5 daily during this period, as compared with the 7,655 or 36.5 transits per day registered during the same period in fiscal 1999. The performance of Panamax transits is shown in the following chart:

Seven vessel types dominated the frequency of transits through the waterway during the first seven months of fiscal year 2000. The first four types include dry-bulk carriers, accounting for 1,831 transits or 24% of total oceangoing transits; refrigerated vessels, accounting for 1,290 transits or 18% of total oceangoing transits; tankers, accounting for 1,148 transits or 16% of total oceangoing transits; and full container ships accounting for 936 transits, or 13% of total oceangoing transits. Transits distribution by vessel type can be seen in the adjoining pie chart.

Available cargo information for the October-April period of fiscal 2000 shows commercial cargo tonnage slipping by 2.7% to 112.4 million long tons as compared to the 115.5 million long tons recorded during the same period in fiscal 1999. Grain shipments, the leading Canal commodity group, dropped by 11.0% to 24.3 million long tons from the 27.3 million long tons in the same period last year. The decrease is attributable to the high costs of crude oil prevailing during this period which increased transportation costs, thus affecting United States long haul grain movements destined to Asia. Containerized cargo, the second most important Canal trade continued strong during the seven-month period of the current fiscal year. This trade rose by 7.4% to 18.1 million long tons from the 16.9 million long tons registered in the prior year. Container trade accounted for 16.1% of total Canal cargo tonnage. The leading Canal route for containerized cargo is that linking the U.S. East Coast and Asia which accounted for 40.3% or 7.3 million long tons of the Panama Canal containerized flows during the first seven months of fiscal 2000. Petroleum and petroleum products, the third most important commodity group in the Canal trade decreased by 5.7% to 15.2 million long tons during the period under review, as compared with 16.1 million long tons during the same period the prior year. The decrease reflects the supply shortage suffered by the crude oil market resulting from OPEC’s restriction in production as a means to prevent a decrease in the price of crude oil. However, it is expected that this trade will recover as a result of the agreement reached in Vienna on March 27 by the OPEC to increase the supply of crude by 1.7 million barrels per day.

Long Beach

A record monthly container cargo volume

SHIPPING terminals at the Port of Long Beach broke the monthly record for total container cargo volume, moving the equivalent of 406,772 20-foot long containers in May, an increase of 3.1 percent over May 1999. The previous best was September’s 402,710 20-foot equivalent units (TEUs).

The May total included 315,786 loaded TEUs - the highest-ever loaded container total in a single month for any U.S. port. Loaded export containers jumped 11.7 percent to 97,770 TEUs. Loaded import containers climbed 6 percent to 218,016 TEUs.

Gearing up for the peak shipping season, port officials have been meeting with the railroads to request more manpower and equipment. Shipping terminals in Long Beach are opening their gates longer and later. Many of the terminals and their customers subscribe to an Internet system that allows shippers to track more than 100,000 cargo containers at one time.

Dr. John E. Kashiwabara elected as president

The Long Beach Board of Harbor Commissioners has selected Dr. John E. Kashiwabara as its president for the 2000-2001 year. He succeeds Roy E. Hearrnan, who remains on the board. Carmen O. Perez is the board’s vice president, John W. Hancock the secretary and John R. Calhoun the assistant secretary.

Kashiwabara, a retired family physician and former member of the California State University Board of Trustees, was appointed to the Harbor Commission in 1996.
Los Angeles Board Highlights

The Los Angeles Board of Harbor Commissioners took the following actions at their June 14 meeting:

- Approved the Port’s application for a coastal development permit to expand and improve the backland area of the TraPac Container Terminal.
- Approved a coastal development permit application from Hugo Neu-Proler Co. to build water distribution and storm water collection systems and light pole foundations at its scrap metal export facility.
- Awarded a $249,737 contract to PKB Construction Inc. to strengthen 108 feet of wharf-supported rail for waterside container cranes and demolish a control tower at the Yang Ming Line Container Terminal.
- Approved a three-year, $3.6 million agreement with Daniel, Mann, Johnson & Mendenhall (DMJ) for construction management services related to Phase I development of the Pier 400 container terminal. Services to be provided by DMJ include contract administration, scheduling, estimating and claims analysis.
- Approved a $2.8 million contract with ABC Rail Systems Inc. for the design and construction of the Port of Los Angeles Waterfront Red Car Line which will run along the San Pedro waterfront on existing railtracks operated by Pacific Harbor Line Inc. (PHL) for freight transportation. ABC will coordinate the design, construction and operation of the proposed Red Car Line with PHL.
- Approved an order establishing a compensation-free period for the U.S. Merchant Marine Veterans of World War II, S.S. Lane Victory.

A record $66.3 million in prime construction contracts to minority and small businesses

The Port Authority of New York & New Jersey reports that in 1999 it awarded a record $66.3 million in prime construction contracts to minority, women-owned and small business enterprises by 2.2% compared to 1998. In 1999, the Port Authority awarded $189 million in construction, architectural and engineering, and goods and services contracts to minority, women-owned and small businesses.

The 113% hike in construction contracts boosted overall contracts awarded to minority, women-owned and small business enterprises to $2.46 billion. About $1 billion has already been spent. The project bonds will be paid off by tolls collected from railroads that use the corridor.

Cargo traffic reaches a record 945,304 metric tons

During the fiscal year that ended June 30, cargo traffic at the Port of Redwood reached a record 945,304 metric tons, an increase of 16.1% from the FY 1998-99 total of 813,630 tons. Vessel traffic last year included 127 cargo ships and barges as well as 20 passenger and research vessels.

The Port attributes last year’s record performance to the Bay Area’s booming construction industry, resulting in strong demand for building materials shipped through the Port of Redwood City. Sand imports, for example, increased 71.7% to 282,339 metric tons and cement imports by 27% to 211,070 tons.

The cement imported by RMC Pacific Materials includes shipments from China and is used in high-profile construction jobs such as San Francisco International Airport and the recently completed Pac Bell Stadium. The scrap metal exported by Sims Metal America includes metal recycled annually from over 100,000 dilapidated and unusable vehicles.

Construction starts on Phase 2 at Bell Street Pier Cruise Terminal

The Port of Seattle has begun construction on Phase 2 of its 56,000 square-foot Bell Street Pier Cruise Terminal facility.

Phase 1, which was completed in April, offers travelers the convenience of concierge service, a comfortable waiting area, and a mobile gangway that raises and lowers itself automatically with the tides and connects the vessel with the second floor check-in area.

Phase 2 will add a 20,000 square-foot concourse, which will be located off the plaza adjacent to a restaurant, the Bell Harbor Marina and the Odyssey Maritime Discovery Center. This will give embarking passengers a choice of three entrances to the cruise terminal and allow the embarkation check-in process to begin while debarkation is under way. The project is scheduled for completion by February 2001.
Royal Caribbean International recently announced that it will return to Seattle in 2001 with a new ship, Radiance of the Seas, for a series of 16 Pacific Northwest sailings. Additionally, Norwegian Cruise Lines' 2001 schedule calls for 23 sailings from Seattle to the f jords and glaciers of southeast Alaska aboard the Norwegian Sky, an increase of two sailings from this year.

