Average container throughput: 19,000 TEUs per annum
Established: 1986
Available open storage area: 21,700 sq. meters
Total covered storage area: 2,850 sq. meters
Reefer points: 28 Nos.
Berth length: 101 meters

Second Vice-President
Mr. H. Thomas Kornegay
Executive Director
Port of Houston Authority
USA

Third Vice-President
Datin Paduka O. C. Phang
General Manager
Port Klang Authority

Conference Vice President
Mr. Siyabonga Gama
Chief Executive Officer
National Ports Authority of South Africa
South Africa

Immediate Past President
Mr. Dominic J Taddeo
President & Chief Executive Officer
Montreal Port Authority
Canada

Secretary General
Dr. Satoshi Inoue
IAPH Head Office
Tokyo
Japan

Maldives Ports Authority

Malé Commercial Harbour (MCH) is the only commercial port in the Maldives, providing services to ships that mostly bring imports to the country. However, with the influx of industries to Maldives the ship size at MCH are getting bigger, and this has influenced the Port Authority to increase its capacity. In 2003 the management of the port would be embarking on a project for increasing the length of the existing berth and terminal capacity through reclamation. The Government is also embarking on a new project for the development of 2 Regional Ports; one in the South and one in the North of the country. Related article on page 33.

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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.

**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/
Message from the Conference Vice President

Dear Delegate

On behalf of the National Ports Authority of South Africa, it gives me great pleasure to invite you to attend the 23rd IAPH World Ports Conference which will be held in Durban, South Africa, from 24 to 30 May 2003.

The previous 22 IAPH World Ports Conferences have been held in various countries, but never on the African Continent. This year in May it will be South Africa’s turn.

The academic programme is outstanding and there are full details in the brochure. Plus there is an unforgettable social experience in Durban, South Africa’s Kingdom of the Zulu.

To people from outside South Africa, we wish to say: Come visit us. We are confident that you will find this a fascinating country.

We look forward to a great conference and we want you to be part of it.

SIYABOGA GAMA
IAPH Conference Vice President
CEO: National Ports Authority of South Africa
PROVISIONAL PROGRAMME

Saturday May 24 2003

07:15-09:00 Breakfast for Committee Members
08:00-16:00 Registration
07:30-09:00 Officers Meeting with Chair and Members of the Finance Committee and Constitution & By-Laws Committee
08:30-09:00 Nominating Committee Meeting
09:00-12:00 Technical Committees Meetings
12:00-14:00 Lunch for Committee Members Only
14:00-15:20 Meetings of Group of Committees: Port Industry and Research & Analysis
• Cargo Operations • Ship Trends • Combined Transport, Distribution and Logistics • Port Planning and Construction
15:20-15:35 Coffee Break
15:35-17:00 Meetings of Group of Committees on Technical Affairs
• Port Safety, Environment and Marine Operations
• Dredging Task Force • Legal Protection • Trade Facilitation

SOCIAL PROGRAMME
18:00 Early Arrivals Cocktail Reception: Mitchell Pak (Durban)

Sunday May 25 2003

07:15-09:00 Breakfast for Committee Members
08:00-16:00 Registration
07:30-09:00 Officers Meeting with Chairman and Members of the Long-range Planning/Review Committee
07:30-09:00 Credentials Committee
09:00-10:30 Meeting of Group of Committees on Sustainment and Growth
• Membership • Communication and Networking
• Human Resources Development
10:30-12:00 Special Session with IAPH/IMO Interface Group Experts
12:00-14:00 Lunch for Committee Members Only
14:00-15:00 Regional Board Meetings:
• African/European Region • American Region
• Asian/Oceania Region
15:00-17:00 Full Board Meeting (Coffee Break Included)

SOCIAL PROGRAMME
09:00-13:00 Durban City Orientation Tour
18:00-23:00 Official Opening Ceremony and Dinner: ICC (Durban)

Monday May 26 2003

07:15-09:00 Breakfast for all
08:15-16:00 Registration
08:00-09:00 Officers Meeting
Honorary Membership Committee Meeting

BUSINESS PROGRAMME
09:00-12:30 OPENING CEREMONY
Presiding: Conference Vice President: Mr. Siyabonga Gama, National Ports Authority of South Africa
09:00-09:40 Prelude to the Opening Ceremony
09:40-10:00 IAPH President: Dr Akio Someya, Nagoya Port Authority (Japan)
10:00-10:30 Keynote Speaker: The Honourable Mr. Thabo Mbeki - President Republic of South Africa
10:30-11:00 Official Opening of the Trade Exhibition
11:00-11:30 Coffee Break
11:45-12:05 The Honourable Mr Alec Erwin (MP) - Minister for Trade and Industry, Republic of South Africa
12:10-12:30 The Honourable Mr Jeff Radebe (MP) - Minister for Public Enterprise, Republic of South Africa

Tuesday May 27 2003

07:15-09:00 Breakfast for all
08:15-16:00 Registration
08:00-09:00 Officers Meeting
Bills and Resolutions Committee Meeting

BUSINESS PROGRAMME
09:00-11:30 WORKING SESSION NO.2
Emerging Trends of World Shipping and Logistics
Chairperson: IAPH 2nd Vice President: Mr. Thomas Kornegay, Port of Houston Authority (U.S.A.)
09:00-09:20 Dr. Alfred Baird - Professor of Transport: Research Institute, Napier University (Scotland)
Global Strategy of the Maritime Sector: Perspectives of World Shipping
09:25-09:45 Mr. Zia Rizvi - Consultant (Canada)
Problems Posed by Larger Container Vessels for Ports, Innovation and Possible Solutions
11:45 15:00 WORKING SESSION NO. 3
The Impact of IT, Logistics and Technical
Innovation on Ports
Chairperson: IAPH 3rd Vice President:
Datin Paduka O. C. Phang
Port Klang Authority
11:45-12:05 Mr. Robert Yap - Vice President:
Information Technology, PSA Corporation (Singapore)
IT and its Impact on Global Trade and Logistics
12:10-12:30 Joint presentation:
Mr. Emilio Arbos - Head of the
President's Cabinet, Port of Barcelona
(Spain)
Mr. Santiago Mila - International
Cooperation Director, Port of Barcelona
(Spain)
The New Role of of Port Authorities as Innovation Promoters and the
Role of New Technologies
12:45-13:45 Lunch
14:00-14:20 Mrs Cleopatra Doumbia-Henry - Deputy
Director: Sectoral Services, International
Labour Office (Geneva)
A Perspective of Sustainable HR Development
14:25-14:35 Questions and Answers
14:40-17:30 IAPH OPEN FORUM: FOCUSING ON THE
ACTIVITIES OF THE IAPH TECHNICAL
COMMITTEES (Coffee Break Included)
ACCOMPANYING PERSONS’ PROGRAMME
10:45-15:00 Meet the Rainbow Nation: South Africa, a country of
many cultures
SOCIAL PROGRAMME
18:30-23:00 Reception by the Port of Shanghai: ICC (Durban)

Thursday May 29 2003
07:15-09:00 Breakfast for all
08:15-16:00 Registration
08:00-09:00 Officers Meeting
Bills and Resolutions Committee Meeting

BUSINESS PROGRAMME
09:00-12:45 WORKING SESSION NO. 5
Challenges for the future
Chairperson: IAPH Immediate Past President:
Mr. Dominic Taddeo, Montreal Port Authority
(Canada)
09:00-09:20 Dr. Gustaf De Monie - International Port
Consulting, BVBA (Belgium)
New Partnerships within Ports: The
Future of Port Authorities
IAPH ANNOUNCEMENTS & NEWS

PORTS AND HARBORS March, 2003

09:25-09:45 Mr. Sithembiso Mthethwa - CEO, Dudula CSX W orld Terminals (South Africa)
Port Restructuring and Transformation

09:50-10:10 Mr. Fernand Gauze - Secretary General, PMAW CA (Nigeria)
Regional Perspectives: Future Challenges of the African Ports

10:15-10:35 Mr. Thomas Falknor - Senior Vice President, International Container Terminal Services (Dubai)
Challenges for the Future Restructuring of the African Ports: A Private Sector Perspective

10:40-11:00 Questions and Answers

11:00-11:30 Coffee Break

11:45-12:05 Mr. Lu Haihu - Port Director, Shanghai Port Authority (China)
Waterfront Developments

12:10-12:30 Mr. Peter Mollema - Unit Manager: Development, Port of Rotterdam (The Netherlands)

Venue
Durban International Convention Center

Registration and Information Desk
The main information and hospitality desk will be located at the ICC. There will be an opportunity to register on Saturday 24 May 2003 before the conference.

Business Center
A Business Center will be at the disposal of delegates during the conference on the ground floor level of the International Convention Center. Services that will be offered are: Photocopies, W ord processing, Assembly and binding of documents, Rental of cellular telephones, Postal and messenger services. E-mails services are available in the Internet Cafe near the Business Center.

Conference Language
The conference language is English with French, Spanish, Japanese and Mandarin interpretation. English is understood and used throughout South Africa, especially in all major centers and at tourist attractions.

GENERAL INFORMATION

There are eleven official languages, reflecting the various ethnic groups and regions of the country.

Immigration and Visas
All visitors must have a valid passport. Please consult your closest South African Embassy well in advance regarding visa requirements. The onus is on the delegate to ensure that he/she meets all entry requirements. Visit the website: www.home-affairs.gov.za/visas.asp

Temperature and Recommended Clothing
Durban with its subtropical climate, makes it possible to swim and sunbathe all year round. May in Durban offers roughly 7 hours of sunshine with the average temperature around 25˚C (72˚F) maximum and 13˚C (54˚F) minimum. Required clothing: Lightweight cottons and linens and rainwear.

Registration Badges
For security reasons, participants are requested to wear their registration badges at all proceedings and social functions.

Security
Like most cosmopolitan cities around the world, we advise tourists to take some precautions when visiting Durban.
• Do not walk alone on streets, particularly after dark.
• Walk only in well-lit areas and avoid dark alleys.
• Do not invite attention by carrying cameras or wearing exposed jewellery.
• When using taxis use only clearly marked taxis or those called by hotel staff.
• Store valuables, including airline tickets and passports in the safes provided at the hotels.

As part of an ongoing strategy to ensure the safety of the delegates attending the conference, the ICC works very closely with the City Police, South African Police Services (SAPS) and various other organizations. Updated lists of all major events coming to Durban, including IAPH 2003, are distributed to ensure that areas such as the beachfront and the area between the beachfront hotels and the ICC are secure. The City of Durban has closed circuit television cameras (CCTV) in place along the beachfront and the SAPS and Metro Police monitor them around the clock. The city also conducts a "Bobby on the Beat" programme, which includes horseback patrols, motorbike and bicycle patrols.

Friday 30 May 2003

TECHNICAL TOURS
09:00-15:00 Technical Tour of the Port of Durban OR
09:00-16:00 Technical Tour of the Port of Richards Bay
• Registration fee
  • IAPH Member: US$2200
  • IAPH Honorary Member: no charge
  • Non Member: US$2600
  • Additional Accompanying Person: US$865

What does your registration fee include?
• Delegate participation
• Entrance to spouses’ programme for one person
• Conference material
• Breakfast, coffee breaks and luncheons

SOCIAL EVENTS

The Social Events Committee are proud to present you with a social events programme bound to keep you talking for months to come. The social events programme will not only introduce you to the many sights, flavours and cultures of South Africa, but will take you on a journey, awarding you the opportunity to experience the meaning of truly “South African.”

Early Arrivals Cocktail
Sawubona - A hearty welcome to the African skies
Saturday 24 May 2003
For those delegates arriving early, join us in a Welcome Cocktail Reception, offering many opportunities for networking. Sample a taste of what Durban has to offer.

Official Opening Ceremony
Sunday 25 May 2003
After enjoying the sights and sounds of Durban, the 23rd IAPH World Ports Conference will open to the sounds of African beats at their best with the opening of the first IAPH Conference on the African continent. Join us for the Opening Ceremony at the ICC auditorium, followed by dinner.

African Cultural Evening
Tuesday 27 May 2003
The African Cultural Evening will leave you both breathless and enriched with song and dance from the voices of the African continent. Delegates will be treated to the traditional hospitality of the Zulu culture with traditional cuisine, music and dancing.

Shanghai Reception
Wednesday 28 May 2003
This evening belongs to your hosts for IAPH 2005, Shanghai. Allow them to take you on a brief and momentous journey towards the 24th IAPH World Ports Conference.

Hambani Kahle Dinner
Thursday 29 May 2003
Tonight we bid farewell to IAPH 2003, Durban and South Africa. The National Ports Authority of South Africa thanks you for participating in the 23rd IAPH World Ports Conference and welcomes you to an evening of wining, dining and dancing.

Technical Tours
Friday 30 May 2003
The Social Events Committee is proud to present you with two technical tour options, incorporating two of South Africa’s most important ports: The Port of Durban (09:00-15:00) and The Port of Richards Bay (09:00-16:00). (please see below)

Port of Richards Bay

The Port of Richards Bay is a dynamic port city considered to be the best planned industrial node in the world - the gateway to Africa and the Indian Ocean rim.

Only 26 years after the first vessel entered the new port in 1976, the port has lived up to the phrase ‘a giant has risen’. Rapid expansion has seen the establishment of, on average, one new berth every 18 months – proudly fulfilling its aim of being South Africa’s leading port in terms of cargo volumes. The port’s hinterland encompasses the northern KwaZulu-Natal, Gauteng and the Mpumalanga regions.

Initially built as a bulk port to export coal, the Port of Richards Bay has diversified into the handling of other cargoes. Richards Bay currently handles more than 80 million tonnes of cargo, which represents approximately 57% of the total seaborne cargo tonnage moving through South African ports.

Comprising 2,157 hectares of land surface and 1,443 hectares of water surface, Richards Bay is the largest port in South Africa. Only 40% of the land has been developed, which clearly illustrates what potential the future holds.

With an entrance channel depth of 22 metres and width of 300 metres, this deepwater port can accommodate vessels with a draft of 17.5 metres.

Richards Bay’s ideal eastern seaboard location, deepwater infrastructure, development potential, specialized cargo handling facilities and external rail connection to the hinterland all combine to position it as a world leader in terms of high-speed, high-volume cargo handling and swift vessel turnaround.
Activities Report

Conference of SOLAS Contracting Governments on Maritime Security


N introducing Mr van de Laar’s Report to the IMO London Conference on Maritime Security, I, jointly with him, express my hearty appreciation and thanks to IAPH Members for their cooperation and assistance given to him as well as the IAPH/IMO Interface Group during the past months since the IMO took up initiatives for safer and sustainable development of world maritime trade, immediately after September 11, 2001. IAPH Members’ voices and comments were the basis of the IAPH position and stance submitted to the IMO. My sincere respects and admiration also go to the IMO Secretary General, Mr. William O’Neil, for his leadership and guidance that has culminated in the amendment of the SOLAS, organizing so successfully the conference also adopted a series of measures to strengthen maritime security and prevent and suppress acts of terrorism against shipping. The Conference was held at the London headquarters of the International Maritime Organization (IMO) from 9 to 13 December.

The Conference and its outcome were of crucial significance not only to the international maritime and port community but the world community as a whole, given the pivotal role shipping and ports play in world trade. The measures represent the culmination of just over a year’s intense work by IMO’s Maritime Safety Committee and its Intersessional Working Group since the terrorist atrocities in the United States in September 2001.

The Conference was attended by 108 Contracting Governments to the 1974 SOLAS Convention, observers from two IMO Member States and observers from the two IMO Associate Members. United Nations specialized agencies, intergovernmental organizations and non-governmental international organizations such as IAPH also sent observers to the Conference.

The Conference adopted a number of amendments to the 1974 Safety of Life at Sea Convention (SOLAS), the most far-reaching of which enshrines the new International Ship and Port Facility Security Code (ISPS Code).

The Code contains detailed security-related requirements for Governments, shipping companies and port facilities in a mandatory section (Part A), together with a series of guidelines about how to meet these requirements in a second, non-mandatory section (Part B). The Conference also adopted a series of resolutions.

The International Ship and Port Facility Security Code (ISPS Code)

The purpose of the Code is to provide a standardized, consistent framework for evaluating risk, enabling governments to offset changes in threat with changes in vulnerability for ships and port facilities.

In essence, the Code takes the approach that ensuring the security of ships and port facilities is basically a risk management activity and that to determine what security measures are appropriate, an assessment of the risks must be made in each particular case.

This risk management concept will be embodied in the Code through a number of minimum functional security requirements for ships and port facilities. For ships, these requirements will include ship security plans, ship security officers, company security officers and certain onboard equipment.

For port facilities, the requirements will include port facility security plans, port facility security officers and certain security equipment.

In addition, the requirements for ships and for port facilities include monitoring and controlling access, monitoring the activities of people and cargo and ensuring security communications are readily available.

Because each ship (or class of ship) and each port facility present different risks, the method in which they will meet the specific requirements of this Code will be determined and eventually be approved by the Administration or Contracting Government, as the case may be.

Introduction

A new, comprehensive security regime for the international shipping and ports industries is set to enter into force on 1 July 2004 following the adoption by a week-long Diplomatic Conference of a series of measures to strengthen maritime security and prevent and suppress acts of terrorism against shipping. The Conference was held at the London headquarters of the International Maritime Organization (IMO) from 9 to 13 December.

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a port facility or for a ship, the Contracting Government will set the appropriate security level. Security levels 1, 2, and 3 correspond to normal, medium, and high threat situations, respectively. The security level creates a link between the ship and the port facility, since it triggers the implementation of appropriate security measures for the ship and the port facility.

Amendments to SOLAS

A series of Amendments to the 1974 SOLAS Convention was adopted, aimed at enhancing maritime security on board ships and at ship/port interface areas in the port facility. Among other things, these amendments create a new SOLAS chapter dealing specifically with maritime security, which in turn contains the mandatory requirement for ships to comply with the ISPS Code.

A new Chapter XI-2 (Special measures to enhance maritime security) is added after the renumbered Chapter XI-1 (Special measures to enhance maritime safety); some regulations are highlighted.

Regulation XI-2/3 of the new chapter enshrines the International Ship and Port Facilities Security Code (ISPS Code). Part A of this Code will become mandatory and part B contains guidance as to how best to comply with the mandatory requirements.

Regulation XI-2/6 covers requirements for port facilities, providing among other things that Contracting Governments should ensure that port facility security assessments are carried out and that port facility security plans are developed, implemented and reviewed in accordance with the ISPS Code.

Other regulations in this chapter cover the provision of information to IMO, the control of ships in port (including measures such as the delay, detention, restriction of operations including movement within the port, or expulsion of a ship from port), and the specific responsibility of Companies.

The Port Facility

To begin the process, each Contracting Government will conduct or have conducted port facility security assessments. Security assessments will have three essential components.

First, they must identify and evaluate important assets and infrastructures that are critical to the port facility as well as those areas or structures that, if damaged, could cause significant loss of life or damage to the port facility's economy or environment.

Second, the assessment must identify the actual threats to those critical assets and infrastructure in order to prioritise security measures.

Finally, the assessment must address vulnerability of the port facility by identifying its weaknesses in physical security, structural integrity, protection systems, procedural policies, communication systems, transportation infrastructure, utilities, and other areas within a port facility that may be a likely target. Once this assessment has been completed, the Contracting Government can accurately evaluate risks.

On completion of the analysis, it will be possible to produce an overall assessment of the level of risk. The Port Facility Security Assessment will help determine which port facilities are required to appoint a Port Facility Security Officer and prepare a Port Facility Security Plan. This plan should indicate the operational and physical security measures the port facility should take to ensure that it always operates at security level 1. The plan should also indicate the additional, or intensified, security measures the port facility can take to move to and operate at security level 2 when instructed to do so. It should also indicate the possible preparatory actions the port facility could take to allow prompt response to the instructions that may be issued at security level 3.

Port facilities will also be required to report certain security related information to the Contracting Government concerned, which in turn will submit a list of approved port facility security plans, including location and contact details to IMO.

Ships using port facilities may be subject to Port State Control inspections and additional control measures. The relevant authorities may request the provision of information regarding the ship, its cargo, passengers and ship's personnel prior to the ship's entry into port. There may be circumstances in which entry into port could be denied.

Resolutions adopted by the conference

The conference adopted 11 resolutions; the most important ones in relation to port facilities are outlined below:

Conference resolution 1 (Adoption of amendments to the annex to the International Convention for the Safety of Life at Sea, 1974, as amended), determines that the amendments shall be deemed to have been accepted on 1 January 2004 (unless, prior to that date, more than one third of the Contracting Governments to the Convention or Contracting Governments the combined merchant fleets of which constitute not less than 50% of the gross tonnage of the world's merchant fleet, have notified their objections to the amendments) and that the amendments would then enter into force on 1 July 2004.
Conference resolution 2 (Adoption of the International Ship and Port Facility Security (ISPS) Code) adopts the International Ship and Port Facility Security (ISPS) Code, and invites Contracting Governments to the Convention to note that the ISPS Code will take effect on 1 July 2004 upon entry into force of the new Chapter XI-2 of the Convention.

