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Any Help for ISPS Implementation?

“IAPH – ISPS Code Q&A Board”
can give you practical solution

<http://www.iaphworldports.org>

IAPH
International Association of Ports and Harbors

Question & Answer Board [to submit a question] Number of Question: 6 1st page

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PORT OF DJIBOUTI INVESTING IN SECURITY AND THE FUTURE	xxxxxx	0	2004-03-18 11:08:50	2
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Contracting Government PFSA Approval Format	xxxxxxxx	2	2004-02-07 02:39:14	52
Port Security Plan Implementation	xxxxxxx	1	2004-01-22 01:39:55	163
Implementation	xxxxxxxx	1	2004-01-22 01:37:38	108
template to carry out port facility security assessment	xxxxxxx xxxxxx	3	2004-01-21 18:49:03	140

Submit a question.

Your name: Your port:
Email:
Subject:
Message:

The “Question & Answer Board - Implementation of ISPS Code” is found in the Members Area of the IAPH website to facilitate the exchange of relevant information and share experience among the IAPH member ports.

This forum is only accessible by IAPH members with a User ID and Password. If you have forgotten your ID and Password, please contact us at info@iaphworldports.org.

IAPH ANNOUNCEMENTS AND NEWS

The year before the Golden Jubilee

Renewing appreciation to
IAPH Founding Father Mr. Lloyd A. Menveg

IAPH will celebrate its Golden Jubilee next year. Following the first meeting in Kobe in October 1952, the Second International Port and Harbor Conference was held in Los Angeles, U.S.A., on November 7-10, 1955, to formally establish a worldwide organization of port authorities - the International Association of Ports and Harbors (IAPH). Some 100 delegates from 14 countries gathered in Los Angeles and made it the First Conference of the IAPH to inaugurate the newly formed organization.

Taking opportunity of his recent visit to Los Angeles in connection with 45th anniversary of sister port relationships between Los Angeles and Nagoya, Dr. Akio Someya, Immediate Past President of the IAPH and Executive Vice President of the Nagoya Port Authority enjoyed the wonderful meeting with one of the IAPH's Founder Honorary Members and ex-Harbor Commissioner in Los Angeles, Mr. Lloyd A. Menveg.

Mr. Menveg is one of the founding fathers of the IAPH. As the President of the Board of Harbor Commissioners of Los Angeles he chaired the first IAPH Conference in Los Angeles. He later took office as the 3rd President of the

Association, serving from 1959 through 1961. Today, Mr. Menveg remains vigorous at the age of 82.

Over the years, the IAPH has taken on an increasingly significant role in the international port community amid the rapidly



Mr. Lloyd A. Menveg (right) and Dr. Akio Someya (August 2004)



President-elect Mr. Menveg confers with Admiral C.G. Manuel Zemeño Araico, first IAPH Honorary Member, at the 2nd IAPH Conference in Mexico

changing situations surrounding world ports, yet the founding spirit has remained unchanged. In the year before the Golden Jubilee, the two ex-presidents shared discussion of the achievements of the IAPH over the years, as well as of the challenges that world ports are now facing.

Mr. Menveg is also known for the great humanity he showed in helping the people of Nagoya to recover from the Ise Bay typhoon. This massive typhoon hit Nagoya in September 1959, resulting in tremendous loss to life and property in the port area; approximately 5,000 people were killed and some 30,000 houses completely destroyed. Mr. Menveg happened to be in Japan at the time, and was moved deeply by the great damage he saw during an aerial inspection aboard a US Air Force helicopter. In his capacity as the President of the IAPH, Mr. Menveg called on IAPH members to offer immediate aid to the Port of Nagoya.

During their meeting, Dr. Someya expressed his appreciation to Mr. Menveg for his great contributions and endeavors at the inception of the IAPH, and for his support in helping to bring recovery to the Port of Nagoya after the disaster.

At the suggestion of Dr. Someya, IAPH Officers who met in New York last month unanimously decided to cordially invite Mr. Menveg to the 24th IAPH World Ports Conference in Shanghai, May 21 - 17, 2005.

Building upon the great achievements of predecessors such as Mr. Menveg, the IAPH is expected to continue to actively fulfill its mission to create a better environment for ports and the maritime industry in the years to come.



Mr. and Mrs. Menveg at the Second International Port and Harbor Conference in Los Angeles

IAPH Bursary Recipient's Report

IAPER Port Finance Seminar



Mr. Jafri bin Chik
Penang Port Commission

1.0 Introduction

The Seminar on Port Finance was held in Le Havre, France from the 7th till 18th June 2004, and was organized by Institute Portuaire du Havre (IAPER). The participants were separated into 2 groups i.e English-speaking group and French-speaking group. The group which I worked with consisted of 9 participants-namely 2 from Gambia, 2 from Kenya, and 1 each from Malaysia, Sudan, Tanzania, Ghana, and Israel.

2.0 Course Contents

The speakers were Mr. J. Grosdidier de Matons, an international transport consultant from Washington; Mr. Laurent Thorrance, an international expert Axelcium Consultant; Mr. Gustaaf de Monie, an international port consultant from Belgium; and Mr. J. Arnold, an international expert from Washington. Method such as lectures, illustrations, case studies and discussions were used during the two-week course.

2.1 Port privatization: Issues, methods and constraints

This topic was presented by Mr. G.De Monie. In this session, we were given a general understanding and ideas about the importance of port privatization, and the issues, methods and constraints involved.

Over the past 15 years, the world has witnessed an accelerated restructuring of port organizations, in particular assigning to the private sector a far more prominent role with respect of funding, management and operation of port facilities. Privatisation became a fashionable trend after the dramatic

shake-up of the UK port industry in the early 1980's. Many countries have since announced and subsequently implemented their plans for port privatization. Privatization programs in Malaysia, Thailand, Mexico, the Philippines, Italy, China and Argentina have attracted widespread attention. India, Sri Lanka, Egypt, Ghana and Portugal represent a second wave of countries which have recently started with the introduction of their preferred privatization scheme.

However, the degree of success of the various privatization efforts tried out in the world of ports is far from uniform. Objectives, substance, strategies and modes of privatization differ substantially. Genuine privatization, however, requires the *actual transfer of ownership of assets from the public to the private sector or the application of private funds in new facilities.*

Authentic forms of port privatization include:

- a) the management of the port domain in compliance with the landlord concept: where the owner of the port's infrastructure offers fixed-term concessions, licenses or leases to private companies for operating facilities or services on a common user, preferential or dedicated basis. The proposed arrangements generally encourage the concessionaire, licensee or lessee to invest in terminal superstructures, handling equipment and information systems. Rotterdam and Antwerp are examples of traditional landlord ports. In both ports the basic infrastructure remains the responsibility of the public port authority whilst the terminals are fully equipped by the private operator.
- b) The concept of full privatization: this approach results in the complete irreversible transfer of ownership from the

public to the private sector. This can be achieved by the outright sale of a port or terminal or by a Build/Operate type arrangement. By granting private companies the right to buy the land, build and operate facilities for a defined period (BOT or BOOT), the transfer of ownership is limited in time.

- c) The concept of the responsibility for the port facilities: this option is based on the creation of mixed public-private enterprises to jointly manage and operate ports and or terminals. Such new entities are normally created for an indefinite period of time on the basis of an agreed sharing formula.

Whether the listed advantages are actually realized is very much dependent on the chosen privatization instruments (leasehold/a BOT variance/an outright port sale), the modalities of application and the willingness of decision-makers to refrain from imposing extreme levels of control that would seriously hamper a port or terminal's efficiency. Admittedly, privatization not only offers potential advantages but can also create threats and deficiencies. The most notable are: -

- the statutory public service functions are neglected and 'public good' is not adequately supplied;
- a 'public monopoly' is turned into a 'private' one;
- the necessary co-ordination of investments in the complementary parts of the transport chain is weakened;
- private operators resort to discriminatory treatment of certain customers.

Notwithstanding the numerous blockages and restrictive practices that hamper the privatization process worldwide, a reversal of the present generalized movement to a greater participation of the private sector is inconceivable.

2.2 The financial objectives of ports

This topic was presented by Mr. Jean Grosdidier de Matons. This session mainly focused on the understanding of the financial objectives of ports. Ports are revenue earning entities, whether they perform all operations on their own forces as service ports/operating ports or whether they limit themselves to building and managing infrastructure as landlord ports. In both cases they use economic resources for the performance of their functions and this must be reflected in adequate financial policies. Such policies are based on the recovery of costs and on the optimal use of facilities, equipment and staff for the com-

mon good. This optimum use permits the port entity to perform at best its duty of public service. The optimum of economic service is therefore equivalent to the maximum satisfaction of public interest or public service.