(AAPA ADVISORY)

CIP/OAS Introduces website

INTER-AMERICAN Committee on Ports, Organization of American States introduces website and urges to visit: <http://www.oas.org/cip/>. CIP also reports that the Economic Commission for Latin America and the Caribbean (ECLAC) will host a meeting of experts on maritime transportation in September 2000, in Port of Spain, Trinidad & Tobago, to analyze the determinants of the high cost of transportation. They will discuss and coordinate the activities that being developed and will be developed in the future by the regional governments, port authorities and regional organizations, CIP further reports. For more information, please contact: <J.fuchsliuger@eslacpos.org>. (CIP Newsletter, July 2000)

Antwerp

Increased frequency for Antwerp-Switzerland shuttle

A year after the launch of the Brabo trains, the Monday to Friday shuttle service between IFB Zomerweg (Antwerp) and Basle, and a second direct train between IFB Zomerweg and Zurich. Both services offer an A-day/B-day timetable. The trains have a capacity of 75 TEU each. Connections to all main Swiss destinations are available in both Basle and Zurich.

VSA3 group starts second service to South America

THE VSA3 consortium, which operates ships on the run between Northern Europe and the South American Atlantic coast, has started a second liner service on the same route. Antwerp is the last but one European port of loading for both services. The members of the consortium are Contship Containerlines, Compania Sudamericana de Vapores (CSAV), Euroatlantic Container Line (ECL), Hansa Star Line, Montemar and P&O Nedlloyd. Germany’s DSR-Senator Line charters slots on the consortium ships.

The basic service is provided by six ships with a capacity of 2,470 TEU each which offer a sailing every seven to eight days to Santos, Paranagua, Buenos Aires, Montevideo and Itajai. The first two of these ports also appear in the sailing list of the new fortnightly service. Three smaller 1,100 TEU ships offer additional sailings for Rio de Janeiro, Rio Grande and Salvador.

This new service means that from now on the VSA3 Group will be offering a good seventy sailings to South American ports every year. In Antwerp all the group’s ships are handled by P&O Ports in the Delwaide Dock. Both services are represented by Canmar Constship Agencies, Grisar & Velge Newco (for CSAV), Herfurth & Co.(ECL), Neptumar (for Montemar & Hansa Star Line), P&O Nedloyd (Belgium) and Trimar (DSR-Senator).

A smart solution from Kalmar Industries

KALMAR Solutions, the specialist division of Kalmar Industries that provides handling solutions designed to improve its customers’ operations and profitability, has recently struck a deal with Nord France Terminal International - Inter Ferry Boats (NFTI-IFB) in Dunkirk, to fit two Sisu rubber tyred gantry cranes (RTGs) with its own auto-steering and container verification system, Smartrail™.

Nowadays, the majority of Kalmar RTGs come fully equipped with Smartrail™. This technology has been proven to reduce ship turnaround times, boost productivity and heighten the overall efficiency of ports and terminals.

Phillip Revel, Director of NFTI, comments:

"Many of our colleagues had commented about the enormous potential to increase efficiency and productivity by using RTGs with Smartrail™. Taking this into account,

The productivity gains experienced at Dublin Ferry Terminals convinced Nord France Terminal International to have the two RTGs in operation at Dunkirk refitted with Smartrail™.
and having seen the system employed to great effect at Dublin Ferry Terminals, we decided to have the two Sisu RTG’s in operation at NFTI-IFB fitted with the system. We expect that our efficiency levels will increase by approximately 20% once we receive the newly refitted RTGs in August 2000.”

Kalmar Industries has a long standing relationship with NFTI’s parent company Belgian Railways (NMBS) and has previously supplied it with a number of RTGs with Smartrail™.

Kalmar’s Smartrail™ system is based on a Differential Global Positioning System (DGPS) which, once the RTG operator activates the automated steering, steers the crane along a pre-determined path. This enables the exact position of the RTG to be calculated to within ±5cm (2 inches). By automating the steering, Smartrail™ technology enables the driver to travel at maximum speed between lifts and to concentrate fully on picking up or setting down containers. The net result is faster and safer operations. Having eliminated the need for drivers to manually type in location parameters, by having the yard management system linked to the Smartrail™, the automatic container verification system also speeds up operations as time is not lost looking for errant containers. In real terms, Smartrail™ enables ports and terminals to keep their turnaround times, down to an absolute minimum.

The Port of Le Havre Attends the World Fair in Hanover

France.

This film was carried out by the RIFF International Production company which came, last spring, to film various sequences in Le Havre, especially on container terminals.

Overland Communications with Le Havre

Road Transport

With some 75% of the total traffic in 1999, road haulage easily maintained its share of the market for carrying containers to and from the port. Between them, some 300 hauliers make 2,700 trips a day with container loads.

Within the next few years two new motorways will be opened, i.e., the A84 in late 2001, linking Caen, Avaranches and Rennes, and then the A29 extension to Amiens and Saint Quentin in 2004. Looking further ahead, the programme includes the A28 extension from Rouen to Alencon, Le Mans and Tours and a link motorway between the A29 south of the Normandy Bridge and the A28, so as to connect with the frontier-to-frontier route from Calais in the north to Bayonne near Spain. There are also plans to turn two major roads into dual carriageways the RN31 in the north from Rouen to Reims and the Rouen-Chartres-Orleans highway in the south.

Rail Transport

With a total traffic of just over 4 million tones, 1999 was a good year for the railway, largely due to petroleum products and coal, which were enjoying a strong cyclical upturn. However, it is vitally important to intensify rail services to the port of Le Havre and to push ahead with the developments undertaken over the last few years.

1 - Le Havre Shuttles S.A

Since LHS was founded in 1998 it has been the up and running provider of mass transport by rail. Its function is to pool demand so as to make the best possible use of the capacity available to forwarders and owners working with the Port of Le Havre.

2 - The development of mass transport by rail

After the Lille shuttle (operative since 1995 and with frequency doubled in the second half of 1999) and the Lyon shuttle (launched by LHS in 1996 and very successful), the Havre port community concentrated on Strasbourg in 1998 and 1999. A new service has also just been set up between Le Havre and Milan (running to Novara), marketed by Le Havre Shuttles. Since late January there have been 5 incoming and 4 outgoing trains per week. The priority this year, 2000, is to develop existing services and to start up new shuttle services to Basle/Mulhouse and Dijon/Chalon sur Saone. What makes them so competitive is that Le Havre offers such good transit times, due to its position as the first and last port of call in North Europe. By using Le Havre, not only can empty containers be repositioned, which is a considerable advantage in terms of logistics, but cargo access time is considerably reduced, and at prices fully competitive with those of Antwerp and Rotterdam.

River Transport

Accounting for a total of 2.44MT, river transport from and to the Port of Le Havre rose by 2.4% overall in 1999. Logiseine, the barge service for containers on the River Seine, turned in a figure of 21,000 TEU for the year, a leap of 31% over 1998. Contributory factors were its 3 return trips a week and the introduction of barges with a capacity of 132 TEU. A Customs agreement between Logiseine and the Board of Customs, known as FREEDOM, was signed on October 15, 1999. Finally, a dedicated river terminal is to be built as part of the first phase of the Port 2000 extension.
Successful Port Marketing Seminar

World Maritime University and Port of Hamburg have organized their second Port Marketing Seminar in June this year. The one week’s program was held in Malmö. Participants were coming from ports in 15 different countries. The program proves as a successful combination of analytical studies and practical experience. A large share of the program is devoted to case work. Both partners have decided to run this subject as an annual event. Detailed information is available from the World Maritime University in Malmö.

Seamless intermodal transport solutions for the 21st Century

Intermodal 2000

November 29- December 1, Genoa, Italy

For the first time, the leading European event for the intermodal industry is to take place in Southern Europe. Intermodal 2000 is to be staged by IIR Exhibitions at the Fiera Internazionale di Genova, November 29-December 1.