Conference resolution 3 (Further work by the international maritime organization pertaining to the enhancement of maritime security) invites the International Maritime Organization to develop, as a matter of urgency, training guidance such as model courses for ship security officers, company security officers and port facility security officers.

Conference resolution 5 (Promotion of technical co-operation and assistance) strongly urges Contracting Governments to the Convention and Member States of the Organization to provide, in co-operation with the Organization, assistance to those States which have difficulty in meeting the requirements of the adopted amendments.

The Secretary-General of IMO is requested to ensure that the Organization is able to address the future needs of developing countries for continued education and training and the improvement of their maritime and port security infrastructure and measures; and invites donors, international organizations and the shipping and port industry to contribute financial, human and/or in-kind resources to the Integrated Technical Co-operation Programme of the Organization for its maritime and port security activities.

Finally the Secretary General of IMO is invited to give early consideration to the Convention resolution pertaining to the enhancement of maritime security (ISPS) Code, and invites IMO and the ILO to establish a joint ILO/IMO Working Group to undertake more detailed work on comprehensive port security requirements. IAPH is represented on this Group.

Conference resolution 8 (Enhancement of security in co-operation with the International Labour Organization) invites IMO and the ILO to establish a joint ILO/IMO Working Group to undertake more detailed work on comprehensive port security requirements. IAPH is represented on this Group.

Committee Report

Trade Facilitation Committee

November 14, 2002, Marseilles, France

Attendants:

- Emili Arbós
  Port of Barcelona Authority, Chairman
- Santiago Milà
  Port of Barcelona Authority, Secretary General
- Richard Biagioni
  Port of Marseilles Authority
- Ian Flanders
  Port of London Authority
- Volhard Eldelbrock
  DAKOSY
- Jaime Luezas
  Puertos del Estado, Spain
- Maite Roman
  TFC Secretariat
- Dietmar Jost
  WCO Senior Technical Officer
Three representatives from Marseilles Customs

Presentation on the SOFI system by representatives from French Customs

First of all, the Chairman thanked the Port of Marseilles for hosting the meeting and the representatives of the French Customs for accepting to make the presentation of the SOFI system.

The representatives began by explaining the meaning of SOFI: “Système Ordinateurs Fret International” (International Freight Computer System). Its main function is the automation of processes involved in the import and export declarations through the French Customs. Several processes are excluded from this system: express freight procedures, the “procédure de dédouanement à domicile” (PDD), transit processes into the European Union, supplying operations, non-commercial goods and postal packages.

The SOFI system calculates automatically the consignment value and assigns its taxes and duties. In addition, it automatically informs the documentation required according to the different regulations and rapidly selects the circuit of the declaration. This system can be used by a PC not located at the place where the declaration will be presented: the declaration is prepared through the SOFI system and then delivered electronically to a Customs agent that presents it at the Customs offices.

There are four types of SOFI users: “main users”, “secondary users”, “UBD users” and “UBDD users”. “Main users” have a private PC and are identified by Customs by a special code; “Secondary users” use the PC of the main users as well as their code; “UBD users” use a PC offered by a Chamber of Commerce or a Port Authority and located at the offices of these institutions. Finally, “UBDD users” use a PC offered by Customs and located at its offices.

The tariffs for “Main users” are 150 euros per year plus a tariff per declaration sent through SOFI (3 euros import and 1.5 euros export and transit). “Secondary users” are requested to pay the tariff fixed by the “main user” (the one who rents its special code to the secondary user), while the “UBD” should pay the tariff fixed by the Chamber of Commerce or the Port Authority. Finally, the “UBDD” users pay a tariff of 4.8 euros and 4.05 euros for export and transit.

The Chairman thanked the representatives from Marseilles Customs for their interesting presentation and congratulated them on such an useful system.

Presentation on “WCO Initiatives for supply chain security and trade facilitation” by Mr Dietmar Jost, WCO Senior Technical Officer (documentation attached).

At the last TFC meeting, the hard work undertaken in the recent years by the World Customs Organisation (WCO) was stressed. The TFC has been following up very closely the WCO projects...
and Mr Alan Long, TFC member from the Port of Felixstowe, regularly attends the WCO Information Management Sub-Committee and reports to the Committee regularly.

Due to the importance of the WCO work and its consequences for ports, it was agreed to contact the World Customs Organisation in order to be informed directly by a WCO representative of the future plans and projects of such an important organisation.

Mr Dietmar Jost, WCO Senior Technical Officer and member of the UNCEFACT CSG, accepted the TFC invitation of presenting the most relevant WCO issues to the TFC members attending the meeting. The Chairman thanked him for accepting the invitation, especially as he came from Brussels just for the presentation.

Mr Jost began his presentation by explaining the WCO Customs Data Model project. He underlined that it was a G7 Initiative that, at the beginning of 2002, was moved to the WCO. The main objective of this project is to provide a common understanding of Customs information requirements through the establishment of standardized and harmonized information requirements and procedures. It supposes a first step towards a closer integration in customs procedures through the statement of a core data set agreement.

As Mr Jost explained, this Initiative is based on the following principles: Business process modelling, Use of EDI and e-commerce technology, Common data repository, Segregation of data requirements, Seamless transaction and a Single window environment. There are 161 data elements in the Data Model version 1 and each data set is structured into 7 categories: general; commodity/shipment identifiers; duty/tax calculation; country/place/location; persons/parties; transportation information and value-commercial transaction information.

Efforts are being made to include the most needed and reliable information and, although there is a great deal of information included in it, it is still necessary to include information that involves the whole logistics chain as well as complementary information regarding security issues, especially after the events of 11 Sept. Mr Jost affirmed that the WCO is working hard to fulfill these requirements and achieve a flexible and reliable set of data.

Regarding security issues, Mr Jost pointed out that, at this moment, security efforts had been taken just at the import side of a transaction and that, the USA' objective by its “Container Security Initiative” (CSI) is to focus its attention on controlling the export procedures.

Continuing, Mr Erdelbrock explained his experience when the US Customs visited the Port of Hamburg and Mr Milà commented that at the last UNCEFACT CSG meeting he expressed his disagreement regarding the selection of the “top 20 ports” by the USA’s Customs within the CSI. This selection divides ports into two categories: the “USA security complying” ports, favoured in their trade with the USA, and a second category of ports without this favour. This dramatically distorts trade and the free market rules.

Mr Jost noted that the USA’ CSI is a consequence of the short control of export procedures and goods and highlighted the need for a further development in these kinds of measures by each country. Mr Jost commented that focussing on export procedures will become the basis of security measures in the near future. Therefore, in Mr Jost’s opinion, the security measures to be undertaken are increasing the cooperation between Customs and exporters, who are the origin of the most important part of the required security information.

The attendants stated the need of a neutral institution that would certify a port as “reliable” instead of one country unilaterally (like the USA by the CSI). This institution should monitor and make country reports in order to study the accomplishment of the “mutual confidence” requirements.

However, the members attending agreed with Mr Jost in affirming that security measures such as the SCI would not be very effective in increasing security and that it should be achieved by risk management, co-operation and intelligence.

The next WCO initiative explained by Mr Jost was the “Unique Consignment Reference Number”. The Unique Consignment Reference (UCR) can be defined as a unique referring system for use between parties as a means of referring to a trade transaction and/or Consignment. Its aim is to reduce the number and different styles of references. It is not intended as a method of product identification.

Mr Jost informed that the UCR objectives were to:
- Define a generic and flexible mechanism to cope with most common scenarios in international trade
- Make maximal use of existing supplier, customer and transport references
- Enable customs authorities to facilitate legitimate international trade
- Provide customs with an efficient tool to exchange information between enforcement agencies

Furthermore, Mr Jost commented on the benefits of the use of the UCR and stressed that it will promote safe and secure borders by providing enhanced access to information at time of release, it will help to speed release, it will help in the management of the logistical chain and enhance just-in-time operations, it will eliminate redundant and repetitive data submitted by the carrier and the importer and it will reduce compliance costs.

As far as the UCR implementation is concerned, Mr Jost explained that in February 2002 a review of the UCR was initiated by the most important international trade organisations (ICC, IATA,...). The main conclusions from the comments from these organisations are that the concept is fully supported but there should be more flexibility on how it is developed.

Mr Jost indicated that this review process showed that the concept itself is correct but how it is developed should change. Consequently, the WCO is reviewing similar existing systems in several industry sectors in order to take advantage of the best solutions and to find common implementation rules.

To conclude, Mr Jost said that a final agreement on UCR is expected in January 2003 and reiterated that UCR is still a valid proposal for the trade and transport communities.

The Chairman thanked Mr Jost on behalf of himself and the attendants for his presentation and underlined that it helped the attendants to better understand these important projects. The attendants agreed that these kinds of presentations were highly valued and that it would be quite interesting to have the possibility of similar presentations at future TFC meetings.

After these two interesting presentations, the meeting continued with the proposed items of the meeting.

Agenda Item 1:
AGENDA & OPENING REMARKS

The Chairman commented that, as the attendants had received the documentation beforehand, some of the agenda items would be reviewed rapidly in order to concentrate the discussions on the most important issues. Then the agenda was approved with no amendment.
Agenda Item 2:  
MEMBERSHIP OF THE TFC

No amendment was made regarding the data of the TFC members attending.

Agenda Item 3:  
REPORTS TO THE COMMITTEE

As the Minutes of the Barcelona meeting had already been sent by e-mail and included in the documentation, they were approved without amendments.

Moreover, the Chairman commented that attendants could find the documentation of the Chairman’s report on the latest TFC activities included in the documentation and the Chairman’s report on the TFC’s latest activities that was required for the IAPH EXCO meeting held in Kobe.

In the report, and among other subjects, the chairman explained the involvement of TFC in the UNCEFACT and the new UNCEFACT structure adopted at the Plenary session in May 2002. The different groups were explained as well as their responsibilities.

As far as electronic developments are concerned, the document prepared by the Committee on Governmental Affairs of the US Senate was highlighted as a good explanation of the XML. It explains the importance of XML and why XML business standards are needed.

Regarding the XML business standards, the Chairman affirmed that this is a unique opportunity for IAPH to take an active part in this process and become the leading ports organisation. The Chairman explained that the TFC proposed to the IAPH Secretariat to contract an expert dedicated to studying processes and messages at ports, so that best practices and XML port messages could be recommended to all IAPH members in the ebXML initiative framework.

Agenda Item 4:  
INVOLVEMENT WITH OTHER ORGANISATIONS

The Chairman commented that information regarding a two-day Symposium on the development of measures to improve security of the international trade supply chain could be found in the dossier. Representatives of the International Maritime Organisation (IMO), International Council of Shipping and the IAPH attended (Mr van der Kruit, as IAPH Delegate for the Security Task Force attended representing IAPH).

As attendants could see, during the Symposium delegates expressed the need for the WTO to take the lead in achieving coordination amongst the many public and private sector stakeholders involved in the international trade supply chain. They agreed that a multilateral approach is necessary to manage this global concern and that the exchange of information supported by the use of modern information technology should provide the core elements of new standards to be developed by the WTO. Ultimate success will depend on the partnership between Customs and the trade to collect the necessary information to drive these processes.

Another document included in the documentation, as Mr Arbós pointed out, was “Data standardization approach of the WTO.” This document, prepared by the United States Customs Service, gives a good overview of the WTO Data Model and gives some recommendations to WTO to develop it efficiently.

The WTO Data model should become the finite universe of elements from which each customs administration chooses those it requires of traders to process their transactions electronically. The data elements can be imagined as words, and the data model as the dictionary containing all the words and their definitions. Electronic messages for international trade transactions will use only words and definitions from this dictionary so that importers, exporters, shippers, customs and others involved can communicate efficiently, and with the confidence that everyone else has the same definition for the words.

Among other recommendations, the US Customs recommends that WTO have regular consultations with the international trading community and it considers that they are essential to the usefulness and success of this effort.

The next subject discussed was the French “Traffic 2000” project. At the last TFC meeting, Mr Biagioni mentioned this project for the tracking of dangerous goods and the TFC Secretariat agreed to search for information regarding it. The information was included in the documentation.

Mr Biagioni explained that he had been at a presentation regarding this project around 6 months before and that he would ask for more information to Mr Jean Denel, from Le Havre Port, who is leading this project, in order to send it to TFC members.

As far as the new UNCEFACT structure is concerned, Mr Santiago Milà commented that the document included in the documentation and sent previously by email to TFC members was the one approved at the May Plenary meeting. Mr Milà underlined the relevance of the changes of this new structure and informed that the first UNCEFACT Forum took place at the beginning of September in Geneva. The Forum is the new event approved with this new structure, where all Groups meet at the same location at one time in order to facilitate closer liaison and full interaction as a single working body.

Continuing with UNCEFACT subjects, Mr Milà explained that the UNCEFACT Recommendation 21 on “Codes for types of cargo, packages and packaging materials” was still under review. So that the final version could not be delivered to attendants as agreed at the last TFC meeting. Mr Milà assured us that when it was approved, it would be sent to TFC members.

The last point of this agenda item was the “UNCTAD Questionnaire on Transport Documents in International Trade”. Mr Arbós commented that the Tokyo Secretariat had sent this UNCTAD questionnaire regarding the problem areas of documentation flow in maritime transport.

This questionnaire will be the basis for an UNCTAD study relating documentation flow in maritime transport as a consequence of the recommendation made by the attendants at the “UNCTAD Expert meeting on electronic commerce and international transport services”, held in Geneva in September 2001.

Mr Arbós explained that the Port of Barcelona had circulated it among private companies that normally deal with Bills of Lading and encouraged the TFC attendants to send it to private companies that deal with Bills of lading.

Agenda Item 5:  
PARTICIPATION IN OTHER INTERNATIONAL COMMITTEES

The Chairman commented that attendants could find the report on the 43rd meeting of the WTO Information Management Sub-Committee (IMSC) in the documentation. As they could see, the UCR and Data Model projects were discussed in depth, as Mr Jost had already informed the meeting.

Moreover, the Chairman referred to the Report on the Ship-Planning Message Design Group (SNMDG) Working Group meeting by Mr Kenji Itoh. As attendants could see in the documentation, the IAPH Secretariat delegated the attendance of the meeting to Mr Kenji Itoh, who is from the Japan Association for Simplification of International Trade Procedures (JASTPRO) as well as UNCEFACT Vice-Chairman.

Mr Itoh could attend only one day but he sent a complete report. As members could see from the documentation, very technical subjects were discussed at the meeting. Moreover, Mr Itoh, sent the presentation that he made on “Single window system for trade and port related procedures in Japan”.

Agenda Item 6:  
PROGRESS ON MARITIME ELECTRONIC STANDARDS

The Chairman explained that as Mr Inoue had visited the Port of Barcelona in July, he had taken the opportunity to explain to him personally the TFC project of taking an active role in the ebXML project. Mr Arbós highlighted that the establishment of the XML port standards must be carried out by the ports themselves and consider this a unique opportunity for IAPH to take the corresponding leading role within the port sector.
Mr Arbós stressed that it would be convenient if the IAPH approved it as a strategic project at the October EXCO meeting. Moreover, the constitution of a working team, depending on the TFC, and the cost of this team was proposed.

The documentation included several more letters exchanged between Mr Arbós and Mr Inoue regarding this subject.

Mr Arbós emphasised that the most important issue of this proposal, as he had stressed in his letters, is that it would change the role that IAPH had been playing since it was set up.

Mr Arbós informed that the EXCO meeting took place from 14 to 18 October and since Mr Inoue’s answer, with the final EXCO decision, had arrived on 5th November, it was not possible to include it in the documentation, as such, the Chairman delivered a copy to the attendants.

As attendants could read, the EXCO decided to keep the TFC current level of involvement in the ebXML project within the UNCEFACT circle, but to not go further. The EXCO was of an opinion that the effectiveness of ebXML might vary among IAPH member ports due to differences in business procedures and requirements. The EXCO said that IAPH could not afford the required budget without “assurance of tangible benefits to IAPH member ports at large”. Finally, it concluded to request TFC to continue the current involvement at the ebXML project by “taking active parts in discussions at UNCEFACT and providing opinions from the point of view of port authorities”.

All the attendants expressed their disappointment and agreed with the Chairman about this supposed re-thinking of the TFC role and activities.

Agenda Item 7: WORK PROGRAMME

As a consequence of the new technologies and the possibility of sending/receiving information electronically in an easy manner, Mr Arbós proposed to strengthen the contact between TFC members and the TFC Secretariat by e-mail.

Moreover, Mr Arbós proposed that a representative from a relevant organisation dealing with electronic commerce and trade facilitation be invited to make a presentation on the projects developed by them, following the example of the WCO and the French customs presentations at the present meeting. As a conclusion, Mr Arbós summarized his proposal to focus TFC meetings on presentations of important projects related to the Committee, increase the member participation by mail and reduce the number of meetings to an annual meeting. Mr Flanders pointed out that the Committee should meet at least once a year.

Mr Milà proposed that a dossier with documentation could be prepared and sent to TFC members and then the most important issues could be discussed by mail.

These proposals were approved. Regarding the IT Award, Mr Milà invited the ports attending the meeting to send the leaflet to organisations from these ports/countries that could take part in it.

Agenda Item 8: ANY OTHER BUSINESS

Finally, the chairman commented that people present could find within the set of documents several copies regarding international conferences, such as the “Convergence of Web Services, Grid Services and the Semantic Web for Delivering E-Services” Conference hosted by the European Commission; the “UNCTAD Experts’ Meeting on Trade Facilitation”; the UNECE Second International Forum on Trade Facilitation “Sharing the Gains of Globalisation”, and the 2nd Pan African Ports Conference.

Agenda Item 9: ARRANGEMENTS FOR NEXT MEETING

Following the previous discussion, Mr Jost offered to hold a TFC meeting in conjunction with a WCO meeting meeting in conjunction with a WCO meeting meeting in conjunction with a WCO meeting meeting in conjunction with a WCO meeting meeting in conjunction with a WCO meeting.

SCOPE OF PROJECT ON CRUISE SHIPPING TERMINALS

Port Planning and Construction Committee is now considering taking up “Planning of Cruise Shipping Terminals” as a project for the next term.

Having published the revised version of “IAPH Guidelines for Port Planning and Design” with the great passion and effort of the late Mr. John Hayes, who was the chair of the committee, we are now moving forward to another stimulating topic in the port industry.

We will focus on the practical side of the planning involving lots of case studies at member ports. For those who are currently managing passenger terminals at their ports, participating in the project would be a great opportunity to publicize their facilities and thoughts about planning, and for those who are considering planning passenger terminals, it would be a great learning process.

Success of the project will largely depend on the number and the contents of case studies. Participation of member ports in this project is greatly encouraged. The first meeting for the project will be held on the occasion of the Durban conference.

Susumu Naruse

Executive Vice President, Tomakomai Port Authority, Japan

E-mail: s-naruse@jptmk.com

1. Objectives

A large number of cruise shipping terminals are being newly planned or developed/redeveloped at the member ports. Cruise terminals need, however, especially when they are for international cruising, various considerations such as convenience and safety of passengers, a security system, and smooth CIQ procedures. They involve a completely different set of problems that are faced in the development of cargo terminals.
Nowadays, this subject seems to be of becoming a keen interest to quite a few of our member ports, however, the planning concept on cruise shipping terminals is not touched upon at length in the renewed “IAPH Guidelines for Port Planning and Design”, published in 2001.

The PPCC is taking up the subject as a main work project for the next two-year term. As the nature of IAPH technical committees, the PPCC will focus on the practical aspect of the planning rather than the theoretical ones. Through review and analysis of various cruise terminals across the world, the PPCC would like to identify what we can learn from members’ experiences to better plan and develop cruise terminals. The outcome of the project will be a combination of concise guidelines for terminal planning and quite a few case studies of actual terminals with lots of reference figures and pictures.

2. Scope of Project

2-1 General Review of Cruise Shipping and Terminal Development
Based on readily available information, general trends will be analyzed in terms of cruise shipping activities, vessel size, terminal dimension, etc.

2-2 Case Studies
Among IAPH members, ports for the case study will be identified and requested to provide basic information and illustrations. A common format for the case study will be developed to cover main features of the terminal as well as important planning considerations such as the following:

- planning concept
- site selection
- function and scale of the terminal
- quay and shore facilities
- terminal facilities (viaducts, waiting space, parking space, baggage handling system, service facilities, design considerations, etc.)
- CIQ procedures
- safety and security
- port service and port charge
- management system
- fund acquisition and economic and financial return

2-3 Security considerations
After the events of Sep 11th, the security of cruise shipping terminals has been (or is planned to be) tightened up around the globe. Measures to be taken to upgrade the security level of cruise shipping terminals will be specifically discussed.