Ports should cover their operating costs. However, among these, depreciation raises major issues, regarding evaluation of assets, spread of depreciation periods, obsolescence and replacement. Ports should through the payment of adequate taxes, contribute to the financing of national capital and of the inputs which they use, such as transport infrastructure for access to the port, national training of port staff etc. Tariffs should provide ports with the necessary financial resources, together with encouraging the optimal use of facilities and attracting traffic, which necessitates flexibility in implementation. Governments, as the ultimate owners of port entities, may participate to financing through equity contributions, on which they should obtain a return equal to the opportunity cost of capital. Some ports are service ports and others are landlord ports. Service ports, because of the profitability of cargo handling, storage and container operations, make much more money than landlord ports. This does not mean that they are better managed. But this has considerable implications when a privatization policy is implemented because what is privatized is most often the most profitable parts of the port business. Any privatization necessitates therefore careful financial simulation so that the port authority, once stripped of its profitable business, is still able to make it financially.

2.3 Port Evaluation
(theoretical & practical case studies)

In this session the participants were given an understanding of several phases of a port project. Port investment appraisal normally includes both financial analysis and economic analysis. Subsequently, the session examined aspects of the economic costs of resources, shadow prices, labor costs, economic benefits, comparison of costs and benefits, possible benefits of a port investment project and direct benefits to the port. A fictitious port was used to illustrate whether a transaction is economic or financial in nature or both. Later the session examined and discussed the elements of inflation, uncertainty and risk in project appraisal. Interest rates and discount rates of the money market were taken up in the dis-

ussion of uncertainty and risk, including sensitivity analysis and timing of investment.

On the practical case studies, the participants were given results of the case studies of the Port of Kankah. After the initial briefing, we were given the time to study the result of the case studies and urged to participate in the discussion on the answers. Such case studies gave us the opportunity to put the theories learned before on port evaluations into practice.

2.4 Cost control system and performance measures

This session was presented by Mr. J. Arnold. It touched on basic types of costs (namely fixed and variable costs), budgeting, performance measures, cost centers and cashflows. The basic value of a budget is for members of the organization to agree on how available financial resources will be shared among the activities and what commitments are made regarding the uses of these financial objectives. The monthly or quarterly budget review is largely a formality to review overall profitability and to re-enforce earlier commitments. It performs the function of cost control only by reminding the participants that costs are important. For labor it is necessary to distinguish between salaried and non-salaried employees, casual and contracted labor. For salaried employees, the cost is determined by senior management when deciding on hiring policies and annual salary increments. The same applies for the non-salaried employees except that there is also an overtime component, which is generally determined by the department. For casual labor there is a daily wage paid and this should be related to the activities actually required to be performed by the casual labor. Contract labor is employed according to fixed terms over periods of several months or years. This is not a controllable expense unless the payments vary with the amount of work performance, in which case it is important to assess if that work was required.

For maintenance, there are 4 different types that require different cost control mechanisms:-

- a) preventive maintenance which should be performed according to a schedule based either on amount of use of the asset or period of time. The cost control is done by comparing the expenditures with the level of activity of the plan.
- b) Spare parts which are consumables. It is often more important to ensure that the inventories are not excessive and do

not contain a lot of dead stock.

- c) Renewal of equipment and facilities, which should be planned and scheduled according to a capital budget, and cost control is accomplished by comparing actual expenditures with the capital budget.
- d) Repairs, as these are incurred because of failures in equipment and facilities, cost control should address questions such as: Were these costs avoidable through proper maintenance and more careful operations or are they the result of poor design? Was the cost paid for the repair reasonable given the urgency? These questions are best answered by the engineering staff rather than the head of unit responsible for facilities/equipment.

For utilities and fuel, the problem of cost control is generally one of monitoring use. Unless it is possible to measure use at the activity level, it is difficult to perform any form of cost control. It is also necessary to identify that portion of utilities and fuel that is consumed as part of normal daily operations and does not vary with level of activity.

Administrative costs are difficult to control as they are incurred at the discretion of those who are responsible for managing the cost control program and they are rarely linked to specific activities. The most common form of cost control is to limit these costs to a percentage of the costs for productivity activities. The best form of cost control is a periodic review to determine whether it is less costly to outsource an administrative function.

2.5 Financial ratios, cash flow analysis, capital budgeting and pricing strategies

Ratios are an effective technique with which to present the information used to control costs. A trend analysis compares the current year's result with the previous years' result and produces a ratio that indicates the percentage change. Similarly a budget exception report employs the ratio of actual expenditure to budgeted expenditure. In order to examine specific activities, businesses or asset-based services, it is best to use ratios when there is a casual relationship between the items being compared.

There are 3 types of performance ratios:

- a) The first compares the physical resources used per unit of activity. For example, in tugboat services, ratio would be the average number of tugboat hours required per vessel call. For

container terminals a typical resource ratio would be the average gantry crane minutes per box move. For general cargo operations it would be the number of gang minutes per ton of cargo handled.

- b) A second type of ratio is the unit cost. An example would be expenditure on salaries, wages, benefits and overtime per unit of labor or per employee. These ratios spot not only trends in prices for the inputs used in an activity but also the effectiveness of the procurement process.
- c) The third type is the expenditure per unit activity. In the case of tugboat services, the ratios would be the total operating cost per hour of tugboat operation or individual costs for labor, fuel or maintenance per hour of tugboat operation. By examining how this ratio changes over time, it is possible to identify potential problem areas. If the ratio fluctuates dramatically from one period to the next, then the management is not performing in a consistent manner and better procedures are required. On the other hand, if the cost per unit activity is rising rapidly, then it is necessary to bring the cost under control.

In this session we also examined the objectives, functions and techniques of cash flow systems, types of capital budgets, preparation of cash flow budget, project description, placement of cash, investment and application of financial ratios, preparation, uses and goals of capital budget, capital investment targets, strategic pricing, tariff revision process and negotiations.

2.6 Debt, equity and project finance

This session had three main points:

- a) Debt types, structure and characteristics of debts, commercial loans and debentures

b) Equity types - characteristics and sources of equity, self finance, capital subsidies, capitalization, and

c) Project financing - includes bonds, types of loans and sources of lending.

The issuance of bonds is a common form of funding in the international funds market. Where there is no local bond market it still possible to obtain such funding on the international bond market after fulfilling certain conditions.

2.7 Visit to Port of Le Havre

The port visit this time was not actually in the subject program, however it was made possible during one lunch hour when we visited the Port of Le Havre by bus. Throughout the trip, a briefing was given from one of the port representatives in two languages, English and French. It was interesting and informative and a lot of questions were asked by the participants. The Port of Le Havre-Antifer is a rapid turnaround port with a vast complex of 5 container terminals, with 17 berths adapted to the latest generation of container ships. It receives the world's largest tankers and with its multi-purpose bulk center, is capable of handling coal as well as food-stuffs at very high rates. Le Havre has also strengthened its leadership in France for general cargo and containers amounting more than 17 millions tons and also handles almost 60% of the containers handled by French ports. Though the visit was only about an hour or so, it was very interesting and enabled all the participants to gain a general idea of Port of Le Havre and its port facilities and infrastructures.

3.0 Conclusion

Firstly, this seminar has made it possible for me to visit France in general

and the Port of Le Havre and its town in specific. I really enjoyed the 2-week stay and it enabled me to meet with other participants from other ports and countries which gave us opportunities to interact, share working experiences, and learn from each other. It also introduced to me the ideas of the IPER institute and its functions of providing education and training programmes.

Secondly, being a person in the finance area, I found this seminar is very interesting because although its main coverage was on finance subjects, there were also topics or sessions that relate to port operations and technical aspects. Personally, overall this seminar was very interesting and gave me closer insight and better understanding of port finance concepts and applications to port activities, especially the understanding of port privatization, port objectives, port project evaluation, terminal pricing, port tariff and financial risks.

4.0 Appreciation

I would like to express my deepest appreciation to IAPH and the Chairman of IAPH Committee on Human Resources for the bursary award which made it possible for me to attend this seminar. Not forgetting, our General Manager, Dato'g Capt. Hj Abdul Rahim bin Abd Aziz for his proposal and support and also the Secretary General, Ministry of Transport for approving this application. I would also like to take this opportunity to express my sincere appreciation to Mr. Emmanuel Hardier, the Director of IPER and Mdm Claudie Hedouin and the staff of IPER for their kind hospitality and assistance during my 2 weeks in Le Havre, a memorable one.

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- The latest news and information on the world maritime scene
- Calendar of the forthcoming IAPH events and other maritime-related events
- Links to IAPH members' websites and others'
- IAPH publications on-line *
- Online Open Forum *

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Second Vice-President and Secretary General speak at APP Annual Conference



From L to R: Ms. Juliana Yung, Co-President, APP; Mr. Oliver F. L. Yu, Vice Minister, Ministry of Transportation and Communications; Mr. Ming-Hui Shieh, Co-President, APP.