Given the location, as Italy’s leading port and maritime center, it is appropriate that the conference program reflects the growing importance of the Mediterranean as a gateway to Europe for the world’s major trading lanes. Furthermore, with sessions looking at every aspect of intermodalism the conference will be of interest to all those working in the transport industry regardless of whether their principal field of interest is shipping, forwarding and logistics, road, rail or port operations.

With world trade growing consistently faster than the world economy and manufacturing corporations adopting increasingly global strategies, the need for seamless intermodal transport solutions to execute supply chain demands has never been more critical. To add to the pressure, the emerging e-economy is changing the rules of the game, driving the creation of new business models and solutions.

In the face of these challenges, the international intermodal industry cannot work in isolation. Transport providers have to move to a more collaborative culture in order to meet the needs of customers. This is the key theme to be discussed by leading shippers, and transport and logistics executives at what will be the 14th annual Intermodal Conference and Exhibition.

Through a combination of executive plenary sessions, parallel tracks and practical workshops, Intermodal 2000 will explore the varied facets of intermodal transport in the 21st century, drawing on the expertise of global shippers, ocean carriers, railway operators, ports and terminals, and industry consultants.

The plenary session will set the Scene for the three-day conference; addressing the factors that will determine the future development of intermodalism within the context of world trade and global supply chain strategies. Thereafter, parallel tracks will focus on specific issues facing the transport and logistics industries.

• Container Logistics and Management: how technology, innovative thinking and knowledge sharing can positively impact the logistics bottom line;
• Global Logistics and Supply Chain Management: identifying the forces shaping modern supply chain strategies;
• Intermodal Policy & Performance: what should be done to ensure intermodalism truly meets the needs of customers;
• e-business: charting the impact of the Internet and IT on the transport and logistics industries;
• Intermodal transport and logistics in Southern Europe: how the Mediterranean is growing in importance;
• Reefertrans: developments in the cold supply chain and the latest in reefer technology;
• Container financing: new methods for financing asset procurement; and
• Intermodal Partnerships and Innovations: what can we expect from intermodalism in the coming years.

Also new to this year’s conference program is a series of practical workshops covering intermodal terminal operations, cargo security and bulk systems. Bookable separately, or as part of the main conference package, these sessions are expected to be a popular choice with delegates attending Intermodal 2000.

As with every year, Intermodal has secured many of the industry’s leading executives to address delegates. Speakers who have confirmed their participation for this year’s event include:

• Steve Cameron, land operations director, OT Africa Line, UK;
• Lars Christiansen, transport manager, Europe, IKEA, Sweden;
• Derek Donkin, research and technical director, South African Avocado Growers Association, South Africa;
• David B Edmonds, corporate vice president, FDX Corporation, Worldwide Services, USA;
• Rene Hellinghausen, president of the board and managing director, Intercontainer-Interfrigo (ICF), Switzerland;
• Robert Krebs, chief executive officer, Burlington Northern Santa Fe Railway, USA;
• Yves Lauder, delegate general, GETC, France;
• Giovanni Leonid, president, Assologistica, Italy;
• Eugenio Muzio, managing director, CEMAT, Italy;
• Gary Mansell, chairman, European Shippers Council; managing director, freightraders.com, UK;
• Brian Moulton, shipping director, Michelin, France;
• Peter Scott, commercial director, bolero.net;
• Nigel Stribley, managing director, Unitas Services, UK;
• Garth Thorne, senior manager, International, Marks & Spencer plc, UK; and
• Alan W aller, partner, management consulting services, Price Waterhouse Coopers, UK.

Rachael White, Conference Editorial Director, comments:

“Intermodalism at the beginning of the 21st century is an exciting topic. The growth of e-commerce as a medium for business transactions means that traditional transport and logistics solutions are fast becoming outdated. The need to find new seamless transport solutions that can work on a global scale has never been so crucial. Intermodal 2000 will provide the ideal arena in which to explore all the possible solutions, as well as network with other leading industry professionals.”

Running alongside the conference will be a fully dedicated exhibition featuring many of the industry’s key players. An ideal opportunity to network with customers - both existing and new - the exhibition is set to be one of the key attractions for visitors at Intermodal 2000.

Anyone wishing to register as a delegate or exhibitor for Intermodal 2000 should contact Michelle Fisk at IIR Exhibitions on tel: +44 20 7453 5309, fax: +44 20 7453 5306, or email: michelle.fisk@iirx.co.uk

Website: www.intermodal-iirx.com

Copies of the Intermodal 2000 program are available and can be sent out
Port as Major Stimulus to Irish Economy

The Port of Cork is pleased to announce the findings of a report undertaken by Dr. Richard Moloney and Dr. William Sjostrom, Department of Economics, National University of Ireland, Cork, in conjunction with KPMG Consulting into “The Economic Value of the Port of Cork to the Irish Economy.” The findings, which confirm that the Port of Cork is an important element of the economic engine of Ireland, are summarized as follows:

The total contribution of all activities at the Port of Cork for 1999 arising from expenditure on goods and services total IR£224.05 million and 3,580 full time equivalent jobs. These results can be subdivided as follows:

- IR£19.38 million in current expenditure by the Port of Cork and 330 full time equivalent jobs;
- IR£17.31 million in capital expenditure by the Port of Cork and 293 full time equivalent jobs;
- IR£92.75 million by other companies operating through the Port of Cork and 1436 full time equivalent job;
- and
- IR£94.61 million in expenditure by tourists arriving on ferries and cruise liners and crew of the ships visiting Cork and 1521 full time equivalent jobs

The direct contributions of all activities at the Port of Cork for 1999 include expenditure on locally produced goods and services of IR£117.26 million and 886 full time equivalent jobs. These results consist of:

- IR£10.46 million in current expenditure by the Port of Cork Company and 124 full time equivalent jobs;
- IR£10.60 million in capital expenditure by the Port of Cork Company;
- IR£44.86 million by other companies operating through the Port of Cork and 762 full time equivalent jobs; and
- IR£51.34 million by tourists arriving on ferries and cruise liners and crew of the ships visiting Cork.

The Value of Trade and Related Employment through the Port of Cork:

- value of exports is IR£11.7 billion with 70,400 full time equivalent jobs supported by these exports.
- value of imports is IR£5.9 billion with 42,000 full time equivalent jobs linked to these imports.

The findings of the report are based on:

- an Input-Output Table of Ireland (CSO,1997);
- responses to interviews conducted by the consultants;
- additional data supplied directly by the Port of Cork Company and other companies using the Port;

The study relates to the activities at the Port of Cork in 1999 and confirms that the Port of Cork plays a significant role in the regional economy. Ports have always been a vital role in the development on the Irish economy. This is particularly true for an island community such as Ireland which is highly dependent on international trade for its existence. Nearly 100% of trade by volume and 90% by value are transported through Irish ports. Because Ireland has no direct land links, these figures are significantly higher than for other European Union countries.

The Port of Cork is the premier port on the south coast and is unique in that it is one of two Irish ports which handle all five shipping modes, i.e., lift-on lift-off, roll-on roll-off, dry bulk, liquid bulk and break bulk. In addition to offering the shortest ferry crossing to mainland Europe, the Port of Cork is the only Irish port which offers direct, scheduled lift-on lift-off, roll-on roll-off services to the continent.

For the first five month period January/May 2000 total traffic at the port amounted to 4.02 million tones, an increase of 139,000 tones or 4% over the corresponding period of 1999. Imports increased by 24,000 tones or 1% to 2.5...
New Harbour for Amsterdam

Afkahaven officially opened

The Port of Cork itself employs 124 workers directly. As well as these employees, many other employees are involved in operating ships and handling cargoes. These employees include truck drivers, crane drivers, railroad employees, dock and warehouse workers, and tugboat crews.