2-4 Guidelines
All the important points when planning cruise shipping terminals will be concisely presented through referring to the above-mentioned various case studies.

3. Tentative Schedule
The project is expected to be complete in two years. The step-by-step schedule is tentatively assumed as follows:

- up to April 2003 to specify ports/terminals for case study to develop a case study format (by correspondence)
- May 2003 PPCC meeting (at the Conference in Durban)
- Oct 2003 PPCC meeting (at the EXCO meeting in Rotterdam)
- May 2004 PPCC meeting (at the Board Meeting in San Diego)
- Oct 2004 PPCC meeting (at the EXCO) discussion of the final results of the project

Appendix:
Suggestions for the case study
(for those who prepare a case report)

It is at your discretion how you present your illustration; however, please be advised that it should at least cover the following points:

1. Background of the project (cruise demand, tourism resources, local economy, etc.)
2. Planning concept (market demand, role of the port (home port/port of call), competing ports, etc.)
3. Site selection of a terminal distance from downtown and airport, land traffic, etc.
4. Function and scale of the terminal demand forecast (passengers and ship calls), ship types, etc.
5. Dimensions of the berthing facilities length, depth, structure, land area, etc.
6. Terminal Facilities systems for embarkation and disembarkation, capacity of the terminal building (waiting space, parking space, service space, etc.), landscape, measures to facilitate flow of passengers, baggage handling system, etc.
7. CIQ procedures measures to facilitate procedures, etc.
8. Safety system passengers safety, baggage safety, etc.
9. Security system measures taken after Sep 11th and their effects (favorable and adverse), etc.
10. Port Service berthing assignment, water supply, treatment of sewage, bilge water, oily water from kitchen, and ballast water, etc.
11. Port Charge tariff, preferential treatment for cruiseships, etc.
12. Management management body (public and private), management strategy to best employ the terminal facilities, etc.
13. Investment and return invested fund by source, economic return, financial return, overall project evaluation, etc.
14. Future development plan
15. Appendix (maps, photo pictures, figures, etc.)
Nominate your IAPH Coordinator

ONE of the members would deny the vital importance of facilitating a functional (i.e. speedy and reliable) communication network among the members, particularly as the number of IAPH members has been increasing worldwide and the scope of our activities has been expanding and becoming interrelated as recently. Mr. José Perrot, Chair of IAPH Communication & Networking Committee, with his serious concern over the need to establish such a workable means, proposed, on the occasion of the Kobe EXCO meeting last October, his idea to create a network of “IAPH Coordinators” across the whole Association.

Every member of IAPH, both Regular and Associate, has been requested to appoint an IAPH Coordinator for their organizations by the end of February. Upon nomination from members, the list of “IAPH Coordinators” will be made available to you at IAPH website and other publications.

Terms of Reference for IAPH Coordinator

1. Objective
To better facilitate and enhance communication between Association members and Head Office and also among the members themselves, by establishing a network of “IAPH Coordinators” where each member organization designates one Coordinator among its personnel.

2. Coordinator’s Roles
To liaise between his/her organization and Head Office and between his/her organization and other members, in terms of requests for various actions and information (such as supplying news for the port, updating entry for Membership Directory, and collecting membership dues etc.), enquiries about specific issues and requests for opinions/advice on various matters at large.
To be responsible for all incoming and outgoing communication of the above information and enquiries unless otherwise stipulated.
To circulate said information and enquiries within his/her organization and/or transfer them to the right person/department for action, if necessary.
To provide Head Office and other members with various information about his/her organization (such as personnel changes, port developments etc.). If any member has already established routes to disseminate news for public relations and information in general among members, such routes will be respected.

3. Preferred Qualifications for Coordinator
A Coordinator needs to know the member organization (activities, functions, key personnel etc.) in sufficient depth so as to coordinate all sections concerned without difficulty.
A Coordinator needs to be a person who can expect full internal support and respect to carry out his/her duties as a Coordinator.
A Coordinator needs to have enough knowledge about IAPH activities as a whole. For this, Head Office, in cooperation with Committee on Communication & Networking, will prepare reference material to brief a newly appointed Coordinator about the activities and organizational structures of IAPH.

4. Others
To be known to all IAPH members, the name and contact information of a Coordinator are to be listed in the Association’s Membership Directory as well as on the Website.
Therefore, any change concerning a Coordinator shall be communicated to Head Office immediately and Head Office shall make it known to other members without delay via its media.

José Perrot
Chair, Communication & Networking Committee

IAPH is a great family. The members of this family are dispersed all around the world.
To remain in good relations and maintain tight bonds, a scattered family needs to meet from time to time and exchange information quite often.
The whole IAPH family meets every two years and, in the meantime, other meetings take place (Mid-Term Conference, EXCO meetings, Technical Committee meetings...). But one cannot imagine that the links between the members of a united family come down to occasional meetings.
Te port industry is very active and evolution is very swift. To be helpful, the world ports Association should reflect this dynamism and the exchange of information should be a reality.
Communication tools exist : website, e-mail, fax, postal mail, phone... but danger remains concerning the recipient of the information: do we know for certain the right person in charge of such and such an issue?
The ports, large or small, are complex entities and each port has its own organization. Therefore it’s not always very easy to get an answer when it’s wrongly addressed, and a lot of information does not reach the right person...
To help solve this problem, the Communication & Networking Committee and the Secretariat General thought that the best way, in order to avoid this loss of information, on the one hand, and to boost the exchange of information on the other, was to have for each member an official IAPH Correspondent in charge of maintaining this precious link and facilitating these exchanges...
Good communication is truly compulsory if we wish to get full benefit from our mutual association. I trust that all members share this view and will adhere to this initiative.
New IAPH 3rd Vice President Appointed

The election process has been duly completed. Datin Paduka O.C. Phang was elected as the 3rd Vice President to succeed the late Mr. John Hayes for the unexpired period of his term with effect from February 1, 2003.

As the result of the nomination in November/December 2002 within the region, the Board of Directors for Asia/Oceania Region had submitted their resolution that it nominated Datin Paduka O.C. Phang as the candidate for the 3rd Vice President to be elected by the full Board of Directors of IAPH. Immediately after that, the Secretary General, on December 17, 2002, called for the election by correspondence by the Board of Directors to be closed at the end of January 2003. In full accordance with the By-Laws, Datin Paduka O.C. Phang has been unanimously elected by the IAPH Board of Directors.

President Someya sent his letter of official appointment, expressing his sincere congratulations to her.

Inaugural Message from the new 3rd Vice President

Datin Paduka O.C. Phang
General Manager, Port Klang

Dear IAPH Friends,

First and foremost, I would like to express my profound thanks to the Board of Directors of IAPH, the regional Board of Directors for Asia/Oceania Region and the other members of Asia/Oceania Region for their support in my recent appointment. It is with a deep sense of humility, honour and deep emotion that I take over the torch today from the late Mr. John Hayes from Sydney Ports Corporation. I wish to thank you all for your confidence and for giving me the opportunity to further this link with the prestigious IAPH.

As the first Malaysian to be so honoured by your confidence, and gender-wise too, my objective is to continue with the excellent work which my predecessors have committedly strived for the Association. I must thank the IAPH Secretariat for all the hard work that Dr. Inoue-san and his office have undertaken to maintain continuity and to ensure that there is a smooth transfer of authority through affirming old traditions and making new beginnings.

I attended my first IAPH Conference in Barcelona in 1991, at which time I was serving as the Under-Secretary (Finance Division) in the Ministry of Transport. A year later, I headed the Maritime Division in the same Ministry. From then onwards I participated in the Conferences held in Seattle, London and, finally, in Kuala Lumpur, Malaysia in 1999. The rest is history. It is during such occasions that I learnt about the workings of IAPH and in particular appreciated the efforts and work of the technical committees, who we all recognise as one of the driving forces of IAPH.

The IAPH motto of “World Peace through World Trade – World Trade through World Ports” is an eternal flame whose spirit lives on despite drastic changes that are constantly taking place. Presently, world trade systems seem to have entered a new phase where all ports have to take extra precautions to protect themselves against new threats to ensure continued success in world trade.

Against this backdrop of port reforms, intense competition and shipping trends force all ports and related organisations to be more vigilant than ever. Whilst IAPH is divided into physical zones, we must continue to build one bridge of collaboration and dialogue, based upon mutual respect and friendship as the most important driving force for us to remain strong and to surge forward.

Powerful forces are reshaping our world. Challenges are faced abroad as well as at home. Whilst we cope with challenges at home, we also try to seize the opportunities of the world. We therefore have to work to shape change through the power of our ideas. We need each other. Let us use our creative energy to ensure IAPH move forward with determination and strength and we assure IAPH of our support and commitment.

With these few words, I thank you all again for your trust and I will do my best to help steer the ship on course in line with IAPH’s motto.

Thank you.

Datin Paduka O.C. Phang

GENERAL MANAGER
PORT KLANG AUTHORITY

Datin Paduka O.C. Phang is presently the General Manager of Port Klang Authority, a position she has held since September 1997. She has previously served in various capacities, beginning her career in the Prime Minister’s Department, the Ministry of Works and Ministry of Transport. Amongst the key positions she has held in the Ministry of Transport were the Under-Secretary of Finance and Director/Under-Secretary of the Maritime Division in the same Ministry.

She holds a Bachelor of Arts Degree (Honours) from the University of Malaya and attended a Management Development Programme in the Cranfield School of Management, United Kingdom. She is a Fellow of the Chartered Institute of Transport.

She has served as the Chairman of the Asia Pacific MOU on Port State Control for the term from 1994 to 1997. She has led many delegations to IMO meetings as well as to the Asian meetings. She is Chairman of the Malaysian chapter of the Asean Ports Association and also served as Chairman of the Industry Standard Committee (Packaging and Distribution) under the Ministry of Science, Environment and Technology from 1998 – 2001. She has been participating in IAPH since the 1991 World Ports Conference held in Barcelona, served as the Exco Member representing Port Klang Authority in the Asia/Oceania region from 1999 and undertook the Chairmanship of the IAPH Membership Committee from 1999 – 2002.
Past President Jean Smagghe Retires

EVEN if Paris is 200 kilometers from the seaside, the atmosphere of the banks of the river Seine had a salty ocean smell on January 8, the day Jean Smagghe said good bye to his professional life.

Numerous friends from the French ports, the Ministry of Transport and the famous French corps of Engineers Ponts et Chaussées were present. Jean Chapon, Previous Minister in the Ministry of Transport, sum up the long involvement of Jean Smagghe as the CEO of the port of Nantes-Saint Nazaire before becoming the CEO of the port of Dunkerque. He was also Chairman of IAPED, the French non-profit making association, a platform for study and debate, information and action, at the service of its public and private members in the public works, transport, planning, cities and environment sectors.

Of course, his involvement in IAPH was also recalled. At the beginning Jean Smagghe was involved in the Dredging Task Force, then Chairman of COPSEC rich of its 4 subcommittees, elected 3rd Vice President in 1991 at the Barcelona Conference, President from 1997 to 1999, Honorary Member in 1999. Jean Smagghe is fully convinced of the role IAPH can play for the port industry, and spent much of his precious time promoting the association, supporting internal improvements to make it more effective, defending the interests of world ports.

On January 8, the music was Brazilian, probably a symbol for Jean Smagghe' open mind on the international issues and perhaps a sign to IAPH to be more present in South America.

Mr. Hugh H. Welsh Retires from Port Authority and as Chair of IAPH Legal Counselors

IN his letter of December 18, 2002, addressed to President Someya, Mr. Hugh H. Welsh, First Deputy General Counsel, the Port Authority of New York and New Jersey, and the Chairman of IAPH's Legal Counselors, wrote: “It is with great sadness that I must advise you of my decision to retire from the Port Authority of New York and New Jersey. After 33 years with the Authority, it was a difficult decision to make but I finally concluded that while there would never be a perfect time to leave, this was as convenient as any time that could be anticipated. With my retirement”, he continued, “I must also tender my resignation as Chairman of the IAPH Committee of Legal Counselors, another step that I take with the utmost sadness. I am confident that Mr. Mongeau can and will carry on the important work to finalize the By-Laws of the IAPH and the other work of the Committee”. In closing, he mentioned, “The many friendships I have made over the years within the Association will forever be cherished by me”.

Mr. Welsh became an IAPH Legal Counselor in November 1994 at the appointment of the Board of Directors. Mr. Welsh took over as chair of the IAPH
1. Introduction

“The EU now has one of the best regulatory arsenals in the world to guarantee maritime safety. It is essential that these measures should be put into effect with the utmost resolution and speed. The Commission, for its part, will continue its efforts and propose follow-up measures to complete these rules and banish the spectre of a new Erika disaster.”

EU Commissioner Loyola de Palacio, commenting on the Erika I and II packages.

A number of important EU policy documents, of which the most important is the White Paper “European Transport Policy for 2010: Time to Decide”, have put increasing emphasis on maritime safety. These documents make it clear that even though the maritime transport mode’s safety record is considered acceptable, and even though this mode is considered environment-friendly, more remains to be done to increase maritime safety even further.

This paper addresses important issues as regards policy formulation in the maritime safety area. As the level of maritime safety can be critically shaped as a result of maritime safety policies, it is clear that a critical assessment on the nature of these policies and on the way that these are put forward is necessary. Such an assessment is attempted in this paper, albeit qualitatively, along with some opinions on possible pitfalls and on what needs to be done so that this process can be further improved.

The rest of this paper is organized as follows. Section 2 outlines the main players in worldwide maritime safety policy-making, along with some of the obstacles they encounter in their task. Section 3 discusses the need for proactive policies. Sections 4 to 8 deal with policy issues in specific accident categories, such as tanker groundings, ship collisions, accidents due to bad weather, bulk carrier losses and Roro ferry losses. Finally section 9 presents some conclusions and recommendations.

2. The policy-making process

To move on effectively toward the goal of increased maritime safety, one must have a clear picture of who develops maritime safety policy and how such policy is developed. This is more complex than it may seem at first glance. Clarifying the term “maritime safety policy” is necessary at first. At its broadest interpretation, one may include any measure that falls into one or more of the following categories: laws, rules, regulations, directives, instructions, memoranda of understanding (MOUs), resolutions, protocols, guidelines, specifications, standards, recommendations, codes, practices, or generally any other measure that specifies, prescribes, encourages, mandates, recommends, or enforces on an ongoing way specific actions that may impact maritime safety. For instance, an IMO rule on the strength of transverse bulkheads in bulk carriers, a national regulation on vessel traffic separation, a regulation on the banning of alcohol use onboard, a P&I club rule on liability and compensation, an engine maintenance practice, and, last but not least, the US Oil Pollution Act of 1990, all may be classified under the realm of “maritime safety.”

ABSTRACT

THE purpose of this paper is to address important issues as regards policy formulation in the maritime safety area. The main thesis of the paper is that there is some way to achieve a truly proactive maritime safety regime and there even seems to be recent progress toward this end. A qualitative assessment on the nature of maritime safety policies and on the way that these are put forward is attempted, along with some opinions on possible pitfalls and on what needs to be done so that this process can be further improved.

This paper was first published in the WMU Journal of Maritime Affairs, Vol. 1, pp. 3-16, October 2002. The catastrophic Prestige oil spill occurred a few weeks later. The events that followed included proposals by the EU to ban the transport of heavy fuel oil by single-hull tankers, as well as proposals by Spain and France that such ships should sail at least 200 miles away from the coastline. Whatever the value of such policies, I believe that the Prestige accident and the reaction to it reinforce the main thrust of this paper and make it more relevant than ever.
safety policy”.

The main player in the international maritime safety regulatory regime is the International Maritime Organization (IMO), and specifically the International Convention on Safety of Life at Sea (also known as SOLAS), which is IMO’s basic forum dealing with maritime safety. In addition to SOLAS, the IMO adopts also other measures that may impact maritime safety, either directly or indirectly. Examples are the Convention on Standards of Training, Certification and Watchkeeping of Seafarers (also known as the STCW Convention) and the High Speed Craft Code (HSC Code). The IMO does not implement or enforce regulations, that being the responsibility of member states.

IMO’s policy is also to bridge the gap between new and existing ship standards, emphasize the role of the human element, shift the emphasis from the development of new to the implementation of existing standards, and generally promote a safety culture in all maritime activities. To promote a scientific approach to maritime safety, the Formal Safety Assessment (FSA) methodology has been proposed and the IMO’s Maritime Safety Committee (MSC) is tasked to implement this methodology in the years ahead.

The International Safety Management (ISM) Code is seen as one of the instruments that would enhance safety for ships that are certified to comply with it. Classification societies and IACS (the International Association of Classification Societies) are expected to play a critical role in that regard. Quality shipping campaigns regard the implementation of the ISM Code as their central pillar. In parallel to the IMO, IACS is influential in the development of standards that pertain to safety.

In addition to the above, a number of other important players have key roles in the development, implementation and enforcement of maritime safety regulations. These players include flag states, port states, international bodies such as the European Union (EU), labor organizations such as the International Labour Organisation (ILO), the shipping companies themselves, and other maritime-related industries (ports, shipper, shipyards, P&I clubs, environment groups, etc).

Collectively, maritime safety policies advanced by the above players can be said to be classified into categories that include training requirements for seafarers, certification of seafarers, fitness for work, use of alcohol and drugs, fatigue, working and living conditions onboard, common working language between crew members, ship equipment and human-machine interface, ship-to-ship and ship-to-shore communication, vessel traffic services and vessel traffic management information services, global maritime distress and safety systems, ship reporting systems, port and harbor safety regulations, navigation and piloting, loading, stowage and discharging, fire-fighting, search and rescue, environmental protection, design of ships, construction of ships, maintenance of ships, survival capability of ships, and emergency and evacuation procedures. Some of the above categories are further classified according to the type of ship in question (e.g., design of bulk carriers, Roro ferries, tankers, etc).

It does not take too much thought to realize that just the sheer number of players and the vast array of topics involved in the formulation of maritime safety policy may lead to some or all of the following situations:

- Over-regulation
- Overlaps in regulation
- Inconsistencies in regulation
- Gaps in regulation

Such situations have been widely criticized by the shipping industry as contributing to both a reduction in competitiveness within the industry because of excessive regulation, and, to a lack of a comprehensive safety regime because of possible gaps in such regulation. Many industry circles feel that existing safety rules are more than adequate, but lack of enforcement or uniformity of such rules is the main factor that causes accidents. This also causes a non-level playing field that discriminates against those who play by the rules versus those who do not. Thus, these circles profess that instead of developing new policies, the focus should be on how to best enforce existing ones.

3. The need to be proactive

Policies currently developed and pursued in the maritime safety area are often purported to be “proactive”. Proactive means an early stage identification of factors that may adversely affect maritime safety and immediate development of regulatory action to prevent undesirable events, as opposed to just an after-the-fact ad-hoc reaction to a single accident. Methodologies such as FSA are considered as prime instruments for the development of proactive policies.

Among many other researchers, Psarafitis et al (1998a,b) present some analyses of database accidents that can lead to some conclusions on possible determining factors that are important from a statistical significance viewpoint. Annex A shows some 77 distinct casualty cause codes, taken from Det Norske Veritas’s “DAMA” accident database structure.

However, FSA and other sophisticated tools are often difficult to use, and in fact are used rather seldom, particularly in cases action is needed fast. Determining the factors that are most important in a specific accident is no easy task, and may involve some non-trivial scientific analysis that can take time and effort to be carried out effectively. It is actually conceivable that the precise cause of certain accidents may take many years or may even never be ascertained precisely, as is sometimes the case in airline accidents.

So in spite of the availability of systematic tools, it is no surprise that the goal of proactive policy-making has not been followed to date as much as it should. People involved in top-level policy-making are often under pressure from political constituencies, environment groups and especially from the media to act decisively with swift and bold moves that signal their determination to improve safety “here and now”. I believe that such an environment does little justice not only to methods such as FSA, but also to the very policy-making process, and, in the final analysis, to maritime safety itself. In fact, despite the stated proactive policy goal, it is no secret that most of the past and recent regulatory activity on maritime safety has been driven by major maritime disasters. These include the capsizing of the Herald of Free Enterprise in 1987 (193 lives lost), the grounding of the Exxon Valdez in 1989 (major pollution), the fire onboard the Scandinavian Star in 1990 (158 lives lost), the sinking of the Estonia in 1994 (852 lives lost), as well as several major bulk carrier losses (e.g. Derbyshire in 1980-44 lives lost). The Erika accident in 1999 has spurred two major regulatory packages by the EU, the so-called Erika I and Erika II packages.

In that sense, maritime safety policy-making has been very much “reactive”. In principle there is nothing wrong with such an approach, and in fact it would be a major mistake not to draw lessons from major catastrophes such as the
above. However, a fundamental proviso is that the policy that is ultimately adopted correctly identifies and assesses the most important contributing factors of such accidents and is formulated in such a way so as to prevent such factors to appear again, or alleviate their consequences in case they do.