Datin Paduka O.C. Phang, IAPH Second Vice-President

91st Association of Pacific Ports Annual Conference

Conference Program

August 24 (Tuesday)

Lunch Symposium

- The regional economic trends and market opportunities in Taiwan
Mr. Ralph Adams
Boeing Company (Taiwan)
- The Charm of Taichung
Mr. Douglas Habecker
Co-Publisher/Editor-in-Chief, COMPASS Magazine Group

SESSION I, PART 1

- Moderator: **Mr. Chieh-Hua Wen**
Director, Feng-Chia University (Taiwan)
- Challenges of Ports in Asia
Dr. Satoshi Inoue
Secretary General, IAPH
 - Recent Trends and Development in Malaysian ports
Datin Paduka O.C. Phang
General Manager, Port Klang Authority

SESSION I, PART 2

- Moderator: **Mr. Chieh-Hua Wen** *Director, Feng-Chia University (Taiwan)*
- The Integral Planning on Operation and Development Strategies of Keelung Port
Mr. Chen-Yu Lu
Director, Business Division, Keelung Harbor Bureau, Taiwan
 - Application of Port Facility Security Measures in Kaohsiung Port
Mr. Ting-Yi Tsai
Director, Harbor Management Dept., Kaohsiung Harbor Bureau, Taiwan
 - The Study of the Prediction about International Harbor Operation Volume Implementation by Applying Neural network. An Empirical Study of Hualine Harbour
Mr. Wen-hai William Chih
Professor, National Dong Hwa University (Taiwan)

August 25 (Wednesday)

SESSION II, PART 1

- Moderator: **Mr. Shun-Hung Lu**
President, China Container Terminal Corporation
- Strategy for Development and Operations of the Busan Port under the new Environment

- Dr. Weon Yang**
VP, Operation & Business Division, Busan Port Authority, Korea
- A Study of Singapore Port Facilities Security
Dr. Der-Hong Lee
Director, The Logistics Institute-Asia Pacific, Singapore

SESSION II, PART 2

- Moderator: **Mr. Kuang Lin**
Professor, National Taiwan Ocean University
- An Integrated Strategy Planning Approach for Port Management
Mr. Kee-Kuo Chen
Associate Professor, National Taiwan Ocean University
 - Liberalization of Maritime Transport Operations in Taiwan
Mr. Rong-Her Chiu
Associate Professor, Kai Nan University, Taiwan
 - Is the Velocity of Container Stable?
- A Case Study for World Container Port Traffic
Mr. Dong-Hua Wang
Associate Professor, National Taiwan Ocean University

Lunch Symposium

Movie: Beauty of Sun Moon Lake

SESSION III, PART 1

- Moderator: **Mr. Frank F.H. Lu**
Chairman, Yang Ming Marine Transport Corp.
- A View of Pricing Policy in Hong Kong Container Terminal
Mr. Sik Kwan Tai
Lecturer, HK Polytechnic University, Hong Kong
 - Some Considerations for a Regional Hub Port in Northeast Asia: with Particular Reference of Korea
Dr. Daniel Seong-Hyeok Moon
Director, Sea Training Center, Korea Maritime University, Korea

SESSION III, PART 2

- Moderator: **Mr. Shang-Hsing Hsieh** *Associate Professor, National Chiao-Tung University, Taiwan*
- Container Ground Slog Land Planning on the Container Yards in Taiwan Ports
Mr. Chin-Yuan Chu
Senior researcher & Section head, Institute of Transportation, Ministry of Transportation and Communications, ROC
 - USDDC--An Intimate Partner of Taiwan Shipbuilding Industry
Mr. Chao-Cheng Wu
Manager, R&D Services Dept., United Ship Design and Development Center
 - The History and Vision of the Port of Taichung
Mr. Chui-Chen Chiu
Deputy Director, Harbor Engineering Office, Taichung Harbor Bureau



Dr. Satoshi Inoue, IAPH Secretary General

IAPH Second Vice-President, Datin Paduka O.C. Phang and Secretary General Dr. Satoshi Inoue were invited as speakers to the 91st annual conference of the Association of Pacific Ports (APP) held in Taichung, Taiwan, from August 23 to 27.

They were warmly welcomed by APP President Ms. Juliana Yung, Vice Chair of Fraser River Port Authority, Co-President Mr. Ming-Hui Shieh, Director of Taichung Harbor Bureau, and some 100 delegates.

It was the first time for APP to hold its Annual Conference out of the Americas.

In her presentation, Datin O.C. Phang talked about global perspectives of containerization and recent development of Malaysian ports.

Secretary General Dr. Inoue gave a brief introduction of IAPH, talking about major challenges to ports in Asia, and invited APP members to join IAPH's 50th Anniversary events in 2005.

Visits

ON August 2, delegates from Bintulu Port SDN. BHD. Malaysia, visited IAPH Secretariat during their promotion tour in Japan.



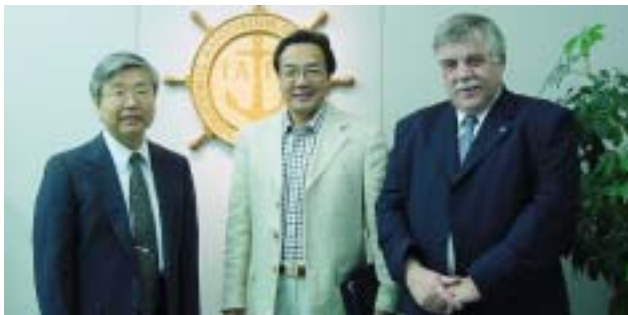
From L to R: Mr. Eizam Ismail, Executive Corporate Marketing; Mr. Andrew Mat Ressa, Senior Manager, Corporate Development; Mr. Abdul Nasser Abdul Wahab, Senior Manager, Container Terminal Division; Dr. Satoshi Inoue; Mr. Soka K. Kikuchi, IAPH Life Supporting Member, President & Marine Consultant, MBC International; Tatsuki Hioka.

ON August 6, IAPH President Pieter Struijs and Mr. Peter Mollema, Port of Rotterdam, met Mr. Shingo Fujino, President of The Japanese Foundation for IAPH and Mr. Mitsutoyo Okada, Deputy Secretary of Tokyo MOU (Memorandum of Understanding on Port State Control in the Asia Pacific Region) at the IAPH Secretariat before the 17th IAPH Japan Seminar.



From L to R: Dr. Satoshi Inoue; Mr. Mitsutoyo Okada; Mr. Shingo Fujino; Mr. Pieter Struijs; Mr. Peter Mollema; Tatsuki Hioka.

ON August 10, Mr. Koji Sekimizu, Director, Maritime Safety Division, International Maritime Organization, visited the IAPH Secretariat, and had a meeting with Dr. Satoshi Inoue, Mr. Fer van de Laar, Senior Liaison Officer of IAPH Europe Office and Tatsuki Hioka.



From L to R: Dr. Satoshi Inoue; Mr. Koji Sekimizu; Mr. Fer van de Laar.

Introducing IAPH's Golden Jubilee logo



FOUNDED in 1955, IAPH will be celebrating its 50th anniversary in 2005. Starting in January 2005 in Tokyo, Japan, there will be a series of worldwide celebrations. It is our pleasure to introduce a logo for IAPH's 50th anniversary which will appear at the many occasions planned during the year. The original design of the logo come courtesy of Houston Port Authority.

IAPH Meetings

- December 13-15, 2004
IAPH Africa/Europe Regional Meeting
Alexandria, Egypt
- January 10-13, 2005
IAPH EXCO Meeting
Yokohama, Japan
- February 1-4, 2005
IAPH Asia/Oceania Regional Meeting
Tehran, Iran
- May 21-27, 2005
24th IAPH World Ports Conference
Shanghai, China
- October, 2005 (t.b.c.*)
IAPH EXCO Meeting
Presidential Choice
- February, 2005 (t.b.c.*)
IAPH Africa/Europe Regional Meeting
Sines, Portugal
- May 20-25, 2006
IAPH Mid-Term Board Meeting
Dunkirk, France
- October, 2006 (t.b.c.*)
IAPH EXCO Meeting / In Japan ?
- April 27-May 4, 2007
25th IAPH World Ports Conference
Houston, Texas, USA

* Notes: To be confirmed.

OPEN FORUM

The Positive Response of European Seaports to the Environmental Challenge

This paper was originally presented at The European Sea Ports Conference 2004 held in Rotterdam, June 17-18, 2004 organised by ESPO, and has been slightly revised for Ports & Harbors by courtesy of Dr. Christopher Wooldridge.



Dr. Christopher Wooldridge

Director of Studies, Marine Geography, School of Earth, Ocean and Planetary Sciences, Cardiff University, UK; and Science Coordinator, EcoPorts Project.
Wooldridge@cardiff.ac.uk & www.ecoport.com & info@ecoport.com

Abstract: The paper describes the positive results produced by collaboration between European Seaports in addressing their environmental liabilities and responsibilities. The Environment is a key issue in port development and is closely associated with the management of risk linked with safety, healthy and security. The port-inspired EcoPorts network of cooperation has produced practicable tools and methodologies specifically designed to deliver continual improvement through voluntary, self-regulation.

The Track Record

The European Sea Ports Organization (ESPO) has been remarkably consistent in its policy and attitude towards its environmental liabilities and responsibilities over the last decade. In the face of increasing legislation and stakeholder pressure, it has placed a strong emphasis on the achievement of high standards of environmental quality through voluntary, self-regulation.