Groningen Seaports not privatised

LANs to transform Groningen Seaports into a PLC with equal shares held by the authorities of Delfzijl, Eemshaven and the province of Groningen failed when the city of Delfzijl objected to a new management structure. The board, which includes three authorities, determines the general policy, to be followed by the joint Managing Directors. To enhance the commercialization of the ports, the management structure has been reviewed over the last five years to allow the port management more freedom to adjust to current market conditions. This would be possible in a company with Delfzijl, Eemshaven and Groningen as its exclusive shareholders. Groningen and Eemsmund were in favour, but Delfzijl was not. As the three bodies have an individual veto in matters of major interest, this form of privatization was blocked. However all three owners are in favour of allowing more scope to the port management by extending its powers.

Close co-operation with Archangel

GRONINGEN Seaports works closely together with the Russian port of Archangel to develop the freight traffic between Holland and Russia. A growing number of ships, carrying mainly timber and forestry products, arrive from Archangel both in Delfzijl and Eemshaven. Currently, Holland is the major trading partner for the Archangel region. Vice-Governor Nicolai Issakhov proudly states “Twelve percent of our total exports go to Holland. In a few years’ time you have overtaken the British and the Germans.” Through continuing consultation with the regional authorities in Archangel, Groningen Seaports aims to widen trade relations. Apart from timber and forestry produce, the region boasts large supplies of fish, natural gas, oil and bauxite. It also possesses the world’s second largest diamond reserve and mining began a short while ago in the Smolensk area.
Port of Riga achieving Freeport status and ISO 9002 accreditation

In accordance with its prospective development program, the Riga Port Authority has elaborated the legislative basis of the Riga Freeport and passed it to the Parliament for approval.

The Riga Freeport Law was endorsed by the Latvian Parliament entering into force on April 12, 2000. Until this date only the state shareholders company “Riga Commercial Port”, which occupies around 30% of the port’s total territory, had the free economic zone status.

Adoption of the Riga Freeport Law means introduction of customs, excise and value added tax important deductions, therefore significantly reducing expenses for capital investments in construction of new terminal, berths, distribution centers, etc.

Finally, we are delighted to communicate that in April 2000 Bureau Veritas Quality International has awarded the Certificate of Approval to the Riga Port Authority. This is to certify that our quality management system has been found to be in accordance with the requirements of the Quality Standard ISO 9002:1994

Rotterdam News
MSR assists Port of Constantza with the implementation of their VTMIS

June 28, a Memorandum of Understanding was signed between the Maritime Port Administration Constantza (APC), represented by the Chairman of the Board, Capt. Laurentiu Mironescu and MarineSafety int. Rotterdam b.v. (MSR), represented by their General Manager, Henk Regelink. Both companies will jointly set up the CTS education and training, prepare the courseware and deliver the courses for personnel manning the future VTS of the Port of Constantza based upon and in compliance with international standards. MSR will furthermore assist APC in the organizational, operational and managerial set-up of the VTS.

The Vessel Traffic Management and Information Services (VTMIS) in the Port of Constantza will be delivered by Lockheed Martin and is expected to be operational by the end of November this year.

Construction on P&O North Sea Ferries Terminal

Rotterdam Municipal Port Management is having a new pier/ramp built for P&O North Sea Ferries (P&O NSF) in the Beneluxhaven in Rotterdam Europort. The new pier will replace one of the current ones, the Zuidsteiger. This is necessary for handling the extremely large cruise ferries which P&O NSF will be putting into service in 2001. The investment amounts to over 13 million Euros. Work will start in August and will be completed in February 2001.

Efficiency

The new cruise ferries, with a length of 215 meters and a width of 31 meters, are the largest ferries in the world. They have a capacity of 1360 passengers and 400 units of freight. The wharf and accompanying installations will not only be larger, but will also make it possible to handle passengers and freight separately, resulting in greater efficiency. In addition, the terminal area and the passenger terminal will be modified. The two new cruise ferries will replace four other ships which are currently operating on the route Rotterdam-Hull. P&O NSF runs a fleet of seventeen ships, transporting passengers between Rotterdam and Zeebrugge on one side and Hull on the other. In addition, freight routes are maintained between Rotterdam and Zeebrugge on the continent and Hull, Thamesport and Felixstowe in the United Kingdom.

More rail transport

In 1999, P&O NSF handled 1,028,000 passengers, 225,000 private cars and 644,000 units of freight (trailers and containers). On the continent, the most important countries of origin/destination for freight via the Rotterdam services are the Netherlands, Germany and Scandinavia. Central Europe is on the rise. Rail plays an important role here.

P&O NSF is striving towards an increase in rail transport’s share for short distances too. Alongside the already existing train shuttle to Bore, in collaboration with Shortlines, a shuttle service has also been started to Cologne this year, in collaboration with Transfracht. Thanks to the new wharf, a more rapid and reliable connection to the shuttles can be guaranteed, even if incoming and outgoing trade were to increase.

Sony: Inland Shipping

Sony Logistics Europe is concentrating its distribution for Western Europe in Tilburg, in the south of the Netherlands. At present Sony operates several distribution centers throughout the country. The other three European distribution centers (EDCs) will be in Prague, Helsinki and Barcelona. The center in Tilburg will be 80,000 m² large. Almost all the goods (95-98%), from Japan and other countries in the Far East, come in by sea. Sony aims at transporting 10,000 containers per year by barge from Rotterdam to Barge Terminal Tilburg (BTT). This policy is motivated by referring to “a stable supply and environmental advantages”. BTT will be used as a warehouse and containers are transported to the EDC on demand.

Ports of Immingham and Goteborg sign Twinning Agreement

The British Port of Immingham and the Swedish Port of Goteborg have signed a twinning agreement. The two ports will promote and cooperate with each other for their mutual benefit.

The two ports have had liner shipping connections for decades and today there are daily sailings between the two ports. The Swedish Port of Goteborg and the Associated British Port of Grimsby and Immingham are the leading ports in their respective countries: Goteborg with an annual cargo turnover of 31 million tons and Grimsby/Immingham with 46 million tons.

The twinning agreement was signed by Dennis Dunn, Port Director, Associated British Ports Grimsby and Immingham, and Gunnar Nygren, President, Port of Goteborg AB.

Signed at RoRo

The signing of the agreement proper
PLA News: Busy Schedule Ahead for New River Body

A busy future has been forecast for the new River Association of Freight and Transport (RAFT) which held its first annual general meeting at the Little Ship Club at the end of last month.

The organization has been formed by a broad spectrum of companies operating on the River and covering lighterage, wharfingers, passenger vessels and civil engineering.

President David Allen, vice president Paul Ludwig, treasurer Kim Milnes and secretary/general manager Barry Janes were all confirmed in their official positions.

In his presidential address, Mr. Allen said: “With a more diverse membership the association can provide greater support for its members. Especially the smaller companies in relation to health and safety at work, training and its traditional role of representation.”

He pointed out that the recent report of Lord Justice Clarke on river safety had prompted action from the PLA to accelerate its full risk assessment of navigational standards on the Thames and the review of the watermen and lightermen bye-laws all of which affected members.

The introduction of NVQs for apprentice watermen would also involve practical ‘on-board’ assessment on craft being worked. Which was a major change in licence administration.

Mr. Allen went on: New certificates for tug captains and watermen pilots will also be introduced.

“All these changes will require much consultation with PLA and the MCA which will be conducted through the strength of the RAFT organization.”

“Committees have been formed to cover a number of members’ activities such as passenger vessels, health and safety in conjunction with the Transport and General Workers’ Union wharves and lighterage committee together with a committee which is planned for piers and pilotage.

