

## IAPH Officers

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IAPH Head Office  
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**San Diego, U.S.A.**

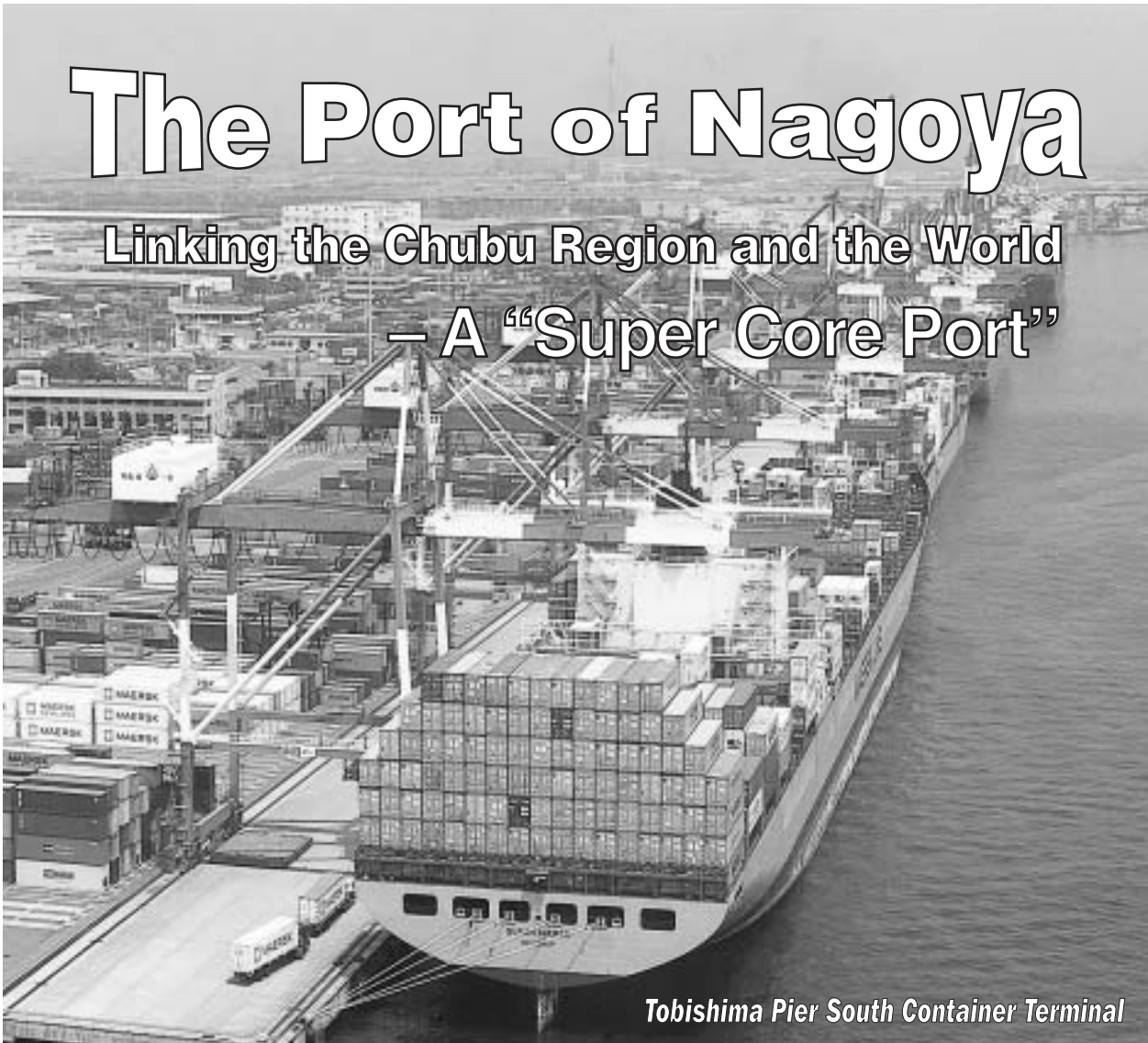
A true gateway to Latin America and the Pacific Rim, the Port of San Diego has two modern marine terminals – the Tenth Avenue Marine Terminal in San Diego and the National City Marine Terminal – supporting a variety of trade between Southern California and numerous foreign markets, including automobiles, frozen and refrigerated goods, lumber, steel, fertilizer, cement, news print, chemicals, soda ash and more. Dole Fresh Fruit's new U.S. West Coast terminal and distribution center, with weekly container ship calls by Dole Shipping. Creation of an adjacent container and multi-purpose terminal is in the planning process. Related article on page 24.

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# The Port of Nagoya

Linking the Chubu Region and the World  
– A “Super Core Port”



*Tobishima Pier South Container Terminal*

In 2001, the Port of Nagoya marked a record container throughput of 33.63 million tons. Handling containers of 1.87 million TEU annually, we play an active role as one of the leading international ports in Japan.

To meet the demand placed by increasing size of containerships in recent years, a new 16-m deep high-standard container berth will be completed in 2005 FY. The Port of Nagoya continues to enhance its distribution facilities to become a more competitive port – a “Super Core Port” – firmly linking the Chubu Region and the world.



Advanced transport network  
connecting the Port of Nagoya and its hinterland  
(Meiko Triton Bridges)

## **NAGOYA PORT AUTHORITY**

8-21, Irifune 1-chome, Minato-ku, Nagoya 455-8686

Tel: 052-654-7840

Fax: 052-654-7995

URL: <http://www.port-of-nagoya.jp/english/>



# President's Message for IAPH's 47<sup>th</sup> Anniversary

**T**HIS year marks the 47th anniversary of the establishment of the IAPH. Although it is with a heavy heart, I feel that I must start this Presidential message by expressing my deep and sincere sorrow over the death of Mr. John Hayes, our 3rd Vice President. It is still very difficult for me, and I believe for all of you too, to fully recognize and accept the fact that he has left us forever. He was indeed a hard-working contributor to the IAPH over so many years, serving in various positions including as Chairman of the Port Planning and Construction Committee, Board and Exco member, and most importantly as 3rd Vice President from 2001. The tremendous contributions he made not only to the IAPH but also to the entire maritime industry deserve full acknowledgement, and his expertise and experiences were always a treasure for our Association. We recall that he played a key role in hosting our Conference in Sydney in 1993, he took initiative in publishing the IAPH Guidelines for Port Planning and Design in 2001, and most recently he successfully organized and chaired the 3rd IAPH Asia/Oceania Regional Meeting in Abu Dhabi in April, 2002. I am sure that these memories, still fresh in our hearts, will remain with us for a long time.

Even with this great loss, we as the IAPH need to continue moving forward to tackle many challenges arising before us. We should remember that this work is also to continue the efforts made by Mr. Hayes and build our future using all he has done for us.

At the top of the list of issues to work on would be maritime and port security. Ever since September 11 last year, there has been a tremendous amount of effort worldwide to enhance security in maritime transportation while ensuring the efficient and smooth flow of cargo. As seaborne transportation accounts for over 90% of international trade, playing an indispensable role in the world economy, ports as essential components in the international logistics chain are under great pressure to heighten security measures.

The IAPH has been working through the IMO/IAPH Interface Group and the Port Safety, Environment and Marine Operations Committee to represent the collective views of the world port community to the International Maritime Organization. These efforts are represented in the submission of the IAPH policy and guidance paper to the IMO, as well as the presentation of a joint guidance paper in cooperation with the International Chamber of Shipping.

The IAPH has also been cooperating with the World Customs Organization to find ways to better meet the requirements of today, participating in its newly created task force for security and trade facilitation. These efforts should continue into the future, so that all sectors involved in international maritime transportation can work with one another to find the best way to develop efficient approaches for securing world trade. Realizing that security in the maritime sector needs to be discussed in a multi-layered framework, involving ports, shipping, customs and others, we need to continue enhancing our cooperative ties with relevant organizations and play a role in achieving this universal and comprehensive goal.

Collaborations are also being achieved in other respects with external organizations, including the OECD, PIANC and others. The agreement signed between the IAPH and PIANC on the occasion of the Conference in Montreal in 2001 is still fresh in our memory. This agreement pledges us to upgrade our cooperative ties through attending each other's meetings and working together through relevant committees. To this end the Secretary General and I attended the 30th PIANC Congress in Sydney this past September as representatives of the IAPH, where we appealed for continued efforts to improve efficiency in our collaboration and discussed with the President of the PIANC ways to further cultivate our cooperative ties in a practical manner.



**Dr. Akio Someya**

As for the OECD, an IAPH delegation headed by the Secretary General made a presentation on our Association and issues facing the world's maritime community at its Maritime Transport Committee meeting in Paris last July, which seemed to be fully appreciated by the attendants.

These are just a few examples of our efforts to cooperate with outside bodies, in our quest to contribute to the harmonized and well-coordinated development of the world port community. We as the IAPH should take every chance to enhance our cooperative ties with friendly organizations for the future.

While externally we endeavor to enrich our collaboration with related organizations to efficiently address the issues of the times, internally we as the IAPH have many significant events to look forward to in the years to come. As has been widely announced, our biennial Conference will be held on the African Continent for the first time next year, under the theme "Ports—the Catalytic Impact Uniting the World Economies through Ports and Harbors." Our Conference Vice President Mr. Gama and his dedicated team at the National Ports Authority of South Africa are making all-out

efforts to lead this event in Durban to great success with highly informative sessions and exciting social events.

Holding our Conference in Africa is indeed a sign of a new era for the IAPH. We have had so many active members from African countries over the past years, as Exco and committee members, but we have never had a chance to hold the World Ports Conference on African soil. This Conference in Durban will be a remarkable milestone in the history of the IAPH, and I as the President of the Association very much look forward to meeting you all there next May.

The Durban Conference marks new movement not only in terms of the venue but also its structure. There will be a newly incorporated program, the "IAPH Open Forum," which focuses on each of our technical committees, giving them an opportunity to share their achievements and discuss arising issues with all the IAPH members attending the Conference. As our committees play an indispensable role as the driving force of the IAPH, this new half-day program placing the spotlight on them will provide a practical and efficient opportunity for the good of both the participants and the committees themselves.

Looking at the agenda of the Conference, as another outstanding aspect we will discuss crucial issues facing the ports around the world including security, trade, the environment and many others. As for internal issues, we will also deal with matters of great importance, such as the revision of our By-Laws. This will be a crucial occasion for the IAPH to set its future direction, and I would most sincerely appreciate your participation in this significant function.

Following the Conference in Durban, we are anticipating another exciting event—the World Ports Conference in Shanghai in 2005. This will be another first, as the IAPH holds its first-ever meeting in China, one of the world's fastest growing economies and home of expanding ports. The dramatic development of the Port of Shanghai is now the focus of worldwide attention, and I believe all the IAPH members are looking forward to witnessing the port for themselves when we meet there in 3 years. As time goes by we encounter many new challenges, issues to tackle, things to look forward to, and, unfortunately, unexpected and unwanted farewells we must sometimes bear. Situations surrounding ports and the IAPH continue to change unceasingly, and we as the world ports organization have to meet the diversified needs of the time expeditiously, under the unchanging motto "World Peace through World Trade, World Trade through World Ports." What is essential to achieving this goal is, needless to say, continued cooperation and commitments from each of our members. Let us work together in this time when cooperation has become more important than ever to create a better environment for ports and world maritime trade, and in turn to create a better and more peaceful world.



# IAPH ANNOUNCEMENTS AND NEWS

<http://www.iaphworldports.org>

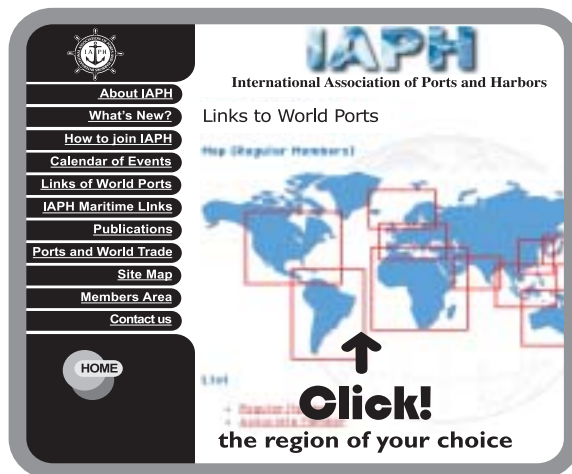
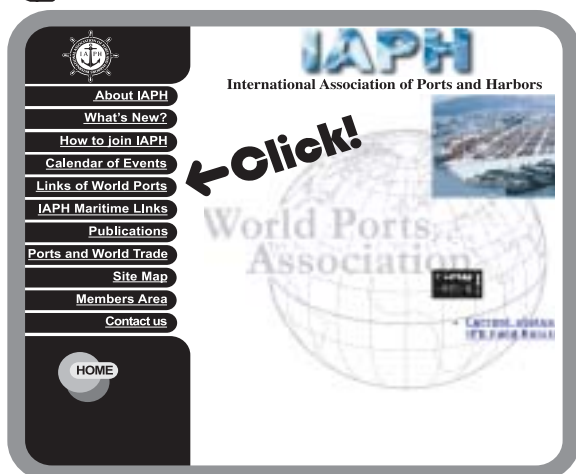
**Just a mouse click or two brings you  
all the latest information and news  
on IAPH activities and the world port industry.**

Launched in January 2001, the IAPH website has established itself as an indispensable information center for dissemination of the latest news and information on the Association's activities and the global maritime industry. The site also contains valuable information on all aspects of the Association, such as its history, structure, committee activities, links to member ports, publications and others. To facilitate your access, visual steps to reach some of our favorite and useful pages are introduced below.



**① To find out about ports in the world**

**“Link to World Ports”**

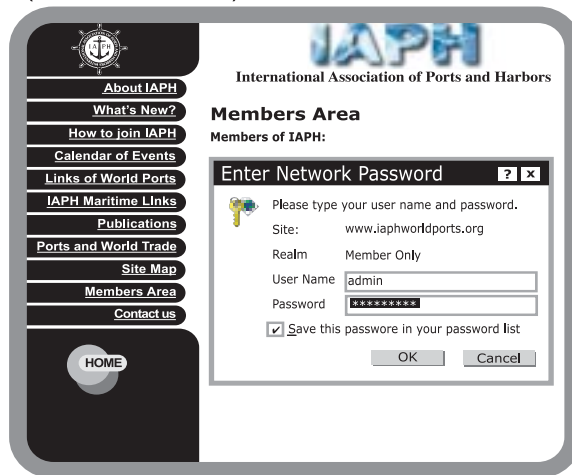
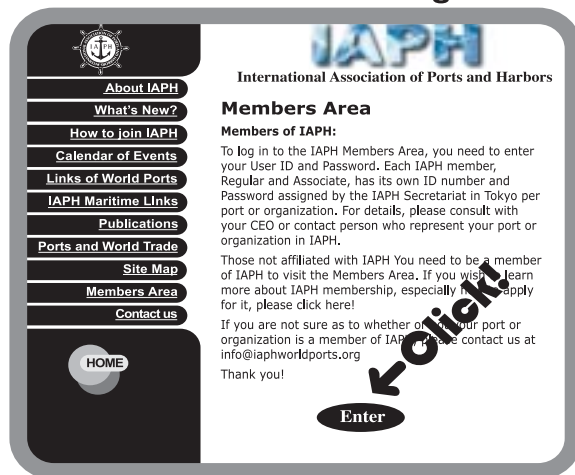


\* The “Members Area” is only accessible by IAPH members with User ID and Password. If you as a member need any assistance, please contact us at [info@iaphworldports.org](mailto:info@iaphworldports.org)



**② The latest committee reports  
and minutes of meetings**

**“Committee Room”  
(Members Area\*)**



➡ ③ To express your comments or share your news with others

International Association of Ports and Harbors

**Members Area**

**Bulletin Board**

- News and Announcements
- Meetings and Events

**Open Forum** ➡ **Click!**

- Open Forum
- IAPH Online Newsletter
- Focus Groups

**Committee Room**

- Finance
- Constitution & By-Laws
- Long Range Planning/Review
- IAPH/IMO Interface Group
- Technical Affairs Group
  1. Port Safety, Environment & Marine Operations
  2. Dredging Task Force
  3. Legal Protection
  4. Trade Facilitation

“Open Forum”  
(Members Area\*)

International Association of Ports and Harbors

**Members Area**

**"IAPH Open Forum Rules & Policies"**

The "IAPH Open Forum" is a tool to improve the exchanges of information between the members of the IAPH - World Ports Association. The information exchanged should relate to general and specific issues concerning the world wide port and shipping industry. This information should not make reference to race, religion or politics. The information should not be defamatory or injurious.

IAPH is providing the opportunity for regular associate members of IAPH to use the members area as a means of disseminating information and seeking advice on issues that affect ports. It is not intended that this means of communication should take the place of work being undertaken in the normal course of events by Consultants. It exists so that the principles and advice

**Enter** ➡ **Click!**

**OPEN FORUM**

Subject:

Name:

Email:

Position/Port:

Message:

International Association of Ports and Harbors

**Members Area**

- **Open Forum**

Please join "Open Forum" - the web-based on-line discussion forum where you can freely express your opinions, information or inquiries and start discussion with your colleagues. Please click here to post your opinions.

- **IAPH Online Newsletter**

The inaugural edition of IAPH Online Newsletter was issued on April 4, 2002, and sent by email to IAPH members. For back issues, please click here!