Ten years of port-inspired initiatives aimed specifically at protection of the environment through appropriate policy and implementation of best practices can be demonstrated by reference to such benchmark events and activities as:

- 1993 Collaborative research into selected environmental issues between ports from different EU member states in the ECEPA Project (Environmental Challenges for European Port authorities)
- 1994 Publication of the ESPO

Environmental Code of Practice

- 1997 The Eco-information Project. An EC programme co-sponsored by ports to develop tools and methodologies for environmental management
- 2001 The ESPO Review (with further recommendations on environmental management)
- 2002 The EcoPorts Project – due for completion 2005 (see <http://www.ecoport.com> and following text) and formation of EcoPorts Foundation (EPF)
- 2003 The launch of the new ESPO Environmental Code of Practice (containing statements and recommendations on policy and objectives; and an overview of legislation and recommended practices)

Individual port authorities, trade associations and national organizations have instigated programmes to address environmental issues. However, there is no doubt that the over-arching framework provided by ESPO and the EcoPorts

Project/ Foundation has made a substantive contribution to the goal of continual environmental improvement by facilitating collaboration and harmonization in the development of cost-effective and practicable management response options.

“Moving the goalposts”

The context in which commercial ports have to address environmental issues is often referred to in terms of this sporting metaphor. There is no doubt that the drivers and pressures to respond have changed dramatically since the awakening of ‘environmental awareness’ and the ‘green’ agenda. The ‘goalposts’ of national and international legislation and regulation have widened considerably in terms of the range of aspects covered and the standards set for both the quality of management and the physical environment.

Often, the term ‘environment’ is used in a business sense as a broad substitute for the word ‘market’ or ‘location’ (i.e. external or internal environment of the organization). However, with the amount of current and pending environmental legislation aimed specifically at environmental protection and sustainable development, it commonly refers to the natural environment. *More port authorities are recognizing environmental issues as significant components of the business activity profile that need to be monitored for their strategic risk.*

Stakeholder pressure has also increased in the number of interested parties, both statutory and non-statutory, that are required or are prepared to make often extremely vociferous representations as to the performance and credentials of the port sector on the way in which it carries out its environmental responsibilities. During the initial ‘evangelical’ phase of raising environmental awareness within the port sector, advocates for environmental initiatives focussed on specific issues such as noise or soil quality, or appealed to port authorities to join the ‘green’ movement. It may reasonably be suggested that in a relatively short space of time, the sector accepted its liabilities and responsibilities and began to acquire the tools and methodologies necessary to fulfil these obligations. In 1996, the factors quoted by respondents in a survey as being effective in motivating a small/medium-sized enterprise to adopt an environmental policy were:

Factor or driver	% of respondents identifying factor
Cost savings	73%
Legislation & regulatory pressure	64%
Director's liability	62%
Market opportunity	61%
Positive company image	60%
Customer pressure	59%
Employee's concerns	42%
Local community concerns	33%
Feel-good factor	30%
Investors/shareholders	28%
Banks & insurance companies	28%

These same factors struck a chord with the port sector. Compliance with legislation and the quest for cost-effective operations were strong incentives to develop environmental programmes appropriate to port authorities. With the rise in the public's perception of the status of the environmental imperative and the need to integrate environmental factors into the management of risk, there have been increased pressures from customers, investors, insurance companies and local communities for port authorities to demonstrate their competence through some form of quality assurance. It would be incorrect, however, to suggest that the sector was always reactive. Ports can justifiably claim a proactive role in several of the most effective environmental initiatives aimed at protection and sustainability.

“Level playing fields”

Both ports and sports benefit from “level playing fields” in terms of the equitable interpretation and enforcement of legislation, regulations and rules. The port sector has a well-established policy that environmental issues should not be factored-in as competitive components between ports. In so far as environmental issues are often trans-boundary and common to all ports, this approach is pragmatic and has certainly encouraged cooperation and collaboration. Indeed, the development of shared-cost, practicable solutions to environmental challenges and the free exchange of knowledge and experience has become the key concept of the sector's environmental research and development strategy.

The spirit and practice of positive collaboration between European seaports has made it possible to produce benchmark performance indicators for the sector as a whole and for individual port authorities. Joint programmes of international research projects, conferences, workshops and training sessions organised throughout the European Union (EU) have pro-

Top 10 Environmental Issues (ESPO surveys)		
Environmental Issue (Ranking)	1996	2003
1	Dust	Garbage and waste
2	Dredging disposal	Dredging disposal
3	Port development (land)	Dredging operations
4	Dredging operations	Dust
5	Garbage and waste	Noise
6	Port development (water)	Bunkering
7	Noise	Air quality
8	Water quality	Port development (land)
9	Traffic volume	Ship discharge (bilge)
10	Hazardous cargo	Hazardous cargo

duced tangible results and deliverables in the form of evidence-based improvement of management performance and environmental quality. The ‘network’ approach means that it is possible to produce benchmark performance and strategic overviews for the whole sector with the attendant benefits for the formulation of policy and demonstration of achievement. The sector can identify priority issues and challenges to implementation of an effective management response, for example:

The table demonstrates the influence of European Directives such as 2000/59/EC on Port Reception Facilities for Ship-Generated Waste and Cargo Residues, the sustained significance of dredging activities, and the issues of common interest between ports and shipping. The latter point is particularly significant. The port sector and shipping industry have so much in common in terms of environmental management. A wealth of knowledge and best practice has been developed in both areas yet it may be suggested that there is still scope for greater integration of respective environmental management programmes to mutual advantage.

The goal of a “level playing field” is a worthy ambition in terms of collaboration on research and development, exchange of experience, development of sector policy, standards of EMS and considerations of resource allocation. The success of major projects such as EcoPorts (see following) is testament to the positive close cooperation of many European Seaports.

Managing risk

The environmental challenge is becoming more complex with issues of burgeoning legislation, climate change, security, safety, health and considerations of the some environmental aspects of the port's operators and tenants all requiring attention.

Risk, the chance or possibility of suffering loss, injury or damage is identified by

an increasing number of port authorities as a priority issue amongst the plethora of challenges, liabilities and responsibilities faced by port environmental managers. Risks to the environment, property, business and society arising from the port's activities and operations are recognized as being of increasing significance in terms of financial costs, social responsibility and overall operational efficiency. A wide range of stakeholders recognizes the relevance of risk and liability in terms of the port's approach to its environmental responsibilities. The general public is increasingly well informed and aware of issues such as habitat protection, biodiversity, health of ecosystems and quality of life. Incidents associated with risk are seized upon by the Media and public opinion.

As ports have diversified their interests and activities so port areas have taken on the potential risks and environmental challenges of any other major industrial area. It may be suggested that the probability of occurrence and magnitude of consequence is exacerbated and indeed compounded in the port area because of the intensity of use, diversity of activities, inherently dangerous nature of certain cargoes and operations, and the natural dynamics of processes at the land-sea-atmosphere interface that constitutes the port system.

The issue of risk management, the functional organization of activities aimed particularly at controlling, reducing or mitigating the chance or possibility of loss, injury or damage from the port's activities is multidisciplinary in nature. Port Authorities have traditionally dealt with the risks associated with navigation and shipping operations and so the management protocols of safety and health management are well established within the sector. Against this background, European Seaports have collaborated to develop appropriate tools and methodologies to give a range of management options.

EcoPorts – Evidence of achievement

The major concept driving EcoPorts is that of 'Ports working together to share knowledge and experience with the aim of continual improvement of the port environment through effective management'. It involves a harmonized approach to environmental management and the identification and application of best practices. Ports and port organizations recognize that all European ports face a common challenge, that of developing their businesses and managing their activities in a way that is sustainable, both economically and environmentally. Finding good solutions to environmental issues can lead to cost savings and new business opportunities.

EcoPorts is a research and development project co-funded by the European Commission, DG Transport and Energy (TREN) and 12 ports and port organizations with a budget of 4.1 million Euro including 2.7 million Euro support from DG TREN. As well as the major partner ports the programme involves a consortium of 5 universities and 7 specialist organizations. It is a port-inspired initiative developed by ports, for ports, specifically to address environmental issues with cost-effective response options. EcoPorts has a well-established track record of producing practicable options for the effective management of the port environment as it is built upon the success of the original ECO-information Project (1997- 1999) in which over 80 ports from throughout Europe took part.

The main objective of the three-year project (June 2002 – June 2005) is to establish a pan-European network of ports with a policy of voluntary, self-regulation on environmental issues. Specific goals are to:

- Create a 'level playing field' in terms of the implementation of environmental legislation, and to remove the environmental component as a competitive factor between ports (see above)
- Develop and implement cost effective and practicable solutions specifically targeted at environmental protection and sustainable development
- Provide a focus for business opportunities and port development
- Demonstrate good performance and best practice of the European port sector in terms of environmental duties and responsibilities
- Contribute to continuous improvement of the port environment

The EcoPorts Foundation (EPF) founded in 1999 plays an important role as a project partner by encouraging membership from as many ports as possible, identifying new

topics for collaborative research and acting as a focal point for port environmental managers to exchange ideas. Its Board is comprised of representatives from the ports of Amsterdam, Antwerp, Barcelona, Genoa, Gdansk, Goteborg, Hamburg, Rotterdam, and the British Ports Association.