The RAFT organization is seen as an essential platform from which to further the development of the various Thames-based companies and they can now approach other authorities with one voice.

Tilbury Police Move to New Headquarters

THE Port of Tilbury Police has moved to a new headquarters by the main gate in line with the police restructuring program.

The police will be working closely with the security personnel on the gate.

Inspector Roger Elliot is in overall charge of all police and security officers.

He carries on the tradition of the port police as he is the third generation in his family to have served in the force. His grandfather served in the Royals and his father was a detective sergeant, known to all dockers as ‘Baby Face’.

The port police is still concentrating on the detection and prevention of crime and recently discovered a large consignment of several thousand Ecstasy tablets in an empty cabin aboard the MV Pallister Bay at 9 berth. The tablets were then handed over to Customs.

To increase the amount of high-tech equipment at police disposal, extra close circuit TV cameras have been installed and a number of new patrol vehicles purchased.

With speeding getting to dangerous levels on the perimeter road, the port authority has installed a number of traffic calming bumps while the police now have an advanced laser gun for the detection of speeding vehicles.

Innovative waste management company to provide ship-side service

ONE of Australia’s liquid waste management companies, Transpacific Industries, will establish new facilities at Brisbane’s port, introducing a range of services critical to the more efficient handling of shipboard
The new facilities, to be developed by Transpacific in two stages over four years at a cost of around $14 million, will be located on a 4.2 hectare site at Fisherman Islands. Work on stage one will commence later this year, with the facility expected to be operational by April 2001. This stage will encompass the development of a 23,000 litre isotanker cleaning facility, a standalone clearing station for the washing of heavy machinery being imported into Australia, and a facility for the decanting of heavy lubricants from isotankers and repackaging.

Chairman and Managing Director of Transpacific, Mr. Terry Peabody, said the new facility would bring to the port cleaning and waste management services currently located away from wharves.

“Ship and road isotankers are used to carry a range of liquids and each must be thoroughly cleaned prior to reuse. In some circumstances these isotankers are currently transported to Sydney and Melbourne for cleaning.

“By providing the service at the point of product offloading, carriers have the opportunity to ‘back-load,’ making their own operations more efficient and more profitable.” Mr. Peabody said.

He said the wharfside facility would enable the port to provide an integrated service to both exporters and importers, increasing the overall attraction of Brisbane as an efficient and streamlined port facility.

Commenting on the cleaning station for heavy equipment coming into Australia, Mr. Peabody said the facility would be quarantine approved, with cleaning being undertaken in controlled conditions to ensure disposal of any residual dirt from a foreign port.

“As part of our integrated service, we will also provide waste management services for ships, removing bilge waste and other liquids that accumulate during sea voyage. To date, we have provided this service using road tankers; however, this will now be a wharfside operation.”

Chief Executive Officer of the Port of Brisbane Corporation, Mr. Graham Mulligan, said the facilities were a significant, environmentally sensitive addition to Fisherman Islands’ infrastructure servicing the shipping industry.

“The efficiencies that will derive from a ‘one-stop-shop’ service at the port will be of significant benefit to stevedoring companies, importers and exporters, and general carriers,” Mr. Mulligan said.

He said stage two of the Transpacific Industries facilities would involve the construction of an oil and lubricant re-refinery, the first of its kind in Queensland.

“When this facility is operational in around 2004, Transpacific will be able to re-refine waste oil products back into diesel and base lubricating oil, refining up to 30 million litres each year.”

Mr. Mulligan said Transpacific actively pursued a policy of resource recovery, re-use and recycling ahead of disposal and, as a result, would make a significant contribution to the development of Brisbane as Australia’s “Green port.”

On completion, Transpacific Industries’ Fisherman Island facility will employ approximately 30 people.

Sydney Achieves Magic Million

After a year of spectacular trade growth, the ports of Sydney have reached the milestone of one million TEU for the financial year ending June 30.

Containerized trade during the year grew by 15% to 1,013,000TEU.

The Chief Executive of Sydney Ports, Greg Martin, said this achievement caps a string of successfully years in Sydney that have seen remarkable growth in containerized cargo movements.

Buoyed by a strong NSW economy, containerized trade has increased by almost 50% in the past four years and in fact has doubled since 1992.

Mr. Martin congratulated all Sydney Port’s customers for their work in achieving this milestone - the stevedores, shipping lines, agents, transport companies, port service providers, container parks, importers and exporters.

The increase has been facilitated by increased productivity on the wharves as well as additions to rail freight infrastructure at Botany to improve shunting operations, new and better e-commerce systems; and the introduction of fixed and coordinated time slots for road and rail services.

“The latest government report now has Sydney and Melbourne as the two most productive ports in the country in terms of the very important Net Ship Rate, which determines how quickly ships are turned around in port.

“All these innovations have improved the capacity of the ports to cope with the growing levels of throughput, even though in 1992 a major study predicted the 1 million TEU mark would not be achieved until 2010.

Mr. Martin also said that, with the growth in containers through Sydney conservatively estimated to reach 2.6 million TEU by 2025, Sydney Ports are looking closely at plans to handle this volume.

“We are very conscious of the need to ensure the medium to long term planning of port facilities is in place so the projected volume increases can be accommodated.”

The value of containerized trade handled through the seaports of Sydney in 1999/2000 exceeded $40 billion and represented over 20% of the total value of Australia’s international trade.

A new grain facility begins operations

Five years after construction began, a brand new grain transfer facility began operations at the end of j une at the Chinese port of Dalian, reports the Chiooonline internet news service (www.chioonline.com).

Built at a cost of US$335.7 million, the Beiliang grain terminal can load and unload up to 11.1 million metric tons of grain a year, and has storage capacity for one million tons.

Supported by such features as automatic controls, measurement, checking and dust elimination, loading speed is said to be “60 times faster than traditional methods.”

(DAPA ADVISORY)

Dramatic Changes to the Port Environment in Kaohsiung

40 Years Ago

Around the peripheral areas of the harbor, agricultural land and fish farms were the most common forms of land use; the rest of the area was undeveloped swamp. Children could swim and catch fish in the clean water. Aquatic plants (especially mangroves) could also be seen everywhere.

Today

Factories have replaced agricultural land and swamp as the major feature of the surrounding land, together with the inevitable heavy traffic. Both elements create air and water pollution to the environment. People can no longer swim or go fishing in the port area. Plants that were commonly seen 40 years ago no longer grow within the harbor area, with some small exceptions.
Working Plan for Port Pollution Control
The plan of the Kaohsiung Harbor Bureau for pollution control is as follows:

Control and Reduction of Pollutants from Fixed Sources
1. Urge the City Government to control the amount of pollutants discharged from major pollution sources.
2. Call environmental operations meetings to urge both Kaohsiung county and city governments to accelerate the interception and treatment of sewer water from Chien Cheng River.
3. Urge the fishery administrative units to establish waste water treatment facilities to prevent pollution from fish processing.
4. Negotiate with the city governments to enforce the construction of pollutant interception stockades.
5. Set up pollution stockades to intercept pollutants in #5 Basin.
6. Complete the construction of waste-water interception and sewerage at the Chien Cheng River under the joint effort of Kaohsiung country and city governments. The construction should be completed by June 2001. Results of all the efforts will then be seen.