It is precisely this point that constitutes, in my opinion, a significant controversy on the approach to maritime safety regulatory policy: Much of the policies that have been adopted in the aftermath of major accidents focus on “engineering” or “design” solutions.

In fact, such solutions include:

- Tanker design (double hulls, double bottoms).
- RoRo/ Ferry design (internal subdivisions, evacuation procedures).
- Bulk carrier design (transverse bulkheads, double hulls).

However, there has been ample evidence, including a number of quantitative analyses, that support the basic premise that most maritime accidents (and most notably the very accidents that have driven recent regulatory activity) are mainly due to failures in the human element link of the maritime safety chain. This means that unless this link is unambiguously strengthened, strengthening any other link (such as the one on design) is likely to produce questionable results.

The operational and economic consequences of measures such as the above are obviously non-trivial. Entire fleets of ships not complying with these policies are rendered obsolete. Ship owners are forced either to make very expensive conversions, or purchase new ships altogether. The operational capacity of ships involved is seriously affected, although benefits may accrue to unem- ployed seafarers, as more ships will be necessary to carry the same cargo. Shipyards have to radically alter their designs to adapt to the new rules, although obviously they will benefit from increased sales of new ships. Demand for ship scrapping capacity goes at high levels. However, the fundamental question of what are the benefits of such policies to maritime safety, (and, by extension, to the marine environment), and at what cost these benefits will come about, remains largely unanswered.

More light on these matters is shed in the sections that follow.

4. Tanker groundings

Torrey Canyon, 1967. Amoco Cadiz, 1978. Exxon Valdez, 1989. Erika, 1999. Every about 10 years, a catastrophic oil spill captures the world’s headlines, not counting many other spills that happen in between. As far as relevant policy goes, the turning point came in 1989. Producing one of the worst oil spills in U.S. history, the tanker Exxon Valdez, later renamed Sea River Mediterranean and forever banned by federal law from revisiting Alaskan waters, is responsible for one of the most far-reaching pieces of maritime legislation. The Oil Pollution Act of 1990 (OPA’ 90) stipulates, among other things, drastic changes in the design and construction of tanker vessels allowed into U.S. territorial waters, double hulls and double bottoms being the most significant required feature.

OPA’90, even though a piece of national legislation, has had worldwide implications. These implications have had drastic ramifications on the design, operation, and economics of waterborne petroleum transport, not just in the U.S., but worldwide. The central question however is, what benefits has this policy eventually produced, and at what cost?

Although it is still premature, a similar question can be asked vis-à-vis the Erika I package, which is similar in spirit as regards phasing out single-hull tankers in European waters. This package was formulated in the aftermath of the Erika oil spill, and has been already written into EU law. In addition to phasing out single-hull tankers, it also calls upon a greater control of the activities of classification societies and a stepped up port state control system.

I know of no analysis that has answered the above “cost-benefit” questions, which are admittedly difficult. In a sense, only time may provide answers, although it is fair to speculate that even after a long time this will be difficult to ascertain. The benefits in question will have to be calculated in terms of environmental and other economic damages averted because of the new tanker designs, for those cases where it can be documented that these designs had a tangible effect (grounding but no spill because of it). The costs will have to be calculated in terms of both additional construction cost and reduced revenues due to lower cargo carrying capacity. No estimate of either these benefits or these costs is currently available.

Whatever these costs and benefits might be, it is widely accepted that the main reason behind both accidents was a failure in the human element part of the equation. In the Exxon Valdez case, the US National Transportation Safety Board (NTSB) determined as probable causes the use of alcohol by the ship’s master, the failure of the third mate to properly manoeuvre the vessel because of fatigue, and the failure of the vessel traffic service because of inadequate manning levels, among other factors. In the Erika case, faulty inspection procedures by Italian classification society RINA and faulty maintenance procedures were speculated as probable causes.

Given the above, one cannot resist asking the obligatory question: Since no cost-benefit analysis that supported the formulation of these policies prior to their adoption is known, were OPA’90 and the Erika I package more of a ‘knee-jerk’ reaction to a pair of bad accidents, and as such, perhaps they missed the chance to include other elements that would really make a difference?

There is no easy answer to this question, which may be considered unfair by maritime policy-makers. One could say that both pieces of legislation tackle the problem mainly in an indirect way, by providing the human element with better technology (less prone to hull rupture) in case a tanker grounding occurs. Looking at more direct ways to solve the problem, in 1993 the US NTSB proposed uniform alcohol regulations for all transport professionals, a zero blood alcohol level while on duty, and random alcohol testing as a deterrent. However, these proposals have not been accepted, leaving the old (1987) US Coast Guard alcohol regulations operational. These regulations apply to all US flag vessels and those sailing US territorial waters, and stipulate allowable alcohol levels more stringent than those recommended by the IMO STCW Convention.

Note that the EU still has not included the STCW alcohol recommendations into the training legislation that translates the STCW Convention into EU law, so it is up to each individual EU member state to decide to implement the IMO alcohol rules or not. Note also that the use of alcohol by Exxon Valdez’s Captain Hazelwood (who is rumored to still have his license) has not been proven in court. The Exxon Valdez litigation battle was particularly complex and lasted many years, and the same is speculated to happen in the Erika case.
In all fairness, the Erika I package includes also other, more direct provisions, such as tighter inspections by classification societies and by port state control, that might significantly reduce the risk of such accidents. The same can be said about the Erika II package (which is not as yet officially adopted), which includes provisions for the establishment of a European Maritime Safety Agency, better information and monitoring procedures, and a compensation scheme for oil spill victims. Still, the cost-benefit issue is equally valid for most of these proposed measures. To my knowledge, there has been no such analysis to evaluate their impact prior to their adoption.

5. Ship collisions

Many ship collisions are due to non-observance of rules pertaining to collision avoidance, as much as many others are due to technical malfunctions or other failures (for instance, radar malfunctions, rudder or propeller malfunctions, etc., which may lead to a collision).

Extending the same type of OPA '90 - Erika I rationale to ship collisions, one could conceivably speculate that many ships involved in collisions (not necessarily tankers) would have a better collision survivability if they had a double hull. This means that one could conceivably devise a policy or regulation that would require selected types of ships (e.g., bulk carriers, container ships, or even passenger ships) to be designed or “armored” in such a way, with the rationale that this would make the consequences of collisions less severe.

Damage stability rules notwithstanding, some people might raise eyebrows to such a policy alternative, for it could have very adverse cost implications, whereas its potential benefits might remain dubious at best. Note however that it is precisely this type of rationale that finally prevailed in the OPA '90 and in Erika I, by forcing construction and operation of double-hulled and double-skinned tankers so as to prevent pollution.

For ship collisions, even though crash-worthiness could be very important, and in spite of important R&D being conducted on this topic, the question is how distant is this issue in terms of becoming part of the maritime safety policy-making process. Note that this same issue is already part of this process in other transport modes (most notably the automotive one, where there are very comprehensive rules on bumpers, stiffeners, and voluntary other “passive” safety means such as padding and airbags). Therefore it could, at some appropriate point in time, be introduced to the maritime sector as well, hopefully after it has been thoroughly assessed.

One could also conceivably examine policies that would better protect passengers in case a ship collision occurs. For instance, this might include wearing life-vests until the ship is in the open sea. Although such a policy looks similar to the “fasten seat belts” policy during aircraft takeoffs and landings, the concern is that it could be too cumbersome to implement on passenger ships, particularly on cruise ships. But if a cumbersome policy saves lives, it cannot be rejected outright. Application of such a policy to High Speed Craft may also be warranted. Better passenger protection in case of a collision might also entail requiring passenger ships (especially High Speed Craft) to have specially padded interiors and furniture, to alleviate the likelihood of somebody being wounded in case of a collision.

Among “active” safety measures, policies that increase safety via vessel traffic management information systems (VTMIS) should be carefully reconsidered. The fundamental difference between such systems at sea and the equivalent systems in other transport modes (most notably in air, but also in rail transport) is the degree of freedom enjoyed by a ship’s master as compared to that of an aircraft pilot or a locomotive driver. Whereas the latter two are invariably subject to extremely strict centralized traffic control schemes - which leave very little freedom to act on their own, the former has significant leeway in controlling the movement of his vessel, provided some established rules for collision avoidance are followed.

The fundamental policy question here is this: Given that the rules for collision avoidance are sometimes not followed with catastrophic results at times, would it be perhaps better to switch to a system similar to that used in air transport? After all, the air traffic control system is considered one of the main factors that have contributed to the legendary safety record of aviation. In the maritime equivalent of such a system, the ship’s master would be obliged to obey the instructions of a shore-based maritime traffic controller, with little or no freedom to act on his own. Such a system would be based on a VTMIS, but there would be specific rules on what is to be decided by the shore controller and what by the ship’s master.

To some maritime circles, even positing such a question might be considered blasphemous, on the ground of going against the sacred “freedom of the seas” tradition. However, one cannot simply dismiss such an idea on this ground alone. It should be carefully studied and assessed, and applied selectively to areas of high traffic density under the appropriate circumstances. The performance of the system might then be compared to a system that does not implement such a policy.

6. Accidents in which bad weather is a factor

Clearly, many ship accidents that occur in severe weather would have been averted if the ship’s master had taken some or all of a number of precautionary measures, so as to avoid exposing the ship to the additional risk implied by such weather. The question is if such measures would be easier to take if an appropriate “weather-related” safety policy were in place.

A policy that is currently in place for coastal passenger ships in Greece is to ban sailings in case of very adverse weather conditions. The ban is imposed by the Greek Coast Guard as a function of the Beaufort scale, and is observed separately for Roro ferries and for smaller ships (hydrofoils, catamarans, etc). This policy was implemented after the loss of coastal passenger ship Heraklion in 1966, which claimed at least 264 lives (the ship sunk because a truck went loose and forced a side door open). As a result of this policy, casualties attributed to bad weather were virtually eliminated in Greek passenger shipping (interestingly enough, the Express Samina ferry accident which claimed 81 lives in 2000 occurred in weather below the ban limit).

The conceivable extension of such a policy to cargo vessels, and/or to vessels engaged in international trades might be considered as out of question by many circles, as again infringing on the master’s freedom to command the ship (a.k.a. his status as being only “second to God” on the fortune of the ship), and because of the obvious difficulties of implementing such a policy across vast stretches of international waters. However, in view of several catastrophic losses that occurred in bad weather (the most notable of which has been the Estonia accident in 1994), a
Port of Long Beach and Harbor District

7. Bulk carrier losses

The Derbyshire accident in 1980, along with a number of other serious bulk carrier losses, have been responsible for the comprehensive overhaul of the IMO/IACS regulations on bulk carrier design, construction, and maintenance. These rules will have monumental consequences in bulk carrier design, operation, and economics. However, it is far from clear whether the Derbyshire loss would have averted had the ship been built and maintained according to these regulations. More relevant in this case is, in my opinion, the decision of the master to sail the ship the way he did under such adverse weather conditions. This is true not only in this case, but also in the Estonia case, and in a number of other cases as well.

The recent thesis by leading classification societies that FSA shows that double hulls should be introduced in bulk carriers too, even as a voluntary measure, suggests that one may see similar measures eventually advanced to a broader variety of ship types in the future.

In my opinion, a policy that specifies a ship to be designed in such a way so that it can sustain damage and stay intact even if operated in a questionable or even reckless fashion is a dubious policy on at least two counts. First, it does not discourage such way of operation, and it may actually encourage it at times. Second, there is no serious documentation of its benefits, vis-à-vis the costs entailed in implementing it, which are also unknown.

Yet, there seems to exist, at least in my opinion, a proliferation of such policies for maritime safety matters these days. Many of them refer to "passive" safety, that is, making the ship less vulnerable given an accident occurs, as opposed to "active" safety, that is, making the ship less prone to accidents.

8. Roro ferry losses

The Herald of Free Enterprise accident in 1987, together with the much more catastrophic Estonia accident that occurred in 1994, have been clearly the events that have critically shaped the development of international regulations for Roro ferry design and operation for year 2000 and beyond. It is fair to say that most of such regulations focus on technological solutions that enhance the survivability of the vessel and the people onboard in case of flooding, rather than prevent the circumstances for the latter to occur. Along with ferry design, they include rules for the evacuation of passengers onboard ferries in case of a serious accident, which are rules that again deal with the mitigation of damage (material and human) once the undesirable event happens.

The new rules for Roro ferry design are more stringent in those European countries that ratified the so-called "Stockholm Agreement", which specifies a flotation capability with 50 cm of water on the deck. The EU countries that ratified the agreement were Denmark, Finland, Germany, Ireland, Sweden and the UK, and they were joined by Norway. The rest of EU countries (and most notably the Mediterranean countries) fiercely opposed this rule as too drastic. It is clear that the new rules will radically change the composition of the European ferry fleet in the years ahead, because it would be too expensive to retrofit old ferries so that they become compliant. The economic consequences of such a change are unknown, but are speculated to be significant. With many shipping companies heavily in debt and struggling to survive, fleet renewal is not an easy proposition.

9. Conclusions and recommendations

I believe that the issues discussed in this paper can support the following general conclusions that are relevant from a maritime safety policy perspective:

1) Maritime safety policy can be characterized by an impressive array of regulations dealing with this subject on many dimensions.
2) If these regulations are responsible for the generally acceptable safety record of maritime transport, they must also be held responsible for the fact that this record needs further improvement.
3) By and large, the sheer number of players developing policy and the sheer number of policy topics have contributed to a "patchwork" picture that may result in over-regulation, overlaps in regulation, inconsistencies in regulation and gaps in regulation.
4) Even though maritime safety policy is claimed to be "proactive", most serious regulatory activities developed recently have been driven by major accidents.
5) Whereas there is very strong evidence that the human element is the main reason for many major accidents, most policies that came in the aftermath of such accidents focus more on technological and design solutions.
6) The bulk of the rules and regulations in...
this area concerns passive safety and after-the-fact vessel survivability, as opposed to preventive rules reducing the likelihood of accidents.

7) Even though the impact on maritime transport of many recent policies is monumental, both benefits and costs of such policies as regards safety remain by and large undocumented.

8) The use of the scientific method in maritime safety is growing, but is still significantly under-developed and so far has had very little impact on policy formulation.

I realize that some or all of these conclusions may be provocative. However, I believe that this is legitimate in order to further stimulate the debate for possible improvements in the maritime safety area.

Specifcics aside, to the best of my knowledge, no policy in maritime safety has had a clear target on what explicit improvement in safety it aims to achieve, and this adds to the difficulty of reaching the target. "How safe is safe enough?" is the relevant question. If for instance the target was "reduce the frequency of ship collisions by a factor of 10 over the next 5 years", or "reduce the frequency of tanker spills by 5 in 10 years", or whatever other target is set, one would be able to assess the merits (or lack thereof) of the specific measures that were set forth to achieve that target. It would also facilitate very much the comparison among alternative policies for the achievement of this goal.

Central in all this is that nobody knows explicitly society's willingness to pay to achieve safety improvements, and who should be made to pay for these improvements. Questions such as "what price safety?", or "who pays for safety?" are very commonly asked, but very rarely analyzed in depth. A cheating specific, well-defined safety improvements will certainly come at a price, as there is no "free lunch" in maritime safety. If the policy-maker who will ultimately decide on Policy A versus Policy B has little or no idea of either what the benefits or the costs of these policies might be, then his or her choice of policy will be by definition arbitrary and, as such, subject to error and criticism, particularly if something goes wrong afterwards.

It is my opinion that this very serious issue should be the subject of research that would specify how these factors should be used for policy-making purposes. To that end, R&D projects in the maritime safety area should be launched with the explicit purpose of answering questions that remain unanswered and evaluating policy alternatives in this area. These policy alternatives should be carefully assessed and compared vis-à-vis well defined criteria, so that the policy-maker is aware of the implications of each alternative before making a choice.

Alongside with this, there should be more effort to analyze results of past or ongoing maritime safety R&D from a policy perspective. For instance, the results of all EU safety-related waterborne transport projects could be carefully assessed in terms of possible policy ramifications. This could establish a better link between EU R&D and EU policy development, and guide the former so as to better assist the latter. It could also move maritime safety policy closer to being proactive than it currently is.

10. References


**Acknowledgments**

Much of the analysis that led to the opinions expressed in this paper was carried out in the context of EU-funded R&D projects SAFECO, SAFECO II, and CASMET, in which the National Technical University of Athens participated. Of course, I am solely responsible for these opinions. I thank Erik Styhr Petersen and Guenter Zade for their comments on a previous version of this paper.

**ANNEX A**

DAMA - Casualty cause codes
(source: Det Norske Veritas)

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A</strong></td>
<td>Circumstances not related to th ship</td>
</tr>
<tr>
<td>A01</td>
<td>Very heavy weather, natural disaster etc.</td>
</tr>
<tr>
<td>A02</td>
<td>Current, wind etc. led to strong drift or other maneuver difficulties</td>
</tr>
<tr>
<td>A03</td>
<td>Collided with floating objects, could not be discovered/avoided in time</td>
</tr>
<tr>
<td>A04</td>
<td>Fault with navigation systems: lights, external electronic systems etc.</td>
</tr>
<tr>
<td>A05</td>
<td>Fault with charts or publications</td>
</tr>
<tr>
<td>A06</td>
<td>Technical fault with other ship (also includes towboats and the like)</td>
</tr>
<tr>
<td>A07</td>
<td>Operational fault with other ship (wrong maneuver/poor seamanship etc.).</td>
</tr>
<tr>
<td>A08</td>
<td>Technical fault with load/unload/bunker construction/quay/sluice, outside the ship</td>
</tr>
<tr>
<td>A09</td>
<td>W rong handling of load/unload/bunker construction/quay/sluice, outside the ship</td>
</tr>
<tr>
<td>A10</td>
<td>Blowout or other external conditions in connection with oil drilling</td>
</tr>
<tr>
<td>A11</td>
<td>Other conditions outside the ship</td>
</tr>
</tbody>
</table>

| **B** | Construction of the ship and location of equipment on board |
| B01  | The ship's structural strength not sufficient |
| B02  | The structural strength weakened by later welding jobs, corrosion etc. |
| B03  | Stability failure caused by the construction of the ship |
| B04  | The ship had too poor maneuver qualities |
| B05  | The range of the engine room/location of equipment with danger of leakage/setting on fire |
| B06  | Unfortunate arrangement or location of load- or storage room |
| B07  | Unfortunate location/arrangement of other rooms on board (not bridge) |
| B08  | Difficult access for cleaning maintenance and inspection |
| B09  | Other conditions concerning the construction and maintenance of the ship |

| **C** | Technical conditions concerning equipment on board |
| C01  | Technical fault with navigation equipment |
| C02  | Technical fault with steering systems |
C03 Technical fault with propulsion systems.
C04 Technical fault with auxiliary engine.
C05 Technical fault with anchorage equipment/deck machinery (not load/unload equipment).
C06 Technical fault with control/remote control/automatic controls/warning equipment.
C07 Technical fault with loading or unloading device.
C08 Technical fault with preparedness/safeguarding/inert gas/halogen equipment.
C09 Technical fault with equipment.
C10 Other technical conditions concerning equipment on board.

D Conditions concerning use and design of equipment
D01 Unfortunate design of the bridge, lacking or wrong location of equipment.
D02 Illogical/wrong design of controls, steering systems etc.
D03 The equipment was not placed where it was natural to use it.
D04 Illogical/inappropriate/poor/worn out equipment. More easily accessible.
D05 Other conditions concerning use/design of equipment. Man/engine problems.

E Cargo, safeguarding and treatment of cargo and bunkers
E01 Self-ignition in cargo/bunker, also by «sloshing» in tanks.
E02 Lacked inert gas installation or other safeguarding against explosion/fire.
E03 Stability not according to regulations (wrong placing of cargo/lacking ballast etc.).
E04 The cargo was not sufficiently safeguarded against shifting.
E05 Leakage of liquid cargo in casks, containers, tanks, etc.
E06 Breaks in loading or bunker pipes.
E07 Other conditions concerning cargo and safeguarding cargo and bunkers.

F Communication, organization, procedures and routines
F01 Routes for average control were lacking/were not sufficient.
F02 Existing routes for average control were not properly known/drilled.
F03 Routes for safety control lacked/were not sufficient.
F04 Existing routines for safety control known, but not followed.
F05 Did not follow the safety regulations for welding.
F06 Welding led to accident even though the safety regulations were followed.
F07 Not taken measures concerning testing of rescue instruments etc.
F08 Did not use protective equipment.
F09 The general level of organization/routines/qualifications poor.
F10 Failure of routines for inspection and maintenance on board.
F11 Stability not known, approved stability calculations were not available.
F12 Unfortunate management, personal antagonisms or suchlike.
F13 Too small crew, generally or for the task e.g. helmsman/look-out.
F14 Command or distribution of responsibility was or was perceived as unclear.
F15 Not established safety routines in connection with navigation/maneuvering (bridge watch).
F16 Safety routines in connection with navigation/maneuvering known, but not followed.