If you wish to subscribe to this bi-monthly newsletter, please write us at [newsletter@iaphworldports.org](mailto:newsletter@iaphworldports.org)

- **Focus Groups**

Mr. Jose Perrot, Chairman of the Committee on Communication & Networking (CC&N) is now proposing

➡ The latest committee reports and minutes of meetings

International Association of Ports and Harbors

**Members Area**

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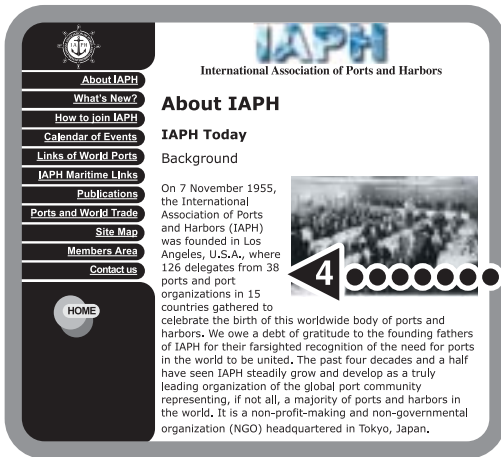
International Association of Ports and Harbors

**Members Area**

**Committee Room**

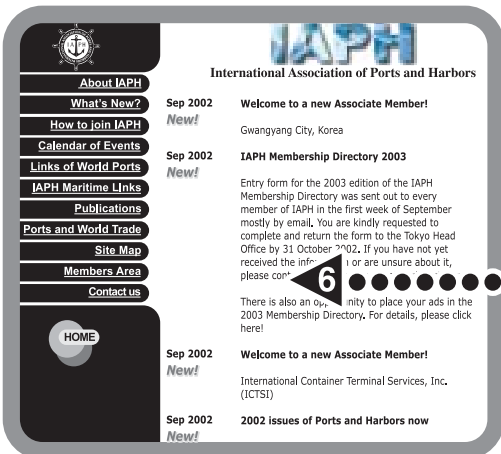
- Finance
- Constitution & By-Laws
- Long Range Planning/Review
- IAPH/IMO Interface Group
- Technical Affairs Group
  1. Port Safety, Environment & Marine Operations
  2. Dredging Task Force
  3. Legal Protection
  4. Trade Facilitation
- Port Industry Research and Analysis Group
  1. Cargo Operations
  2. Ship Trends
  3. Combined Transport and Distribution
  4. Port Planning & Construction
  5. Trade Policy
- Sustainment and Growth Group
  1. Membership Committee
  2. Communication and Networking
  3. Human Resources Development

# A lot more information can be found at the IAPH website, like.....



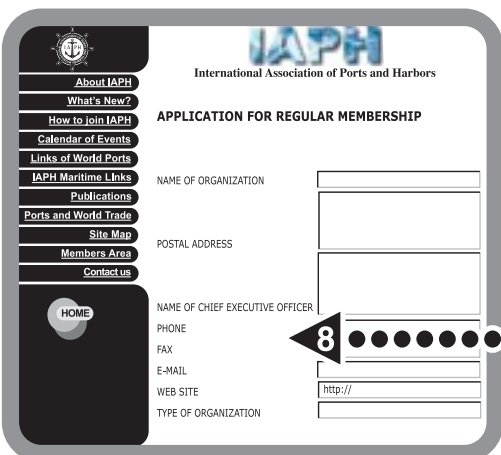
## ■ History of IAPH, e.g. year of establishment?

## ■ Need to read or download the latest and previous issues of "Ports and Harbors"?

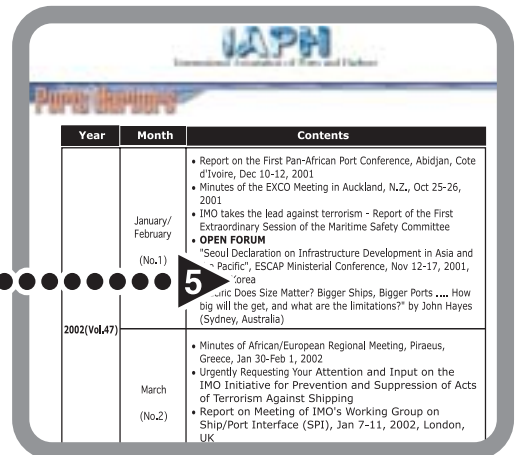


## ■ What's new?

## ■ A schedule of port-related seminars and events in the world?



## ■ The websites of friendly international organizations and UN bodies and agencies concerned with ports?



## Contents of IAPH website

### <PUBLIC AREA>

#### • About IAPH

##### IAPH Today

- Background ④
- World Ports Association
- Mission Statement and Motto
- Activities

##### How it works

- Conferences
- Legal Counselors
- Internal Committees
- Officers
- Executive Committee
- Board of Directors
- Technical Committees
- Liaison Officers
- APH/IMO Interface Group
- Secretariat
- IAPH European Office

##### NGO Consultative Status

##### FAQs

#### • What's New ⑥

#### • How to join IAPH

##### Membership Benefits

##### Who should join IAPH

##### Types of Membership (including online application forms)

#### • Calendar of Events ⑦

##### IAPH events

##### Maritime events in the world

#### • Links to World Ports

Regular Members (clickable image map) ①

Associate Members

#### • IAPH Maritime Links ⑧

Sites within the United Nations system

Intergovernmental Organizations

Industry Links

Shipping Lines

Other Useful Sites

#### • Publications

Catalogue/price list

Ordering information

"Ports and Harbors"

Advertising Opportunities

#### • Ports and World Trade

IAPH presence at OECD

World seaborne trade continues growth in 2001

Towards the new framework of port industry for the 21st century

#### • Site Map (index)

### <MEMBERS AREA>

#### • Bulletin Board

News and Announcements

Meetings and Events

#### • Open Forum

Open Forum ③

IAPH Online Newsletter

Focus Groups

#### • Committee Room ②

All internal and technical committees and groups

- Members List
- Terms of Reference
- Minutes of Meetings
- Committee Reports

#### • IAPH Publications on-line

Ports and Harbors ⑤  
(2000-2002 issues)

Conferences Proceedings  
(Kuala Lumpur 1999 and Montreal 2001)

Constitution and By-Laws

Guidelines for Port Planning & Design

Port Health Newsletter



# ICHCA/IAPH Joint Submission to IMO – Fumigated Solid Bulk Cargos –



Peter van der Kluit, IAPH European Representative, sent us the official IMO document with the joint ICHCA/IAPH submission on the risks of fumigated bulk cargoes. The document was discussed in the week of September 23 at the IMO Sub-Committee on Dangerous Goods, Solid Cargoes and Containers, at which Mr. Mike Compton represented IAPH.

INTERNATIONAL MARITIME ORGANIZATION



SUB-COMMITTEE ON DANGEROUS  
GOODS, SOLID CARGOES AND  
CONTAINERS  
7th session  
Agenda item 6

IMO

DSC 7/6/2  
2 July 2002  
Original: ENGLISH

## CASUALTY AND INCIDENT REPORTS AND ANALYSIS

Fumigated solid bulk cargoes  
Safety risks for ships' crews and port personnel  
Submitted by ICHCA/IAPH

### SUMMARY

Executive summary: This document addresses the risks at ports of fumigated solid bulk cargoes  
Action to be taken: Paragraph 8  
Related documents: DSC 5/7 and DSC 6/7/4

- 1 As with any packaged cargo within cargo transport units (CTU's), solid bulk cargoes are treated with toxic gasses to fumigate the cargo. The reasons for fumigation are linked to quality control and killing organisms that may negatively affect the cargo.
- 2 One of the assumptions is that the concentration of the toxic fumigant is sufficiently low when the ship arrives in the port of discharge, so as to avoid safety and health risks to ship and shore personnel as well as enforcement officers. Unfortunately, this is not always the case and there are reported incidents where employees have been exposed to the fumigant, usually Phosphine, causing health problems.
- 3 Unlike CTU's, ships containing bulk cargo under fumigation are not required to be labelled as such. So they are not visibly recognized as a potential safety and health risk.
- 4 Some ports require a notification to the Harbour Master from the Master of a ship containing fumigated bulk cargo that wishes to enter the port. Before the master is allowed to berth the ship, he/she will have to take action to make the ship's holds and the cargo gas-free.  
Notification does not always take place, resulting in potential health risks for the ship's crew, terminal personnel and others when the ship is being unloaded.
- 5 The transportation of fumigated bulk cargoes is subject to the regulations of SOLAS Chapter VI. SOLAS refers to the IMO Recommendations on the Safe Use of Pesticides in Ships and the Safe Code of Practice for Solid Bulk Cargoes, the BC Code. SOLAS also requires Flag States to develop regulations for the safe transportation of fumigated solid bulk cargoes based on the above-mentioned documents.
- 6 For bulk carriers SOLAS requires a Safety Management System that should contain safety procedures for fumigated cargoes. For ships other than bulk carriers that transport fumigated bulk cargoes, the Safety Management System becomes compulsory on 1 July 2002.
- 7 IMO is requested to advise Member states to issue regulations to oblige ships that carry solid bulk cargoes under fumigation to notify the Harbour Master, as well as any other appropriate authorities, prior to arrival in port and to ensure that the ship's hold and its cargo are gas-free upon berthing the ship.

### Action requested of the Sub-Committee

- 8 The Sub-Committee is invited to note the information provided and consider the issue raised in above paragraph 7 and take appropriate action.



# ESCAP/IAPH gave a joint presentation at the 28th Annual Conference of APP

September 1-5, 2002, Fiji

In response to the first invitation from APP (The Association of Pacific Ports) to attend its 28th Annual Conference in Fiji, IAPH sent Mr. Satoshi Masuda, Expert on Maritime Industry, United Nations ESCAP (Economic & Social Commission for Asia and the Pacific) to give a joint presentation for IAPH and UN ESCAP.

Mr. Masuda reports on the successful conference and its communique



**Mr. Satoshi Masuda**

Expert on Maritime Industry  
UN ESCAP

**T**HIS year's Conference was hosted by Ports Terminal Limited and was held at the Warwick Fiji Hotel in Korolevu, Fiji. The official opening was done by Fiji's Minister for Works, Telecommunication, Energy, Road, Transport & Shipping Hon. Savenaca Draunidalo, who also extended words of welcome to all delegates on behalf of the Fiji Government. The response was delivered by the Minister for Transport of Samoa Hon. Palualue Faapo and was made in a friendly and relaxing Pacific Way.

The Conference theme 'Looking ahead.... The future for Pacific ports in Changing times' drew more than 50



participants from member countries including Cook Islands, Kiribati, Samoa, Solomon Islands, Tahiti, Tonga, Vanuatu and Fiji, who in turn tabled their respective country papers on their ports situation, existing problems and future perspectives. The underlying tone of the country reports were:

All island countries are heavily dependent on sea transport and therefore the importance of ports is much higher than that of other countries.

Pacific island ports have more or less similar constraints from limited resources and environment.

The following days included presentations by invited speakers who presented papers on topics of concern to the association in general, in line with the Conference theme. This included Mr. Stuart Ballantyne of Sea Transport Solutions who presented the paper on the 'Impact of Changing Ship Technology on Port Development'. He indicated the future models of ferries for shallow draft ports. Group discussions

after the presentation produced realistic opinions for optimum port structure and ship type/design.

The paper titled 'Maritime Security' was presented by Mr. Allen Bruford of NZ Customs from the New Zealand perspective and emphasized the emerging importance of avoiding terrorist attacks. Mr. Ron Bird of Waterfront Training explained the problem of dangerous goods in containers and the need for training to reduce risk. Group discussion again followed to exchange views on the issue.

Mr. Bo Samuelsson of Columbus Line presented a paper on 'How Pacific Ports can improve their service' from a shipping line's viewpoint. He made the liner operator's needs clear enough and his honest advice as a customer was valuable to the delegates.

The importance of IT, especially to service providers like seaports, was pointed out time and again by most speakers. Messrs. Barry Green and Andrew Robinson of Capitol Business,

## What International Infrastructure Management can do for you:

- Invest** in and manage seaports, airports, inter-modal terminals, and other sound investments for exceptional performance
- Operate** transport facilities to high standards of quality, service, performance, environmental practice and customer-focused commerciality
- Provide** its management expertise and resources to assist you to add value to your infrastructure investments, and outperform your competitors in quality, efficiency and innovation
- Add** value through investments in quality transport infrastructure around the world

For further information please contact: Mr Graham D. Mulligan - Managing Director  
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Australia jointly presented the paper on 'Enhancement of Port Development and Planning with IT'. This was complemented by a display by Ports Terminal Limited on their latest Operation Software package designed by Capitol Business themselves.

Having a break to witness the rich Fijian tradition and lifestyle, the sessions however continued to the last day. One of the most important issues in this region as well as globally is the environment. Mr. Sefanaia Nawadra, representing the South Pacific Regional Environment Programme (SPREP), gave an update on the Pacific Ocean Pollution Prevention Programme (PACPOL).

Mr. Russell McGuire of Sinclair Knight and Mertz then talked about 'Port Infrastructure Development'. He delved into the guidelines on how port infrastructure should be developed, using the case study of Australian ports as an example.

The final paper was a joint presentation of United Nations ESCAP and IAPH by Mr. Satoshi Masuda of ESCAP. The subject was entitled 'The Futuristic Pacific Ports', and he submitted it on behalf of IAPH. He based his paper on the global trend of traders and then focused on containerization, which will dominate the market in the Pacific region in the future. The flow-on effects of the enlargement of containerships, and upgrading of container terminals with state-of-the-art technology were the focal points of this presentation. Admitting that this tendency would somehow to a certain extent affect Pacific ports, his insight nevertheless was not too ambitious. What he indicated for future was the distinct possibility of having modest container terminals in some Pacific ports.

A panel discussion was convened after all papers had been presented whereby questions were raised and correspondingly answered with related constructive comments. The Conference Chairman and also Chairman of the Board of Directors of Ports Terminal Limited, Mr. Viliame Leqa initiated the confirmation of the opinions into the

communiqué as stated below.

## COMMUNIQUE

1. The Conference confirms that because Pacific Ports have limited financial resources that cannot support large and expensive maritime infrastructural development, that Governments and stakeholders in the region plan and support the notion that ports are transit areas only for import and export cargo and should not be used for storage purposes.
2. All Pacific nations are made up of many islands, and rely to a great degree on shipping as the foremost transportation mode. Governments in recognizing this should be prepared to be the forerunner in developing this sector and assist private enterprise where necessary to keep a modern and safe shipping fleet.
3. Intra-country transfers through the roading sector, although fast and efficient, are in the long run a more expensive option through environmental decay in the emissions of trucks exhaust, the expensive maintenance of roading infrastructure, and the high cost through foreign exchange of fuel purchases. A truck with a 300-horsepower engine can only cart one twenty-foot container whereas a ship with two 300-horsepower engines can take thirty twenty-foot containers.
4. What we realize from the New York disaster, the Kobe earthquake and any other major catastrophes, shipping always has and always will be the saving grace that allows the country to continue towards normalcy. Its use in disasters and as a supplement to the naval fleet will always be a major consideration for Governments to continue to place great importance on the maintenance of this sector.
5. More efforts will have to be directed towards the setting up of maritime pollution management systems in the respective ports. Taking into account the facilities and the systems already put in place by SPREP as a regional body, members should take advantage of the expertise already available in the region through SPREP.
6. The member ports need an integrated approach towards the establishment of maritime and port security systems regionally in the face of the current threats being imposed globally and the increasing trend to target physical checks on containers with the more advanced technology being introduced.
7. The Pacific Region is part of the global environment and as such, ports need to make the necessary changes with regard to information technology. The world is increasingly venturing into development in the computerization of information and as such the ports will need to match this development to be efficient and competitive.
8. The Governments of the region should work to facilitate the development of coordinated and cooperative regional shipping services that will provide the most effective delivery of social and commercial trading ports.
9. The Association should work towards the establishment of a funded permanent Secretariat to represent and promote cross-sectoral issues that impact on Pacific Ports with Government/non-Government and other stakeholder groups.

The conference proceeded in the Pacific Way and was precise but laid-back. Everyone was satisfied with the frank exchange of opinions and fruitful discussions. The Minister for Public Enterprise and Public Sector Reforms of Fiji, Hon. I. Matairavula, officially closed the Conference with words of gratitude to the secretariat and the participants and ending with best wishes to next year's host, Samoa.



## Report by Bursary Recipient

INITIATED in 1976, the IAPH Bursary Scheme has enabled 124 individuals from 39 IAPH member ports in 33 developing countries to receive advanced port training programs at IAPH-affiliated port training institutes. In the past they have contributed in one way or another to further growth and development of their home ports by bringing back home with them the advanced knowledge and expertise acquired through training.

A bursary not exceeding US\$3,500 may be awarded to those who meet and satisfy the prescribed conditions for entry. The scheme is only available to those employed at developing member ports of IAPH.

# Report on Port Finance Seminar

June 3 - 14, 2002, IPER, France



By

**Maryati Ramli**

Accountant

Penang Port Commission, Malaysia

### 1.0 INTRODUCTION

The Port Finance Seminar was held over a period of two weeks from June 3rd to June 14, 2002 at the Institut Portuaire Du Havre (IPER), France. I am grateful to Dr. Satoshi Inoue, 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.