The benefits of membership are open to all E.U. ports (see following)

The EcoPorts approach is based on voluntary collaboration and exchange of experience between seaports, inland ports and dry ports throughout Europe. Port authorities themselves identify the environmental challenges faced by the port professional, and specify the development required in terms of appropriate tools and methodologies to assist in effective management action.

Existing products available to all port members of the ECOPORTS Foundation include:

- **Self Diagnosis Methodology (SDM):** a validated procedure that assists ports to establish their base-line performance in terms of comparison with best practice guidelines and to assess their environmental management status against the European benchmarks. The feedback provides GAP and SWOT analysis that assists ports to identify priorities for action. Can be used by port authorities and other marine operators as a checklist to identify issues and level of management response in the port area and within the logistic chain.
- **Port Environmental Review System (PERS):** another validated procedure that assists ports to implement the first stages of a credible Environmental Management System (EMS). It can be used as a preliminary step to a more comprehensive system such as ISO 14000 or EMAS but allows phased development. By following PERS procedures, ports can establish the core elements of an EMS. PERS is identified as a standard for port environmental management by the EcoPorts Foundation (EPF), and as such, it carries the voluntary option of independent review (currently carried out by Lloyd's Register, Rotterdam, on behalf of the Foundation) with a Certificate of Validation for ports that reach the standard. This is an important new development for ports in Europe as it demonstrates attainment of a benchmark standard. A special package on the monitoring of environmental performance and the identification of appropriate environmental performance indicators provides a useful compendium of up-to-date information.

ECOPORTS is currently developing the following packages which are available to member ports:

- **Strategic Overview of Significant Environmental Aspects (SOSEA):** a methodology for ports to assess the major impacts of their activities and to check that they have sufficient information by which to manage their liabilities and responsibilities.
- **Decision Support System (DSS):** a methodology to examine the range of factors involved in environmental issues, their interactions, and response options in decision-making.
- **Database of best-practice solutions to key environmental challenges and exemplar case studies**
- **Environmental Management Information System (EMIS):** a networked system that integrates all the components of EcoPorts into an easily accessed system that can be interrogated by port professionals for purposes of practicable and cost-effective management options.
- **Training:** Dedicated packages are available now for specific target groups on a range of environmental issues, legislation, tools and methodologies appropriate to the port area and the logistic chain. Training can be delivered at local or regional levels to participants drawn from port sector professionals, marine industry representatives or Government Agencies and Non-Governmental Organizations involved in environmental protection. Trainers are approved by the Foundation and the training team consists of port professionals and academic specialists, with each course adapted to take into account local and national perspectives of legislation and operational conditions.
- **Workshops:** These are organized by the EcoPorts' national representative for each country in collaboration with the central EPF Office. The Workshops focus on the exchange and implementation of best practice experience in practical environmental management solutions for the port area and logistic chain. The established pattern is for a major Workshop or conference to be held annually in Europe, twice each year at national events, and once per year in selected port areas. Other sessions are organized on request from such bodies as regional assemblies, municipalities and specific ministries.
- **Research:** The EcoPorts Foundation has a network of Universities and consultancies selected to provide multidisciplinary research and development services to deliver practicable solutions to environmental issues. The Foundation's research record is well established and acknowledged as providing high quality, practical surveys and analysis on a wide range of

issues within strict deadlines. Clients to date include ESPO, EU, Government Departments, regional organizations, port authorities and operators.

The benefits of membership to individual ports of joining the ECOPORTS Foundation are as follows:

- Access to the results, tools and methodologies of the EcoPorts Project
- Access to the data base of best practice solutions and case studies
- Invitation to regional workshops and training sessions
- Participation in working groups focussed on specific environmental issues
- Password to 'members only' web-based information
- Identification of business opportunities by applying smart solutions to environmental issues
- Shared costs of developing new techniques and saving of costs by applying best practices from other ports, and by avoiding duplication of effort
- Management tools
- Access to network of environmental experience and expertise
- Opportunity to influence policy development

Membership details can be obtained by visiting the website www.ecoport.com or by e-mail to info@ecoport.com

By incorporating evidence-based performance indicators of both management achievement and quality of the environment itself, the combined activities of the EcoPorts Project and Foundation have produced an environment improvement programme that, if widely supported by all the key players in the logistic chain, is poised to deliver a major advance in environmental protection and sustainable development. The strength of the approach is that it is designed by ports, for ports, and is based around practicable, cost-effective management options.

A positive response – the evidence

The collaborative effort of all members of the projects has produced positive results in several key areas of the development and implementation of some form of EMS. Initiatives such as Eco-information and the EcoPorts Project act as catalysts for continual environmental improvement through wider application of management programmes and environmental monitoring. The support of ESPO and the EcoPorts Foundation is fundamental to the long-term ability of the sector to maintain credible voluntary, self-regulation.

Environmental Management Component	1996 ⁽¹⁾ %	1999 ⁽²⁾ %	2003 ⁽³⁾ %	Percentage change ('96-'03)
• Does the port authority have an environmental plan?	45	52	62	+17
• Does the plan aim for 'compliance-plus'?	+32	+41	+45	+13
• Does the plan aim to raise environmental awareness?	44	62	56	+12
• Is environmental monitoring carried out in the port?	53	60	69	+16
• Does the plan involve community & other stakeholders?	53	60	56	+3
• Is the ESPO Code available in the port?	41	48	54	+13
• Does the port have designated environmental personnel?	55	65	55	No change

⁽¹⁾ESPO Survey 1996, ⁽²⁾Eco-information Final Report 1999, ⁽³⁾ESPO Survey 2004 (interim results). As successive surveys represent different numbers and identities of respondent ports, the results should be interpreted with caution. The trends are more reliable indicators of progress than the actual percentage figures.

Conclusions

- The port sector is steadily developing and implementing a range of appropriate tools and methodologies for effective environmental management
- The phased approach adopted means that current activity is largely focussed on establishing EMS providing a framework, data base and relevant information for more rigorous risk assessment
- There is scope for even closer collaboration between ports and shipping in developing EMS and Environmental Risk Assessment (ERA).
- ERA needs to be tailored to the special needs and circumstances of Port Authorities with further research focussed on such elements as cause-effect relationships, the natural flux of environmental systems, probability and uncertainty associated with prediction, and the cost-benefit of EMS and ERA
- It is timely and topical to integrate the management of risk associated with safety, health, environment and security.
- Although the environment may be excluded as a factor of competition between ports in terms of the sector's response to policy and strategic issues, it is a fact that for the individual port authority, failure to obtain planning consent for port development on environmental grounds can have profound consequences for commercial performance and competition.
- Compliance with environmental legislation may not be negotiable, but the efficiency of a port's EMS in delivering such compliance may well give competitive advantage.
- Future key factors in deciding the cost-benefit of implementing EMS will include insurance premiums, investment in technologies, port revenues and mutual advantages gained from strategic alliances.
- Certain issues still require debate with

input from the range of interested parties and stakeholders e.g:

- What constitutes acceptable risk?
- Is it possible to rationalize the precautionary principle with deliberate risk management?
- To what extent is it possible to quantify risk and offer an optimum management response option?
- What is the real cost of being a poor environmental manager?
- What are the total benefits of being a good environmental manager?

The port sector can demonstrate an established track record of sustained activity aimed at improving benchmark performance, building port-based expertise and competence, and setting new standards of effective management which is demonstrably leading to continuous improvement and greater environmental protection. The European seaports recognize that the challenges are international and that practical solutions are most likely to be developed by joint action and shared experience. The European EcoPorts Foundation therefore welcomes enquiries and expressions of interest from around the world with the ambition to collaborate on research, exchange experience, and share best practice. Again, information and contact can be accessed at www.ecoport.com or by e-mail to info@ecoport.com

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IMO: World Maritime Day 2004

IMO 2004: Focus on Maritime Security

A message from the Secretary-General
Mr. Efthimios Mitropoulos

EVERY year, the International Maritime Organization and its 164 Member States and 3 Associate Members celebrate World Maritime Day, when we take the opportunity to bring the objectives and achievements of the Organization to the attention of a wider audience and, at the same time, increase overall public awareness of the vital role that the shipping industry plays in all our lives.

In 2002, IMO acknowledged its changing priorities by endorsing a new mission statement, an evolution from the then theme of "Safer Shipping and Cleaner Oceans" to "Safe, Secure and Efficient Shipping on Clean Oceans." This better reflects the broader objectives of the Organization and provides a blueprint for future action. In selecting our World Maritime Day theme for this year, we have chosen to highlight the increased emphasis that IMO has placed recently on maritime security.

If the natural perils of the sea were not sufficient, today, as we all know, shipping has additionally to confront the man-made threat of crime at sea, which is often violent and brutal, along with the scourge of international terrorism. Regrettably, this is not a new phenomenon. As long ago as the late 1970s, IMO was forced to turn its attention to unlawful acts such as barratry, the unlawful seizure of ships and their cargoes and other forms of maritime fraud; and, since 1982, we have been monitoring acts of piracy and armed robbery against ships in various parts of the world and have taken measures to combat them in those areas that suffer most. Perhaps the most disconcerting aspect in all these efforts is that the degree of violence in incidents involving piracy and armed robbery seems to be

increasing.