Control and Removal of Pollutants from Other Sources
1. Control over the waste oil and water discharge from all types of ships moored at the port.
2. Coordinate military units in the harbor and fishery associations to enforce the control over pollutants discharged from their ships and fishing boats.
3. In addition to the enforcement of pollution control, the Environmental Protection Dept. of the Bureau will continue to dispatch dump boats every day to collect rubbish disposed by the ships moored at the port and dredge up junk in the harbor area.
4. Rubbish disposal in the harbor area has been contracted to private disposal operators.
5. To completely resolve the pollution problem the Bureau has taken the initiative to handle ship waste treatment by building an incinerator. After the project is finished in 2001, it is expected to eliminate mobile pollution sources and elevate the water quality of the harbor.
6. Currently, the handling of ship waste is contracted by shipping companies or agencies to disposal operators in conformity with the Waste Disposal Rules. The Bureau will take measures such as inspection, suppression, and lead sealing to prevent ship waste being discharged into the harbor.

Control and Treatment of Berth Operation Pollution
1. Enforce the disposal of ordinary and stevedoring waste to reduce the volume of pollution.
2. Urge the operators to adopt low-polluting and highly efficient logistics and stevedoring operations.
3. Impose control over air pollutants and waste water discharge of chemical storage tanks.
4. Conduct environment evaluation to prevent and reduce pollution resulting from newly developed business. Monitor environmental quality by building basic environmental elements for the purpose of prevention.
5. Join the Kaohsiung City Emergency System for Chemical Toxicant Disaster to strengthen the ability to handle chemical emergencies in the harbor.
6. Replenish facilities for environmental protection and practice emergency drills to strengthen the ability to deal with any emergency caused by oil contamination.
7. The disposal of ordinary industrial wastes left by dock stevedoring operations in the Chung-Dao warehouse site is currently contracted to the licensed disposal operator at the shipping companies’ expense.
8. Ordinary rubbish disposal in the Chung-Dao warehouse site and the cleaning and maintenance work near the inter-

To sum up, the Kaohsiung Harbor Bureau has been working diligently on the port’s pollution prevention program approved by the Executive Yuan. The Bureau has also been publicizing its environmental protection policy through the media and meetings.

The Port Kaohsiung Pollution Control Committee
The Port of Kaohsiung’s Pollution Control Committee consists of representatives from units concerned from the Executive Yuan, Ministry of Transportation and Communications, Kaohsiung city and county governments. Since its establishment on February 24, 1996, three meetings have been held to build up consensus regarding verification of pollution sources, confirmation of items to be worked on implementation of the improvement plan, as well as division and consolidation of duties for different units. It is to be hoped that the problem of port pollution can soon be resolved through these joint efforts.

Conclusion
It is imperative that port administrators keep the priority of environmental protection uppermost in their minds. Pollution control should be an urgent and ongoing objective.

Mormugao Port Trust gets ISO 9002 certification
ORMUGAO Port is one of the twelve major ports of India. An all weather port, Mormugao Port has been consistently performing well by setting new records and scaling new heights. It has for decades played a stellar role in the export of iron ore, handling almost 50% of the total iron ore exported from India. The port annually handles about 18 to 20 million tons of traffic. The highest
Traffic being handled by the Port was 21.82 million tons in the year 1997-98. During the year 1999-2000, it handled a total traffic of 18.23 million tons and also set high standards in various efficiency parameters whether it be average ship berth-day output, turn-round time or pre-berthing waiting time.

Now, Mormugao Port has become one among the few ports in the world and the first Indian port to receive the prestigious ISO 9002 certification on a comprehensive basis from Indian Register of Quality Systems (IRQS) accredited by RCV Netherlands for providing sea port facilities and the related support services for sea borne trade. The ISO 9002 certificate was received by Dr. Jose Paul, Chairman, Mormugao Port Trust at the hands of the Hon. Union Minister for Surface Transport S/Shri Rajnath Singh in the presence of Shri Mohamud Fazal, His excellency the Governor of Goa on 28th April 2000.

Attaining ISO 9002 certification is yet another milestone in the Port's continuing efforts and commitment towards maintaining a high standard of performance which shall translate into reliable and top rate services through excellent infrastructure and scientific streamlining of operation, to its clientele in particular and the maritime community at large.

Aiming to become a hub port in Asia

Strengthening of its foreign trade container terminal functions

Taking advantage of successfuly hosting the Finance Ministers’ Meeting at the Kyushu-Okinawa Summit in Fukuoka this July, the Port of Hakata (administered by the Port and Harbour Bureau of the city of Fukuoka) has actively implemented measures in both software and hardware, along with port promotion activities, in order to deal with an increase in the volume of foreign trade containers. These measures have been carried out in cooperation with national/local governments and private companies under the policy of creating a user-friendly port, and the port is aiming to become a hub port in Asia.

The port has implemented various measures ahead of other ports, such as a year-round 24-hour loading/unloading service (October 1997), keeping terminal gates open during lunch time (July 1998), a 30% discount on port entry fees for foreign-trade liner services (April 1999) and a discount on the user fee for gantry cranes for transshipment cargoes (1,200 yen discount per container, April 1999).

In addition to these measures, the following new measure will be introduced:

1. Extension of terminal gate hours on a temporary basis:
   - During the summer time (July-September), the terminal gate hours will be extended by one hour.
   - Open hours: 08:30-17:00, Monday-Saturday (normally 08:30-16:00 Mon-Sat).
   - Implemented on July 1, 2000.

2. Expansion of Hakozaki Container Terminal
   - Hakozaki Container Terminal (approx. 5.6 hectares) and its neighbouring open-air storage area (approx. 2 hectares) will be consolidated for the purpose of increasing their combined storage capacity.
   - Completed in July 2000.

3. Introduction of a prior information disclosure system for delivered-in/out containers
   - The system will enable shippers to access information in advance on cargoes to be delivered in or out (such as whether the cargo is ready to be delivered out) via the Internet or NTT DoCoMo’s i-mode service, promoting smoother gate clearance.
   - To be introduced in September 2000.

4. Introduction of a reservation system for delivered-in/out containers
   - By registering cargoes which are scheduled to be delivered in or out no later than one day prior to the date of delivery, the cargoes will be delivered outside the container terminals (off-dock facilities) around the clock. The system will improve the function of the container terminals, including the efficiency of storage at the container yards and the turnover rate of chassis for container delivery. Also under the system, the delivery of container in/out of the container terminals will be made to meet the needs of shippers.
   - To be introduced within the year.

Osaka Maritime Museum

“Naniwa-no Umi-no Jikukan” Opened

Situated at the northern end of Sakishima Cosmosquare District in the Port of Osaka, the Osaka Maritime Museum was opened to the public on July 14, 2000.

The museum was established in order to enhance the citizens’ understanding of both Osaka’s maritime history and the relationship between people and the ports and the ocean.

The Osaka Maritime Museum consists of two buildings, one onshore and the other offshore, linked by an underwater viewing tunnel, with a total floor space of approximately 20,700m².