### 2.0 PARTICIPANTS

There were ten participants in our English Speaking group coming from Ghana (5), Suriname (1), Trinidad & Tobago (1) and Malaysia (3).

### 3.0 COURSE PROGRAMME

There were 3 lecturers for the first week which covered a number of subjects / topics. Three major subjects were covered by Mr. Gustaaf De Monie on a varied scope of issues by way of lecturers, illustrations, case studies and discussions. Notes and handouts were used to supplement the daily lectures.

#### 3.1 Port Project Evaluation: Theoretical Concepts

This session began with an understanding of the seven (7) phases of a port project. Port investment appraisal normally includes both financial analysis and economic analysis. Subsequently the session examined aspects of the economic costs of resources, shadow prices, labour costs, economic benefits, comparison of costs and benefits, possible benefits of a port investment project and direct benefits to the port. An example using "Port Evergreen", a fictitious port, was used to illustrate whether a 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 analysis and timing of investment.

#### 3.2 Port Project Evaluation: Practical Case Studies

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 Kangkah" 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 and encouraged to participate in the discussions on the answers in the following day's sessions. The speaker was very patient in explaining and guiding the participants individually through all the case studies. The case studies gave us an opportunity to put the theories learnt earlier on port evaluation into practice.

#### 3.3 Traffic Forecasting: Theory and Practice

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 roots to port traffic. In addition to that, the speaker spoke in length on the strengths and weaknesses of the two forecasting approaches. He completed the session by elaborating on the forecasting procedures, explaining the steps that were needed to be followed.

#### 3.4 Tariff For General Cargo and Container Handling

This session essentially examined four (4) main issues, namely :

- 1) Pricing policies which are basically revenue-driven, market driven or efficiency driven.
- 2) Alternative pricing bases which examined the various tariff bases.  
For instance, tariffs based on the level of dues and charges set by the port leader industry, e.g. Port of Singapore for Asean region and Rotterdam for Europe.
- 3) Advantages of adequate port authority charges which include less external interferences, reduction of government deficits and a stronger bargaining position with lending agencies.
- 4) Specific pricing objectives which are:
  - a) financial objectives
  - b) marketing objectives
  - c) performance objectives
  - d) socio-economic objectives.

Mr. G. De Monie 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 include organization and financial system. 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 regulatory authority and as a port resource centre for the northern area. On January 1, 1999, the Penang Port Commission's jurisdiction was extended to Teluk Ewa, Langkawi and Kedah.

The other speaker, Mr Patrick Faurant addressed two main topics in relation to the Port of Le Havre as below:

**i) Port Dues on Vessels and Cargoes in The Port of Le Havre**

This session dealt with three main aspects:

- a) Economic impacts in turn relate to two aspects which refer to the importance of port dues to port revenues and the share of port dues in the total cost of maritime transport.
- b) 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 predetermined by the Malaysian Government and gazetted.

- c) The calculation of port dues which examined the basic tariff calculation.

**ii) Tariff for Liquid and Solid Bulk Handling in The Port of Le Havre**

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: (a) importance of bulk in the world seaborne trade, (b) importance of bulk in Le Havre Port traffic and (c) importance of bulk in Le Havre Port revenues.

**3.5 Port Visit**

On the third day of the first week of the seminar we visited the Port of Le Havre by bus. Though it was raining that day, the interest and enthusiasm of the participants were not dampened. Also, the briefing given 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 Havre Antifer is a rapid turn-about 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 containership. With global traffic of 68 million tons, up 5.6% compared to 1999, the port of Le Havre has maintained its 4th rank among the major ports in North Europe. Le Havre has also strengthened its leadership in France for general cargo and containers amounting to more than 17 million tons, a figure never attained so far. Le Havre now handles almost 60% of the containers handled by French ports.

The second week lectures were conducted by Mr John Arnold on a variety of subjects. We were grouped into three main teams. The participants practiced teamwork while interact-

ing in the evenings preparing and discussing the assignments in hand. A member of the team was then chosen and given the task of presenting their work assignment results. In addition, the participants were also given hands-on experience involving practical work models using computers at the laboratory of IPER and covering financial planning for a container terminal, pricing strategies for concessions and investment in bulk coal terminals 1, 2 & 3.

The participants were given notes and handouts which encompassed the following topics/subjects:

**3.6 Definition of Costs, Cost**

**Control System and Budgeting**

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, performance measures, cost centers, budgeting and cashflows.

In my observations, pertaining to cost, it was noted that payments of overtime 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 ton. 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 an economic downturn whilst in boom times cost is likely to be less felt, being negated by increasing revenue.

**3.7 Financial Ratios, Cash Flow Analysis, Capital Budgeting and Pricing Strategies**

This session examines the objectives, functions and techniques of 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.

In my observations, on investment on long term assets, the common use of appraisal methods such as Payback Period, Internal Rate of Return and Net Present Value should also take into account complementary attributes of all cash flows and not ignore 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.

### 3.8 Debt, Equity and Project

#### Finance

This session dealt with three main topics:

- (a) Debt-types, structure and characteristic of debts, commercial loans and debentures;
- (b) Equity-types, characteristics and sources of equity, self finance (internal sources), capital subsidies, capitalization and divestitures, and;
- (c) Project Finance including bonds, major types of loans and sources of lending.

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 provide greater liquidity to Asia's emerging bond markets.

### 3.9 Risk, Risk Mitigation and Bankable Projects

The session involved two main topics - (a) risk and risk mitigation involving sources, types, determination of risks, techniques of risk mitigation and evaluation of mitigation measures and (b) bankable projects encompassing economics, pro-

ject preparation, risk allocation, tariff regime and regulatory authorities, concession agreement right as security for lenders, contractual dispute resolution and lender's due diligence.

### 4.0 CONCLUSION

Personally, I, as an accountant who is fairly new to the port industry, found the seminar very interesting and beneficial as it gave me closer insight and a better understanding of port finance concepts and applications to the port authority where I am presently employed, especially on port objectives, port project evaluation, terminal pricing, tariff and expenditure and traffic forecasting-theory and practice. The seminar also gave me an opportunity to meet participants from Ghana Ports, Port of Spain 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 our

two weeks together.

### 5.0 APPRECIATION

In conclusion, allow me to express my deepest appreciation once again to IAPH, Mr Hiro Nagai, assistant Under Secretary of IAPH and 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 overseas seminar) and not forgetting our General Manager, Penang Port Commission, Y. Bhg Dato's 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. Berusaha Encik Mohamed bin Omar, 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 the staff of IPER whose warm welcome and kind assistance made my stay in Le Havre, France, a memorable one.

## Visits

### Secretary General goes to China

ON September 17, Secretary General Inoue made a speech at the opening ceremony of the 8th Marine Port China in Shanghai. The event was successfully held on September 17-20 with

a large number of exhibitors, both domestic and international, promoting ports, port equipment, software and projects.

During his stay in Shanghai, Dr. Inoue met Mr. Tu De Ming, Trustee Chief of China Ports & Harbours Association to discuss the latest developments at





late Mr. John C. Hayes, IAPH 3rd Vice President and General Manager for Property and Planning, Sydney Ports Corporation, who had contributed considerably to the success of this Congress as a member of Organizing Committee.

Taking this opportunity President Someya and Secretary General Inoue met Mrs. Hayes in Sydney to convey IAPH members' heartfelt condolences.

IAPH member ports throughout China.

He was invited by Shanghai Port Authority to take a port tour, and had a meeting with Mr. Lu Heihu, Port Director to thrash out the 24th IAPH World Ports Conference in Shanghai. In Shenzhens Mr. Zhang Bing Han received Dr. Inoue to discuss further development plans for the port, particularly container terminals.

special commissions and 10 technical sessions. Each technical session consisted of four parallel sessions comprising three oral presentation paper sessions and one panel paper presentation session. A hard copy Abstract Book and a CD-ROM containing the full papers were provided to participants at the congress.

Special mention is demanded for the

## Visitors:

ON the evening of September 24, Mr. Leonids Loginovs, CEO, and Ms. Irina Gorbaticova, Administrative & International Affairs Dept., Freeport of Riga Authority visited IAPH Head Office accompanied by Ms. Naoko Goto, Section Chief, International Affairs Division, Marine Technology and Cooperation Department, Ship & Ocean Foundation. Rinnosuke Kondoh and Tatsuki Hioka welcomed them and discussed the function of "Freeport" in the region. During their 1-week stay they were invited by Ship & Ocean Foundation to visit Osaka, Kobe and Tokyo, and had a seminar with the Japanese port and shipping community on September 25 to exchange views on Terminal Construction and the Freeport System.

## The 30th PIANC Congress

WITH 700 delegates the 30th PIANC-AIPCN Congress was held successfully in Sydney during September 22-26. At the kind invitation of the PIANC extended to IAPH, President Someya gave the address at the opening ceremony on September 23. He emphasized the importance of a continued mutual relationship between the two organizations in his speech.

Under the three keywords, "Friendship, Efficiency, Quality", the Congress had 4 keynote addresses, 8



ON the morning of October 10, Mr. Garth Cowie, Chief Executive of Port of Napier Limited visited IAPH Head Office to have a meeting with Secretary General Inoue and his staff as the Chair of IAPH Finance Committee to discuss financial matters.



ON the evening of October 10, Dr. Wang Mariner, Associate Dean, International Affairs and Professor of College of Asia Pacific management, Ritsumeikan Asia Pacific University came up to Tokyo to participate in The 15th IAPH Japan Seminar hosted by The Japanese Foundation for IAPH, and called at IAPH Head Office for the first time to pay a courtesy call. On this occasion Dr. Wang discussed with Dr. Inoue the latest developments at Asian ports.



MESSRS. Ching Tern Huang, Director and Bill Hung, Senior Specialist, Kaohsiung Harbor Bureau, visited IAPH Head Office on October 11. Mr. Huang was invited for The 15th IAPH Japan Seminar, and made a presentation, "The Port of Kaohsiung at the Dawn of the 21st Century – Challenges and Strategies"



MR. Siyabonga Gama, President & CEO of The National Ports Authority of South Africa, Conference Vice President of IAPH, visited IAPH Head Office on October 11 just before The 15th IAPH Japan Seminar began. He was invited to the seminar to make a presentation about "23rd IAPH World Ports Conference" in Durban.



## Membership Notes

### New Member

#### Associate Member

##### Gwangyang City (Korea) [Class B]

Address: 1313 Jung-dong, Gwangyang City, Jeollanam-do, Korea (545-701)

Phone: 82-61-797-2364/2114

Fax: 82-61-792-0307

Website: <http://www.gwangyang.go.kr>

Mailing Addressee: Mr. Sung-Woong, Lee, Mayor of Gwangyang

#### Changes (Major changes are highlighted.)

##### Sydney Ports Corporation (Australia) [Regular]

Mailing Addressee: Mr. Tony Navaratne, Senior Port Planner

##### Port & Maritime Consultants BV (Netherlands) [Class D]

Address: Paulus Potterlaan 10, 2902 GP Capelle aan den IJssel, NETHERLANDS

##### Institute of Transport and Maritime Management Antwerp (ITMMA)-

##### University of Antwerp (Belgium) [Class D]

Address: Keizerstraat 64, B-2000 Antwerpen, BELGIUM

Tel: 32-3-275-5151/32-3-275-5152

Fax: 32-3-275-5150

## Contributors to the Special Port Development Technical Assistance Fund (2001- 2003) – No new donations for 3 months ! –

(in order of receipt)

Organization	Country	US\$
Port Autonome d'Abidjan	Cote d'Ivoire	980
Port of Brisbane Corporation	Australia	1,000
Maldives Ports Authority	Maldives	250
Rotterdam Municipal Port Management	Netherlands	1,000
Sydney Ports Corporation	Australia	1,000
Dr. Susumu Maeda	Japan	200
Marine Department, Hong Kong	China	500
Vancouver Port Authority	Canada	500
Johor Port Authority	Malaysia	1,000
Montreal Port Authority	Canada	500
Ghana Ports and Harbours Authority	Ghana	500
World Cargo News	UK	150
Amsterdam Port Authority	Netherlands	1,500
Nagoya Port Authority	Japan	1,000
Port of Houston Authority	USA	1,500
Sea Ports Corporation	Sudan	500
City of Kobe	Japan	1,000
Port Authority of Trinidad & Tobago	Trinidad&Tobago	250
Abu Dhabi Seaport Authority	UAE	1,000
City of Osaka	Japan	1,000
<b>Total</b>		<b>15,330</b>



## Advanced Systems for Information Technology



by  
**Mr. Santiago Milà**

IAPH Trade Facilitation Committee  
UNCEFACT Vice-chairman  
Director Intl Cooperation Dept  
Port of Barcelona  
Chief Executive Officer, PortIC

### INTRODUCTION

Information technologies are transforming all sectors of the economy in the new globalised environment. In the latest years, the use of Information and Communications Technologies widespread to all levels of society and companies, making the Internet the most used electronic network.

The Internet has become a vital infrastructure for communication, collaboration and information sharing and contributes to efficiency improvements and productivity gains. Its relatively simple architecture and its growing network effects helps to its diffusion and provides possibilities for further economic and social gains through greater networking.

The Internet offers the opportunity for a much broader and more immediate

exchange of information than was previously possible, because it provides a virtually universal communications link to a multitude of disparate systems. The ability of the Internet to bring together distant parts of the world allows the "network compatibility": the possibility of connection of different computer systems and create a "network of networks".

Once that the "network compatibility" is accomplished, the next step is the achievement of the "standard compatibility": the use of the standard that enables the exchange of electronic data messages over the Internet. The parties connected over the Internet need a simple, secure, systematic and consistent way of sharing the information, particularly when one or more of the parties is a small company. And they need a common vocabulary, or at least a way of relating the data in the different companies' systems so they speak the same language when exchanging the information.

### XML: THE NEW STANDARD

This common language for transmitting data is the XML: the Extensible Markup Language (XML) is a flexible, non-proprietary set of standards for annotating or "tagging" information so that it can be transmitted over a network such as the Internet and readily interpreted by disparate computer systems.

XML is not a replacement, but a complementary technology for EDI. EDI has been the primary data format used by large organizations to transfer business data among themselves. Although both EDI and XML can be used to accomplish the same basic task—facilitating the transfer of business data from one system to another—each technology has advantages and disadvantages. Depending on business needs, the two can be used together, particularly if companies have already invested in EDI methodologies.

One of the main differences between EDI and XML is that while EDI uses highly structured predefined formats that have specific and narrowly defined purposes, XML has the flexibility to allow new vocabularies to be defined to meet changing business needs. Furthermore, the cryptic format of EDI standards serves as an impediment to their broad adoption, because extensive, specialized knowledge

is required to interpret EDI messages and adapt existing systems to conform to the standards.

Another important difference to take into account is that EDI supports data exchange only and XML, in addition to data exchange, supports other data handling functions, such as content management and sophisticated web searches. Moreover, EDI was originally designed to rely on private networks while XML is designed to take full advantage of the Internet.

Among the similarities, it should be highlighted that both standards are freely available and non-proprietary, both facilitate data exchange between different computer applications and both allow to add proprietary extensions to their specific implementations

Although XML offers the potential to greatly facilitate the identification, integration, and processing of complex information, system developers face a number of obstacles in implementing the technology. One risk is that markup languages, data definitions, and data structures could proliferate. If organizations develop their systems using unique, non-standard data definitions and structures, they could be unable to share their data externally without providing additional instructions to translate data structures from one organization and system to another, thus defeating one of XML's major benefits.

To avoid this, UNCEFACT (United Nations Centre for Trade Facilitation and Electronic Business) launched the ebXML Initiative (Electronic Business XML Initiative) in partnership with the Organisation for the Advancement of Structured Information Standards (OASIS).

OASIS is the world's largest independent, non-profit organisation dedicated to the development, convergence and adoption of e-business standards. OASIS produces worldwide standards for security, Web services, XML conformance, business transactions, electronic publishing, topic maps and interoperability within and between marketplaces. It has more than 400 corporate and individual members in 100 countries around the world (IBM, Hewlett-Packard, Oracle, Sun,...).

The ebXML initiative's mission is to "provide an open XML-based infrastructure enabling the global use of electronic business information in an interoperable, secure and consistent manner by all parties." The goal of ebXML is to facilitate



open trade between organizations regardless of size by enabling XML to be used in a consistent manner to exchange electronic business data.

On May 2001 and after 18 months of work, UNCEFACT and OASIS delivered its first set of specifications and signed a co-operation agreement in order to continue to advance the development, promotion, implementation and interest of ebXML. The responsibility of each organisation was divided as following:

UN/CEFACT: Business Processes, Core components

OASIS: Transport, routing and Packaging; Registry and Repository; Collaboration - Protocol Profile and Agreement; Security and Conformance

The ebXML is the only worldwide standard for the exchange of electronic business data that is open to anyone to participate. More than 2000 individuals from over 30 countries are contributing to ebXML.

This process is designed from the onset to run over public networks using open and publicly available standards, making ebXML a viable and cost-effective solution for small, medium, and large companies. Consequently, ebXML deployment costs are expected to be minimal as compared to EDI and proprietary electronic business framework alternatives. The ebXML will result in an open, widely adopted global standard for reliably transporting electronic business messages over the Internet.