Following the 1985 incident, in which terrorists hijacked the Italian cruise ship Achille Lauro and killed a passenger before agreeing terms to end their siege, IMO developed a series of technical measures to prevent unlawful acts against passengers and crews on board ships and later on, in March 1988, adopted the Convention for the Suppression of Unlawful Acts Against the Safety of Maritime Navigation - the SUA Convention - and its Protocol relating to offshore platforms.

The principal purpose of the SUA instruments is to ensure that persons committing unlawful acts against ships will not be given shelter in any country but will either be prosecuted or extradited to a State where they will stand trial. Unlawful acts covered by the SUA Convention include the seizure of ships by force; acts of violence against persons on board ships; and the placing of devices on board a ship which are likely to destroy or damage it.

The dreadful events of 11 September 2001 gave unprecedented impetus to IMO's concern about unlawful acts which threaten the safety of ships and their passengers and crews. In the wake of 9/11, it became clear that the shipping industry needed a new, more stringent and more comprehensive set of measures to address the question of maritime security. In November 2001, the IMO Assembly called for a thorough review of all existing measures to combat acts of violence and crime at sea. At the same time, Contracting Governments to the Safety of Life at Sea Convention attending the Assembly agreed to hold a diplomatic conference on maritime security in December 2002 to adopt any new security regulations and measures that might be deemed necessary. The Assembly also agreed a significant boost of £1.5 million to the Organization's technical co-operation programme to help developing countries address maritime security issues.

The 2002 Conference adopted a series of wide-ranging new security measures, along with 11 associated resolutions, which represented the culmination of a great deal of intense and detailed work in IMO during the pre-

ceding year. These new measures entered into force on July 1, 2004.

The most far-reaching of them is the International Ship and Port Facility Security Code - the ISPS Code. It provides a consistent, standardized framework for evaluating risk, enabling Governments to offset changes in threat with changes in vulnerability for ships and port facilities through the determination of appropriate security levels and corresponding security measures.

IMO's efforts to improve maritime security have been part of an all-embracing initiative across the UN system to tackle terrorism. UN Security Council resolution 1368 was adopted the day after the 9/11 attacks and, since then, several more UN resolutions have been adopted to counter terrorism. Security Council resolution 1456, for example, adopted in January 2003, requested States to assist each other to improve their capacity to prevent and fight terrorism and invited the Counter-Terrorism Committee to facilitate the provision of technical and other assistance by developing targets and priorities for global action. This resolution also calls on international organizations, such as IMO, to evaluate ways in which they can enhance the effectiveness of their action against terrorism, including by establishing dialogue and exchanges of information with each other.

To this end, IMO has participated in UN-organized activities such as the Special Meeting of the Counter-Terrorism Committee in March 2003 and the meeting of the Counter-Terrorism Action Group in February this year. That group was established by the G-8 Leaders in June 2003 to serve as a forum for co-ordinating and expanding the provision of counter-terrorism training and assistance.

The boundaries between acts of terrorism and crime are often indistinct and, within the overall perspective of the UN's fight against terrorism, it is important also to mention the United Nations Convention against Transnational Organized Crime, adopted by the General Assembly in November 2000 and which entered into force in September 2003. IMO has been

working with the UN Office on Drugs and Crime in this context. Also adopted by the General Assembly was a Protocol, developed to supplement the Convention, aimed at combating the smuggling of migrants by land, air and sea. This Protocol reflects the relevant provisions of IMO's own measures for combating unsafe practices associated with the trafficking or transport of migrants by sea, which were updated in 2001.

IMO has also been working in co-operation with the International Labour Organization and the World Customs Organization on key issues with a bearing on maritime security. In July 2002, IMO and WCO signed a Memorandum of Understanding for co-operation on such issues of mutual interest as container examination and integrity in multimodal transport and matters relating to the ship/port interface. Following a request by the 2002 International Conference on Maritime Security, a new seafarers' identity document was developed by ILO establishing a more rigorous identity regime for seafarers, whilst a joint ILO/IMO Working Group has developed an ILO/IMO Code of Practice on Security in Ports, which was adopted by the two Organizations earlier this year.

In the broader scheme of things, IMO's work in the realm of maritime security provides support for its objectives in enhancing safety and also preventing pollution of the marine environment. The detrimental impact on the environment of a successful attack on a ship laden with oil, chemicals or other hazardous or noxious substances could be immense and, by raising our defences against terrorists, we are providing further protection in this respect.

It is very much in the spirit of international co-operation to counter the universal threat of terrorism that IMO has undertaken a far-reaching and multi-faceted program of technical assistance aimed at helping Governments strengthen maritime and port security, particularly in the developing world.

IMO actually launched its global technical co-operation program on maritime security in January 2002, that is 11 months before the package of new maritime security measures was adopted. The aim of the program initially was to raise awareness of maritime security threats and of the possible future regulatory measures which, at that stage, were still under development, through activities such as regional and sub-regional seminars, workshops, training courses and advisory missions.

Subsequently, the emphasis has moved on to practical matters and implementation of the new regulatory regime, with the development of training programs and materials, lesson plans and model courses. Furthermore, a Maritime Security Trust Fund has been established to provide a dedicated source of financial support for our maritime security technical co-operation activities.

Governments and the shipping and port industries made major efforts to improve maritime security in the weeks and months that followed the 2002 Conference leading up to the entry into force of the ISPS Code and all the related security measures. All over the world, a huge amount of work was undertaken to ensure the highest possible level of compliance. Figures made available by IMO regularly to keep the maritime community updated on progress being made indicated that more than 86 per cent of ships and 69 per cent of port facilities had their security plans approved by July 1, 2004. Coming close to 100 per cent compliance, I applaud all those involved for the work done.

Having agreed that the prime objective of the work done was to increase awareness of the real and present threat of terrorism and explain the implications of the ISPS Code and how best to implement it and, in so doing, raise the shipping industry's defences to protect it and seaborne trade from any terrorist attack, we must now ensure that we remain vigilant and alert in all respects and in all circumstances.

There were, however, administrative bottlenecks in the run up to the entry-into-force date. Without them, the reported 56 per cent of International Ship Security Certificates issued by July 1 would have been much higher. But, although certification is undoubtedly important, what really counts is the work that has been done on the ground: security officers appointed on ships, in companies and port facilities; training undertaken; security plans drawn up; awareness raised; and vigilance heightened.

It goes almost without saying that significant and far-reaching measures such as these cannot be implemented without cost. The OECD, for example, has estimated the initial burden on ship operators to be at least US\$1.27bn and US\$730m per year thereafter. On the plus side, however, efficiency gains and reductions in theft and fraud are anticipated to exceed the expenses involved.

However, the price of inaction could potentially be far greater, as a large,

well co-ordinated attack could result in the shutting down of the entire maritime transport system, with costs likely to be measured in billions of dollars. Moreover, potential savings resulting from the introduction of the new measures are also identified in the OECD report due to reduced delays, faster processing times, better asset control and fewer losses due to theft.

Another important element in all this is to realize the need for balance, not just in the cost/benefit equation but in other aspects, too. We must try to achieve the right balance between the need to implement the new security regime strictly and robustly and yet ensure that disruption to global trade, as a result of the introduction of security measures, is kept to a minimum; we must find a balance between the traditional and legally enshrined right of ships to enjoy freedom of navigation on the high seas and the need to make sure that strategic and potentially vulnerable sea lanes have the special protection they may need; and we must find a balance between the need to tighten security provisions so that criminals and terrorists cannot gain access to ships and port facilities by posing as seafarers, while ensuring that innocent seafarers are not themselves unfairly penalized as a result.

If shipping really is to continue on its path towards being safer, cleaner, more secure and more efficient, it needs to attract staff of high quality and high calibre and I look to all involved to recognize and appreciate the contribution seafarers the world over make towards safety, security and environmental protection.

To conclude: even though the new international maritime security measures are now in force, we must not make the mistake of resting on our laurels and assuming the work has been completed. The risks are too high to allow for any hint of complacency and we must make sure that high levels of vigilance and awareness are maintained and built upon until they become second nature throughout the shipping and port industries. Terrorism is not a matter of concern to one country or a group of countries – it is a global issue that affects us all and we should spare no effort to ensure that, together, we build a robust and resilient defence.

May we never experience the bitter and painful experience of a terrorist act against shipping.