G Individual on board, situation judgment, reactions
G01 Insufficient formal competence for the task (courses, exams etc.).
G02 Insufficient real competence (practice from occupation, waters, with equipment or suchlike).
G03 Task not well planned (cargo, night voyage, maneuvering, anchoring etc.).
G04 Available means of warning not sufficiently used.
G05 Alternative navigation systems not used misjudged lanterns etc.
G06 Available navigation aids not used (Norwegian Pilot etc.).
G07 Not adequate observation of own position/not plotted on charts.
G08 Misjudgment of other vessel’s movement or intention.
G09 Misjudgment of own vessel’s movements (current, wind etc.).
G10 Tried to go through with the operation even though the conditions were not favorable.
G11 Did not keep to the starboard in the waters.
G12 Kept up a faster than safe pace.
G13 Special conditions (illness, little sleep, a lot of work etc.).
G14 Fell asleep on watch.
G15 Alcohol or other intoxicant.
G16 Other conditions concerning individuals.

F17 Charts/other documents for the voyage were not amended.
F18 Failure of procedure/co-operation between vessel/towboat, organization from the shore or suchlike.
F19 Other conditions concerning routines, procedures, communication or organization.

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EC: Mandate proposal to the EU’s Council of Ministers

The European Commission has proposed to the EU’s Council of Ministers a mandate to negotiate with the United States on behalf of the EU the establishment of mutually acceptable Customs controls of goods, particularly of goods transported in containers, so as to address the threat of terrorist attacks. The proposal complements US initiatives launched after the attacks of 11th September 2001 and its aim is to cooperate with the US to integrate security checks in normal Customs controls before goods leave a country. The Commission fully shares the concerns of the United States about improving security and considers that the most effective means to meet these concerns is by cooperation at the EU level with the US. This community-level approach also avoids differential treatment of Member States and trade diversion within the EU. Another objective of the negotiations would be to ensure that legitimate transatlantic trade is not hindered by the increased security arrangements and that controls standards are equalised for US and EU operators. Negotiations with EU Member States on the mandate will begin in early February at the latest.

“This proposal demonstrates the commitment of the European Commission to maximising security and to countering terrorist threats,” said Frits Bolkestein, European Commissioner for Customs. “The Commission fully shares the United States’ concerns and wants to integrate the United States’ preliminary unilateral measures into a set of commonly agreed actions which balance security needs with trade facilitation.”

The proposal

Under the proposal, the Council would give the Commission a mandate to negotiate an amendment to the 1997 EU/US Customs co-operation agreement so as to ensure a more co-ordinated approach to controls on the movement of goods. Areas where co-ordination could be established would include:

- the definition of key information for the identification of high-risk consignments and on how to collect and exchange it between competent authorities so as to ensure the effective application of risk management techniques;
- the establishment of common definitions for controls and agreement on how these definitions could be used to identify high-risk movement of goods;
- the co-ordination of positions to be taken on these issues in multilateral discussions;
- the development of a common approach to carrying out of practical actions in this domain in conformity with international commitments.

The objective would be to strengthen security while facilitating legitimate trade in conformity with international commitments and the principle of reciprocity. Another objective would be to equalise levels and standards of control for EU and US operators.

The amendment to the existing agreement should supersede the bilateral declarations of principle and bilateral agreements concluded between EU Member States and the US insofar as those arrangements address matters which are the exclusive competence of the EU.

Container Security Initiative

The Container Security Initiative (CSI) was launched by US Customs after the terrorist attacks of September 11, 2001. A major concern of the US is the possibility of containers being used for terrorist attacks, be it through weapons of mass destruction directed to ports of the United States or to the maritime transport chain itself. In a first step, the US has invited about twenty megaports world-wide to join this initiative.

The European Commission fully shares the US objective of improving maritime transport security and protecting trade against any threat of a terrorist attack. However, it is concerned about the potential consequences of the US approach of selecting, at least initially, only a few large European ports to join the CSI. So far the US Customs Administration has signed declarations of principle with seven Member States (the Netherlands, Belgium, France, Germany, Italy, Spain and the United Kingdom) which allows the stationing of US Customs officials in a number of ports with major container traffic to the United States. The Commission feels that security concerns would be addressed in a more effective manner by a pan-European measure. Furthermore, the Commission is of the view that the bilateral approach adopted by the US thus far is likely to cause diversion of trade and create competitive distortions between EU ports.

The European Commission has held discussion with the US Administration (see MEMO/02/220) on a pan-European measure, during which the US seemed to agree to the principle of EU-wide co-operation with the US to ensure both better security and facilitation of legitimate trade. However, US Customs Commissioner, Robert Bonner, has suggested recently that the United States may proceed unilaterally on transport security initiatives.

24-hour rule

At the end of August 2002, the US Customs Service announced a proposal for an amendment to US Customs regulations which would require carriers to provide US Customs with cargo manifest information 24 hours before the related cargo is loaded on board a vessel, destined for the United States, at the foreign port. The US has recently announced its intention to enforce this rule from February 2 on a unilateral basis. The Commission has already pointed out its serious concerns over the extra-territorial nature of this proposal and the difficulties it will create for the Community and international trade in general. Enforcement of the proposal in the manner now proposed is likely to cause serious disruption to EU transport operations without necessarily giving the US the security assurances it seeks. The proposal to extend advance notice requirements to air traffic could have an even more disturbing effect on the EU and US economies.

The Recommendation for a Council Decision authorising the Commission to negotiate with the United States an amendment to the EC/US Agreement on Customs co-operation and mutual assistance in Customs matters is available on the Europa Internet site:

http://europa.eu.int/com/ taxation_customs/whatsnew.htm
PIANC: Abstract of the Minutes
the 17th meeting of the PIANC EnviCom

September 22, 2002, Sydney Australia

Participants:
• R. Engler (USA) - chairman
• T. Vellinga (Netherlands) - vice chairman and secretary
• J. Brooke (U.K.)
• P. Hamburger (IADC)
• A. Khan (Canada)
• P. Laboyrie (Netherlands)
• T. Okumura (Japan)
• J. Reche (Germany)
• J. Rytkönen (Finland)
• Q. Vann (USA)
• H. Vlieger (Belgium)
• P. W hitehead (UK)
• A. W lskie (Sweden)
• E. van den Eede (Belgium) - PIANC presi dent / partly

Apologies from:
• N. Burt (CEDA)
• A. Csáti (CEDA)
• M. Gentilomo (Italy)
• K. Iwataki (Japan)
• P. van der Kluit (IAPH)
• B. Malherbe (Belgium)
• A. Navarro (Spain)

• Report on existing working groups
  Wg 2 (Wildlife habitat and port activities): J R reports. The report still needs to be finalized. Since the chairman of the working group Paul de Rache (PR) is unable to do the necessary integration and editing, BE will try to push things forward with the internal support of the Corps of Engineers.
  Action 17-2: BE contacts R for this task; PR and JB should then forward the pieces to R.

  Wg 5 (Guidelines confined disposal facilities): PL reports. The report is finalized and distributed. The abstract and message for the general public will be finalized soon.
  Action 17-3: BE will write a thank you note to the members of working group 5. They, together with their chairman PL, have done an excellent job. J R advises that working group members after their work during the finalization should stay informed on the progress and receive a copy as soon as the report is available and ready for distribution to the PIANC members.

  Wg 6 (Sustainable river management as related to navigation infrastructure): J R reports. The report was ready in May. It is expected that the final print will be available through the PIANC website from November. Only later, January 2003, the report will be distributed to the PIANC members, with the next bulletin.

  Wg 7 (Wetlands restoration as related to navigation infrastructure): BE reports. The report has been completed and can be forwarded to PIANC Headquarters for the final editing. PW notes the fact that possibly the review has not yet taken place.
  Action 17-4: BE will inform the Wg 7 chairman on the EnviCom review through PW and others, as agreed during the 16th meeting (http://plaza22.mbn.or.jp/~wetlands/report.htm)

  Wg 8 (Generic biological assessment guidance for dredged material): BE reports. The working group is in good progress. A (PIANC) framework is being developed for biological testing of dredged material. It was well received at the Pelston Experts Meeting in Bute Montana earlier this year. Although a link between the work in this group and the developments in the EU-Water Directive Framework (WFD) should be expected to be present, the EnviCom strongly advises the importance thereof.
  Action 17-5: BE will put this forward to the chairman of this working group, Todd Bridges, and will also distribute the Pelston UK presentation on the EU-WFD to EnviCom.

  Wg 9 (Environmental impacts of arctic marine navigation): J R reports. Information is collected and reported on the main themes as explained in previous EnviCom meetings. New chapters will be added on the relevant international instruments (polar code), arctic organizations and potential international cooperating partner organizations.
  The report will be published on a CD-ROM, including a number of appendixes. There appears to be a boom for new oil terminals in Russia, leading to booming, also maritime, transport of oil. This may concern nations adjacent to the maritime transport routes. The report being prepared could play an important role facilitating the discussion on the conditions for the increasing arctic maritime navigation. The 3rd meeting is planned fall 2002. A draft should be ready for EnviCom review, spring 2003. Final report is foreseen, June 2003.

  Wg 12 (SRN/EnviCom joint wg on recreation and nature): The report has been published.
  Wg 13 (SRN/EnviCom joint wg on dredging marinas): TV reports. A review-ready draft now has been prepared. Action 17-6: TV will obtain copies from Mr. Gunst, acting chairman of the group, and for review distribute to BE, J R, HV and TV.
  • Implementation of new EnviCom working groups

  Wg 10 - Environmental Risk Assessment in Dredging and Dredged Material Disposal
  The response to the call for members has been small but of good quality. The topic covers a specialized area. It is more important that the experts participate than that there will be a broad representation.
  Participants have been nominated from USA, Germany, Japan, UK, The Netherlands and CEDA. They all are welcomed in wg 10. The first meeting of wg 10 will take place combined with the EnviCom spring meeting in February. Mr. Cure from the USA, a respected expert in this field will become the chairman of wg 10. BE will be the EnviCom mentor of the group.
  Action 17-7: TV will inform the new members and will forward the CV’s to BE for the further implementation of wg 10. Additional members would be welcomed. A second call will be done at the EnviCom special session at the Sydney congress.

  Wg 11 - Management re-use and transformation of existing CDF’s
  There has been a broad interest in this new working group. Members have been nominated by Japan, USA, France, UK, Netherlands, CEDA (2x) and IAPH. They all are welcomed in wg 11. The first meeting will as well take place next February. It has been decided that Mr. Gijs Berger of the Netherlands will become the chairman of wg 11. Dr. Mike Palermo will represent the U.S. TV will serve as the EnviCom mentor for this group.
  Action 17-8: TV will inform the new members of wg 11 and forward the member CV’s to Mr. Berger, for him to start the group. Also for this group an additional membership call will be done during the congress. Upon a suggestion of A.K. action 17-9: BE will forward to the ExCom the suggestion to discuss the possibilities of how to enable representatives from developing PIANC member nations to participate in working groups like this.
  • Seminar on EU water framework directive
Stakeholders participation
Due to a mis-communication within PIANC Headquarters the call was not advertised. A new call will be out soon. Already during the congress the call will be announced and BE will contact Geraldine Knatz of the IAPH Dredging Taskforce, to promote their participation.

Action 17-10: JB will as agreed during the previous meeting coordinate the results of the call for experts and the proposal for a chairman of the group.

Awareness Training Package for Developing Countries
AK reports on the progress. The key problem remains to be the sponsorship. It is expected that 30,000 USD would be sufficient for the development of the course which then would be adopted by the appropriate organizations. Most targeted in that respect is the IMO. As soon as the awareness training is developed, the CoCom will have the lead in its marketing and distribution. With the presentation of the proposals at the congress it will be tried to move things forward.

PIANC Young Professionals
JB reports that there was a good response on the questionnaire and initial brainstorming, however part of the initial commitment tends to fade away. Reason might be the lack of a face-to-face meeting. During this congress there will be an additional appeal to young members and it is aimed to organize a special meeting with the PIANC management. A pushing strategy could be to invite a number of the contributing young members to the February meetings in Brussels.

EU Habitats Directive
Initiated by the EUDA and PIANC a second seminar as a follow-up of the seminars in January this year will take place in Brussels, on March 20th, 2003. Paralia will be a co-organizing party and the seminar is supported by ESPO (European Sea Ports Organization) and BirdLife International. The aim of the seminar is to provide guidance on the implementation of the Directive for ports with development plans in or near designated special protection areas in estuaries or coastal zones. Also further implications of the implementation will be discussed. All stakeholders will present their views as well as the EU Transport and Environment Directorates. The first announcement will be handed out during the Sydney congress.

EU Water Framework Directive
There is a strong feeling that the Directive as now being detailed by a select group of persons mainly representing environmental ministries, may have a big and quite unrealistic impact on dredging and port activities and therefore on shipping. Reference was made to a very interesting and revealing seminar on the WFD organized in London recently by the British Institution of Civil Engineers, supported by CEDA and PIANC. Although the general setup of the Directive is transparent (EU-website, etc.), the way the details are worked out is rather non-transparent. PIANC, CEDA, IAPH members and related are advised to find their way to the national authorities responsible for the WFD to maximize the possibilities for their expertise to be included in the process. The seminar that was cancelled this year is now planned for the later part of 2003.

Action 17-11: JR will take the lead again in the organization of the PIANC EU-WDF seminar. It may be wise to seek co-organizing with parties like CEDA and INE (Inland Navigation Europe). A possible shift to an earlier date (June 2003) will be examined.

Guidelines for Environmental Impact of Vessels
The call for members of this InCom working group in which EnviCom will be partner is out. JB will be the EnviCom representative in the wg. EnviCom would advise the group not to go into too detailed considerations. It should highlight the issues, the relevant experiences, and the needed guidance and leave room for a balanced ecology-economy approach. It is suggested to change the title to: Impact of Vessel Operations (or Operating Vessels). Also it is important that things are coordinated with other working groups within PIANC that deals with related issues.

Action 17-12: BE will inform Sandra Knight (SK) of InCom on the EnviCom advice and proposed representation. Also BE will invite SK for the February meeting in Brussels to present the plan of the new working group that she will chair.

Proposals EnviCom working group 7
Working group 7 drafted 3 proposals for future EnviCom activities. EnviCom appreciates the initiatives taken and discussed the submitted drafts.

• EnviCom concludes that the development of a knowledge systems for environmental impact assessment is far broader than navigation. Also there are serious doubts on the feasibility of such an initiative. Therefore EnviCom decides negative on this proposal.

• Regarding the proposal for the development of guidelines for assessing the environmental impacts during planning and implementation of navigation projects, EnviCom feels that it would not add much to the available guidance. And if needed, EnviCom regards this primary to be the task of the IAIA (International Association for Impact Assessment). Therefore EnviCom has no interest to adopt this proposal.

• The proposal to establish guidelines, of quantifying impacts of National Economic Development (NED) in the riverine watershed on coastal areas, deals with a very complex issue, at the moment in debate in the USA. Also in some European countries social cost-benefit assessments are applied. Within PIANC it is the task of EnviCom to take initiative to quantify environmental externalities, as is stated in the strategic PIANC Action Plan. However overlooking the scene the EnviCom decides that a working group to establish the guidelines on NED related impacts is at the moment not appropriate. The proposal will be lined up with initiatives in the pipeline to quantify environmental externalities. For this it is also waited on the results of the ICOLD (International Commission On Large Dams) initiative on this topic.

Action 17-14: JB will inform with ICOLD on the progress and available information.
Action 17-15: BE will distribute to EnviCom the so-called US-IWD report on

Environmental benefits of shipping
PW addresses the draft TOR he drew up for a group on Environmental Benefits of Waterborne Transport. Although EnviCom agrees on the need to rationalize and emphasize the environmental benefits of waterborn transport compared to other transport modes it also recognizes the need for the next step: that is to materialize those benefits at large. Therefore it is decided to set up a small expert group to do the first, that in a later stage should lead to a working group, commissioned to design a strategy to materialize the benefits. With recommendations on how identified barriers (technical, economical, social) can be overcome. This working group should be set up in close co-operation with InCom.
economic risk.

**Action 17-16:** BE will inform Russel Theriot, the chairman of wg 7 and Marien Geense as one of the submitters on the results of the discussion and the EnviCom decision on the wg 7 proposals.

**Navigation around Coral**

PH addresses the draft TOR for a proposed working group on navigation around coral. The initiative is based on the experienced contraints on dredging and navigation around coral. When contraints tend to increase it is important to safeguard the navigation interest. Discussion in the EnviCom leads to the conclusion that it may be wise to maintain the present low profile of these activities. Potential impacts of other activities on the coral are much higher on the agenda.

It is decided to proceed with the proposal in this respect that first two experts, Mr. Jeff Stevens of the USA Corps of Engineers and Mr. Reneé Koenen of the IMO-administration, will be consulted. And it will be tried to make an inventory of other groups already involved in or related to coral conservation activities. The experts opinion should further determine the next step, be it, a more extensive experts group, a working group or a participation in other groups and initiatives.

**Action 17-17:** PH will proceed to develop the proposal with the help of the experts.

**JITPS: Quality Shipping Seminar in Tokyo**

On January 9, 2003 in Tokyo, under the auspices of the Japan Institute for Transport Policy Studies (JITPS, Tokyo), with support from the Ship & Ocean Foundation (SOF, Tokyo), a seminar on Quality Shipping was held attended by some 300 people representing the various sectors of the shipping industry, public and private.

Among other speakers/lectures were Mr. Hans de Goel, Managing Director, and Mr. Jan Fransen, Deputy Managing Director of the Green Award Foundation, Rotterdam, the Netherlands. The Green Award delegation visited the ports of Chiba, Kawasaki, Nagoya, Osaka and Yokohama, in addition to the visits to the various shipping institutions, governmental, public and private, to promote the underlying concepts of the Green Award Foundation and their services.

Hereunder are some highlights of the incentives provided by the Green Award Foundation, prepared based mainly on the annual reports of the Green Award Foundation.

1. **Brief notes - Which vessels can apply for a Green Award?**

   Inspections and certification are applicable for crude oil tankers, product tankers and bulk carriers with a minimum deadweight of 20,000 tons. Currently (January 2003) about 166 vessels have a Green Award Certificate. Worldwide about 1,500 tankers and 1,500 bulk carriers, in the categories for which in principle the Green Award is available, are operational. The Green Award Foundation challenges the ship owners and managers of all these vessels to reflect on the question: are my vessels, my crews and my procedures good enough to be considered for a Green Award? Besides, it is interesting to note that charterers are asking more and more: "does the vessel have a Green Award?"