#### UNCEFACT: DEFINITION AND MAIN OBJECTIVES

UN/CEFACT was established in 1996 and its principle focus is to facilitate international transactions, through the simplification and harmonization of procedures and information flows, and so to contribute to the growth of global commerce. It sets worldwide policy and technical development in trade facilitation and electronic business.

UN/CEFACT is built upon the three pillars of trade: processes and procedures, information, and technology. Its goals are the following:

Expanding global commerce by promoting an easier and simpler trade by reducing and harmonizing the time-consuming paperwork, formalities and procedures often required for trading.

Reducing bureaucracy and increasing transparency: Analyses the key activities and elements in international transactions; identifies the procedural constraints that affect them, including requests for unnecessary or duplicate information; and then develops recommendations to elimi-

nate identified constraints, simplify data flows and harmonize remaining procedures;

Creating better data flows through electronic commerce: UN/CEFACT analyses the use of electronic commerce and information technologies in order to develop recommendations on best business practices in this area and, where appropriate, to develop methodologies and tools.

Lowering transaction costs: UN/CEFACT works through government, industry and service association channels, as well as its delegations, to promote and implement facilitation recommendations, tools and associated best practices.

Developing a network of supporting institutions: To increase its effectiveness, UN/CEFACT actively coordinates with other international organizations such as the World Trade Organization (WTO); the World Customs Organization (WCO); the United Nations Conference on International Trade Law (UNCITRAL); the United Nations Conference on Trade and Development (UNCTAD) and the International Association of Ports and Harbors (IAPH).

Over 1.500 private- and public-sector experts participate in the work that is published through public Recommendations. Since its foundation, the UNCEFACT published 32 Recommendations on the most important trade issues. One of its most known accomplishments is the fixation of the EDI standard, the UNEDIFACT.

#### *New structure*

In the new IT environment, the experience showed that the business needs drives processes reengineering and this drives to the development of new technologies, which, at the same time, enables and promotes business. The technical projects developed without taking into account the business area have not succeeded as they were not adapted to the business requirements. Just the projects that were based on business needs are able to succeed.

Following the challenges of the changing economy and e-business, the UNCEFACT approved on May 2002, at its Plenary Session, a new structure adapted to this new situation.

According to this new structure, five UN/CEFACT Groups have been established, with 3 new groups and maintaining two groups from the older structure. The new groups are:

The TBG (International Trade and Business Processes Group): it is responsible for business and governmental process analysis, best practices, and international trade procedures in order to develop appropriate trade facilitation and

electronic business solutions, including the development and maintenance of UN and UN/ECE Recommendations.

ICG (Information Content Management Group): it is responsible for the management and definition of reusable information blocks retained in a series of libraries.

ATG (Applied Technologies Group): it is responsible for the creation of the trade, business and administration document structures that would be deployed by a specific technology or standard such as UN/EDIFACT or XML.

And the other groups are:

TMG (Techniques and Methodologies Group): it is responsible for providing all UN/CEFACT Groups with base (meta) ICT specifications, recommendations and education. It will also function as an ICT research group

LG (Legal Group) serving essentially as Support Groups. The Legal Group (LG) will continue to be responsible for issuing, publishing and presenting analysis and recommendations regarding legal matters related to UN/CEFACT. It will support all UN/CEFACT Groups as well as its own projects as defined by the Plenary.

Twice a year all groups meet at one time in order to facilitate closer liaison and full integration as a single working body. This meeting is called the UN/CEFACT Forum and its first meeting took place in Geneva from 9 to 13 September

#### WHAT ABOUT PORTS?

International trade transactions have many parties. Their interest in the transactions may be the products or services, payments arrangements or monitoring and control, but they all have in common the need for information for their decisions. While the physical transport and handling of goods constitute a flow made up of a straightforward series of activities, the corresponding information flow shows a more varied and complex pattern.

The information flow has a prominent relevance at ports, where the time that goods stay at ports facilities' depends on the speed of the information flow and bureaucracy. The more rapid the goods leave the port facilities, the more competitive the port will be. This is the main reason why ports have a especial interest on the adequate information to be available at the right place and in the right time. Failure to meet with this has direct implications in terms of cost, delayed shipments,... and other important issues that involve directly the competitiveness of the Port and the service that offers to its users and to the trade community in general.

At present, the competitiveness of a

port no longer depends on infrastructures, geographical location, land communications, the safety they offer or the time and cost involved in the passage of the goods. Apart from these factors, a competitive port is one that can also offer the so-called "infrastructures": connectivity, transactional services and information services.

There are many agents involved in the port information flow: ship agents, inspection services, customs agents, Custom, Port Authority, freight forwarders,...etc and all use complex procedures that are dramatically improved with the use of IT. Consequently, Information and Communications Technology and the electronic exchange of information have become an strategic element.

The introduction of Internet and XML provides an excellent opportunity to streamline and combine different computer systems in a way that shipping companies only have to key-in and submit the information once, while the system transfers the relevant information to other agents involved in port information flow.

In fact, EDI is being used at ports since decades. Standardization in the EDI environment helped to the harmonization of documents needed to manage the transport of goods from one partner to another and the use of Internet widened the possibilities of the electronic exchange of information within a port.

Port communities systems have been implemented, especially over an Internet environment, in quite a number of ports with the objective to facilitate the procedures involved in the management of flows of goods through ports from berth to interfaces with other modes of transport and viceversa.

The experience in those ports that have implemented EDI/Internet solutions for the electronic information exchange, shows the importance of agreed architecture, vocabulary and definitions to overcome the differences that may occur when data information shall be exchanged between different systems on a local level. This issue is even more complicated when the intermodal aspects are considered in an international setting.

This fact highlights the importance of setting the ebXML standards and the relevance that this process should be developed by representatives of the most important companies and organisations of the sector and/or by a leading organisation that assembles the members of the sector.

Ports are already involved in this process in order to give the point of view of this sector that fix the basis of the XML standards for the maritime and port sector. The International Association of Ports

and Harbors, as the international port organisation and through its Trade Facilitation Committee, is taking part actively in this process, co-ordinating the efforts with the UNCEFACT and the WCO and attending regularly at the meetings.

#### IT AND THE PORT OF BARCELONA

The Port of Barcelona has been following up this process since 1996 and, aware of the relevance of the implementation of IT in ports, is involved in this process through its active participation in different international institutions involved in the e-commerce new developments.

The Port holds the Presidency of the IAPH Trade Facilitation Committee (TFC). This Committee has main goals to encourage the simplification and harmonization of the documentation and information flows required to facilitate the movement of cargo and ships through ports, with particular emphasis on international efforts to extend the adoption of both information technology and electronic communications (including Electronic Data Interchange) to monitor port activities. And to follow new electronic commerce developments linked to port activities.

Moreover, a TFC representative attends regularly to the World Customs Organisations Technical Committee meetings in order to inform and participate of the latest developments of e-commerce related to Customs.

Finally, the Port of Barcelona represents IAPH at the UNCEFACT and holds its Vice-presidency. In this frame, the Port organised an EDIFACT meeting on March 2002 and an ebTWG (an UNCEFACT transition group on XML) on May 2002.

The experience of the last few years has culminated in the creation of the PortIC, the electronic commerce platform of the Port of Barcelona. PortIC brings together the services of information, documentary exchange and transaction services (concerning transport and commercial procedures) necessary for the transport of goods through the port.

The ultimate objectives sought by PortIC are:

- To simplify and automate documentary exchange procedures concerning maritime goods traffic in order to reduce the time the goods spend within the confines of the Port.
- To create information services for the end customers (importers and exporters) in order to provide a greater transparency in the clearance procedures that take place within the Port.

- To help agents to overcome the technological and financial barriers hindering access to these new services and to increase the participation of the entire Port Community.

The services offered by the system can be split into three types: information services, electronic documentary exchange services and electronic commerce services including telematic invoicing and the electronic transfer of funds.

One of the main features of PortIC is the possibility that it offers to aggregate all the pieces of information that the different actors in the logistics chain normally hold and thus gain an overview of the real situation. This is only possible with the co-operation of everyone involved and with this neutral platform that co-ordinates, processes and aggregates this partial information for the benefit of these actors that can then, for example, avoid duplicities.

The integration of financial institutions into the system allows users to make any kind of transaction involving exchanges of funds over the Internet. Operations such as the transfer of funds, letters of credit, promissory notes, and others to be implemented in the future, can be made over the Internet by PortIC with full guarantees of security and trust. As far as the security of the PortIC system is concerned, every user of PortIC is identified by a unique digital certificate. This identification allows the protection of data and transactions made through the system.

One of the main advantages of PortIC is its intermodality. Web solutions focused on improving the efficiency of ports and vessels are not enough for those involved in an intermodal transport chain. The door-to-door service requires overall solutions that make it possible to gain efficiency and effectiveness not just in one of the modes of transport used, but in all of them. Thus, these overall solutions must take into account the specific situations and problems of every mode of transport as well as all the actors throughout the entire logistics chain. An efficient logistics chain requires an efficient intermodal transport and, at the end of this chain, logistics areas in which the goods are efficiently distributed to their final destination.

The implementation of PortIC places the Port of Barcelona at the head of the great change and challenge represented by the implantation of electronic commerce. Its technology will allow companies working with the logistics infrastructures of Barcelona to operate in the most efficient manner.

# WORLD PORT NEWS



IMO

### IMO: 2002 marks 25th annual World Maritime Day

SEPTEMBER 26, 2002 marked the 25th celebration of World Maritime Day, the annual event which is used around the world to focus attention on the global importance of the maritime industries to world trade and to emphasise in particular IMO's work to promote safety and security in shipping and to help protect the marine environment.

IMO Secretary-General William O'Neil delivered his customary message to countries all over the world on the chosen theme for World Maritime Day and, in recognition of the 25th anniversary of the event, gave a special address to staff at IMO Headquarters in London.

Although the international shipping industry remains one of the most technically vibrant and innovative businesses in the world today, the focus for those who are concerned with safety at sea is being placed ever more sharply on all aspects of human behaviour. That was the overriding theme of the message delivered by Secretary-General O'Neil as countries all over the world joined in the celebrations.

Expounding on the theme "Safer shipping demands a safety culture," Mr O'Neil drew attention to the fact that rules and regulations are not in themselves sufficient where safety and environmental protection are concerned. "Although the behaviour of individuals may be influenced by a set of rules," he said, "it is their attitude to the rules that really determines the culture. Do they comply because they want to, or because they have to? To be truly effective in achieving the goal of safer shipping, it is important that the shipping community as a whole should develop a 'want-to' attitude."

He went on to stress the key responsibility of company management in establishing the appropriate corporate culture. "If the management is clearly seen to be giving safety the highest pri-

ority then that mindset will quickly permeate into the chain of command, from the Board Chairman through the directors, the superintendents, to the ships' officers and crews. The message that an effective safety policy is considered to be a major contributing factor to the organization's overall productivity, vitality and profitability will then be readily assimilated by everyone."

In his special message to IMO staff to mark the 25th anniversary of World Maritime Day, Mr O'Neil drew attention to the continuing decline in lives and ships lost at sea and to concurrent reductions in maritime pollution. He said that the world looked to IMO for leadership in all matters related to maritime safety and environmental protection and that he believed the Organization could feel proud that it was fulfilling its objectives and meeting the increasing demands made of it. "An

international industry such as shipping needs an effective international regulatory body and IMO has shown it can meet all the challenges that have arisen in this respect."

In particular, he referred to the considerable body of additional work undertaken by IMO since the terrorist atrocities of September 11th 2001 to establish an effective regulatory framework to promote ship and port security. A diplomatic conference in December this year is expected to adopt legislative requirements that have been developed by IMO throughout the course of the last 12 months.

World Maritime Day celebrations were concluded at IMO's London Headquarters on Thursday evening, September 26, with a reception for members of the London diplomatic and maritime communities



### BIMCO: Meets with high level officials in Washington, D.C.

ON September 16 and 17, 2002, a BIMCO delegation led by BIMCO President Michael Everard met with high ranking officials from the U.S. Customs Service, the Immigration and Naturalization Service (INS), the State Department Visa Office, the U.S. Senate Surface Transportation and Merchant Marine Sub-Committee, the U.S. House Coast Guard and Merchant Marine Sub-Committee, the U.S. Coast Guard, the Maritime Administration, and the Department of Transportation.

Michael Everard was joined in Washington by BIMCO's President-Designate, C.C. Tung of OOCL, BIMCO's U.S. Liaison Officer, Admiral William Kime (Ret.), and the President of the Chamber of Shipping of America, Joseph Cox. Also present were BIMCO Secretary General, Truls W. L'orange and BIMCO Deputy Secretary-General,

Ove C. Tvedt, who has been actively involved in U.S. maritime security issues for a number of years.

The meetings were a direct result of consultations held between BIMCO and a number of Washington officials earlier this year. Topping the agenda was the recent joint industry appeal concerning U.S. security costs and procedures submitted by BIMCO on behalf of the other industry organizations. Asked what results have been achieved in Washington, Michael Everard explained, "It is imperative to understand that the events of the September 11, 2001 have changed the way companies in the United States conduct business. Various protective measures are in place, which directly impact shipping. Our message to the government officials in Washington was that we, the international shipping community, understand that this has been necessary. However, it is essential that these measures be implemented in ways which do not disrupt trade and thereby shipping."

Michael Everard went on to say that "It was important for us as an organisation to communicate personally a message to the relevant governmental agencies in Washington that the inter-

national shipping community is offering to assist in finding practical solutions, which will cause a minimum of disruption to trade and shipping. In this respect, President-Designate C.C. Tung's knowledge of the container industry was invaluable when discussing the impact of security measures on the container industry."

Michael Everard added, "Our concerns were taken on board and it is our impression that the basic aim of BIMCO in this case was understood. We therefore expect to return to Washington soon to continue the process of dialog by providing practical input."

Asked about the outcome of the meeting with the Immigration and Naturalization Service (INS) Mr. Everard continued, "We will work with the US authorities to ensure that our crews coming to the United States onboard our ships are granted the possibility of going ashore if they wish. We are deeply concerned about the categorisation of ordinary seafarers as a potential security risk."

He added that "We discussed the issue of crew visas in Washington and have clearly expressed our view that it would be unwise to dismantle the current crew list visa waiver program until a new system is in place which also takes into consideration the practical needs of our seafarers."

The BIMCO delegation expressed their deep concern about reports of crews being detained on board ship despite having fulfilled the formal visa requirements for entry, in some instances by armed private security companies. In addressing this issue, Mr. Everard said, "The crew is often in the best position to verify possible weaknesses in the security arrangements as well as report any suspicious activities that may be linked to terrorist or criminal activities. As such, the crew should be viewed as an asset instead of as a potential liability or threat."

In backing up this assertion, Michael Everard made reference to the SCIA program (Sea Carrier Initiative Agreement) BIMCO signed with the U.S. Coast Guard and Customs authorities in 1989. SCIA was established in response to the severe penalties enforced by the U.S. authorities when drugs were inadvertently carried onboard merchant ships. The program ensures that vessels undergo certain predetermined requirements to prevent their ships being used for smuggling illegal drugs. "Over the years, U.S. authorities have received a number of early warnings from observant ships crews when suspicious activities have been observed dur-

ing loading, which has enabled the authorities to seize large amounts of illegal drugs," Mr. Everard said.

## CSI

During the meetings, the U.S. Customs referred to the U.S. Container Security Initiative (CSI) which BIMCO views positively, as it makes sense to base the risk analysis in the host country where the containers are loaded. BIMCO, however, views the 24-hour manifest rule with some scepticism, as BIMCO questions the ability of U.S. Customs to analyse and report back to the carrier within the designated 24-hour period. BIMCO feels, moreover, that the 24-hour rule is currently not feasible in its present form when referring to bulk cargoes.

## C-TPAT

C-TPAT stands for the US Customs-Trade Partnership Against Terrorism (C-TPAT). This program is a joint government-business initiative aimed at building co-operative relationships that strengthen overall supply chain and border security, recognising that customs can only provide the highest level of security through close co-operation with its industry partners. Documents issued that describe the C-TPAT initiative clearly indicate that its roots are found in the Sea Carrier Initiative Agreement (SCIA) and the Business Anti-Smuggling Coalition (BASC) program.

When comparing the C-TPAT to other security measures, such as the SCIA, International Maritime Organization (IMO) guidelines on the prevention of drug smuggling, piracy and armed robbery against ships, and the proposed amendments to the Safety of Life at Sea (SOLAS) Convention, BIMCO is confident that our owner members, particularly those which are already signatories to the SCIA, will have little difficulty in adhering to the terms of the C-TPAT.

The U.S. Customs Service agreed with BIMCO, during the meetings in Washington, to sit down and work out a proposal with BIMCO building on the current SCIA programme which will include C-TPAT, rather than instituting two separate security programmes.

## Crew Identity Cards

There seems to be consensus within the maritime industry that a standard identification (ID) card should be produced for seafarers. Developing a universally acceptable solution, however, will be quite a challenge for the rele-

vant international regulatory bodies, particularly the IMO and the International Labour Organization (ILO), both of whom are presently tackling this issue.

The U.S. Department of Transportation's Maritime Administration Department (MARAD) leads the U.S. Government delegation on ILO issues, which include the development of a convention on seafarer's credentials. It is the principal government agency presenting the U.S. Government's views on seafarer credential issues and is assisted by the U.S. Coast Guard at all meetings.