The museum is divided into seven indoor exhibition sections and five outdoor exhibition areas arranged around the two buildings, which are based on the four themes of "Ocean," "Maritime History," "Our City’s Role as a Port," and "The Ocean of Osaka’s Future." The sections are as follows:

1. Main Hall of the Maritime Museum
   - The Ocean (Introduction exhibit)
   - The Ocean (Section 1: In Search of the Ocean)
   - The Ocean (Section 2: The Ocean of Today)
   - The Ocean (Section 3: The Ocean of Tomorrow)

2. Ocean View Hall
   - National Museum of Maritime Sciences
   - National Museum of Maritime Sciences
   - National Museum of Maritime Sciences
   - National Museum of Maritime Sciences

3. Osaka’s Port and Marine History Hall
   - Our City’s Role as a Port (Introduction exhibit)
   - Our City’s Role as a Port (Section 1: The Port of Osaka in the Past)
   - Our City’s Role as a Port (Section 2: The Port of Osaka in the Present)
   - Our City’s Role as a Port (Section 3: The Port of Osaka in the Future)

4. Marine Resources Hall
   - Marine Resources (Introduction exhibit)
   - Marine Resources (Section 1: The Marine Resources of Osaka)
   - Marine Resources (Section 2: The Marine Resources of Osaka)
   - Marine Resources (Section 3: The Marine Resources of Osaka)

5. The Ocean of Osaka’s Future Hall
   - The Ocean of Osaka’s Future (Introduction exhibit)
   - The Ocean of Osaka’s Future (Section 1: The Ocean of Osaka’s Future)
   - The Ocean of Osaka’s Future (Section 2: The Ocean of Osaka’s Future)
   - The Ocean of Osaka’s Future (Section 3: The Ocean of Osaka’s Future)

The museum also offers a variety of programs such as guided tours, workshops, and lectures, providing visitors with a deeper understanding of the historical and cultural significance of the port and maritime activities in Osaka.

In addition, the museum includes a Restaurant, a Gift Shop, and an Education Center, making it a comprehensive facility for visitors of all ages to learn about Osaka’s rich maritime history and the role of the port in the city’s development.

The Osaka Maritime Museum is a must-visit destination for anyone interested in the history and culture of Osaka and its deep connections to the ocean.
Visitors to the museum enter the onshore building, housing the restaurant and souvenir shop, and proceed on through the undersea tunnel to enter the dome of the museum proper. The unique glass dome of the museum was designed by the French architect Paul Andreu, and is located just south of the main passage into the Port of Osaka.

The semi-transparent outer surface of the dome, diameter 70m, consists of 4,800 glass plates measuring approximately 7,500m² and weighing 411 tons. The multi-layered plates have two outer layers of glass and a middle layer of perforated steel. The brightness inside the dome is regulated by the size of the perforations in the metal. To this end, the perforations on the southern side are smaller than those on the northern side. This means that the northern side is more transparent than the southern side, allowing visitors to enjoy the harbour view. Moreover, since the light inside the dome escapes through the perforations, even at night the museum itself is a spectacular sight.

Amongst the four levels of exhibits housed in the Osaka Maritime Museum, by far the most outstanding is the full-scale replica of a Higaki Kaisen, a type of 17th century sailing ship. This type of ship transported goods such as cotton, tea and rice wine between Osaka, the then maritime centre of Japan, and the capital, Tokyo. The restoration of this 150-ton class sailing ship involved seven years of research and was completed utilising as much of the original technology and material as possible. After its completion in 1999, the ship underwent sailing tests and was able to prove its seaworthiness.

The museum exhibits are grouped according to the floor themes listed below:

1st Floor  *"Invitation to the Sea"
- Hivision Theater
- Virtual Simulation Theater

2nd Floor  *"Ship"
- 30m-long Higaki Kaisen replica
- Description of restoration work
- Construction tools and materials
- Simulator of "Higaki Kaisen" Race

3rd Floor  *"Prosperity of Osaka Port"
- "Miotsukushi", the city crest, derived from a navigational aid
- Port development scenery model
- Seabourne trade explanation

4th Floor  *"Transoceanic Cultural Exchanges"
- Full scale replicas of figure heads of the tall ships, which came to Osaka in 1983 and 1997
- Ancient maritime maps and other sailing tools and commodities
- Single-handed yacht simulator
- Americas Cup yacht sail designed by Roy Lichtenstein
- Drawings and paintings

The Osaka Maritime Museum has become one of the landmarks of the port as well as contributing to the local cultural network of the area through its educational use of hands-on exhibits. Other cultural centers in the area include the Fureai Minato-kan, the Port of Osaka's Sister Ports Cultural Exchange Center, the exhibition center "INTEX Osaka", Osaka World Trade Center (WTC) and the Asia Pacific Trade Center (ATC). Moreover, along with the Waterfront Park and the soon-to-be-completed seaside canal, the museum will contribute to the promotion of the whole Cosmosquare District. For online information on the Osaka Maritime Museum, contact: http://www.jikukan.or.jp/

Osaka Port: Deepening Sister Port Relationships

The Port of Osaka enjoys friendly sister port relationships with seven major ports of the world. Since last year, the planting of commemorative trees for each port, has begun at the waterfront park, "Seaside Cosmo" located in the Sakishima Cosmosquare district.

In April 1999 an Australian wattle was planted in commemoration of the 25th anniversary of the sister port relationship between Osaka and Melbourne. While December saw the Osaka and Saigon sister port relationship's 5th anniversary being honoured by a planting of bamboo.

Since this year marks the 20th and 15th anniversary of sister port affiliation with the ports of Le Havre and Pusan, respectively, delegates from both ports were in attendance at the anniversary ceremony held on July 14, 2000.

For the Port of Le Havre, a truffle oak was chosen because of the designation of an oak leaf on the Le Havre coat of arms. Mr. Yves Gasqueres, Japan Representative of the Port of Le Havre Authority, Ms. Nathalie Vettier, Commercial Attaché to Consul General of France in Osaka, Mr. Atsushi Semba, Director General of the Osaka Port & Harbour Bureau and Mr. Hideo Onishi, President of The Osaka Port Promotion Association, wishing for deeper and continued friendship between the two ports, attended the ceremony.

The planting of the Korean National Flowers, "The Rose Tree of Sharon" in commemoration of the continuing prosperity of the two ports, was attended by Mr. Choi Lark Jung, Administrator of Pusan Regional Maritime Affairs and Fisheries Office, Mr. Kim Sun-Heung, Consul of the Consulate General of the Republic of Korea in Osaka, Mr. Semba and Mr. Onishi.

Children from the local kindergarten also participated in the ceremony blessing the trees with water and the city's fireboat fleet celebrated the ceremony with colourful water sprays. It is the hope of the Port of Osaka that these trees will lead to a greater international understanding for the citizens of Osaka, whilst promoting friendly sister port relationships.

Left to right: Onishi, Choi, Semba, and Kim.
Construction of Japan’s First 16m Deep Berths

The city of Yokohama is in the process of constructing Japan’s first 16-meter deep berths at Minami-Honmoku Pier to respond to the growing size of container vessels. The plan for the depth of these berths to be changed from 15 to 16 meters was submitted to and approved by the city of Yokohama Port and Harbor Council. Subject to approval at the National Council for Ports and Harbors meeting in July, construction is planned for 16m berths where large container vessels with a loading capacity of over 6,000 TEU can smoothly enter and exit the port.

1. Purpose of construction:
   (1) In order to strengthen the Port of Yokohama’s international competitiveness, the 16m deep-water berths are being constructed at Minami-Honmoku Pier to becoming the port’s newest cutting-edge facility.
   (2) As an eastern base port of the Asian region for North American trade, the port’s functions as a feeder transportation hub for China and other countries will be strengthened.
   (3) Since it is expected that the world’s largest shipping company Maersk Sealand will use the Port of Yokohama as an East-Asian hub port, Minami-Honmoku is being developed into a pier where the world’s largest-class container vessels now being put into commission by Maersk Sealand can smoothly enter and exit the port.

2. Outline of Minami-Honmoku Pier’s MC-1 and MC-2 container terminals
   - Terminal Area: 37.5ha (Japan’s largest)
   - Berth length: 750m (2 berths)
   - Gantry cranes: 5 mega-gantry cranes to accommodate 22 rows of containers
   - Container Storage Capacity: approx. 17,000 TEU (Japan’s largest)
   * The numerical values of the terminal area and lengths of berths apply to the altered plan.