### 1.1 Quality Shipping Incentives Systems in Operation

<table>
<thead>
<tr>
<th>Location</th>
<th>Name</th>
<th>Scope</th>
<th>Area</th>
<th>Inspection</th>
</tr>
</thead>
<tbody>
<tr>
<td>EU</td>
<td>Double hull segregated ballast Tankers</td>
<td>Incentive (reduction on port- and in some instances pilot fees based on quality records</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>Finland/Marienhaam</td>
<td>Marienhaam incentive All vessels</td>
<td>Marienhaam incentive (differentiated port fees) based on quality records (Nox &amp; Low Sulphur fuel)</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>Germany/Hamburg</td>
<td>Hamburg Incentive All vessels</td>
<td>Port of Hamburg incentive (differentiated port fees based on quality records (ISO 14001, Green Award, low sulphur fuel, TBT-free anti fouling) exhaust gases</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>Japan</td>
<td>Tax preference Double hull tankers</td>
<td>Incentive (differentiation of tonnage tax) based on quality records</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>Korea</td>
<td>Double hull segregated ballast Tankers</td>
<td>Incentive (reduction on port- and in some instances pilot fees based on quality records</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>Norway</td>
<td>Environmental Indexing system All Vessels</td>
<td>Incentive (differentiation of tonnage tax) based on quality records (environmental)</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>Sweden</td>
<td>Swedish incentive All vessels</td>
<td>Incentive (differentiated fairway dues and port fees) based on quality records</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>The Netherlands</td>
<td>Green Award Crude, product tankers, dry bulk vessels</td>
<td>Inspections worldwide, incentives (differentiated port- and service provider fees in South Africa &amp; Europe)</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>USA</td>
<td>Qualship 21 All non-US flagged vessels</td>
<td>USA reduced inspection burden on vessels based on quality records</td>
<td>No</td>
<td></td>
</tr>
</tbody>
</table>

1.2 **Green Award Ports and Harbours**

<table>
<thead>
<tr>
<th>Country</th>
<th>Port</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Germany</td>
<td>Port of Hamburg</td>
<td>6% premium on the port fees</td>
</tr>
<tr>
<td>Lithuania</td>
<td>Klaipeda Port</td>
<td>Vessels receive 3% premium incentive based on vessel dues</td>
</tr>
<tr>
<td>Portugal</td>
<td>Port of Sines</td>
<td>5% discount on tariff of port use (TUP)</td>
</tr>
<tr>
<td>South Africa</td>
<td>National Ports Authority of SA</td>
<td>3% discount on tariff of port use (TUP)</td>
</tr>
<tr>
<td>Spain</td>
<td>Puertos de Estudio Ports of Bilbao, Santander, A Coruña, Huelva, Bahía de Cádiz, Bahía de Algeciras, Malaga, Cartagena, Valencia, Castellón, Tarragona, Barcelona, S.C. de Tenerife and other ports</td>
<td>Vessel will be charged 93% on the 1% tariff</td>
</tr>
<tr>
<td>The Netherlands</td>
<td>Moerdijk Port Authority</td>
<td>6% premium on the port fees</td>
</tr>
<tr>
<td>UK</td>
<td>Port of Suomi Voe (Shetland)</td>
<td>5% reduction on the payable harbour dues</td>
</tr>
<tr>
<td>UK</td>
<td>Port of Amsterdam</td>
<td>6% premium on the port fees</td>
</tr>
<tr>
<td>France</td>
<td>Port of Dunkirk</td>
<td>6% premium on the port fees</td>
</tr>
<tr>
<td>France</td>
<td>Port of Rotterdam</td>
<td>6% premium on the port fees</td>
</tr>
<tr>
<td>Spain</td>
<td>Zeeland Saaports (Vliissingen, Terneuzen)</td>
<td>6% premium on the port fees</td>
</tr>
<tr>
<td>Spain</td>
<td>Cartagena, Valencia, Castellón, Tarragona, Barcelona, S.C. de Tenerife and other ports</td>
<td>Vessel will be charged 93% on the 1% tariff</td>
</tr>
</tbody>
</table>
1.3 Green Award Incentive Providers

<table>
<thead>
<tr>
<th>Country</th>
<th>Port</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Netherlands</td>
<td>AW Inditri</td>
<td>5% discount on the disposal costs of slps in the Port of Rotterdam</td>
</tr>
<tr>
<td></td>
<td>Dirkzwager's Coastal &amp; Deepsea Pilots</td>
<td>5% premium on published tariff</td>
</tr>
<tr>
<td></td>
<td>Dutch Pilotage Organisation</td>
<td>Possibility of personnel transfer during helicopter pilot transfer at no charge, if operations allow this.</td>
</tr>
<tr>
<td></td>
<td>euroshore international</td>
<td>All Members in the following countries provide a 5% discount: Belgium, Germany, UK, France, Spain, Greece, The Netherlands</td>
</tr>
<tr>
<td></td>
<td>hotug - tug board company</td>
<td>2% reduction on net Harbour Tugage fees</td>
</tr>
<tr>
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<td>Marlinsafety rotterdam (MSR)</td>
<td>5% reduction on all MSR training program standard fees</td>
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<td>Royal Boatmen Association Eendracht</td>
<td>For vessels of LoA of 200 mtrs and above: free assistance in (un) mooring by two qualified boatmen, on bow, one at stern; no charge for transport, waiting time, and travelling time for boatmen required on dock for assistance in (un) mooring</td>
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<td>Smit International</td>
<td>Free places on the Managing Marine Emergencies course Van Esch International</td>
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<td>Van Esch International</td>
<td>7.5% rebate on the invoiced port services Cranes-barge</td>
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<td>UK</td>
<td>Hammond Marine Services</td>
<td>5% rebate of the piloting element of the tariff of Hammond deepsea pilots</td>
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2. Future aspects: Green Award for new vessel categories

So far the Green Award is only available for crude oil tankers, product tankers and bulk carriers of 20,000-ton DWT and above. With that a vital part of the international shipping industry is considered for certification. But increasing the level of safety and environmental awareness of the total shipping industry is the ultimate goal of the Green Award Foundation. The next step on this long road to the extension of the Green Award would be to container carriers.

3. For more information write to:

Bureau Green Award
Veerkade 2, 3016 DE Rotterdam, The Netherlands
P.O. Box 23107, 3001 KC Rotterdam, The Netherlands
Tel.: + 31 10 2170200
Fax: + 31 10 2829762
E-mail: info@greenaward.org
URL: http://www.greenaward.org

PEMSEA: New era of regional collaboration for the seas of East Asian waters

Preparations are underway for the Ministerial Forum and International Conference on the Sustainable Development of the Seas of East Asia: Towards a New Era of Regional Collaboration and Partnerships, which will be held from December 8 to 12, 2003 in Kuala Lumpur, Malaysia. The GEF/UNDP/IMO Regional Program on Partnerships in Environmental Management for the Seas of East Asia (PEMSEA) is organizing the events aimed at paving the way for a new level of collaboration in the East Asian region.

The Ministerial Forum will provide a venue for concerned ministers and officials from the host country, Brunei, Dar es Salam, Cambodia, People's Republic of China, DPR Korea, Indonesia, Japan, Philippines, Republic of Korea, Singapore, Thailand and Vietnam, to adopt the Sustainable Development Strategy of the Seas of East Asia (SDS-SEA). The SDS-SEA provides the framework for developing linkages among programs concerning poverty alleviation, sustainable livelihood, reduction of vulnerability to natural hazards, long-term security, economic growth and the health of human beings, ecosystems and the natural resource base—all within the purview of the calls made at the United Nations Conference on Environment and Development (UNCED) and the World Summit on Sustainable Development (WSSD), as well as in other international meetings which called for more concerted efforts at regional and international levels to curb environmental degradation and to safeguard the world’s remaining natural coastal and marine resources.

The Ministerial Forum would consider innovative and sustainable regional collaborative arrangements and financing mechanisms for strengthening and sustaining regional coastal and ocean governance as obligated under the Agenda 21 of UNCED, and in response to the recommendations of the WSSD and other related instruments. This high-level gathering, scheduled on 12 December to immediately follow the International Conference, is expected to foster stronger partnerships between and among nations and to give rise to strengthened commitments to environmental management and protection in the region.

Meanwhile, the International Conference from December 8 to 11 will bring together concerned stakeholders—policymakers, economists, environment and natural resource managers, NGO representatives, media practitioners, the academe and other members of civil society and the private sector—to discuss the ways and means to strengthen regional collaboration, promote synergies and linkages among existing regional and global programs, and work towards achieving sustainable coastal and ocean development in the East Asian region. Hence, it will be particularly relevant to the current global focus on sustainable development and the emphasis on the need to chart future courses of action.

According to Dr. Chua Thia-Eng, PEMSEA Regional Program Director and Secretary General of the events, the International Conference will consist of plenary and workshop sessions focusing on two themes: 1) Review of international and national efforts towards and progress in addressing the main sectoral concerns regarding the Seas of East Asia; and 2) Essential cross-sectoral approaches and processes: Towards achieving sustainable development. The conference would focus discussions on the progress in joint efforts to address key regional concerns, especially pertaining to the implementation of international instruments and the recommendations of world summits on the environment and sustainable development. Best practices and lessons learned in the application of integrated approaches to the management of coastal and ocean-related ecosystems and natural resources would also be presented and discussed. The obstacles to the effective management of shared waters and the actions needed to overcome governance, finance, scientific, communication, and
capacity barriers would also be present-
ed, while regional mechanisms for col-
laboration and partnerships in develop-
effective and sustainable regional and
subregional mechanisms for envi-
rmental and natural resource gover-
nance would be highlighted.

“The forum and conference are timely
considering that for many years, envi-
rionmental issues of national concerns
have been the sovereign responsibility
of the nations and the respective sec-
tors while transnational/transboundary
issues are relegated to international
bodies,” Dr. Chua added. “A multi-
tiered, multisectoral, integrated
approach at the regional, national and
local levels synchronizes well with the
advent of globalization and regional
economic realignment, while effectively
addressing the worsening environmen-
tal crises of our times,” he said.

*PEMSEA is a regional program supported by the
Global Environment Facility with Brunei Darussalam,
Cambodia, People’s Republic of China, DPR Korea,
Indonesia, Japan, Malaysia, Philippines, Republic
of Korea, Singapore, Thailand and Vietnam as partici-
pating countries. Its implementing agency is the
United Nations Development Program, with the
International Maritime Organization as the execut-
ing agency.

Port Authority in USA, has become the
Chairman. The other Directors are
David Bendall of Maritrade in Australia
(Deputy Chairman), Paul Auston, CEO
of Checkmate Avon, UK, Peter
Bomsans of Port Centre Lilo, Belgium,
Philip Kimball who is Chairman of
ICHCA USA, John Nicholls, Director of
Loss Prevention at TT Club, UK and
Mike Compton, Principal of Circlechief
Ap, UK. It is likely that further interna-
tional Directors will be appointed as
the company develops. The new organisa-
tion has been accorded Non
Governmental Organisation (NGO) sta-
tus at IMO, ILO and ISO and has
already taken up this role. It has been
incorporated in UK and its offices are in
UK, within reasonable distance of IMO.
Its aims is to represent its members
and cargo handling generally, to inform
about actions and decisions being
taken at international level, to consult
members on topical issues, to develop
and publish authoritative documents on
topical issues and to offer technical
advice to its members. It has already
announced the publication of five new
documents from the International Safety
Panel, together with a new publication
CARGO WORLD. Its email address is
info@ichcainternational.co.uk. ICHCA
as an Association has now ceased to
trade.

ICHCA International is the only inter-
national organisation dedicated to
cargo handling matters and IAPH has
enjoyed good relations with its prede-
sessor over the years. In particular,
IAPH and the International Safety Panel
have worked closely together on a num-
er of issues and both parties have said
that they intend that this cooperation
will continue, indeed even increase, in
the future.

IAPH wishes the new organisation
well for the future and looks forward to
working with it.

ICHCA: Launch of ICHCA
International Ltd.

THE International Cargo Handling
Coordination Association (ICHCA), which was founded
in 1952, decided in April of last year to
take a decisive step in its future organi-
sation. Following considerations span-
ing two years, and after noting that
certain other international bodies had
also taken the same step as well as one of
ICHCA’s own National Sections, it
was decided that the organisation
should become incorporated. This step
was taken for sound business reasons.
As a consequence, ICHCA International
Ltd was formed in May last year and it
commenced operations by inviting
interested parties to join it and become
members on 1 January 2003. It is run by
a Board which currently has seven
Directors and a President. Fumio
Okuyama, who is Chairman of ICHCA
Japan, has agreed to become the first
President of IIL and James H Hartung,
President of the Toledo-Lucas County

Upcoming Conferences

Cruise + Ferry
Conference

Conference Highlights:
• An overview of the cruise, ferry & fast ferry
markets
• Debate the latest security and safety issues
• Learn about financing and new business
opportunities
• Find out about the latest technology avail-
able to cruise ships
• Discuss health & safety issues on board
vessels
• Gain an update on manning systems
• Meet and network with senior representa-
tives and experts in the cruise and ferry
industries

PLUS: One and a half-day
seminar
Passenger claims in the Maritime Industry
Thursday May 15, 2003
Grand Hall Olympia, London

Friday May 16, 2003
Regency Hotel South Kensington, London

• Review personal injury claims
• Understand the implications for changes of
itinerary and the law of agency
• Examine P&I cover and deviation

World Maritime Forum
June 23-25, 2003
St. Petersburg, Russia

The aim is to provide a platform for world
maritime leaders to share and debate
strategic views of the industry.

Provisional Programme

• Keynote views
Presented by invited speakers representing the
global maritime industry, subjects will include:
world demand for ships and offshore struc-
tures, world benchmarks in ship building
and ship repairing, new challenges for classifica-
tion and professional societies, state of the art
world shipping business
• Discussion forums
• Networking
• Opening of the Maritime Defense Show
• Receptions hosted by the Government of
St Petersburg and the Government of the
Russian Federation
• Visits to leading ship yards in St. Petersburg
• Receptions and banquets hosted in the
most famous and historical palaces of St
Petersburg
For further information:
Enquiries to St Petersburg Branch (The Institute of Marine Engineering, Science and Technology)
Prof. Kirill V. Rozhdestvensky, Honorary Secretary, Saint-Petersburg Branch
3 Lotsmanskaya, St Petersburg 190008, Russia, SMTU
Tel: 00 7 812 114 2923
Fax: 00 7 812 318 5227
Email: kvr@peterlink.ru and kvr@snty.ry

IHE Delft:
39th International Seminar on “Port Management”
May 6-31, Delft
The Netherlands

THE International Seminar on Port Management (or ‘Port Seminar’), organized annually since 1964 in close collaboration with the Municipal Port Management of Rotterdam and Amsterdam, provides a comprehensive overview of the organizational and managerial aspects of modern ports.

This year the seminar focuses on Port Reform, whereby the ‘World Bank Port Reform Tool Kit’, published last year, is used. Various aspects of the handling of containers and ports' state-of-the-art of modern container terminals are being extensively dealt with through lectures and terminal visits. Lectures on Port Management, Port and Shipping Logistics, Port Master Planning, Port Performance, Port Strategy, Port Tariffs, Port Reform, Port Privatisation, Hinterland Connections, Information Logistics, Tracking Systems, Environmental Aspects, etc. are part of the programme. A workshop on Resource Control Management provides the participants with hands-on experience.

After the 3-week seminar a one-week study tour of ports in France (Calais) and the United Kingdom (Southampton, Bristol, Felixstowe, London) is scheduled as an optional activity.

For further information:
IHE Delft
P.O. Box 3015, 2600 DA Delft, The Netherlands
Tel: +31 15 215 17 15
Fax: +31 15 212 29 21
E-mail: ihe@ihe.nl
URL: http://www.ine.nl

IPPPM: 19th Port Planning and Management International Training Program
May 19-30, New Orleans, Louisiana, U.S.A.

THE International Program for Port Planning and Management (IPPPM) is an intensive, two-week management training program for foreign and domestic maritime industry officials in all facets of port planning and management.

Tuition: US$2100

For further information:
Director, IPPPM; CUPA/LUTAC; University of New Orleans; LA 70148; U.S.A.
Tel: (504)280-6519
Fax: (504)280-6272
E-mail: psimon@uno.edu.
URL: www.uno.edu/cupa/ipppm.html

CIM: Bordeaux CIM Colloquium
June 10-13, Bordeaux, France

• Trade and transport law in the electronic age
• Transport law
• Developments in international maritime law

Registration fees:
From January 16, 2003: 6200 euros
As of April 16, 2003: 700 euros

Included:
• Attendance to the conferences and simultaneous translation French/English
• The coffee breaks
• The working lunches on Wednesday 11th and Friday 13th
• The welcome reception on Tuesday 10th
• The cocktail reception on Wednesday 11th
• The excursion around the Bordeaux vineyard on Tuesday 12th (lunch included)

For further information:
BP 55-33030 Bordeaux Cedex, France
Tel: +33 (0)5 56 11 88 65
Fax: +33 (0)5 56 11 88 22
E-mail: d.pouvreau@bordeaux-expo.com

PORTS AND HARBORS March, 2003 31
IN the face of expanding economies and an increased demand for transport facilities throughout the world, Inland Water Transport (IWT) is often shown to be the preferred alternative from not only an economic standpoint, but also in terms of environmental conservation. However, in many countries, this alternative is contested in the name of environmentalism.

Current development methods include the necessary measures for reconciling the requirements of different uses. The overriding aim has become planning for the future with a strict regard for sustainable development. Within the context of these new methods, it is important that new projects be assessed taking into consideration the main natural functions of river systems; in other words, that they ensure maintenance of the key functions and ecological functions, including:

- Morphological processes (erosion, transport and sedimentation)
- Maintenance of hydrological balance (e.g., flood pulse)
- Maintenance of the sediment balance
- Provision of habitat (ecological continuum)
- Maintenance of biological and chemical processes (nutrient cycles)

An overall assessment must be carried out for the river basin as a whole. Vessels can be adapted to the conditions of particular rivers, rather than the waterway adapted to common standards and designs. Measures to achieve needed depth, clearance, width, or velocity can be selected to minimize impacts upon important waterway functions. These measures can even be modified to provide environmental enhancements.

Financing institutions and governments need to ensure that the full environmental and social costs and the long-term effects of proposed waterway schemes are included in cost-benefit analyses. Affected parties must fully participate in the decision-making process regarding any waterway. Case studies presented in the Appendices illustrate lessons to be learned on different steps in the proposed procedure.

This new report of the PIANC Environmental Commission (EnviCom) can be ordered online: http://www.pianc-aipcn.org

THE yearbook lists each company with commercial information on about 440 shipping and management companies in Norway, Sweden, Denmark, Finland, Iceland and Faroe Islands, key personnel and fleet list.

PIANC: “Guidelines for Sustainable Inland Waterways and Navigation”

SELVIG Publishing A/S:

The book is sold together with a CD-ROM containing all the same information. The database is easy to use for search, selection, export, address labelling, document merging and printing.

In addition the book contains a section with Tanker Index, Freight Indices and International review of world Ocean-going tonnage, a section with Classification Societies and Associations and a section listing main specifications on all vessels.

Book including CD-ROM: NOK 750
Book only: NOK 600

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Fax: +47 67 56 47 62
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URL: http://www.selvig.no/English.htm

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.

W ith 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


Tokyo News Service, Ltd.
Malé Commercial Harbour (MCH) is the only International Port in the Maldives, and is situated in the Capital island Malé. Because of the strategic location of Maldives, in the middle of the Indian Ocean straddling the equator, MCH pivoted at the crossroads of world trade for centuries. Today the port plays an important role in shipping and commercial activities of Maldives.

Covering an area of 21,700 sq meters, all international cargo to Maldives is handled at Malé Commercial Harbour, except bulk cargo, which is unloaded at offshore islands for reasons of safety and storage. The Harbour can accommodate ships with 3.5 meters draught at the inner berths and larger vessels of any size at midstream. The newly constructed 101-meter alongside berth officially known as “Magathufaalan” went into operation in 1997. Ever since, vessels with maximum draughts of 9.5 meters, displacement 15,000 tons and LOA of 150 meters have been able to come alongside, thus expediting the cargo handling process and facilitating a quicker turnaround of ships. Other facilities within the terminal include a 17,420-sq. meter storage area for containers and oversized cargo, a 2850-sq.-meter warehouse, a mechanical workshop and a vessel repair yard for the repair of smaller vessels. Containers are handled at the port by reach stackers and other assisting equipment like front-end loaders and prime movers. Mobile cranes are used primarily for the unloading of general cargo.

Regular cargo services are provided from Europe, the Middle East, Far East and East Africa. Ships from neighboring countries like India and Sri Lanka call most frequently. The East African Express Service calls at MCH every fortnight. This service is jointly operated by P & O Nedlloyd, MOL and DELMAS. Almost 29% of cargo ships calling at the port are container ships. On average, 42% of ships calling at MCH are of 1000 GT and above. The cargo throughput has increased from 227,504 mt in 2001 to 232,683 mt in 2002. This increase in cargo throughput highlights a growth trend, and management has decided to invest in additional terminal facilities and handling equipment. In addition, cruise ships, pleasure craft and yachts also call at MCH on a regular basis from all over the world.

The container throughput at MCH has increased from 279 TEUs in 1988 to 19,249 TEUs in 2002. This trend is likely to increase and hence management has taken into consideration other port investment projects to ease congestion that might impact the operations at MCH.

The establishment of MCH has contributed significantly to the growth of international trade in the Maldives by promoting increased efficiency of port

**VESSEL CALLS 2002**

- Cargo Vessels: 426 (59.4%)
- Fishing Vessels: 123 (17.2%)
- Yachts: 76 (10.6%)
- Oil Tankers: 61 (8.5%)
- Others: 23 (3.2%)
- Passenger Liners: 8 (1.1%)

PORTS AND HARBORS March, 2003 33
activities. Port Management has set itself the goal of establishing lower port costs to customers since this would benefit both the carriers and contribute to the local economy.

Maldives Ports Authority, while trying to upgrade its activities to provide better services to its customers, seeks to assist the nation’s trade and commerce to make Maldives a business and financial center. In the future, Maldives Ports Authority will continue to take advantage of the location of Maldives and work to expand links to other major industrial cities of the world.

The Government of Canada is announcing marine security projects to be carried out by six federal government departments and agencies. The projects focus on safeguarding and protecting our marine infrastructure, surveillance of Canadian waters and improving our emergency response capabilities.