The issue of crew identity cards was brought up at the meeting between BIMCO and the State Department. BIMCO emphasized the importance of the United States accepting an eventual ILO standard, which is for the most part based on input from the U.S. delegation.

BIMCO feels that a crew identity card must be supplemented by a similar identity card for port workers and officials which will enable the Master to quickly determine who is a bona-fide port official or employee and who is an impostor seeking access to the ship to pursue criminal or terrorist activities.

## The costs of security guards

It is a sad fact that, for some ships these days, the costs of the private security guards placed on board by the authorities exceed the daily freight earnings. The reason given by the Americans for putting armed guards on certain ships is to prevent possible terrorist acts against the U.S. In BIMCO's view, such costs should be borne by those benefiting from doing so.

Leaving aside the discussion on costs, BIMCO pointed out that security guards should consist of trained staff from, for example, the U.S. Coast Guard, rather than private security guards who rarely have any previous experience in dealing with highly sophisticated vessels carrying e.g. flammable cargoes.

BIMCO has taken the initiative to draft the wording for a clause as soon as possible, which takes into consideration the possible liability for costs arising from the posting of security guards in U.S. ports. Asked to summarize the week spent in Washington and New York, Michael Everard said, "Changing the landscape of international shipping is not done overnight and, as anyone having been involved can attest, is often a complicated process. However, as the representative of more than 2,600 members in 122 countries, we have the



unique ability to help pave the way for a broad understanding of the intricacies of international shipping. This week has been quite important in that respect, and I feel that our input on these issues will prove invaluable in the discussions currently taking place."



## EU: Launch of the Italy-Turkey Pan-European Corridor

ON September 9, a ministerial ceremony is taking place with the participation of Ministers of Albania, Bulgaria, Former Yugoslav Republic of Macedonia, Greece, Italy and Turkey in order to sign a Memorandum of Understanding (MoU) on the intermodal Pan-European Corridor VIII, in presence of the European Commission. This corridor links Italy to Turkey via these various countries. Loyola de Palacio, Vice-President of the European Commission, in charge of Energy and Transport, welcomed this step ahead: "The development of the corridor will positively contribute to the stabilisation process in the

Balkans, the forthcoming enlargement of the EU and the strengthening of co-operation between the European Union and Eastern Europe. All these corridors which are being built are crucial to vertebrate the whole European continent: we are bridging the gap with our neighbours."

With the signature of this MoU, conditions are now in place to undertake concerted efforts to develop this corridor which is of vital importance for the South-East of Europe, while respecting the environment.

The MoU will enable the states concerned to consult one another and co-operate within a flexible structure with a view to the harmonious development of this transport artery of European interest.

The creation of Pan-European Transport infrastructure is one of the European Union priorities. The corridor No. VIII linking Italy to Turkey through South East Europe forms part of that infrastructure. This example of a large-scale regional co-operation project brings together EU member states, candidate countries and other countries of S.E. Europe.

This MoU is also the last to be signed from the ten Pan-European corridors outlined at the Helsinki European Council in 1997. All projects are now launched.

### ANNEX :The pan-European corridors

No	Protocol of Agreement	Presidency	Route as defined by the Helsinki pan-European conference in 1997
I	Yes	Sweden	Helsinki-Tallin-Riga-Kaunas-Warsaw Road component: Via Baltica Rail component: Rail Baltica
II	Yes	Russia	Berlin-Warsaw-Minsk-Moscow-Nizhnij Novgorod
III		Poland	Berlin/Dresden-Wroclaw-Lviv-Kiev
IV	Yes	Germany	Berlin/Nuremberg-Prague-Budapest-Constanza/Thessaloniki/Istanbul
V	Yes	Italy	Venice-Trieste/Koper-Ljubljana-Budapest-Uzgorod-Lviv Section A: Bratislava-Zilina-Kosice-Uzgorod Section B: Rijeka-Zagreb-Budapest Section C: Ploce-Sarajevo-Osijek-Budapest
VI	Yes	Poland	Gdansk-Grudziadz/Warsaw-Katowice-Zilina Section A: Katowice-Ostrava-Corridor IV
VII	Yes	Austria	Danube and Danube-Black Sea canal
VIII	Yes	Italy	Durres-Tirana-Skopje-Sofia-Varna - Link with Greek TEN and corridor IV
IX North Center South	Yes		Helsinki-St.Petersburg-Moscow/Pskov-Kiev-Ljubasevka-Chisinau-Bucharest-Dimitrovgrad-Alexandroupolis Section A: Ljubasevka-Odessa Section B: Kiev-Minsk-Vilnius-Kaunas-Klaipeda/Kaliningrad
X	Yes	Greece	Salzburg Ljubljana-Zagreb-Beograd-Nis-Skopje-Thessaloniki Section A: Graz-Maribor- Zagreb Section B: Budapest-Novi Sad-Beograd Section C: Nis-Sofia Section D: Veles-Bitola-Florina

## Upcoming Conferences

### Seatrade Middle East Maritime

**A maritime industries event for the Middle East and Indian Subcontinent**

**February 3-5, 2003  
Dubai, U.A.E.**

**A new regional powerhouse in shipping is fast emerging**

THE Middle East and Subcontinent is the world's primary energy exporter and is growing rapidly as a generator of bulk and liner sea transport, with the ports and terminal systems needed to support this. It is fast expanding as a shipowning and ship management center, with a sophisticated service sector in support. Cruise shipping is establishing destinations and source markets there. And behind this a sophisticated infrastructure is being built with drive, enterprise and massive investment.

Straddling East-West time zones and exploiting state-of-the-art communications, the region is set to rank with the major trading zones of the world.

The time is right for a major maritime event that focuses on the potential for the international shipping industry in meeting the region's needs. With over a quarter of a century of involvement in Middle East shipping, Seatrade is organizing Seatrade Middle East Maritime to meet that need.

The three-day event will comprise an integrated conference and exhibition, with a full social programme and events to foster the contacts and relationships essential to doing business in this market.

For further information:

Tel: +44 1206 545121

Fax: +44 1206 545190

E-mail: [events@seatrade-global.com](mailto:events@seatrade-global.com)

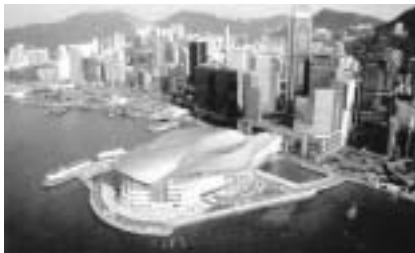
Website: [www.seatrade-middleeast.com](http://www.seatrade-middleeast.com)

### TOC2003 ASIA

**February 25-27, 2003  
Hong Kong**

ACCLAIMED by attendees and exhibitors alike, TOC is the definitive meeting place for the world's ports and terminals industries. Launched in 1976, TOC is run annually in Asia, Europe and the Americas.

TOC Asia has been convened since 1995. Last year's event in Kuala Lumpur was a resounding success - with over 300 delegates, 600 visitors and 55 exhibitors coming



together for three days of business, education and networking.

For further information:

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69-77 Paul Street, London EC2A4LQ  
Tel: +44 20 7553 1439  
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E-mail: [michelle.fisk@informa.com](mailto:michelle.fisk@informa.com)  
Website: [www.toc-events.com](http://www.toc-events.com)

## Upcoming Seminars



### AAPA: 2003 Seminar Schedule

**A**APA offers an extensive array of education and training programs which cover virtually all areas of interest to the port industry. These programs provide invaluable information on the latest trends and developments affecting seaports in the Western Hemisphere. Programs generally include: panel discussions comprised of industry experts, question and answer sessions, interactive participant activities, technical tours of port facilities, and breaks, lunches and receptions that allow for informal networking.

- **Cruise Workshop**  
January 15-17  
Barbados, West Indies
- **AAPA/NAWE/MARAD Marine Terminal Management Training Program**  
February 3-7  
Long Beach, CA
- **Spring Conference**  
March 24-26  
Washington, DC
- **Commissioners Seminar**  
April 14-16  
Savannah, GA
- **Facilities Engineering Seminar**  
April 28-30  
Baltimore, MD
- **Executive Management Conference**  
May 5-9  
Tampa, FL

- **Port Operations / Safety Risk Management & Information Technology Joint Seminar**  
May 14-16  
New Orleans, LA
- **Public Relations / Maritime Economic Development Seminar**  
June 4-6  
Tacoma, WA
- **Port Directors Seminar**  
June 19-20  
Chicago, IL
- **Port Administration Seminar**  
November 17-19  
Jacksonville, FL

For further information:

The American Association of Port Authorities  
1010 Duke Street, Alexandria, Virginia  
22314-3589 U.S.A.  
Tel: 703-684-5700  
Fax: 703-684-6321  
URL: <http://www.aapa-ports.org/programs/education.htm>



### BIMCO: Masterclass Workshops Laytime

February 6-7, 2003  
Rotterdam, The Netherlands

**T**HIS is the first of a series of new innovative BIMCO courses focusing on key aspects of maritime commerce. Each workshop in the series consists of two full days of presentations by industry experts, combined with group discussions and case studies. Participants are expected and will be encouraged to contribute actively to the group discussions. At the end of each workshop, participants take a short "open book" exam to assess their level of understanding of the subject matter. This assessment leading to the award of a BIMCO diploma will be of value to employers and employees alike in demonstrating the effectiveness of the training and knowledge attained. Please note that the number of participants will be limited for educational purposes, thus registration will be handled on a strictly "first come, first served" basis.

For further information:

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Bagsvaerdvej 161  
2880 Bagsvaerd, Denmark.  
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E-mail: [courses@bimco.dk](mailto:courses@bimco.dk)

## New Publications



**Drewry**

*Drewry:*

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#### CONTENTS

##### Executive Summary

##### Oil market review and outlook

- Oil consumption
- Oil supply
- Forecast trends in oil consumption and supply
- Stocks and the oil supply/demand balance
- Oil prices
- Crude oil prices
- Product prices
- Oil trades

##### Tanker demand and supply forecast

- Tanker demand and employment
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- Newbuilding orders
- The tanker orderbook
- Tanker deliveries
- Tanker demolition
- Combined carriers in oil
- Oil carrier supply/demand balances

##### Tanker costs

- Finance and company news
- Newbuilding activity and prices
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- Voyage costs
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- Clean spot market review
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##### Dry bulk trade

- Review and forecast demand for:
- Crude steel production

## INTERNATIONAL MARITIME INFORMATION

- Iron ore
- Coal
- Grain
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- Forecast demand by fleet sector
- Forecast deadweight tonnage requirements to 2007

### Dry bulk carrier fleet

- Fleet Review:
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  - Deliveries
  - Demolition activity
- Forecast supply: deliveries and deletions to 2007
- Highlight on the Handy fleet - the development over last five years, the "super" Handymax and the future for the Handysize bulk carrier
- Combination carriers trading dry and forecast involvement in the fleet
- Supply/Demand balance to 2007

### Dry bulk carrier costs

- Recent events in the shipbuilding arena
- Development of newbuilding, secondhand and demolition prices
- Global economic overview
- Development of operating and voyage costs in 2001
- Forecasts to 2007 of operating costs and bunker prices

### Dry bulk chartering

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Website: [www.drewry.co.uk](http://www.drewry.co.uk)

### IMO:

### "MARPOL 73/78" (Consolidated edition, 2002)



THE International Convention for the Prevention of Pollution from Ships, 1973, as modified by the Protocol of 1978 relating thereto (better known as MARPOL 73/78), is one of the most important international agreements on the subject of marine pollution.

The new consolidated edition provides an easy reference to the up-to-date provisions and unified interpretations of the articles, protocols and Annexes of the Convention. All amendments up to and including the 2000 amendments adopted by the Marine Environment Protection Committee by resolution MEPC.89 (45) have been incorporated.

Although not yet in force, the new Annex VI (Regulations for the Prevention of Air

Pollution from Ships) has also been included. It comprises the annex to the Protocol of 1997 to amend MARPOL 73/78 and makes mandatory the new Technical Code on Control of Emission of Nitrogen Oxides from Marine Diesel Engines (NOx Technical Code).

**Price: £55.00**

For further information:

International Maritime Organization  
4 Albert Embankment  
London SE1 7SR, United Kingdom  
e-mail: [publications-sales@imo.org](mailto:publications-sales@imo.org)  
Tel: + 44 (0)20 7735 7611  
Fax: + 44 (0)20 7587 3241  
IMO Online Shopping Site:  
<http://www.imo.org/HOME.html>

### World Guide to Trade Associations 6th Edition 2002

VOLUME I, Trade Associations, of the new edition of World Guide to Trade Associations provides you with up-to-date details on 23,641 associations from the areas of industry, trade, commerce and services in 185 countries.

Volume II, Chambers of Industry and Commerce, scheduled for autumn 2002, comprises extensive information on all Chambers of Industry and Commerce worldwide.

**Price: 310.00 euros**

For Further information:

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## Cover of the Month

## San Diego: Maritime Master Plan Paves Way for More Robust Maritime Activities



### Maritime Master Plan Paves Way

Maritime operations at the Port of San Diego – already characterized by record-setting growth in recent years – are set to improve even more in the coming years as a result of an ambitious Maritime Master Plan adopted by the Board of Port Commissioners.

The plan spells out a series of steps designed to enhance the Port's maritime operations well into the 21st century. Both cargo and cruise operations – the twin strengths of the Port's maritime potential – are addressed in the plan, which presents an overview and analysis of the Port's market opportunities in both areas.

The plan also examines facility plans, capital costs and rates of return on investments and evaluates several proposed development projects and their potential impacts on maritime operations, including planned new waterfront hotels, a planned downtown San Diego ballpark and development associated with the North Embarcadero Visionary Plan.

Key components called for in the Maritime Master Plan include:

Phased development of the Tenth Avenue Marine Terminal to include a niche container terminal, including required dredging, installation of container cranes and other necessary improvements. The Port of San Diego took a major step in this direction with the recent announcement that Dole

Fresh Fruit will relocate to San Diego as the Port's first-ever refrigerated container operator. The deal will jump-start refrigerated container operations to 40,000 containers annually at the Port's Tenth Avenue Marine Terminal. Under the terms of the 20-year lease, Dole will import bananas in refrigerated containers from Latin America to San Diego, beginning in September 2002. Recent studies have shown that the Port of San Diego could benefit from increased container traffic due to overflow from the ports of Long Beach and Los Angeles.

Continued development of the National City Marine Terminal – one of the West Coast's leading trans-shipment points for automobile exports and imports – for storage and distribution of lumber and automobiles and expansion of these operations as market conditions demand.

Phased design and construction of a larger and enhanced cruise ship terminal at B Street. Funding sources for this project – and just how big a new cruise ship terminal would be – have not yet been determined, but proposals range from a \$21-million initial-phase development to some \$66 million for a "super terminal" that would feature two two-level terminals, retail space and a rooftop pavilion.

### Impressive Bulk & Break-Bulk Capabilities

Although just entering the booming containerization market with its landmark deal with Dole Fresh Fruit, the Port of San Diego has long been known as a premier West Coast Port for bulk and break-bulk operations.

At the Port's Tenth Avenue Marine Terminal, a bulk loading facility operated by the International Minerals Corporation (IMC) includes a 31,000-ton silo storage complex and a 2,000-ton-per-hour, dust-free bulk loader. The terminal's bulk unloading facilities are ideally suited for commodities such as fertilizers and cottonseed. In addition, a Siwertel ship unloader was installed in 1998 for and is used by Pacific Coast Cement.

The Tenth Avenue Marine Terminal is also served by three one-million-gallon liquid bulk storage tanks with pipelines connecting them to berths, as well as an on-site bunker fuel concession with pipelines to all berths.

### Revenues On the Rise

This past fiscal year, ending June 30, 2001, maritime revenues totaled \$16.6 million dollars. This figure is up 18.6% from last year's figure of \$14 million. Contributing to this upsurge were areas of growth such as automobile imports and exports, bunker and diesel fuel exports and an increase in cruise ship passengers.

\* San Diego will host 2004 IAPH Mid-Term Board Meeting.





## The Americas



### AAPA: Mr. Agustin Díaz of Curaçao installed as AAPA Chairman



**M**R. Agustin Díaz, Deputy General Manager of the Curaçao Ports Authority, Inc., was installed as Chairman of the Board of the American Association of Port Authorities (AAPA) during the September 26th Annual Membership Meeting at The Breakers in Palm Beach, FL. Mr. Díaz succeeded as Chairman of the Board Mr. Dick Steinke, Executive Director of the Port of Long Beach.

"We're pleased to have Agustin lead the Association on behalf of AAPA's Latin American delegation," said Mr. Kurt J. Nagle, AAPA President. "He will be working to help connect and build stronger relationships between our 150 port members who come from more than 30 countries and speak a variety of languages. We will all benefit from Agustin's international focus."

Before joining the Curaçao Ports Authority, Mr. Díaz was the commissioner of the island government in charge of ports. He has served as a senator in the Parliament of the Netherlands Antilles and been a member of the Island Council of Curaçao. Mr. Díaz also worked as an educator and served as the chief editor of the daily "La Prensa." He holds a degree in teaching the Dutch language and a law degree from the University of the Netherlands Antilles.