(September 2004, IMO)

Upcoming Conferences



International Conference on Coastal Infrastructure Development

Challenges in the 21st Century

November 22 - 24, 2004
Hong Kong

THE International Conference on Coastal Infrastructure Development aims at providing a forum for sharing knowledge, experience and creative ideas among worldwide engineers, academics, environmentalists, developers and financial managers in delivering coastal infrastructure projects with due consideration of the technical, social, environmental and financial perspectives. Eminent keynote speakers have been invited to address current issues related to coastal infrastructure development. The Conference will address the following areas of interest:

Major Coastal Transport Infrastructure Projects

- Bridges
- Tunnels
- Cross Border Infrastructure

Port Development

- Port Planning
- Dredging
- Marine Structures
- Artificial Island
- Reclamation

Environment, Sustainability and Social Considerations

- Impact Assessment
- Coastal Protection
- Flood Prevention
- Waste Management
- Tourism

Project Finance

- Financial Planning
- Modes of Project Delivery

Maintenance and Management

- Monitoring and Maintenance Technologies
- Maintenance Strategies
- Rehabilitation/Upgrading of Coastal Infrastructure
- Management of Coastal Infrastructure

Coastal Hydraulics

- Waves
- Sedimentation
- Modeling
- Coastal Hydrodynamics
- Maritime Engineering

Research and Development

- New Technologies
- Ground Treatment
- Surveying • Corrosion Protection

Registration Fee:

- HK\$4,200.00
- Optional Technical Visit on November 24: HK\$100.00

For further information:

Conference & Function Section
The Hong Kong Institution of Engineers
9/F Island Beverley
1 Great George Street
Causeway Bay, Hong Kong
Tel: +852 2895 4446
Fax: +852 2203 4133
E-mail: conf3@hkie.org.hk
URL: <http://www.hkie.org.hk/cv/COASTAL2004>

Number of Participants: 20 - 25

Closing Date for Registration: October 4
It is recommended to all participants to be fluent in English.

For further information:

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URL: http://www.portofantwerp.be/apec/NL_html/en_mainset.htm

New Publications

SOLAS - Consolidated Edition 2004



OF all the international conventions dealing with maritime safety, the most important is the International Convention for the Safety of Life at Sea, better known as SOLAS, which covers a wide range of measures designed to improve the safety of shipping. The Convention is also one of the oldest of its kind: the first version was adopted in 1914 following the sinking of the Titanic with the loss of more than 1,500 lives. Since then there have been four more versions of SOLAS. The present version was adopted in 1974 and entered into force in 1980.

In order to provide an easy reference to all SOLAS requirements applicable from July 1, 2004, this edition presents a consolidated text of the SOLAS Convention, its Protocols of 1978 and 1988 and all amendments in effect from that date. The 2000 amendments (affecting chapters II-1, II-2, III and V and some of the certificates), the 2001 amendment (affecting chapter VII) and the 2002 amendments (affecting chapters II-1, II-2, III, IV, V, VI, VII, and XII and dividing chapter XI into XI-1 "Special measures to enhance maritime safety" and XI-2 "Special measures to enhance maritime security") have been

Upcoming Seminars



APEC: Seminar on Port Logistics

December 6 - 17, 2004
Antwerp, Belgium

THE seminar on Port Logistics is a specialised course focusing on several aspects of modern logistics in relation to the maritime business. Public and private port companies address issues as transport, warehousing, distribution, handling, forwarding and customs regulations in the field of port logistics. Special attention is also paid to hinterland relations, integrated logistics, logistic chain management and the handling of dangerous cargo.

Several distribution zones in the ports of Antwerp, Zeebrugge and Ghent are visited.

Registration fee:

€ 2,500.00
Fee includes the costs of lodging and all meals (13 days), inscription, documentation, lecturers, local transport and insurance. International transport is not included in the registration fee.

incorporated into the previous consolidated edition to produce this new one. The new edition also includes forms of the safety certificates relating to the Convention and the text of regulation II-1/12-2. This regulation was deleted from the consolidated text of the Convention by the amendments that were adopted in December 2002, but oil tankers of 500 gross tonnage and over that are constructed on or after October 1, 1994 and before January 1, 2005 must comply with its provisions.

Price: £65.00

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Drewry: Global Container Terminal Operators 2004



DREWRY's Annual Review of Global Container Operators 2004 provides an in-depth review of the world's leading terminal operators as well as an analysis of the coming five years in this fast-moving and exciting sector.

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Cover of the Month

The Port of Barcelona



THE Port of Barcelona, with a level of traffic close to 40 million tonnes and 2 million TEU's handled in 2004, is one of the main transport and services platforms in Spain. Specialised in high added value goods, it is the top Spanish port in terms of international maritime traffic and top of the Spanish league in terms of turnover and value of goods. It is also the top Mediterranean port in terms of new vehicles, with 700,000 units handled, and the first European port in cruise traffic, with more than 1,100,000 passengers in 2004. The port serves one of the most dynamic regions of the

European Union, through which the raw materials that feed industries flow in and high added value goods produced in its area of influence flow out.

The terminals of the Port of Barcelona are privately managed and operated under a concessionary regime by companies that compete with each other. The port has terminals specialised in containers, vehicles, fruit, coffee and cocoa, metals, liquid and solid bulks, hydrocarbons and passengers, and several multi-purpose terminals. The companies operating in the port make up the Port Logistics Community of Barcelona, which works together to

achieve the common goal of making Barcelona the first Euromediterranean Intermodal Centre and logistics hub. Co-ordination and networking between companies makes it possible to offer a complete range of services to transport, distribution and logistics at competitive prices with high standards of quality.

The Port of Barcelona brings together the largest offer of logistics in the Iberian Peninsula and Southern Europe. The interconnection of all the modes of transport (port, airport, motorways, railway) within a radius of 5 kilometres and its location in an area that offers the best services to the transport and logistics sector, as well as the fact that it is located in the heart of a major population and consumption area, make the port one of the main commercial, transport and distribution centres of the Mediterranean.

The aim of bringing port services closer to operators and end customers has led the Port of Barcelona to create the maritime goods terminals of Zaragoza and Toulouse. The Zaragoza Maritime Terminal (tmZ), set up in 2001, has been designed to act as a services platform for the imports and exports of the north-east of Spain, and is an element setting apart the Port's offer in an increasingly competitive market. The Port of Barcelona is setting up a similar initiative, the Toulouse Maritime Terminal (tmT), in the south of France.

The Port of Barcelona is breaking new ground in other initiatives aimed at improving the quality of the service it offers to its customers. To this end, it set up its Quality Plan in the 1990's, as well as PortIC, its documentary exchange and e-commerce platform and the Logistics Activities Area. The know-how accumulated by the Port on these issues has been taken up as a model by port communities around the world.

General cargo represents more than half of all traffic and has led growth over the last few years. Likewise, container traffic increased by 13.1% in 2003, consolidating Barcelona as a port with high added value goods. Other important traffics are bulk liquids, of which we could highlight natural gas, and passengers. The number of cruise passengers increased by 25.71% in 2003.

Over the first months of 2004 Barcelona has been the fastest-growing Mediterranean port, showing increases

of 15% in total traffic, 20% in general cargo and close to 20% in container traffic. Worthy of note are traffics with the Middle and Far East, which have increased by some 45% with China and India in the first half of the year. This growth clearly shows the urgent need to provide new port areas.

The Port of Barcelona is enlarging. The enlargement process began in 2001 with a budget of 1 billion €, and will involve a fractal increase in the size of the port. The area of the Port will increase by a factor of 2.3, from 558 hectares to 1,265; the berthing line will increase from 19,766 linear metres to 29,702 l.m., and the Logistics Activities Area (ZAL) will grow by 192.7 hectares up to a total of 260 hectares.

The works currently underway represent the physical base on which the port will be able to grow. This growth must not only be quantitative - new wharves, new cranes, new accesses - but also qualitative - new shipping lines, better customer service, more connections with Europe. Container traffic will be able to go from nearly 2 million TEU's at present up to 6 million. Total traffic will be more than 60 million tonnes.

Bearing in mind the considerable growth in traffic that the Port is experiencing this year, and the forecasts that international maritime traffic will continue to grow at a good pace over the next few years, the Port of Barcelona has moved forward the deadlines for building initially forecast in order to have a new container terminal by the 1st of January 2008, to allow it to continue to attract traffic and attend to any large ship owners who want to operate in Barcelona and are currently facing problems of space.

With the enlargement works underway, the Port of Barcelona is now working on the design of the accesses that will be required by the enlarged port. There will be an exclusive highway for lorries, which will connect it directly to the Spanish and European motorway networks, and new railway lines that will start out from the new goods stations planned in the new wharves. These new roads must be exclusively for goods and must extend beyond the Pyrenees and connect to the European rail network in the mid-term if the port really wishes to be competitive in Europe. Finally, the Spanish, French and European rail network needs to be re-designed in order to guarantee bottleneck-free transport of traffics with the rest of the continent to be generated by the extended Port of Barcelona.



The Port of Barcelona's 2nd Strategic Plan 2003-2015 is the base document for setting the actions for its entire Port Logistics Community over the coming years. Working on the basis of the current situation of the Port and the foreseeable demands of the market over the coming years, the Strategic Plan has defined the Far East (bearing in mind that Barcelona is in a privileged location for traffics between Europe and Asia through the Suez Canal), North and West Africa and Latin America as strategic forelands.