Specific projects include:
- increasing surveillance and tracking of marine traffic, including “near real-time” identification and tracking of vessels in Canadian waters;
- screening of passengers and crew on board vessels;
- installing new detection equipment in ports to screen containers for radiation;
- new funding for the enhancement of the RCMP Emergency Response Teams and the establishment of permanent investigator positions at major ports;
- enhancing collaboration and coordination

Future Developments

Maldives Ports Authority, the owner and operator of MCH, is contemplating embarking on major capital investment programs in other nearby islands to facilitate and enhance efficient port operations. Immediate plans for MPA include:

- The development of two new regional ports - one in the South of Maldives, on the island of Hithadhoo in Seenu Atoll and one in the North, at Haa Dhaalu Atoll on Kulhudhuffushi island. These ports would be located on the roads for international shipping.
- The construction of another terminal at Hulhumale’ island which is being developed as a new metropolitan city adjoining Male’ International Airport.
- The construction of a Vessel Repair Yard at Thilafushi Island. In addition, Management also intends to continue to invest in Male’ Commercial Harbour to upgrade its facilities and offer newer, state-of-the-art, high-performance equipment and storage facilities.

Canada: Announces five-year package of marine security projects up to 172.5 million
among government departments and agencies;
- making further improvements to port security by establishing restricted areas and requiring people working within these areas to undergo thorough background checks; and
- developing and implementing new security requirements in line with recent recommendations of the International Maritime Organization.

A number of the projects stem from ongoing analysis by the Interdepartmental Marine Security Working Group that was formed by the Government of Canada following the attacks of September 11, 2001. This group, with broad representation from federal government departments and agencies, has already undertaken a number of initiatives to improve marine security, including:

- increasing the requirement for advance notice by vessels entering Canadian waters to 96 hours;
- introducing new boarding protocols to improve the response to any threats before ships arrive in Canadian ports;
- in partnership with the United States, establishing enhanced security screening procedures for ships entering the Great Lakes-St. Lawrence Seaway system; and
- working with international partners to develop new international marine security requirements.

These projects build on the Government of Canada’s overall response to the September 11, 2001 attacks and to the global threat of terrorism. The hallmark of Canada’s approach to national security is collaboration among departments and agencies at all levels of government, and with industry stakeholders and the international community.

At the announcement in Halifax, Minister of National Revenue, Elinor Caplan unveiled one of the first new mobile Vehicle and Cargo Inspection Systems (VACISTM) purchased by the Canada Customs and Revenue Agency to enhance shipping container security. The Agency has purchased 11 VACISTM units, which are truck-mounted mobile scanning systems that scan an image of contents in a marine container, rail car or truck.

This new state-of-the-art technology provides operators of the equipment with an image similar in many ways to an X-ray. It will further assist Customs officers to examine densely loaded containers and detect suspected contraband, weapons, and other potentially dangerous goods.

“This is the latest in a series of innovative technologies that we are investing in order to increase public safety,” said Minister Caplan. “These mobile VACISTM units will allow Customs inspectors to better protect Canadians.”

Halifax: Groundwork for Smart Port Initiative

On January 10, the Halifax Port Authority (HPA) announced the details of its new Smart Port Initiative. Smart Port is a stakeholder-driven initiative, facilitated by HPA and designed to enhance the Port’s competitiveness, exchange information and bring together key port and business stakeholders.

“We are encouraged by the response and interest in the Smart Port Initiative, which we introduced to the Port community in the fall,” said Ms. Karen Oldfield, HPA President & CEO. “The Port of Halifax is a key economic asset. The ability to bring the business leaders and port stakeholders together to solidify a common vision for the Port bodes well for a strong future.”

The Halifax Port Authority identified a need for a forum to discuss and resolve common stakeholder issues. The initiative will also identify port business opportunities and facilitate development of these opportunities. Five key focus areas have been identified:

1. Marketing and Strategy
2. Competitiveness and Productivity
3. Value-Added Opportunities
4. Information Technology
5. Port Security

“We’re pleased to see this initiative,” said Mr. Russell Herder, Chairman, Halifax Shipping Association. “The Port of Halifax has tremendous potential and we believe that Smart Port will provide a forum for the port community to work together and maintain Halifax’s competitiveness. We will be a very active participant.”

“We are moving forward on a number of issues and are actively holding discussions with key stakeholders to press for solutions. For example, trucking and rail concerns are being discussed at two meetings of the Competitiveness and Productivity Working Group next week. These meetings will be attended by a broad cross section of port and community stakeholders,” explained Ms. Patricia McDermott, Vice President - Marketing, HPA. “Opening the lines of communication and engaging members to work together for results is a key objective of Smart Port.”

Charleston: Study reveals stunning impact of S.C. ports on state

If South Carolina’s ports were to disappear, the impact on the state would be enormous and far-reaching, according to a new study by the Center for Economic Forecasting at Charleston Southern University.

South Carolina would lose 281,660 jobs paying $9.4 billion, along with $2.5 billion in state and local taxes. According to the study, the Ports Authority’s total impact on the state was $23 billion in 2002. “No matter how it is measured, the impact of the South Carolina State Ports Authority on every region of our state is tremendous,” said Dr. Parish.

Every region of the state has a lot at stake when it comes to Port operations. The study defined six regions and produced results for each. The total regional economic impact ranged from $2 billion in the Beaufort region to $144 billion in the Upstate.

The report was conducted to provide an unbiased and conservative measure of the Ports Authority’s role as a catalyst for development of the state’s economy. “But it also should serve as an important tool in planning for South Carolina’s future,” said Dr. Parish.

The full report, including regional impacts, can be accessed through the South Carolina State Ports Authority’s website at http://www.scspa.com.
THE Port of Houston Authority (PHA) Commission reviewed 2002 year-end results during its monthly meeting on January 27. The Port Authority’s total container volume and total tonnage surged to record levels in 2002. Total container volume reached 1,159,789 TEUs (twenty-foot equivalent units), a 10 percent increase over the 1,057,869 TEUs recorded in the previous year. The Barbours Cut Container Terminal (BCT) accounted for most of the container volume - 1,063,076 TEUs in 2002 compared to 911,903 TEUs during the previous year. The PHA’s total container tonnage in 2002 was 10,858,068 short tons compared to 10,119,938 short tons in 2001. BCT’s 2002 portion totaled 9,992,136 short tons, up from 8,833,183 short tons in 2001. Additionally during 2002, the PHA’s Bulk Materials Handling Plant handled a record total of 3,846,720 short tons compared to 2,979,139 short tons in 2001.

“These results show that despite rising costs and a weak economy, the Port Authority’s operations are efficient, our facilities are in excellent shape, and our people remain committed to our customers,” stated Chairman Mr. James T. Edmonds. “Still, despite the increased container volume and tonnage, the rate of growth in the Port Authority’s container traffic is actually slowing because we are running out of space. We simply do not have the capacity to serve everyone who wants to come to the Port. The need for the proposed Bayport Container and Cruise Terminal is abundantly clear,” he noted.

The Bayport project remains under review by the U.S. Army Corps of Engineers, which is expected to issue a final environmental impact statement (FEIS) in March 2003. Built-out over several years, the Bayport facility is expected to triple the Port Authority’s container handling capacity and create more than 39,000 new jobs.

During 2002, the Port Authority continued to feel the impact of U.S. trade sanctions on steel imports, which declined to just under 1.94 million short tons, an 18 percent drop from the nearly 2.37 million short tons the PHA recorded in the previous year. In a move to help offset the effect of the sanctions, the Port Commissioners voted last summer to lower the wharfage rate on all imported iron and steel products by approximately 29 percent to $1.65 per short ton from $2.32 per short ton (steel slabs remain subject to a wharfage rate of $1.16 per short ton). The temporary reduction was originally scheduled to expire on December 31, 2002, but the Port Commissioners voted in November to extend it through December 31, 2003. At that time, they also implemented a three percent tariff increase (effective January 1, 2003) to cover rising expenses related to operations at the Turning Basin and Barbours Cut terminals.

Citing the volume and tonnage increases in bulk materials, general cargo, auto imports and exports, and bagged goods, the PHA posted record-level operating revenue of nearly $108.5 million in 2002, an increase of one percent from operating revenue of $106.9 million in 2001. BCT contributed $66.01 million to PHA’s operating revenue, a record amount reflecting a 13 percent increase over BCT’s operating revenue of $58.476 million in 2001. The PHA’s 2002 net income totaled $6.98 million, a 70 percent decline from the previous year’s $23.46 million net income attributed largely to lower returns on the PHA’s portfolio of bonds and other market investments as well as a mix of increased health care premiums, property insurance rates, and legal fees. Montreal: The Gold-Headed Cane presented to Capt. Ashwani K. Engineer

THE President and Chief Executive Officer of the Montreal Port Authority, Mr. Dominic J. Taddeo, officially marked the beginning of a new year of activity at the Port of Montreal on January 3 by presenting the Gold-Headed Cane to Captain Ashwani K. Engineer, master of the containership Canmar Courage, the first ocean-going vessel of the year. It serves as a reminder to exporters, importers, manufacturers and distributors here and abroad that the Port of Montreal is active all year long, despite Montreal’s reputation for harsh winters. It also provides an opportunity for the entire shipping community to celebrate the beginning of a new year of port activity - activity that creates more than 17,600 direct and indirect jobs and generates revenues of approximately $2 billion annually.”
Montreal: Record-breaking container traffic in 2002

The Port of Montreal’s container traffic hit an unprecedented high last year, but failed to offset a decrease in total traffic. A sharp decline in grain traffic was the result of a severe drought in Western Canada in 2002, while a mild Montreal winter sapped demand for petroleum products, bringing down the port’s traffic in liquid bulk. As a result, total traffic decreased by 2.1 per cent, to 18.7 million tonnes.

The Montreal Port Authority (MPA) also reported net earnings for the 23rd year in a row. The MPA is an autonomous federal agency that finances its own projects without receiving any subsidies.

“Last year was an excellent one for the Port of Montreal, in terms of containers,” said MPA President and Chief Executive Officer Mr. Dominic J. Taddeo. “It should be noted that our container traffic broke records for eight consecutive years before the economic slowdown in 2001. Last year, it posted an increase of 8.3%, or more than 700,000 tonnes – reaching an all-time record of 9.4 million tonnes.”

The port broke another record in handling 1,054,603 TEU (twenty-foot-equivalent unit) containers, which was 65,176 more than in 2001. It was also 40,455 more than the number handled in 2000 – the first year the Port of Montreal beat the mark of one million TEUs handled in one year.

“Montreal has renewed its membership in that select club of ports that handle one million containers or more annually,” said Mr. Taddeo. “According to the most recent market statistics available (first nine months of 2002), the Port of Montreal fared better on the North Atlantic market than any of its competitors on the North American Eastern Seaboard. It also posted container increases in both exports and imports last year.

“Knowing that container traffic generates more economic spin-offs than any other cargo category, these results are very good news.”

The port’s traffic in containerized and non-containerized general cargo totalled 9.8 million tonnes in 2002, an increase of 7.8% compared with last year. Traffic in non-containerized general cargo came to some 400,000 tonnes in 2002, down 3.8 per cent due to fewer deliveries of steel products.

“Although 2002 was an excellent year for the Port of Montreal’s container traffic, we cannot say the same for liquid and dry bulk,” said Mr. Taddeo. “Mother Nature was hard on those two sectors.”

One of Alberta and Saskatchewan’s worst droughts ever caused Canadian grain exports to fall to their lowest level since 1954-55. As a result, the Port of Montreal’s grain traffic came to just under 1.4 million tonnes, down some 500,000 tonnes, or 26.6%, compared with 2001.

As for dry bulk other than grain, it decreased by some 200,000 tonnes, or 5.1%, to total 3.7 million tonnes. This was due to fewer deliveries of fertilizer, copper ore and cement.

An exceptionally-mild winter in 2002 also affected demand for petroleum products in the Greater Montreal Region. As a result, traffic in petroleum products at the port was down 12.8%, or some 450,000 tonnes, to 3 million tonnes. Traffic in other liquid bulk came to some 800,000 tonnes, an increase of 4.2%, or slightly more than 30,000 tonnes, in part due to more deliveries of hydrocarbons.

Finally, the Port of Montreal welcomed 37,867 cruise passengers last year, compared with 23,829 the year before. This remarkable surge in passenger traffic can be explained by the growing popularity of the St. Lawrence River/North American East Coast, considered a safe destination following the events of Sept. 11, 2001.

NY/NJ: Work together with city of Elizabeth for critical transportation and public safety projects

The Port Authority and the City of Elizabeth announced that they have identified the resources needed to support critical transportation and public safety projects in Elizabeth, including a rail connection that will improve the shipment of goods in the region, and an emergency response facility to serve Elizabeth, including the airport and seaport. The announcement was made by Port Authority Deputy Executive Director, Mr. Michael R. DeCotiis and Elizabeth Mayor, Mr. J. Christian Bollwage.

Under the agreement, the City of Elizabeth will provide the Port Authority with necessary permits to facilitate the construction of a rail connection that will link the Staten Island Railroad to the Chemical Coast Line in Elizabeth, a major national freight line used by Norfolk Southern and CSX.

The connection will help relieve traffic congestion by allowing cargo to be transported by rail between the Howland Hook Marine Terminal on Staten Island and destinations throughout the Northeast. Currently, all of Howland Hook’s cargo is transported by truck.

These projects will reduce the dependence on trucks to move cargo in the region, reducing highway congestion and improving air quality.

To help support emergency response efforts in the area, the Port Authority and Elizabeth agreed to reallocate $15 million of already committed funds to build land and build a new emergency response facility closer to Elizabeth’s waterfront. The facility will provide additional resources to respond to emergencies at the Port Authority-Elizabeth Marine Terminal and Newark Liberty International Airport, as well as elsewhere in the city.

In addition, the Port Authority will provide $35 million of previously committed funds to buy land and build a new emergency response facility closer to the airport.

Port Authority Deputy Executive Director, Mr. DeCotiis said, “The Port Authority is committed to working with...
the City of Elizabeth on important issues that will strengthen the economy and build a better quality of life for its residents and the entire region. “This agency shares the City’s concern about taking the necessary steps to plan more effectively for future needs in transportation and in public safety,” he added. “By working together, we have been able to identify ways to help the City better protect the safety and security of its residents and to provide for critical transportation projects that will relieve congestion and allow for more efficient movement of goods throughout the region.”

Mr. DeCotiis also recognized the City’s efforts in providing standby emergency services for the airport and seaport. Last year, the Port Authority Board of Commissioners increased its annual contribution to the Elizabeth Community Development Fund to $3 million to help offset the cost of these vital services.

Elizabeth Mayor, Mr. Bollwage said, “Working in conjunction with the Port Authority, we are ensuring the safety of our residents and improving the method of transporting cargo throughout the area. We are going to build a state-of-the-art facility capable of housing additional emergency personnel, trained in the latest techniques and procedures, and accommodate the most up-to-date equipment available to effectively respond to any situation in the Elizabeth port area. We will also put into place plans that will alleviate truck congestion and pollution within our city and region. This agreement is a promise kept and a guarantee of the City’s commitment available to effectively respond to any situation in the Elizabeth port area. We will also put into place plans that will alleviate truck congestion and pollution within our city and region. This agreement is a promise kept and a guarantee of the City’s commitment.”

The Port Authority also is working with the City to improve safety and security efforts in the area. Initiatives include emergency planning and mutual aid drills; reviewing and updating emergency notification and response protocols; facilitating delivery of hazardous materials response training for city personnel; ongoing assessment of local, county, state and Port Authority first responder capabilities and needs and supporting the City’s pursuit of federal grants or other funding to address the City’s public safety needs.

In addition to the rail connection, the Port Authority will build a new ship-to-rail transfer terminal at Howland Hook on the former Procter and Gamble property purchased by the Port Authority in 2000. Construction will begin this year and be completed by mid-2005.

An expanded ship-to-rail facility also is under construction at the Port Authority Elizabeth Marine Terminal to replace a smaller rail facility that has reached its capacity.

Panama Canal: Begins joint dredging projects

THE Port of Panama City and the U.S. Corps of Engineers have begun a joint dredging project to deepen Panama City’s entrance channel and turning basin from 32 feet to 36 feet. Inland Dredging Company of Dyersburg, Tennessee will begin work in the channel in January. The Panama City Port Authority is in the process of bidding the dredging work in the berthing areas. The entire project will cost approximately $85 million dollars and be completed by the end of May, 2003.

The channel deepening is the first of a series of major improvements underway at the Port of Panama City.

amsterdam port authority

Amsterdam: Record transshipment in 2002

In 2002 Amsterdam Ports again achieved record transshipments of an estimated 70 million tons. With their 2.4% growth the four-port complex reached fourth position in northwest Europe, a spot previously held by Le Havre.

Oil products showed the largest increase at 9%. Increasing demand in Europe and the United States, and the uncertain situation in the Middle East helped increase the world trade in oil. Amsterdam improved its position by expanding its storage and mixing capacity, and finally transshipped a total of 14.4 million tons.

Growth was also achieved in animal feeds (+3%), ores and scrap (+4%), and fertilisers (+64%). The largest transshipment category, coal, dropped 3% due to economic developments and increasing competition.

After Hamburg, Amsterdam is the fastest growing port complex in northwest Europe, having increased its market share in 2003 to 8%. Only Rotterdam, Antwerp and Hamburg now transship more. Amsterdam is currently 17th in world rankings.

The seaport is also of ever greater importance to the national economy. Its total added-value has risen by 33% in the last five years, from 3.8 to 5.02 billion euros; equivalent to a 6% annual rise. This resulted in 15% growth in direct and indirect employment: from 60,500 to 69,700 jobs in the five years.

A striking trend is that fewer sea vessels (a drop of 780 to 8849 in total) have brought in this greater amount of cargo. Arriving vessels therefore are gaining in size and loading capacity.

In 2003 Amsterdam will further strengthen its international logistics activities. The development of logistics services at the Atlas Park, on the new Afrikahaven, is getting underway through cooperation with Amsterdam Schiphol Airport. Amsterdam needs this growth to maintain its competitive position, mainly for the industry in the North Sea Canal area, which is strongly dependent on movement in and out by sea.

Reaction from Executive Director

Hans Gerson

Executive Director of the Amsterdam Port Authority, Hans Gerson reported: “We have reason to be satisfied across the board. Rotterdam and Antwerp have picked up again after a slow period. Fortunately, Amsterdam Ports never quite faced the decline they did and has proved able to maintain its upward line after the strong growth of the past years.”

“It is interesting to look at what caused this growth. Some ports managed this through container transshipment, which is for us only a modest contributor. Containers are the future. In 2002, 15% percent more containers being transhipped world-wide than in the previous year. Now that the huge Japanese shipping company and international service provider, NYK has acquired the revolutionary Ceres Paragon Terminal, I expect a healthy start in container transshipment in Amsterdam during the course of the
Amsterdam: Ports to favor quality-verified vessels

As of January 1, 2003, Amsterdam’s Municipal Port Authority is offering a 6% discount on port charges to vessels carrying the Green Award certificate. These are ships which have been investigated and proven to be in good technical condition, to have a well trained crew and good ownership support and land management at their disposal. The discount system should encourage ship owners to apply for and obtain the Green Award certificate and so to upgrade safety and environment at sea and in the port.

“With this discount system Amsterdam wants to help reduce the numbers of ‘unsafe’ ships. Accidents caused by badly maintained vessels or unprofessional actions of crews during calamities must be prevented. Accidents such as that in Spain (“Prestige”) must not be allowed to happen,” says Mark van der Horst (Amsterdam Port Alderman). Considering that since recently crude oil and oil product carriers and dry bulk vessels also qualify for the Green Award certificate, the Municipal Port Authority has also decided to make tankers and bulk carriers eligible. Amsterdam is the first seaport to acknowledge the certificate for dry bulk ships.

The Green Award certificate was introduced in 1994 and is issued by the Green Award Foundation that now includes 44 international ports in seven countries. To encourage ship owners to apply for the certificate, participating ports offer discounts on their port charges. Many pilots, crew organisations, tugboat companies and similar operations in participating countries also maintain favourable regulations for ships that hold such certificates.

The Green Award Foundation, in association with the Municipal Port Authority, will soon approach other nautical service providers in the North Sea Canal region to convince them to apply favorable terms to holders of the Green Award certificate. The investigation to obtain the certificate is paid by the owner, is submitted to annual inspections and updated every three years.

On January 28 the Foundation issued the Green Award to Port Alderman Mark van der Horst.

Antwerp: Expects record year

For the third year in succession, the port of Antwerp closes the year with a total maritime goods traffic of more than 130 million tons. Antwerp looks set to achieve a transshipment of 131 million tons and so for the moment it seems likely to improve upon the all-time record of 130.5 million tons it achieved in the year 2000.

Container traffic: hub of the growth

Container traffic again went into double growth figures (+13%) to reach approximately 52 million tons. In TEU the counter is just above the 4.7 million mark. By comparison with the competition, Antwerp has fared as well as Hamburg, slightly better than Le Havre and Zeebrugge and much better than Rotterdam and Bremen.