Also installed at AAPA's 91st Annual Convention was Mr. John Mohr, Executive Director of the Port of Everett, WA. Mr. Mohr will serve as the U.S. Delegation and Legislative Policy Council (LPC) Chairman in the coming year. The LPC determines AAPA policy positions on U.S. legislative and regulatory issues. Mohr has over 20 years experience working for four ports in

Oregon and Washington (Coos Bay and Newport, Oregon; Olympia and Everett, Washington).

Mr. Mohr has an extensive background in shipping, waterfront commercial development, environmental issues and industrial development matters. His experience also includes large-scale marina management and airport operations, and he has established a reputation for quality redevelopment of port waterfront property.

AAPA's 91st Annual Convention in Palm Beach attracted about 900 delegates and guests from the U.S., Canada, Latin America and the Caribbean. The 2003 Annual Convention will be held September 28 to October 3, 2003, in Curaçao.

### AAPA: Presents 67 Awards to ports and individuals

**32** ports received 60 Communications awards, two ports won awards for information technology projects, and five ports were recognized for outstanding environmental programs during the September 25 awards luncheon at The Breakers in Palm Beach, Florida, during the American Association of Port Authorities' (AAPA) 91st Annual Convention. In addition, five maritime professionals earned Professional Port Manager (PPM7) Certification from AAPA.

AAPA's Annual Communications Competition recognizes excellence in the products and services that ports produce to meet their public relations and marketing goals. The independent judges, communications professionals from the Washington, D.C. area, honored the best entries with 30 awards of excellence and 30 awards of merit. The winner of the Award of Overall Excellence was the Port of Portland, Oregon, which received awards of excellence or merit for five entries. Two additional ports, the Maryland Port Administration (Port of Baltimore) and

Virginia Port Authority, each won four awards in the competition.

Information Technology was a new category for awards this year. These awards were developed to recognize and highlight the progress ports are making in technology. Judges selected winners from each of two categories. The Port of Miami won the award for Port Operations and Management Systems, for its Security and Controls system. The South Carolina State Ports Authority was recognized under the category Improvements in Intermodal Freight Transportation, for its Automated Vessel Scheduling Application (AVSA).

AAPA's Environmental Improvement Awards are given to ports in four project award categories: Mitigation, Environmental Enhancement, Community/Public Involvement, and Comprehensive Environmental Management. The Calvin Hurst Award is presented for exemplary projects and this year went to the Port of Houston Authority. In August 2002, the Port of Houston Authority was certified by an independent auditor as complying with the International Standards Organization (ISO) 14001. As the first port authority in the U.S. to achieve this ISO 14001 certification, it was awarded AAPA's Calvin Hurst Award for Outstanding Achievement.

Other winners included an award for Environmental Enhancement, which went to St. Bernard Port, St. Bernard, LA, for its "Chalmette Terminal Environmental Restoration." The Alabama State Port Authority won a Mitigation Award for its "Muddy Creek Mitigation Project." A Community/Public Involvement Award went to Canaveral Port Authority for its "Community Environmental Education Program." Finally, the Port of Portland won a Comprehensive Environmental Management Award for its "Environmental Management System."

In addition to ports awards, five individuals received certification as Professional Port Managers. AAPA established its Professional Port Manager (PPM7) program in 1994 to encourage and promote professional standards in public port management. Forty-four port managers are certified, including those honored today. Participants must hold professional management positions at port authorities and other maritime-related entities, complete a prescribed curriculum of seminars and activities, and participate in an AAPA standing committee. They must also write and get approval on a

paper that contributes substantially to the body of knowledge concerning public port management.

New Professional Port Managers include: Albert J. "Bert" Francis II, PPM7, Chief Financial Officer, Canaveral Port Authority; Thomas J. Heidt, PPM7, Market Development Manager, Port of Houston Authority; Andy McDonough, PPM7, Business Development Manager, Duluth Seaway Port Authority; Ron Popham, PPM7, Director of Marketing, Port of Sacramento; and Robert K. Tolsma, PPM7, Vice President, Gee & Jenson, a division of CH2M Hill.

## AAPA: U.S. ports urge additional funding for port security

**DOT Chief of Staff Flaherty Stresses Reauthorization of TEA 21 in 2003**

U.S. public port authorities discussed the need for Federal legislation and continued Federal funding for maritime security. They urged Congress to appropriate additional funds for Fiscal Year '03 during their Legislative Policy Council (LPC) meeting on Monday, September 23, 2002. Port authorities are meeting this week at the 91st Annual Convention of the American Association of Port Authorities (AAPA), at the Breakers Hotel in Palm Beach, Florida.

Mr. John A. Flaherty, Chief of Staff of the Department of Transportation, said during remarks at a luncheon today that ports have an historic opportunity to influence reauthorization of the Transportation Efficiency Act (TEA 21) next year, when the current legislation expires in September. TEA 21, AIR 21, and Amtrak reauthorization will be debated at the same time. Mr. Flaherty called it a "unique opportunity for a truly intermodal discussion." Maritime needs will be a central feature of reauthorization, and port involvement will be critical. He also said that ports must continue to address security threats while preparing for reauthorization of TEA 21.

The House Appropriations Transportation Subcommittee approved \$150 million for port security grants in Fiscal Year (FY) '03 appropriations. The full Appropriations Committee will take action on Thursday, September 26. Earlier this year the Senate approved \$100 million to continue the port security grant program in FY '03. The Administration recently agreed to repro-

gram additional funding of \$125 million in port security grants for FY '02. Ports will be able to apply for the grants in November.

The U.S. LPC also reaffirmed its support for Federal legislation to enhance seaport security. U.S. ports lauded the Bush Administration and Congress for recognizing the importance of ports and for providing initial grant funding.

Protecting America's ports is critical to national security as well as the nation's economic growth and vitality. Local public port authorities need Federal investment to enhance security in a timely and effective manner.

Almost 900 delegates and guests are attending the 91st AAPA Annual Convention in Palm Beach. The Port of Palm Beach is hosting a number of events to highlight the port and region.

The business program, which began with 8:45 a.m. Opening Ceremonies on Tuesday, September 24, included speakers on topics such as trade in the Western Hemisphere, maritime security, cruise industry trends, media relations in a crisis environment, best practices in communications, environment and information technology, and funding requirements for ports.



**Halifax  
Port Corporation**

## Halifax: Four of world's leading terminal operators shortlisted in bid

THE Halifax Port Authority announced on October 24, following an extensive evaluation process, that four proponents have been shortlisted to enter negotiations for a long term contract to operate the Fairview Cove Container Terminal.

"These candidates are four of the key terminal operators in the world," said Ms. Karen Oldfield, President & CEO. "The quality of their initial proposals speaks to the commitment they are willing to make to the Port of Halifax and the long term growth potential at the Port."

Shortlisted proponents are:

- Cerescorp Company, Montreal, PQ, /NYK (North America) Inc., New Jersey,
- CSX World Terminals LLC, Charlotte, North Carolina and Logistec Stevedoring Inc., Montreal, PQ,
- P & O Ports North America, New Jersey
- Terminal Systems Inc., Vancouver, BC



## Houston: Economic Impact of the Port of Houston

THE public cargo and cruise vessel marine terminals operated by the Port of Houston Authority (PHA) have contributed to 115,970 jobs throughout Texas, a total of \$2.7 billion in wages and salaries, nearly \$4.1 billion in business revenue, and more than \$248 million in state and local taxes, according to statistics calculated by Martin Associates, the consulting firm in Lancaster, PA that has conducted economic impact studies for 120 ports in the U.S. and Canada. The portion of cargo tonnage specifically attributed to the PHA's public terminals measured 27,459,793 short tons in 2001 compared to 28,716,793 short tons in 2000, according to the PHA. By contrast, however, PHA estimates indicate that the container tonnage handled at PHA terminals increased to a total of 10,119,938 short tons in 2001 from 9,751,876 short tons in 2000.

According to Mr. John Martin, president of Martin Associates, "As the industry continues its rapid pace of consolidation, containerization is the increasingly appealing option for shippers that are focused on lowering costs and enhancing efficiency." He also noted that the shifting preference creates many challenges for accommodations at port facilities around the world.

"The dynamic trends reflected in these statistics resoundingly demonstrate the pressing need for PHA to expand its container capacity," stated Mr. James T. Edmonds, chairman of the Port of Houston board of commissioners. "The proposed Bayport container facility, which continues to undergo a careful and deliberative public review process, holds the potential to ensure that the Port remains a vital economic engine for the future economic growth of our region," he added.

The impacts reported by Martin Associates, which are based on data from 2000, correlate to the PHA's recent estimate of a combined cargo tonnage increase to 194,000,000 short tons in 2001 from 191,419,264 short tons in 2000 for all public PHA terminals and private terminals along the Port of Houston. In its study presented to the Port's board of commissioners, Martin Associates examined the economic impact of jobs,

employee earnings, business revenue, and state and local taxes generated during 2000 by marine cargo activity at the public and private marine terminals located along the Houston Ship Channel. Among the findings:

- A total of 287,454 jobs in Texas were some way related to the movement of cargo through the Port. The total consisted of but was not limited to 89,710 direct jobs – both at the Port's terminals and those induced as a result of purchases by individuals holding Port terminal jobs; and 53,203 indirect jobs supported through local purchases by businesses supplying services at the marine terminals and by businesses dependent upon the Port.
- A total of \$7.2 billion in wages and salaries were earned from direct, induced, and indirect jobs generated by maritime activity at the Port.
- A total of \$10.9 billion of business revenue was generated by businesses providing direct services at the marine terminals (\$6.9 billion) and by purchases of goods and services from local suppliers by firms directly dependent upon the Port (\$4 billion).

- A total of \$649.2 million of state and local taxes were generated by Port activity in addition to \$42 million of customs revenue received by the federal government from cargo activity at the Port.

"Through the years the Port of Houston has been the heart of Houston's international infrastructure," said Mr. Jim Kollaer, Greater Houston Partnership president and CEO. "As the nation's leading port in foreign cargo and second in total tonnage, the Port of Houston's commercial prominence solidifies Houston's status as an international city," he added.

Martin Associates' study was based on interviews with more than 1,200 firms that provide services to the cargo and vessels handled at the PHA's marine terminals and the private terminals along the Houston Ship channel. These firms represent more than 95 percent of the firms in the Houston seaport community. The data collected from the interviews were then used to develop an operational model of the PHA public and private marine terminals.

tremendously in the past decade. The massive scale of this facility demonstrates our confidence in the still greater trade growth ahead of us."

The \$576 million Pier T facility is a 375-acre project, equal in size to 280 football fields. The terminal is the port's largest cargo complex and one of the world's largest. In August, the port completed construction of the first 288 acres. The port will complete the final 87 acres in mid-2003.

The Pier T facility features a 29-lane truck gate, 140,000 square feet of terminal buildings, and the nation's largest on-dock rail yard with more than 83,000 feet of rail linked to the newly opened Alameda Corridor. Pier T's gantry cranes, costing \$7 million each, can reach across a yet-to-be-built generation of vessels with a width of 22 containers each eight feet wide. The largest vessels today are 17 containers wide.

Hanjin is moving to Pier T from its existing 170-acre Long Beach terminal north of Terminal Island at Pier A. The Hanjin Taipei, which arrived this week, will be the last Hanjin vessel to call at Pier A. By the end of September, Hanjin expects to complete the move of all of its containers and equipment to Pier T.

Later in the year, SSAT and its primary shipping lines Mediterranean Shipping Co. (MSC) and Zim Israel Navigation Co. Ltd. will move into Pier A.



## Long Beach: Mega-Terminal opens

FULLY loaded with holiday season merchandise, the 5,300-TEU Hanjin Oslo on September 12 made the first vessel call at Hanjin Shipping Co.'s new Pier T container cargo terminal at the Port of Long

Beach, signaling the opening of the port's first "mega-terminal."

A small group of Hanjin and port officials gathered along Pier T's 3,700-foot-long wharf and applauded as dockworkers used one of the facility's 12 bright-red gantry cranes to unload the first container.

"This is a major milestone for the port and Hanjin, one that we take great pride in," said port Executive Director, Mr. Richard D. Steinke. "The port, Hanjin and international trade have grown

**THE PORT AUTHORITY  
OF NEW YORK & NEW JERSEY**



## NY/NJ: Seeking contractor to build new ferry terminal in Battery Park City

IN response to the dramatic revival of ferry service in the New York-New Jersey region, the Port Authority is seeking bids to build a new \$40 million state-of-the-art ferry terminal in Battery Park City.

The contract documents, issued on September 23 to five pre-qualified contractors, call for the construction of a larger, more comfortable terminal offering additional seating, concessions, restrooms, an expanded waiting area and other amenities. The terminal will replace the existing temporary facility, used by more than 13,500 weekday commuters traveling between Battery Park City and Hoboken and Jersey City, N.J.

New York Governor George E. Pataki said, "Ferry service has undergone a major renaissance throughout the New York-New Jersey region, providing more



efficient and convenient transportation for 68,000 daily commuters. This new terminal also will play a key role in the revitalization of Lower Manhattan, helping to bring people back to the downtown area for work or recreational activities."

Port Authority Vice Chairman, Mr. Charles A. Gargano said, "This new ferry terminal will not only be a boon for the region's ferry commuters, but will also aid in the revitalization of Battery Park City, which was hit hard by the attacks on the World Trade Center. This new terminal will attract more people to the area, which will help boost business and jobs in the community."

Port Authority Executive Director Mr. Joseph J. Seymour said, "Since September 11, the Port Authority has been a leader in helping to revive ferry service in the region. We have spent nearly \$10 million to build new ferry piers and upgrade existing ones in both states. Ferries are a convenient mass transit option, which ease congestion at bridges and tunnels and on Manhattan streets."

Mr. Timothy S. Carey, President and CEO of the Battery Park City Authority, said, "The Port Authority's new state-of-the-art ferry terminal is one more sign that growth and renewal are continuing at Battery Park City. We are pleased that greater comfort and convenience will mean better service for the thousands of ferry riders who live in, work and visit Battery Park City every day."

Bids for the new ferry terminal are due by October 17, 2002, and a contract will be awarded in December. Construction of the new terminal is scheduled to be completed by June 2004.

The existing temporary ferry terminal has two ferry slips and accommodates 250 landings per day. The new terminal will provide:

- Five ferry slips that will accept both side- and end-loading vessels.
- A larger passenger waiting area to reduce crowding.
- Improved amenities, such as separation of arriving and departing passengers, restrooms, concessions, additional seating and improved lighting.

The new terminal will include two ramps, allowing for better passenger flow on and off the vessels and helping to prevent overcrowding on the esplanade.

The Port Authority consulted with residents of Battery Park City to ensure that the project will have minimal impact on residents of the surrounding community.

## Panama Canal: Witnesses 40% reduction in accidents

ON October 2, The Panama Canal Authority (ACP) announced that the Panama Canal has set a new safety record relating to maritime accidents. The total number of maritime accidents occurring in the Panama Canal for the past two fiscal years - 2001 and 2002 - represents a forty percent reduction from the two previous years, 1999 and 2000.

From 2001 to 2002, 34 maritime accidents took place out of a total of 26,678 transits. This compares with 57 maritime accidents in the fiscal years 1999 and 2000, and 56 maritime accidents for the years 1997 and 1998. The 2002 fiscal year ended on September 30.

"Today's announcement demonstrates to the world that the ACP means business. Reducing accidents and improving

safety is absolutely paramount to our customers and to us. We are clearly seeing dividends from our total focus on continued capital improvements, development of a top-notch workforce and management team, and investment in new equipment and technology," said ACP Administrator Mr. Alberto Alemán Zubietta.

Since it assumed control of the Canal, the ACP has steadily reduced the number of maritime accidents: from 29 accidents in fiscal year 2000 to only 17 for both 2001 and 2002. According to the ACP's Maritime Operations Director, Mr. Jorge Quijano:

"The last time we had two consecutive years with such low numbers was in 1922 and 1923 with 10 accidents in each year. However, there were only 2,736 transits in 1922 and 3,960 transits in 1923, which is less than 30 percent of the 13,000 plus transits in 2002."



## Vancouver: Seeks broad-based support for legislative change

THE Vancouver Port Authority (VPA) is looking for support from transportation and trade-dependent industries across Western Canada as it intensifies efforts to achieve legislative changes it sees as vital to the future of Canada's ports. A federal review panel began its formal consultations with western stakeholders on this issue on October 11 in Winnipeg.

The VPA is seeking a variety of changes to the Canada Marine Act, to better position the Port of Vancouver and other national ports to compete effectively with their U.S. counterparts and to continue to serve vital national trade development interests.

"We're at a pivotal point in terms of the health of Canada's ports and their abilities to serve as vital links in Canada's trading relationships," said Captain Gordon Houston, President and Chief Executive Officer, Vancouver Port Authority. "We have identified legislative changes that will enable Vancouver to be the port of choice on the west coast of North America. Without them, we foresee more erosion in our competitive position, and that has major implications for industries and individuals across Western Canada."

The Port of Vancouver is a significant economic force across Western Canada.

The number of jobs directly dependent on trade activity at the Port of Vancouver is estimated at 3,550 in Alberta, more than 900 in Saskatchewan, and approximately 1,100 in Manitoba. Most of this employment is with rail carriers and in services related to transportation and agriculture. Wages associated with it total \$286 million.