3. Schedule
   - Mid-July 2000: National Council for Ports and Harbors Planning Meeting
   - March 2001: Completion of terminal facilities (management facilities, gates, yard pavement, etc.)
   - Spring 2001: Opening of MC-1 and MC-2 container terminals

* Mega-gantry crane: Cranes larger than a super-gantry crane (Until now, Japan’s largest able to handle 17 rows of containers)

Port Klang: The Growth Ahead

The notion of Port Klang, the successor to Port Swettenham, was first conceived at the dawn of the 20th century as a gateway for the exports of rubber and tin. As a railway-owned and operated port, the prospect of Port Klang emerging as a premier national port was never in doubt because of its distinct geo-economic advantages.

Over a century of its growth, Port Klang, as it came to be known in 1972, has demonstrated its success in becoming the national load center accounting for more than 37.2 per cent of the total trade handled by all ports on the peninsula. Port Klang is now vigorously evolving into a regional transshipment hub defying earlier predictions that such a role was totally inconceivable.

As the dawn of the new century breaks, Port Klang can look back with satisfaction the path it took in its growth to become a leading port in the region. The port which now has a capacity to handle 80 million tones of cargo, including a capacity to handle 3.6 million TEUs, offers international standards in ship and cargo handling. The nation’s premier gateway records more than 11,000 ship arrivals a year. The number of container vessel liner calls at the port is about 7,000 making it into the league of first 10 global ports with the higher number of liner calls. The port has recorded an average growth rate of 14 per cent in the last decade.

Given the propensity for growth, there is no doubt that Port Klang will increasingly feature as an important port in the development of trade in this region. The development of the port will not only continue to be influenced by the changes and growth of the national economy but more so by the fluid development in regional and global trading.
Port Klang improves ranking

PORT Klang has made a major leap into the world league of container ports by taking the 14th position last year, from the 21st place it occupied in 1998. The new placing made Port Klang the only port in the world to record such a dramatic improvement in ranking among the top 25 container ports in the world.

Port Klang, which also recorded the largest increase in its container throughput among the first 25 major container ports in the world, took the 14th position after Tokyo in the recently-published ranking of world container ports by Containerisation International Yearbook 2000. The new ranking of world container ports, which saw Hong Kong dislodging Singapore to take the top position, recorded Port Klang with a 40.1 per cent increase totaling 4.21 million TEUs (1998:3.06 million TEUs) moving it to the 7th position (up from the 10th position it occupied in 1998).

<table>
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<tr>
<th>RANKING</th>
<th>WORLD PORTS</th>
<th>1999 TEUs</th>
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<tr>
<td>1</td>
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<td>23</td>
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Source: Containerisation International Yearbook 2000

Port Zayed embarks on a two-phase development plan

PORT Zayed’s performance levels and productivity were anticipated in the Development Master Plan, which was launched in 1993 and which started to yield successful results two years ago.

These developments underlined the ability of the Port’s workforce to cope with the modernisation process and reflected the success of the Port’s marketing efforts in attracting international shipping lines by offering them the best services and facilities at very competitive rates.

It may be noted that Port Zayed recorded a growth rate of 47% during the last two years. Container cargo throughput reached three million tons in 1999 from 1,812 million tons in 1997. General and bulk cargoes rose to 4,723 million tons from 3,506 million tons over the same period. The number of vessels calling at Port Zayed rose to 2,613 in 1999 from 2,154 in 1997.

Furthermore, Port Zayed has played a major role in increasing the volume of Abu Dhabi’s foreign trade by receiving ocean-going vessels and by rendering the best service for import and export operations as well as for transshipment. The volume of non-oil foreign trade through Port Zayed stood at Dhs 20.915 billion in 1998 against Dhs 17.855 billion in 1992.

In 1999, the Port achieved a growth rate of 13% in the handling of TEUs against the previous year, and witnessed a 12% increase in general container cargo.

Last year’s development drive at Port Zayed led to a remarkable increase in container and general cargo handling despite the economic recession which hit South East Asia and affected various regional ports. In 1998, the year of Asian crisis, Port Zayed observed an increase of 34% in container traffic and another increase of 25% in general cargo.

As regards the privatisation of certain facilities at the Port, special committees were set up at the Port’s Research and Statistics Centre to study the feasibility of such a process. Even though privatisation has become a global economic trend in some developing countries, there are still successfully government-run ports that maintain high competence and efficiency.

We cannot emphasise enough that, by and large, the actual secret of Port Zayed’s continued success is that we are practical and have the pragmatic approach of a progressive and aggressive modern enterprise. Thus we work on removing bureaucratic attitudes in securing all necessary facilities that can help attract new customers.
Wijsmuller wins another major SPM contract, this time in Yemen

The Wijsmuller Group, through its subsidiary Cory Towage Limited (now renamed Wijsmuller Marine Limited) has been awarded a contract to provide marine services at the Sah Shihr oil export terminal in Yemen for Canadian Occidental Petroleum Yemen, otherwise known as Canoxy Yemen.

The Ash Shihr terminal handles crude oil originating inland. This is piped to the terminal storage tanks from where it is pumped to loading tankers at the single point mooring buoy (SPM) located three miles offshore. The crude is normally destined for ports in the Far East. The SPM is capable of handling the largest of tankers and regularly receives vessels of 300,000 dwt.

The Wijsmuller contract, which commenced on June 1, involves the provision of a specialist multipurpose support vessel, a line-handling tug, operation of a pollution control vessel and maintenance of the SPM both above and below the water.

During loading operations, which can last for more than two days, the multipurpose vessel Ryan (5331 bhp) attaches a tow line to the stern of the tanker to hold her clear of the SPM. The line-handling tug Al Hami delivers personnel and equipment to the tanker and then handles the hoses during the berthing operation.

Local operating conditions can be particularly difficult during the south west monsoon which normally lasts from June until October.

The new contract requires the maintenance divers to be based offshore. Ryan has a diving compression chamber aboard and her facilities have been upgraded to accommodate a total crew of 19 including 5 divers. The water depth, at 45 meters, is within the limits of air diving.

Both vessels provided by Wijsmuller for the contract underwent modifications to meet Canoxy’s contractual requirements. The 70-ton bollard which pulls Ryan now has an A frame on the stern deck and a side crane to perform lifting work at the buoy. She also has two additional winches to allow the deployment of concrete block moorings because of the relatively poor holding ground. A pusher bow is included and a twin-diesel rigid inflatable boat (RIB) has been provided for the transport of personnel and stores.

The 1991 built Al Hami, a 21m, 17 ton-bollard pull line-handling tug, is configured to handle hoses and to take an A frame and a winch unit to perform plough dredging.

Both tugs are named after villages local to the Canoxy Yemen Terminal.

Fifty-five personnel are employed on the contract to enable 24 hours per day, 365 days per year coverage. Thirty-eight of this number are Yemeni nationals with the majority having been employed at the terminal since its start-up in 1993.

In Yemen, Wijsmuller will utilise its experience of SPM and offshore terminal operations gained in Europe, West Africa, the Middle East, South America and the Caribbean. The group has been involved in the SPM market since 1980, starting with contracts in Libya and then Angola where it provided berthing and other marine services to the offshore facilities of Cabinda Gulf Oil in Angola for 16 years in very difficult operating conditions without a single day’s down time.

More recently, in 1999, Wijsmuller won a contract to provide a wide range of marine services at the Butinge SPM in Lithuania, the first SPM in the Baltic Sea.

Wijsmuller Group operates 140 vessels in more than 20 countries worldwide providing harbour towage, terminal and offshore support, maritime services, salvage and ocean towage.
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.