Other general cargo

The transshipment of non-containerized general cargo fell: conventional general cargo by approximately 9%, Ro/ro traffic by over 2%.

The focus of the decline was in steel and forest products. Incoming shipments of steel products fell by a quarter. The dwindling demand for steel in Europe is a result of the mediocre to poor economic climate.

Shipments of paper and wood cellulose fell by 10%. This can be put down partly to the general market conditions and partly to the fact that in 2002 Antwerp lost some of its market share to Zeeland Seaports.

After several years of limited growth, the transshipment of fruit recovered by 4% to almost 1.4 million tons.

The most striking growth was recorded in the transshipment of rolling stock and vehicles. After the 11% growth of last year, this year has brought 14% growth, so that the total traffic amounts to more than 2 million tons. The number of private cars handled rose to some 860,000 units.

Bulk cargo

The final result for liquid bulk amounts to almost 32 million tons or approximately 8% lower than in 2001. Two refineries that import their crude oil by ship have closed temporarily whilst maintenance and alteration work was carried out in 2002 and this accounts for a drop in the shipment of fuels.

Maritime cargo turnover in the port of Antwerp

<table>
<thead>
<tr>
<th>(tonnes)</th>
<th>2001</th>
<th>2002*</th>
<th>change</th>
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<tbody>
<tr>
<td>Total</td>
<td>130,050,413</td>
<td>131,000,000</td>
<td>+0%</td>
</tr>
<tr>
<td>Containers</td>
<td>46,409,921</td>
<td>52,650,000</td>
<td>+13%</td>
</tr>
<tr>
<td>Roll-on/Roll-off</td>
<td>5,992,897</td>
<td>5,850,000</td>
<td>-2%</td>
</tr>
<tr>
<td>Conventional general cargo</td>
<td>15,931,817</td>
<td>14,600,000</td>
<td>-9%</td>
</tr>
<tr>
<td>Liquid bulk</td>
<td>34,443,708</td>
<td>31,700,000</td>
<td>-8%</td>
</tr>
<tr>
<td>Dry bulk</td>
<td>27,272,070</td>
<td>26,200,000</td>
<td>-4%</td>
</tr>
</tbody>
</table>

* Provisional figures

Appendix

Main climbers and sliders by sector

<table>
<thead>
<tr>
<th>Climbers</th>
<th>Transshipment</th>
<th>In %</th>
<th>Sliders</th>
<th>Transshipment</th>
<th>In %</th>
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</thead>
<tbody>
<tr>
<td>Oil products</td>
<td>14,37</td>
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<td>Coal</td>
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<tr>
<td>Agri bulk</td>
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<td>+1</td>
<td>Ro/ro</td>
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<td>-19</td>
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<tr>
<td>Fertilisers</td>
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<td>+64</td>
<td>Crude oil</td>
<td>0,22</td>
<td>-34</td>
</tr>
<tr>
<td>O res/scrap</td>
<td>9,02</td>
<td>+4</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*** Provisional figures

Ores/scrap 9,02 + 4
Fertilisers 1,42 + 64 Crude oil 0,22 - 34
Agri bulk 11,07 + 1 Ro/ro 0,59 - 19
Liquid bulk 34,443,708
Dry bulk 27,272,070

oram, in predictions for a weak economic development,” according to Hans Gerson.
The transshipment of chemicals in bulk, on the other hand, rose by 12% to 6.2 million tons. These growth figures show that Antwerp’s tank storage facilities are highly attractive. In fact, last year, Antwerp managed to attract three new customers.

The storage of dry bulk fell by approximately 4% to 26 million tons. In particular, the transshipment of ores fell sharply (-26%) as a result of a change in the supply pattern of Wallonia’s steel industry to the advantage of Rotterdam.

The number of sea-going vessels calling at Antwerp fell slightly to 15,500. The total gross registered tons of these ships continued to rise to some 218 million GT. Consequently, the average size of the sea-going ships in the port rose by almost 5% to some 14,100 GT.

Antwerp, December 30th 2002

Dunkirk: 2002 traffic figure

With a traffic in excess of 47.5 million tons, the Port of Dunkirk reached a new record in 2002, with a tonnage increase of 6.8% over 2001. General cargoes (+16%), coal (+14%) and ores (+10%) were the highlights of the progression. This 6.8% leap forward was the largest traffic increase of all the major Western Range ports from Bordeaux to Amsterdam.

The overall traffic via the Port of Dunkirk exceeded 47.5 million tons in 2002, an increase of 6.8% over 2001. (In 2001 traffic was 1.9% down for conjunctural reasons, after a very high increase in 2000).

Imports, up by 8%, set a new record with 35.6 million tons, and so did exports which reached nearly 12 million tons by the year's end, a 4% increase.

General cargoes progressed strongly, exceeding 9.5 million tons. Their 16% increase was driven by an excellent activity in the roll-on-roll-off and container traffic. Dunkirk is firmly re-established in the UK ro-ro traffic with 6.1 million tons, a whopping 29% increase. Those very encouraging results are largely due to a healthy traffic on the Norfokline (10 calls a day from and to Dover) and the Dart Line (1 or 2 sailings a day to Dartford). They are also encouraged by new logistical installations right next the terminal. The container traffic also sustained its growth, up by 7% reaching 161,000 TEU.

The coal traffic also registered very good results. Increasing by 14% and reaching 8.07 million tons, it reached the same level as the best years in the past: the previous record for that traffic, 8.4 million tons, was in 1981 when it was driven by massive imports for the EDF thermal power stations.

Owing to the good activity of Sollac Atlantique, ores progressed by 10%, reaching 13.04 million tons.

The economic slow-down conjunction has however made its effect felt on the petroleum products traffic which, at 12.05 million tons, is down by 3%. A late upsurge in December offset in part the sluggishness earlier in the year.

The restart of the grain traffic, which was confirmed in December, limited the year's drop to 16%, the first three-quarters having been badly affected by EU agricultural policy decisions. The grain traffic neared 1 million tons in 2002.

In 2002 there were 5,725 ship calls at Dunkirk, compared to 5,350 in 2001 (+7%).

Dunkirk's overall traffic increase of 6.8% is the highest of all the major ports of the Western Range from Bordeaux to Amsterdam.

The Port Authority's forecast for 2003 is for a total traffic of around 50 million tons, a progression of 5%.

PORT of Göteborg had a record year in 2002: container traffic increased by eight percent (comparison year 2001) and reached 756,000 twenty-foot equivalent units, the highest box turn-over recorded at the port for a single year.

The container increase of eight percent goes for tonnage as well as number. A total of 14.3 million tons was carried in 756,000 boxes.

The unit-load total for the port reached 1.2 million units. This figure includes containers, flats, cartoons, trucks, trailers, semi-trailers and rail wagons. This was a six-percent increase on the figure of 2001.

Oil (crude and refined) is a major commodity at Port of Göteborg. After a low refining and trading activity during the first part of the year, oil shipments picked up during the later part of the year. Oil reached 93 percent of its 2001 volumes, so 17.9 million tons of oil and oil products were recorded for 2002.

The low oil and high general cargo levels produced a total cargo turnover figure in 2002 of 33.4 million tons, equal to that of the preceding year.

Kenya: EACIS – Community-based program

Kenya Ports Authority, Kenya Revenue Authority, Community-based program providers, and major stakeholders, have ended a meeting which took place at a Mombasa hotel.

In his opening speech, the Commissioner general of Kenya Revenue Authority Mr. John P. Munge, said that the idea to establish a community-based system was mooted six years ago and has now come of age due to changed global patterns in business, which has affected maritime and shipping trade that carries over 70% of world trade. He said that a platform that will enable a faster and free flow of authorized information between the Port of Mombasa, KRA and hinterland port users will enable the Port to compete favorably internationally.

In information technology (IT) development, Kenya Ports Authority has made significant strides, its four phases of IT development include: implementation of Enterprise Resource Planning - (ERP) System, an Automated Waterfront System, Container Tracing System and Community-based System. This strategy is driven by KPA’s vision of being rated among the top 20 Ports in the world by the year 2005, he said.

Kenya Revenue Authority has also developed comprehensive information systems architecture to integrate and automate all business functions including cargo and clearance process. Most other Port users and stakeholders have also
installed modern automation systems. Given the above scenario, a common cargo information platform or network, will automate the exchange of information and cargo documentation seamlessly, securely and efficiently between all the players. This will transform cargo transactions to a “paperless” environment. The platform will connect all the electronic systems and offer real-time information.

After a year of meetings, stakeholders have recommended a community-based system of sharing information, that is automated and allow secure exchange of authorized data. The name of the conceived system will be East African Cargo Information System - EACIS.

It is envisaged that when EACIS will be set up, it will run as a joint venture entity owned by Port users and the community, with KPA and KRA as two anchors or key stakeholders. Once completed the project is expected to have a direct positive impact on regional economies.

Le Havre: Record year for containers

As for port traffic results, the year 2002 was marked by a general cargo traffic reaching a record level and exceeding the mark of 20 million tons (20.1 MT), that is more than 2 million additional tons compared with 2001. This good figure is mainly due to container trade whose tonnage reached 16.8 Mt, that is a 15.1% rise, which one of the best growth rates not only in France but also among the major ports of the North of Europe. For the record, containers beat their monthly record figure on three occasions in 2002 (March, July, November).

The increase will have been about 69.4 MT in 2001, underwent a slight 2% decrease. On the contrary, the economic conditions and the maintenance work performed at the Normandy Refinery have contributed to the slowing-down of the oil business of the port of Le Havre, which especially meant a 11.4 % drop for crude oil (32.2 MT), and ~ 5.5 % for refined products (7.7 MT).

Consequently, the overall cargo traffic, including bunkering and ship supplies, which amounted to 68 MT against 69.4 MT in 2001, underwent a slight 2% decrease.

As for passengers on board P&O ferries (859,000), they increased by 5.5% against 2001.

Le Havre: Coming-on-stream of the extension to the Ro-Ro Center

In late December, the ro-ro vessel “Glorious Ace” from Durban in South Africa was the first ship to call at the new berth of the Ro-Ro Center. She unloaded about thirty “Nissan” cars while 443 “Peugeot” and 66 “Renault” motor vehicles were reloaded bound for Vera Cruz in Mexico. In order to meet the increase in demand from ro-ro traffic and provide an irreplaceable level of service quality, the Port of Le Havre Authority had actually decided to develop the facilities of the Ro-Ro Center. A wharf 380m long east of the present berths was developed as well as quayside with a surface area of 1.7 hectares. In addition, 13 hectares of storage area reserved for the parking of light vehicles were completed. The corresponding investment amounts to 15 million euros.

On the contrary, the economic prognosis became more pessimistic and the port is a reflection of the economy. A stabilisation of transhipment therefore seemed logical, but the second half of the year turned out to be very good indeed. Looking at containers and oil products, these are even our best results ever.”

The increase is attributable to the transhipment of ores and scrap metal (+7.1%), petrochemical products and pet cokes (+27.1%), roll-on/roll-off (+8.3%) and containers (5.8%). The number of containers handled increased by 7% from 6.1 million TEU in 2000 to 6.5 million TEU in 2002. The supply of crude oil was down slightly (-1.8%). Both the transhipment of coal and of other liquid bulk goods (chemicals, oils and fats) decreased by 3.2%. Clearly also down are agribulk (-19.3%), other dry bulk goods (minerals, phosphates, building materials) (-9.4%) and other general cargo (-11.2%). Total inbound traffic increased slightly by 0.8% or 2 million tons. Outgoing traffic was up considerably with 7.7% or 5 million tons.

Mr Willem Scholten, CEO of the Rotterdam Municipal Port Management (RMPM) said “In the current economic situation, stability makes more sense than growth. This can be an indication that the “tangible economy,” physical production and consumption, is more resilient than anticipated. The steel industry and the chemical sector are still doing fairly well and European container transshipment is even doing
extremely well. Mind you, I am referring to the volumes now, because nobody is pleased with the margins. The good results also have to do with our international position. We benefit from favorable developments in England (high consumption, China (high production), Russia (export oil products) and the steel industry in Germany, Belgium and Austria.” Container handling in Rotterdam has picked up again. “Both the RMFM and various companies have invested a lot of energy into realizing this. Things are getting better, but there is still room for improvement. We want to remain a market leader, and therefore we must reclaim lost terrain.” The continuing growth of (inter-European) ‘short sea’ traffic is striking. “I sense some feeling of euro-scepticism in society. This is quite understandable and sometimes even justified; but Europe is the present and the future. Here in the port, we are confronted with that every day. On balance, Europe has a positive effect.” Mr. Scholten said.

Hong Kong: Capable to handle mega-containerships

ONG KONG Port is capable of receiving the next-generation of container vessels and Kwai Chung’s alongside water depths are currently adequate to meet navigational requirements of large containerships, a spokesman for the Marine Department said.

The above conclusion was reflected in a study, namely, “Yesterday Evening and Tomorrow Morning of Container Fleet” conducted by the Marine Department earlier.

“The study confirms that Kwai Chung is able to serve not only large containerships currently in service, but also those expected to be in operation within the next few years. As for future five-digit containerships, given their draft is still uncertain, there is a need to regularly review their development in terms of physical dimensions so that dredging operations by 2005 while Berths 15 and 16 will be refurbished to receive Panamax and post-Panamax vessels by 2007.

The conversion of Berth 14 will increase Northport’s total berth length to 2,914 metres and annual installed capacity to 3.55 million TEU.

The refurbishment of Berth 15 and 16 will increase the terminal’s quay line to 3,240 metres and boost container handling capacity by an additional 550,000 TEU for a total installed annual capacity of 4.1 million TEU.

Northport now has a 2,379-metre quay line with an annual handling capacity of about 2.8 million TEU. This capacity has to be increased to meet a projected container throughput of four million TEU by 2010.

Northport has already begun conversion of Berths 12 and 13 into multipurpose berths. The terminal’s annual handling capacity will increase by an additional 500,000 TEU when conversion works are fully completed in 2003. The total quay line will then be increased to 2,736 metres while the annual handling capacity will rise to 3.3 million TEU. This capacity will be sufficient to accommodate demand for up to 2006.

Port Klang Authority (PKA), which is
Kaohsiung: 57th Anniversary & the opening of the Port of Kaohsiung Historical Museum

KAOHSIUNG Harbor Bureau held a celebration for its 57th anniversary on Nov. 28, 2002, chaired by Director Huang. Administrative Vice Minister Yu of the Ministry of MOTC, Kaohsiung Deputy Mayor Ho and others from the shipping industry participated in the celebration. During the ceremony, KHB recognized certain staff members of KHB and shipping operators for their outstanding performance. Those shipping operators commended for their excellent container business included: Evergreen Lines, Taiwan Maersk Sealand, American President Line, Yangmings Line, China Steel Corporation. In addition, KHB received its certification for ISO 14001 Environmental Management System. Following the celebration, the unveiling ceremony for Kaoport Historical Museum took place, presided over jointly by Administrative Vice Minister Yu and Director Huang of KHB.

Director Huang noted that the continued growth of Kaohsiung Port relies on the support of the shipping operators. Hard-earned experience and suggestions from customers enable Kaoport to complete with other international ports. Despite the global recession, Kaoport managed a growth rate above 10%. This creditable achievement stems from the efforts of both the staff of KHB and shipping operators. In the near future, in compliance with the country’s trade policies, KHB will be devoted to the following measures:

1. Transform KHB into a Public Trust Corporation.
2. Encourage private investment on a BOT basis to establish partnerships and create a win-win situation.
3. Adopt flexibility on port charges to enhance competitiveness.
4. Develop and integrate information systems to provide customers with better services.
5. Expand logistics business to make Kaoport the premier transshipment center in the Asia-Pacific region.
6. Set up a Free Trade Zone to develop global transportation business.
7. Open some berths for waterfront recreational use. Berth Nos. 1–3 are scheduled to fully open to the public by the end of 2003.
8. Construct dedicated roads in the port area for container traffic. Abolish the container escort system to save shipping operators’ costs.
9. Provide container operation facilities on the ground of global container distribution. Conduct the project of Container Terminal No. 6 as well as the expansion of offshore deep-water terminals.

The Administrative Vice Minister Yu made an address in which he applauded KHB’s acquirement of ISO-14001 certification as proof of Kaohsiung Harbor Bureau’s new commitment to environmental protection. He added that the MOTC is dedicated to providing the ports and shipping companies with a better operating environment and more business opportunities through liberalization and internationalization.
Singapore in the lead as the world’s busiest port for shipping tonnage.

Containership contributed the lion’s share with 347.3 million GT or 35.7 per cent of the total shipping tonnage. Next highest were tankers with 313.3 million GT (32.2 per cent of total shipping tonnage). Bulk carriers came in third at 173.1 million GT (17.8 per cent of total tonnage).

Vessel arrivals at the port dipped to a total of 142,745 calls in 2002, down 2.4 per cent from 146,265 calls in 2001.

Cargo Throughput

Container traffic through the Singapore port was 16.94 million TEUs (twenty-foot equivalent unit) last year, an increase of 8.8 per cent from 15.57 million TEUs handled in 2001.

The total cargo handled for 2002 was 335.12 million tons, up 6.9 per cent from 313.49 million tons in 2001.

Bunker Sales

For bunker sales, a total of 20.10 million tons of bunkers were sold last year, slipping 1.3 per cent from the 20.35 million tons sold in 2001.

Over the years, the Maritime and Port Authority of Singapore (MPA) has introduced various incentives to enhance the competitiveness of the Singapore port. For instance, the MPA has extended the port dues concession of 20 per cent for container ships until June 30, 2004. As of December 31, 2002, about $33.4 million in rebates have been granted since the concession was introduced in May 1996. More recently, the MPA announced several new bunkering initiatives to attract more ships to take bunkers in Singapore. These measures included the introduction of an Accreditation Scheme for Bunker Suppliers, intensifying bunker quality checks and adopting the “Improved Bunker Sampling Method.”

**PAT: Bangkok Port expands inland services**

R. Surajit Petscim, Managing Director of Bangkok Port revealed recently the various projects currently being undertaken at the Port intended to increase satisfaction of port clients, optimize utilization of the port’s resources and increase throughputs. These projects cover the development of the bonded warehouses to be a logistics center, development of a complete container depot and conversion of idle space in the conventional terminal for alternative purposes.

According to Director Petscim, bonded warehouse’s services have been expanded to serve an increasing variety of cargoes. The available space has been increased by 3,120 sq. meters to accommodate heavy lift shipments such as raw materials and equipment. A 258-sq. meter cold storage room has been opened for storage of products requiring certain controlled temperature. The Port is also expanding the bonded area to the open area adjacent to the jute, cotton and kapok warehouse to receive noniced goods in FCL containers and reefer.

Bangkok Port selected the 15-acre plot of land near the Koh Lao area as the proposed site for a container depot. The depot is designed to support container services at the container terminals as well as provide new services, such as cleaning, repairing, pre-cooling and stuffing reefer containers. Currently, the details of the project are under consideration by the Customs Department. The depot is programmed to be operational by next year.

To address the persistent demand for services, the Port has also dedicated a section in the export operation zone for the initial container cleaning, repairing and pre-cooling services. Starting in the middle of June, the Port has switched the operational areas between the empty container stacking area and the stuffing area in anticipation of the conversion of the 2,100-square-meter vacant area close to Koh Lao for the container cleaning activity.

In support of the expansion program, the Port Authority of Thailand has simplified operating procedures which include waiving the Bank Guarantee requirements for depositing goods into the bonded warehouses. It has procured modern handling equipment, racks, pallets, and software for inventory management.

Details for the management and operation of the inland services are presently under consideration. Bangkok Port is also selecting the stevedors who will undertake the stripping of containers.

**World Port News**

**Townsville: Ship simulations as part of the Ocean Terminal feasibility work**

PLANS to develop the Ocean Terminal on the Western Breakwater received a boost today with consultants conducting ship simulations to prove that cruise and navy vessels can safely moor at the proposed new terminal and that other vessels can safely navigate in and out of the Port while the new terminal is occupied.

According to Townsville Port Authority Chairman, Mr. Ron McLean, the study is another essential step in achieving the facility for Townsville. "Townsville Port Authority has engaged Lawson and Treloar, Consulting Engineers to simulate shipping manoeuvres with the Pilots of Maritime Safety Queensland and tugs masters. Lawson and Treloar use state-of-the-art simulation technology with networked PCs to provide a realistic depiction of Townsville Harbor and surroundings. The simulation model will test navigation into the Harbour for various ship types under different conditions of wind, current and tides. "The simulations will also determine whether or not we have to indent the existing breakwater by 50 metres as was previously thought. Finding an alternative solution could save this project up to $6 million so it is an important part of the feasibility process in developing the Ocean Terminal," Mr. McLean said.

The Department of State Development is funding 50% of the $55,000 cost of the simulations.