Even more significantly, the Port of Vancouver is the key gateway to the Pacific Rim and global markets for the agriculture, mining, forestry, manufacturing and other export-dependent industries that are the foundation of the Western Canadian economy. Bulk cargo accounts for 81 per cent of the throughput of the Port, totalling 61 million tonnes. The provinces of Alberta, Saskatchewan and Manitoba export significant volumes of bulk coal, agricultural products, fertilizers, and petrochemicals through the Port of Vancouver.

The biggest threat to the Port's long-term future, Houston said, is insufficient access to capital for infrastructure investments. Such investments are essential to maintain competitiveness and capture business growth opportunities.

With sufficient capital investment, Houston said the VPA has the opportunity to dramatically increase its already significant economic contributions, and to create a large number of new jobs across Canada. Market and economic assessments indicate that the Port's total contribution to GDP (including indirect and induced impacts) has the potential to grow from \$3.4 billion in 2001 to \$6.4 billion in 2020. Houston added, however, that



the existing legislation will not support the required level of investment.

"Currently, we're mandated to operate on a cost-recovery basis and deliver revenue to various levels of government," said Houston. "We're compelled to act on the basis of often narrow and short-term revenue-maximizing considerations, and we have only a fraction of the investment capacity of competing ports in the U.S.

"This approach doesn't account for the strategic importance of ports as a component of public transportation infrastructure. And it won't serve either our user groups or our national economy well in the long-term. It's clear from current trends that many Canadian ports are facing growing competitiveness challenges and some may even be headed towards failure."

Among the specific legislative changes the VPA seeks are amendments that will:

- allow full reinvestment of operating profits (end stipend payments to federal government);
- remove a cap on commercial borrowing;
- resolve the issue of payments-in-lieu-of-taxes;
- provide ports with access to preferred borrowing vehicles;

- ensure assets from port land sales are held in trust for future re-investment;
- and remove the current prohibition on public investment in port infrastructure.

The growth opportunities identified by the Port of Vancouver range from a significant 17 per cent increase in bulk cargoes, to a massive 249 per cent increase in container traffic (between 2001 and 2020). However, none of this growth will be fully realized, Houston said, without the legislative changes now being sought.

"Growth potential on this scale provides compelling support for the legislative changes we seek," Houston said. "We look forward to making this case to the federal government, and anticipate strong support from port users and other stakeholders throughout the Western Canadian markets we serve."

The federal Canada Marine Act Review Panel has already held hearings in a variety of locations in Eastern and Central Canada. Hearings were held in Winnipeg on October 11, followed by a series of west coast hearings later in the month, and a final set of hearings in Ottawa in November. It will report to the federal transportation minister early in 2003.

the internal structure of ESPO. The new Executive Committee has been a great success - we need to build on that. The important thing is to ensure maximum involvement of everyone in a complex and rapidly evolving industry.

All in all, I look forward to another fascinating two years."

The General Assembly further elected Giuliano Gallanti (Assoporti, Italy) and Ms. Maria Nygren (Ports of Sweden) as Vice-Chairmen.

It was the first time that the General Assembly of ESPO met in an accession country. As from 2004, five countries, which are currently observer members in ESPO, will join the association as full members. It concerns Poland, Latvia, Lithuania, Cyprus and Malta. Contacts are being established with port associations in Estonia and Slovenia to ensure a full representation of all future EU maritime member states in 2004.



## ABP Ipswich: Seeing trade volume rises resulting from new business

**T**RADE volumes at Associated British Ports' (ABP) Port of Ipswich are set to increase by some 150,000 tonnes per annum, following the signing recently of a major new contract with Southern Cement.

Building-supplies company, Southern Cement is expected to import around 150,000 tonnes of cement from Bremen, Germany, and Gemlik, Turkey, for distribution to East Anglia and South-East England. The company has invested around £1.5 million upgrading the port's No. 1 Shed into a dedicated terminal complete with two storage silos and a state-of-the-art packing plant.

Mr. Robert Smith, Port Manager, ABP Ipswich, said:

"This contract is good news for the port, providing a substantial boost to our existing bulk trades. I look forward to developing a solid, long-term partnership with Southern Cement."

Mr. Barry Neale, Managing Director, Southern Cement, said:

"Ipswich is ideal for our requirements, both in terms of location and facilities. Our investment in the new terminal demonstrates Southern Cement's confidence in the port and I am sure we will have a successful future here."

## Africa/Europe



### ESPO: Mr. David Whitehead re-elected as ESPO Chairman



**T**HE General Assembly of ESPO, which met in the Polish port city Gdansk on October 18, re-elected Mr. David Whitehead (British Ports Association) as its Chairman for another term of office of two years.

In his statement following the elections, Mr. David Whitehead said:

"It is a great honour to have been re-elected. Above all else ESPO is a team effort and I look forward to working with my two vice chairmen, the secretariat

and everyone connected with ESPO over the next two years.

My first term coincided with the publication of the 'ports package' and the port services directive. I have no doubt that the challenges these created for the industry have given ESPO a new sense of purpose and direction. They have made us think hard about our positions on some key issues and I believe we've emerged stronger.

As to the future, security is going to be a major issue in 2003 and already we're getting prepared by using the skills and experience available to us within the membership. ESPO members create a remarkable network. There are great opportunities to use this expertise for everyone's benefit across a range of issues.

We will also be taking another look at



## ABP Southampton: Giant bulk ship discharges port's largest load

**T**HE volume of cargo and size of bulk ship being discharged at Associated British Ports' (ABP) Port of Southampton reached a record high over the weekend.

The 95,772 DWT Yeoman Bridge discharged 36,000 tonnes of cargo at the port, the single largest volume of dry bulk cargo handled at Southampton this year.

The vessel, which is also the largest bulk ship to call at ABP Southampton, is nearly 250 metres long and spanned several berths at the port's multi-user bulk terminal as it self-discharged 30,000 tonnes of granite and 6,000 tonnes of sand.

The arrival of Yeoman Bridge comes in the wake of ABP's announcement that it is investing £1.5 million in upgrading its facilities at the Port of Southampton's bulk terminal.

Mr. Andrew Kent, ABP Port Director, Southampton, said:

"Southampton can accommodate virtually any size of ship and cater easily for larger volumes of cargo, which is why ABP continues to invest in improving the efficiency of our terminal operations."

It is expected that Yeoman Bridge, owned by Foster Yeoman – a long-established customer of the port – will become a regular visitor to ABP's Port of Southampton adding to the capacity of their existing vessels which call at the port and allowing greater flexibility with the company's shipping program.

Mr. John Yeoman, Managing Director, Foster Yeoman Ltd, said:

"Southampton's ability to receive all our ships, including the Bridge-class, makes it the ideal choice for us and our customers. We look forward to developing our business further with ABP Southampton, and to making an increas-

ingly valuable contribution to the aggregates needs of Hampshire."

The granite cargo, shipped from Foster Yeoman's Glensanda Super Quarry on the West Coast of Scotland, will be used in road and rail construction programs.



## Gambia: Inter-port Cooperation

**W**ITH the aim to reinforce co-operation amongst member ports of the sub-region, the Port Management Association of West and Central Africa (PMAWCA) advocated the establishment of links geared towards strengthening relations amongst Ports. Along these lines and with a view to cementing ties already existing at bi-lateral level, the Gambia Ports Authority (GPA) engaged in the initiative to forge inter-port co-operation with sister Ports in the sub-region and beyond. In this regard, agreements were signed with the sister ports of Senegal, Cape Verde, Ghana, South Africa, Taichung in Taiwan and Nigeria. Also, discussions are underway with the ports of Guinea Bissau, Sierra Leone as well as the Port of Houston in the US, and it is expected that agreements will be reached soon.

Fundamentally, the scope of these agreements covers, but not limited to:

- Training and exchanges of staff
- Exchange of experts and undertaking of studies of mutual interest
- Establishment of common positions at international fora
- Technical co-operation/assistance in port management
- Development of strong social and cultural ties



## Hamburg: HANSAPORT - Germany's leading seaport terminal for coal and ore

**H**AMBURG transshipment terminal handles 10.19 million tons of mineral dry bulk in first six months of 2002, increasing volume throughput by 8.4%.

The volume of mineral dry bulk handled at the Port of Hamburg has been making strong gains since 1998. The increase in transshipment volumes of imported ore and coal has played a key role in this development. During the first six months of the current year, 107,000 t more coal and 518,000 t more ore were handled in the Hamburg facility. The ore and coal transshipments both set new record highs over the past twelve months with 9 and 4 million tons handled respectively.

The increase in volume of coal can be attributed to coal imports for power generation plants in Germany. The increase in ore volume stems from rising levels of copper ore imports and a shift in material flows for the steelmaking industry in northern and central Germany to Hamburg's port for transshipment. Iron ore accounts for the largest portion of ore being transported through Hamburg on its way to foundries in Lower Saxony and Brandenburg. Hamburg steel producer ISPAT primarily uses scrap metal as raw material. There was an increase of 1.3 million t of imported copper ore bound for processing at the Hamburg Norddeutsche Affinerie (NA) coppersmelter. Volumes increased due to increased smelting capacity.

## HANSAPORT

In the first six months of this year, 6.052

THE FAST LINK



PORT OF HAMBURG

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CONTAINERS VIA PORT OF HAMBURG

million t of coal and ore were discharged at the facilities of the HANSAPORT terminal operated by the HANSAPORT Hafenbetriebsgesellschaft mbH. This increased the volume of mineral dry bulk handled by 495,000 t (+8.2%) over the same period last year.

HANSAPORT has over 760 m of quay facilities in the Sandauhafen area of the Port of Hamburg. The mooring depth along the quays is 15.60 m at mean low water, allowing anchorage for bulk-cargo ships regardless of tide level. Rapid cargo discharge of the bulk-cargo ships is carried out at three discharging gantries with a hookload capacity of 32 tons.

HANSAPORT guarantees a discharge volume of 35,000 t of ore and 25,000 t of coal in 24 hours for ships with cargoes exceeding 50,000 t – 360 days a year. Nearly 100 per cent of the various grades of ore are loaded onto DB Cargo trains for transport to the steel industry centres of Salzgitter and Brandenburg. Approximately 130 ocean-going vessels and 1,500 inland barges have cargoes handled at HANSAPORT annually. Germany's largest dry-bulk terminal expects total incoming volume of 12 million t. Half of the imported coal handled by HANSAPORT Terminal consists of different grades of steam coal. The coal is loaded onto inland vessels for transport to power generation plants in Hanover, Berlin and Salzgitter.



### Klaipeda: Adopts Green Award recognition scheme



**K**LAIPEDA Port (Lithuania) has adopted the Green Award scheme. The new rules of application of port dues were approved by the Ministry of Transport and Communications, while the port authority and associations were closely involved in drafting the rules. Klaipeda Port is the first Baltic incentive provider of Green Award, the worldwide operating independent certification system for extra clean and extra safe seagoing vessels. The participation of Klaipeda Port implicates that this port grants premiums to Green Award vessels.

Klaipeda is an attractive transit port, connecting the main transportation corridors between the East and the West. It is the most northern ice-free Baltic seaport and is the most important crude oil port of the Baltic States. In 2001, the number of tankers calling at Klaipeda Port exceeded 600. The average amount of port dues paid by tankers of 20,000 dwt is about 20,000 euros. At Klaipeda Port, the Green Award vessels receive 5% premium incentive based on vessel dues.

A Green Award ship meets high, but manageable technical and managerial requirements. An increasing number of ports and nautical service providers recognize the value of Green Award and offer special rates and other advantages to Green Award vessels. The Green Award certificate confirms the high quality of the vessel and it contributes to a positive image of the ship owner with all the advantages this entails. More and more shipping companies apply for a Green Award for their vessels. Green Award checks on a yearly basis if a vessel still meets the requirements.

Nowadays 160 vessels have been certified. These vessels represent 11% of the relevant world tanker fleet that carry 25% of all seaborne oil. Since 2001 the Green Award certificate is also available for dry bulk carriers.



### Le Havre: New grab gantry crane soon operational at Multi-Bulk Terminal



**I**N June 1999, the Board of Directors of the Port of Le Havre Authority decided to replace the 15-ton gantry crane of the Multi-Bulk Terminal by a new 35-ton grab crane.

This gantry will very significantly

improve the reception of dry bulks and agri-bulks at the Multi-Bulk Terminal by especially increasing the average commercial output from 20,000 tons per day up to 30,000 tons per day.

Further to an international call for tenders, the PAH ordered this gantry crane in January 2001 from the Finnish manufacturer KONE CRANES INTERNATIONAL. After full manufacturing in the site of Hyvinkaa, the gantry crane left Hanko, the mounting plant of KCI in Finland, to be carried to Le Havre where it arrived a few days ago on the barge 'SCANBARGE 1' towed by the 'KRAFT'. It is scheduled to come on stream in early November at the site of the Multi-Bulk Terminal.

The new grab crane, weighing 1,100 tons, has a hoist capacity of 35 tons and an outreach of 45 m (shipside forward of the rail) for a hoist height of 28 m.

It should be reminded that in 2001 the Multi-Bulk Terminal handled 1.6 million tons including 0.70 million tons of coal, 0.16 million tons of cattle food, 0.70 million tons of dry bulk, 0.02 million tons of conventional cargo and 0.02 million tons of cereals.



Port of  
Rotterdam

### Rotterdam: Millionth container at ECT

**T**HE ECT Delta Dedicated West Terminal (DDW) handled its one-millionth container on Monday 7 October. The landmark was passed during the loading of the vessel MOL Solution. It comes just two-and-a-half years after the opening of this latest, fully-automated terminal in Rotterdam's Maasvlakte port area.

At the Delta Dedicated West Terminal, ECT uses the largest cranes available. These can work on ships up to 22 rows of containers wide. Automated guided vehicles (AGVs) are used for quayside transport, and the containers are stacked and unstacked in the storage area by automatic stacking cranes (ASCs).

"Thanks to the new AGV control system introduced recently, we have been able to further increase the DDW's productivity," says Mr. Jan Gelderland, Director of the ECT Delta Terminal. "So we expect to be able to process the next million containers within an even shorter period of time than the first." The new control system referred to by Gelderland is the program DynaCore. Thanks to this, the AGVs can now move

flexibly around the terminal rather than following fixed routes. This shortens the distances between stack and ship.

### MOL Solution

The MOL Solution, the vessel onto which the millionth container was loaded, is one of the most modern ships owned by Japanese company Mitsui OSK Lines (MOL). With a capacity of 6500 TEU, the vessel operates for The New World Alliance on its Japan-Europe Express service. The New World Alliance is a partnership between the MOL, APL and Hyundai shipping lines. Chris Bourne, Managing Director of MOL Europe, is pleased with the service offered at the DDW. "ECT

has become more attentive to our needs and wishes in recent years," he says. "The co-operation is good. ECT helps us to provide the best possible service to our clients. In these difficult times for everyone, that needs to be reiterated. But, of course, improvements are always possible."

### ECT Delta Terminal

The DDW is part of the ECT Delta Terminal on the Maasvlakte. The two other ECT facilities in the area are Delta Dedicated East Terminal (DDE) and the Delta Dedicated North Terminal (DDN). ECT also still has room for further expansion adjacent to the DDW. The quay here has already been built.

## Asia/Oceania

### Gwangyang: Launches third-stage project for Gwangyang Port



**T**HE Ministry of Maritime Affairs and Fisheries and the Korea Container Terminal Authority have begun the third-stage of a Gwangyang Port development plan, officials said on September 4.

The construction of a 1.4-km long quay and a 320,000-pyeong (1,056,000 sq. meters) harbor complex will cost 609.5 billion won and end in December 2006, the officials said.

Upon completion, the new container port will be able to manage 1.2 million TEUs (20 feet equivalent units) of cargo annually, they said.

"With the construction, Gwangyang Port will become the world's 12th largest container port with cargo handling capacity of 4.03 million TEUs compared to the current 2.83 million TEUs," a ministry official said.

The ministry also plans to develop 590,000 pyeong of hinterland into a support area to make the port an integrated

international logistics base by 2008. The ministry intends to promote investment of multinational firms into the logistics hub.

"When the construction project is completed as planned, Gwangyang Port will be fully equipped to become one of the logistics centers of the Northeast Asian region," the official said.



### Hong Kong: Signs declaration to join U.S. Customs Anti-Terrorist Initiative

**O**N September 23, Robert C. Bonner, Commissioner of the U.S. Customs Service, announced the signing of a declaration by Hong Kong to join the Container Security Initiative (CSI), a key U.S. Customs initiative designed to prevent global sea cargo from being exploited by terrorists to inflict harm on America and other nations of the world.

"I applaud the government of Hong

Kong for joining the U.S. Customs Service Container Security Initiative. Hong Kong has taken a very important step towards securing the global supply chain of trade, from Asia to the United States," said Commissioner Bonner.

Launched by U.S. Customs in January 2002, the CSI is designed to enhance the security of global maritime shipping, a vital link in world commerce. Some 200 million sea cargo containers move annually among the world's top seaports, and nearly 50 percent of the value of all U.S. imports arrive via sea cargo containers every year.

A core element of CSI involves placing U.S. Customs inspectors at foreign seaports to screen U.S.-bound cargo containers before they are shipped to America. U.S. Customs officials, working with their foreign counterparts, would be in a position to detect Weapons of Mass Destruction and other instruments of terror at these foreign ports. Because roughly 68 percent of the 5.7 million sea containers entering the U.S. annually arrive from just 20 foreign seaports, Customs is initially focusing on these "mega" ports as key crossroads in the global trading system.

Under the agreement reached today, Hong Kong becomes an important CSI port in Asia. U.S. Customs is working with Hong Kong on the details of the project, which will involve placing a small team of U.S. Customs inspectors in Hong Kong. U.S. Customs inspectors will work jointly with authorities in Hong Kong to pre-screen and target high-risk cargo containers bound for America.

The port of Hong Kong is one of the world's largest. It ranks number one in the world in terms of the number of cargo containers handled. It ranks number one in terms of the flow of containers into the U.S.

Hong Kong is positioned at a key crossroad in the global trading system, with a high potential to detect items of concern. Last year, nearly 560,000 sea cargo containers entered America from the port of Hong Kong.

Earlier this year, U.S. Customs reached accords with Singapore, Canada, the Netherlands, Belgium, France, and Germany to exchange Customs inspectors at select seaports to prescreen containers bound for each nation. The U.S. Customs Service is currently in discussions with several other nations, including countries in Europe and Asia, about forming partnerships under CSI.





## Japan: Joins U.S. Customs Container Security Initiative

ON September 25, the U.S. Customs Service and Japanese Customs and Tariff Bureau announced in Tokyo the sealing of the declaration of principles to participate on a pilot basis in the Container Security Initiative (CSI).

CSI is a U.S. Customs initiative designed to prevent the smuggling of terrorist weapons in ocean-going cargo containers. Under terms of the declaration announced today, U.S. Customs officers will be stationed on a pilot basis at the ports of Tokyo, Nagoya, Kobe and Yokohama. Japanese Customs officers will be stationed in the United States at ports to be determined by the Japanese Customs and Tariff Bureau.

"I applaud the Japanese Customs and Tariff Bureau for joining the Container Security Initiative (CSI)," said Commissioner Bonner. "This joint declaration of principles will help secure the global trading system as a whole, and in particular, it will provide increased security for trade between Japan and the United States."

Launched by U.S. Customs in January 2002, CSI is designed to enhance the security of global maritime shipping, a vital link in world commerce. Nearly 50 percent of the value of all U.S. imports arrives via sea cargo containers every year.

One element of CSI involves placing U.S. Customs personnel at key foreign

seaports to work with their foreign counterparts to target and pre-screen U.S.-bound cargo containers before they are shipped to America. Since approximately 68 percent of the 5.7 million sea containers entering the U.S. annually arrive from 20 foreign seaports, U.S. Customs is initially focusing on these "mega" ports as crossroads in the global trading system.

U.S. Customs will place a small team of Customs personnel in Japan equipped with U.S. targeting databases. They will work jointly with Japanese Customs officials to target sea containers bound for America. Japanese Customs officials, assisted by U.S. Customs personnel, will be responsible for screening any containers identified as a potential terrorist risk.

The ports of Tokyo, Nagoya, Kobe and Yokohama are among the top 20 "mega-ports" of the world. Nearly eight percent of all sea containers arriving in the U.S. are shipped from these four Japanese

ports.

In addition to Japan, the U.S. is implementing CSI with Canada, the Netherlands, Belgium, Germany, France, Singapore and Hong Kong. The U.S. Customs Service is currently in discussions with several other nations, including countries in Europe and Asia, to expand the CSI network of ports even further.

"I cannot overstate the importance of the Japanese Customs and Tariff Bureau joining CSI. With the major ports of Japan, 11 of the top 20 ports in terms of cargo containers shipped to the U.S. will be implementing the Container Security Initiative. But we are not stopping with the top twenty ports," Commissioner Bonner said. "We started this program with the 20 largest seaports because it makes sense to do so. But these 20 ports represent the beginning of the program, not the end."



## Kuantan: Being groomed as petrochemical hub

TO realize its vision of transforming Kuantan Port as a petrochemical hub port, the Kuantan Port Consortium Sdn Bhd has constructed a third liquid chemical berth known as the LCB3 at the new inner harbor basin. Kuantan port is located on the East Coast Industrial Corridor of Peninsular Malaysia.



The new 240-meter LCB3 is an addition to the existing two liquid chemical berths measuring 480 meters in length which is scheduled to open for commercial operations by mid 2002. When completed, the three berths will be able to accommodate three (3) million tons of liquid petrochemicals annually. The

## Tokyo News Service's Website

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

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



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

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

Tokyo News Service, Ltd.



LCB3 is considered as a timely project as large volumes of petrochemical products, generated from giant petrochemical complexes in Gebeng, Pahang and Kertih, Terengganu, are expected to move through Kuantan.

The Malaysian government's efforts to turn Gebeng and Kertih into world-class petrochemical hub have taken shape with the expansion of Kuantan Port to meet the increasing traffic and higher demand for superior port facilities. The setting up of the Central Utility Facilities and Central Tankage for petrochemical products together with the Common Pipe Rack Facilities in the Kuantan Port area have truly trans-

formed Gebeng and Kertih as world-class manufacturing belts for chemicals and petrochemical-related industries.

In addition to the excellent infrastructure facilities and services offered by the Port, a dedicated 75-kilometer railway line provides safe transportation for petrochemical products, offers access to targeted regional customers and links Kuantan to Ports of Gebeng and Kertih. Malaysia's proximity to fast growing markets in Asia Pacific, China, the Indian sub-continent, Australia and Saharan Africa has benefited the petrochemical industries in the East Coast Industrial Corridor.



### Osaka: Sees completion of first high-standard terminal C-11

**T**HE long-awaited and epoch-making high-standard container terminal C-11 has been completed in Osaka Port, and the Osaka Port Corporation on September 1 let Taipei (Taiwan)-headquartered Evergreen Marine Corp. (EMC) start to operate the new C-11 terminal.

The C-11 terminal sits on Yumeshima Island in the south district of Hokko (north port), which is the third man-made island constructed in Osaka Port following the first two on Sakishima in the Nanko (south port) district. The new

C-11 Terminal (draft: 15 meters, length: 350 meters, yard depth: 500 meters, total area: 175,000 square meters) is the first high-standard terminal in Osaka Port. It boasts of an excellent appearance and functions suitable for the new era.

Having moved to the new C-11 Terminal from the Nanko C-3 Berth (total area: 104,610 square meters), EMC has set up a two-berth operation system along with the C-10 Berth (length: 70 meters, yard depth: 350 meters) for provisional use, more than doubling its operational capacity in real terms as a result, compared to its former capacity in the C-3 era.

This year, which witnesses the opening of the C-11 Terminal, also marks the commemorative 25th anniversary for both Osaka Port and EMC since EMC made its first port-of-call at Osaka.



### PAT: Bangkok Port promotes rail container transport

**I**N support of the government's policy to promote the country's industrial and agricultural products, the Bangkok Port (BKP) is presently implementing various measures aimed to address various concerns relating port tariff, facilities and transport/handling of products.

Among such measures involve development of multi-modal transport system and logistics business and the amendment of regulations and upgrading port facilities and equipment in the handling/transport of containers through rail. These will facilitate clearing of inbound containers out of the Customs area and in carrying out-bound consignments through the port and into the BKP area. In support of such measures, the Port Authority of Thailand has likewise reduced lift-off charges by 20%. In furtherance of the afore-cited policy, BKP is considering expanding market through establishing ties with business allies from the government and private sectors.

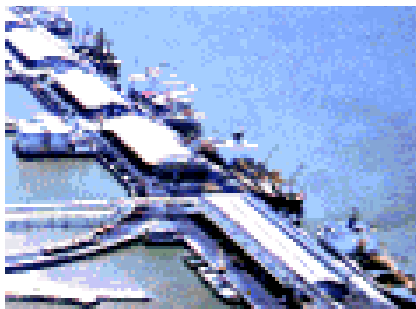
Compared to last year figure for the same period, BKP port performance in the first half of 2002 showed the following numbers: vessel calls increased by 5.20% to reach 1,235 calls; cargo throughput handled grew by a modest 2.23% to peak at 6.758 million tons while container volume was registered at 536,379 TEUs or an increase of 1.45 %.



### Penang: Upgrades port facilities

**T**HE Penang Port Commission (PPC) has lined various development projects designed to address current and future requirements for port services as well to take advantage of increasing opportunities for commercial activities.

The Swettenham Pier has been earmarked for redevelopment which entails the upgrading of the pier as a dedicated cruise terminal. The proposal to redevelop the Pier has been approved by the Malaysian government



and an initial allocation of RM65 million has been allocated under the 8th Malaysia Plan. The management of PPC and Penang Port Sdn. Bhd. is currently working out the details of the project with authorities concerned.

The infrastructure work includes the construction of a 400-meter wharf with two (2) breast dolphins and the provision of commercial center, duty free area and recreational facilities at the

cruise terminal. Construction work is scheduled to commence by end of 2002 and completed by the end of 2004.

A Marina Base shall likewise be built adjoining the cruise terminal at Swettenham Pier which is envisioned to act as catalyst in the development of the tourism industry and serve as South-East Asian "drop-off point" for super yachts. The proposed Marina and its attendant facilities are able to handle some 90 boats and yachts. The project is estimated to cost around RM18.1 million to be funded by the Malaysian government. The construction project is set to start by the third quarter of 2002 and shall become operational by early 2004.

With the development of Marina Base, Penang foresees to be host to some of the international events such as the annual Raja Muda Sailing Regatta, super yachts and boat shows.

gies with ports such as the Port of Seattle, Dalian Container Terminal, Voltri Terminal Europa (VTE) and Venice Container Terminal to develop, manage and market the PSA's Port Community System to the United States of America, the northeastern China region, Genoa and Venice in Italy respectively.

PSA Corporation's Port Community System is the world's first nation-wide business-to-business (B2B) port and shipping e-community. It encapsulates 18 years of IT (Information Technology) and operational domain knowledge, as well as scalability and reliability of information handling. Accessible via either VPN (Virtual Private Network), EDI (Electronic Data Interchange) or via browsers, the new system promises the South African port community timely and accurate information flow, reduced cost of operations, efficient operational flow and faster response time. The variety of its modules includes online ordering and documentation systems, and facilitation of fulfilment and track-and-trace services.

Portnet.com will supply the South African ports with a range of e-commerce development software, including Application Server, Web Server and Portal Server customised to suit the South African ports' service requirements. Staff from the six South African ports will also undergo training on Portnet.com's technology solutions by technical teams from Singapore.



### **PSA: Portnet.com launches nation-wide port community system for South Africa**

**P**ORTNET.com Pte Ltd (Portnet.com), a fully-owned subsidiary of PSA Corporation has signed an agreement with the National Ports Authority of South Africa (NPA) on September 6, 2002, to market, implement and operate the first nation-wide Port and Shipping Community System for South Africa. The project is estimated to worth more than S\$8 million.

The agreement was signed by Mr Siyabonga Gama, Chief Executive Officer, National Ports Authority of South Africa and Mr Oh Bee Lock, Deputy Managing Director, Portnet.com Pte Ltd. Under the agreement, Portnet.com will implement its proprietary port community system for six ports in South Africa - Cape Town, Durban, East London, Port Elizabeth, Richards Bay and Saldanha.

"Singapore is one of the world's best managed ports. We figure that if the Port Community System has been tried, tested and proven there, it can be successfully customised to do the required job here. It is our plan to run a world-class port system in South Africa," said Mr Siyabonga Gama, Chief Executive

Officer, National Ports Authority of South Africa.

"Technology has made it possible for PSA to achieve productivity and service breakthroughs for the benefit of its customers. We are honoured that the National Ports Authority of South Africa has given us the opportunity to share our technology with their ports," said Mr Ng Chee Keong, Group President and CEO, PSA Corporation Ltd.

Mr Robert Yap, Managing Director, Portnet.com Pte Ltd / Executive Vice-President (Information Technology), PSA Corporation said, "Through this partnership with the National Ports Authority of South Africa, PSA will be bringing close to two decades of its experience and expertise in building port community systems to South Africa. We are confident that our system will benefit the South African maritime community and support NPA's aim to run a world-class port system."

The development of South Africa's first port community system is in line with Portnet.com's vision of initiating global platforms with like-minded partners from the shipping community and ports around the world. Working in partnership with leading technology companies like Cisco Systems, Frontline, Oracle and Sun Microsystems, PSA hopes to add greater value to its customers' international business through the establishment of a global maritime e-business community. Portnet.com has forged similar syner-

### **Singapore: Signs declaration to join U.S. Anti-Terrorist Container Security Initiative**

**O**N September 20, Robert C. Bonner, Commissioner of the U.S. Customs Service, announced the signing of a declaration by the government of Singapore to join the Container Security Initiative (CSI), a key U.S. Customs initiative designed to prevent global sea cargo from being exploited by terrorists to inflict harm on America and other nations of the world.

"I congratulate the government of Singapore for becoming the first Asian port to join the U.S. Customs Container Security," said Commissioner Bonner. "Today's signing marks an important first for the global supply chain of trade, from Asia to the United States. Now our implementation work begins. Together, we can ensure that trade is facilitated while our mutual security is enhanced."

Launched by U.S. Customs in January

2002, the CSI is designed to enhance the security of global maritime shipping, a vital link in world commerce. Some 200 million sea cargo containers move annually among the world's top seaports, and nearly 50 percent of the value of all U.S. imports arrive via sea cargo containers every year.

A core element of CSI involves placing U.S. Customs inspectors at foreign seaports to screen U.S.-bound cargo containers before they are shipped to America. U.S. Customs officials, working with their foreign counterparts, would be in a position to detect Weapons of Mass Destruction and other instruments of terror at these foreign ports. Because roughly 68 percent of the 5.7 million sea containers entering the U.S. annually arrive from just 20 foreign seaports, Customs is initially focusing on these "mega" ports as crossroads in the global trading system.

Under the agreement reached today, Singapore became the first CSI pilot port in Asia. U.S. Customs officials are currently working with Singapore on the details of the project, which will involve placing a small team of U.S. Customs inspectors in Singapore. U.S.

Customs inspectors would work jointly with authorities in Singapore to pre-screen and target high-risk cargo containers bound for America.

The port of Singapore is one of the world's largest. While it ranks second to Hong Kong in terms of the number of cargo containers handled, Singapore ranks as the world's busiest transshipment/transit port. As such, Singapore is positioned at a key crossroad in the global trading system with a high potential for detecting items of concern. Approximately 80 percent of the containers handled in Singapore are transshipments. Last year, roughly 330,000 sea cargo containers entered America from the port of Singapore.

Earlier this year, U.S. Customs reached accords with Canada, the Netherlands, Belgium, France, and Germany to exchange Customs inspectors at select seaports to pre-screen containers bound for each nation. Singapore was the first mega-port to agree to join CSI. The U.S. Customs Service is currently in discussions with several other nations, including countries in Europe and Asia, about forming partnerships under CSI.

cargoes are naturally identified as being the two glamour exports of Southland but whilst they are important to South Port and growing steadily there are equally significant increases occurring in the industrial and forestry products sectors.

"The Company is successfully differentiating itself in the market and the directors are encouraged that numerous southern region importers and exporters appreciate our goal of South Port being the best cost distribution option."

The Chief Executive, Mr Mark O'Connor, commenting on the 2.1 million tonnes of cargo handled in the year ending June 30 said South Port is an important cargo distribution link for the region.

"We promote South Port as a multi-purpose port, which is capable of handling bulk, break bulk and niche containerised cargo," he says.

By playing to our strengths such as the availability of suitable land for port-side developments, break bulk expertise and operating flexibility we have achieved steady growth in cargo totalling 22% between 2000-2002 compared with 3.5% over 1990-99."

Mr O'Connor says the potential lift in cargo for 2002-2003 is likely to be more modest and that recent growth needs to be managed effectively to maintain service standards. However, the Port of Bluff's Island Harbour has available 9 hectares of land for further development and the Bluff foreshore has 6 hectares available. South Port sees excellent benefits in inland transport savings for those industries establishing facilities in close proximity to the port.

The future growth opportunities extend across the forestry sector with processed volumes rising and growth expected in the wood chip trade mid-decade; the dairy sector; agriculture with fertiliser-related imports becoming significant; and niche container trades.



## South Port NZ: Expects to keep growing

**S**OUTH Port New Zealand Ltd expects to keep growing, after a robust 2002 year, and is rivalling other listed ports in its return on equity, shareholders were told at the Company's Annual Meeting held at Bluff today.

"Anyone with capital invested looks to the return on that capital to determine whether or not their investment is successful," says the Chairman, Mr John Harrington. "This year the company's return on equity is 11.4%, which is a marked improvement on the unacceptable 6.4% obtained two years ago."

Mr Harrington says South Port shareholders have experienced an increase in the value of their shareholdings of 100% between July 1999 and July 2002. The latest year was the busiest in South Port's history (2.1 million tonnes throughput was achieved). "South Port experienced buoyant cargo activity levels across a wide range of industries in

Southland and Otago at the same time." "South Port is well positioned to benefit from a diversity of trade and to assist the establishment of both existing and new business," says Mr Harrington.

"We have the right strategy in place and a skilled and highly motivated management team and staff working the strategy.

"We rode on the back of Southland and Otago's economic growth, which was pushed along by a low exchange rate, good commodity prices and excellent climatic conditions." "Agricultural sector products such as dairy and meat