The area of Barcelona is undergoing a far-reaching transformation of its infra-

structures: the extension of the port, along with that of the airport of Barcelona, the creation of new logistics and distribution areas and the improvement in communications, with the building of new highways and new connections with the European rail network, set the scene for Barcelona to become the main Mediterranean Intermodal Centre and one of the nerve centres of the European communications network. Therefore all the necessary factors are present to achieve the aim of the Strategic Plan: for the Port of Barcelona to become the first Euromediterranean logistics hub.

TRAFFIC 2003

	Year 2002	Year 2003	Var. %
Bulk liquids (including hydrocarbons)	9.930.153	10.159.352	2,3%
Bulk solids	3.383.298	3.697.827	9,3%
General cargo	19.294.744	20.917.489	8,4%
Fishing and supplying	389.825	737.385	89,2%
Total traffic (in Tones)	32.998.029	35.512.073	7,6%
Containerised cargo (in TEU)	1.461.232	1.652.366	13,1%
New Cars (units)	603.900	649.441	7,5%
Passenger traffic (total)	1.699.546	1.875.149	10,3%

The Enlargement of the Port of Barcelona Public Investment Period 2004-2012

	(X 1000€)									
Total Investmen	2,004	2,005	2,006	2,007	2,008	2,009	2,010	2,011	2,012	
	994,026	164,515	232,641	184,804	125,785	42,518	46,350	48,513	74,450	74,450



The Americas



Houston: PHA delivers Port Coordination Center

THE Port of Houston Authority (PHA) and its security partners today celebrated the grand opening of the new Port Coordination Center (PCC), a \$4.35 million state-of-the-art facility that utilizes technologically advanced communications systems and data sharing equipment to facilitate immediate, accurate communication exchange between Port Coordination Team members, including the PHA Police Department, U.S. Coast Guard, and various local, state and federal regulatory and law enforcement agencies. The ribbon-cutting ceremony was attended by PHA Chairman Jim Edmonds, the PHA commission, PHA Executive Director H. Thomas Kornegay, U.S. Congressman Tom DeLay, U.S. Coast Guard Captain Richard M. Kaser, Harris County Precinct 2 Commissioner Sylvia Garcia, City of Houston Chief Administrative Officer Anthony W. Hall, Jr., and more than 200 PHA staff and invited guests.

To date, the PHA has been awarded a total of \$15.20 million in federal port security grants, including \$2.66 million in funds from the Transportation Security Administration/U.S. Maritime Administration (\$1.5 million) and the U.S. Department of Homeland Security/Office of Domestic Preparedness (1.16 million) that were earmarked specifically for the PCC. Federal port security grants are awarded as reimbursements to PHA for expenditures on port security-related equipment and services. The PHA provided \$1.69 million in funding for the PCC.

"The Port Coordination Center is 'home away from home' for the men and women who make up the Port Coordination Team, a coalition of law enforcement agencies who protect the port and the surrounding communities," stated PHA Chairman Jim Edmonds. "This team of local, county, state and federal law enforcement agencies will converge on the Port Coordination Center to protect the port from a potential security threat or from the wrath of a hurricane."

PHA Executive Director H. Thomas

Kornegay explained that keeping the world's sixth largest port secure is a job that is bigger than any one person or any single agency. "Security requires a well-integrated initiative along the Houston Ship Channel involving our many law enforcement partners," Kornegay said. "Stepping up security so that we can meet current and potential challenges continues to be a priority for the port authority. I am very proud of the house that security built. I am confident that the highly trained, professional men and women who will staff the Port Coordination Center can and will guide us through any potential emergency."

Noting that Houston is one of the largest and most important cities in the country and must be considered an area at risk to threats, Congressman Tom DeLay vowed to continue to use his power as House Majority Leader to ensure the people of Houston are protected and informed. "We take these steps because protecting our ports is crucial to our nation's economy," DeLay said.

Congressman DeLay underscored the importance of federal port security mandates such as the requirement for foreign vessels to submit crew and cargo manifests to the Coast Guard 96 hours before arrival. He also highlighted the increase in Coast Guard patrols, vessel inspections, and interdictions of illegal migrants. "These activities, along with citizen awareness, contribute to a level of national preparedness that is critical to achieving our goal of a more secure America," DeLay said.

U.S. Coast Guard Captain Richard M. Kaser proclaimed that the nation's ports have never been more ready to handle any threat than they are today. "We have added layer upon layer of security, and we are very excited about the results," Kaser said. "This facility is one key layer in the security plan, and I am quite impressed with the team members and how well everyone worked

together to bring this coordination center to fruition. We are prepared for any situation, and we will adeptly implement and enact our security response plans by operating together from this Port Coordination Center."

Harris County Precinct 2 Commission Sylvia Garcia stated, "I am excited that our many local law enforcement agencies are working together to protect not only the port, but the surrounding area. By taking a cooperative and balanced approach to strengthening the international maritime system, we can go further in securing our country as well as protecting U.S. economic interests."

On behalf of Houston Mayor Bill White, City of Houston Chief Administrative Officer Anthony W. Hall, Jr. underscored the importance of protecting communities. "A safe neighborhood extends beyond subdivision boundaries. We must all work together to create a safe city so that every citizen is protected," Hall said. "I applaud the proactive security measures being established at the port because they closely align with the mayor's goals for a safe and secure Houston."

The PCC's law enforcement partners include the Area Maritime Security Committee, Baytown Police Department, Deer Park Police Department, East Harris County Manufacturers Association, Federal Bureau of Investigation, Harris County Constables, Harris County District Attorney Office, Harris County Sheriffs Department, Houston Pilots, Houston Police Department, LaPorte Police Department, Morgan's Point Police Department, Pasadena Police Department, Port of Houston Authority Police Department, Seabrook Police Department, Shoreacres Police Department, Texas Department of Public Safety/Texas Rangers, Transtar, U.S. Attorney's Office, Southern District of Texas, U.S. Bureau of Alcohol, Tobacco and Firearms, U.S. Coast Guard, U.S. Customs and Border Protection Service, U.S. Department of Homeland Security, U.S. Drug Enforcement Agency, U.S. Immigration and Naturalization Service, U.S. Marshals Service, and the U.S. Secret Service. The prime contractors for the engineering design and construction of the facility included Black and Veatch Special Projects Corp., Raytheon Company, BAE Systems Integrated Defense Solutions Inc., and State Construction, L.P.

(August 23, 2004, Port of Houston)



Long Beach: Launch demonstration project using LNG-powered tractors

BOLSTERING an already strong commitment to reducing harbor-area emissions, the Port of Long Beach and Sound Energy Solutions (SES) have agreed to partner on a pilot program that will test the effectiveness of yard hostlers powered by liquefied natural gas (LNG) in a marine terminal environment.

The Long Beach Board of Harbor Commissioners' Development Committee on Monday approved the demonstration project as part of its Healthy Harbor program, which promotes the use of alternative fuels by Port tenants to improve air quality.

The six-month, \$600,000 project will evaluate the performance of LNG yard hostlers moving cargo in the terminal environment. Three LNG tractors will be tested at Long Beach Container Terminal.

In addition, the team will coordinate its efforts with a parallel project at another terminal to test two LNG yard hostlers in a similar manner. By coordinating activities, the team will collect more data at less cost, thereby buttressing the findings of the study.

Long Beach-based SES, a wholly owned subsidiary of Mitsubishi Corp., is working to develop an LNG receiving terminal and re-gasification facility on a portion of Pier T by 2008. As part of this project, SES will provide vehicle-grade LNG to California's burgeoning natural gas vehicle market, which includes low-emissions trash trucks, transit buses and other vehicles.

"This demonstration project allows us to determine whether there is a significant reduction in NOx and particulate emissions from this equipment when it is put to the test in the demanding conditions of an import-export terminal," said port Executive Director Richard D. Steinke. "This project will tell us how effective LNG can be and the overall reliability of the equipment powered by this fuel."

LNG engines produce substantially lower emissions than today's diesel-powered engines. On-road tests indicate up to 65 percent less nitrogen oxide, 100 percent less sulfur dioxide and 90 percent less particulate matter. The trial run will determine whether similar results can be achieved in the off-road environment.

"One of SES's primary targets for the use of natural gas in the transportation market has been off-road cargo handling equipment," said SES Chief Operating Officer Thomas Giles. "We are proud to be partnering with the Port of Long Beach to make a positive contribution to their Healthy Harbor plan."

The Healthy Harbor initiative, a comprehensive environmental effort approved by harbor commissioners in March 2004, aims to improve harbor air and water quality and wildlife habitats.

"This alternative fuel demonstration project, along with other recently implemented Port programs, will be key to continued improvement of the harbor environment," Steinke said. "We believe the results of our study will provide tremendous benefits for the Port employees, tenants and the surrounding communities."

(August 3, 2004, Port of Long Beach)

Long Beach: Begins "Cold-Ironing" Vessels



THE Long Beach Board of Harbor Commissioners and BP West Coast Products LLC agreed Monday to a historic collaboration that will allow vessels to shut down their engines, plug into dockside electricity and "cold-iron" in the Port of Long Beach.

Commissioners voted unanimously to launch the long-awaited, voluntary program at Berth T121 so tankers can offload oil in a manner that mitigates diesel emissions. Planning and construction will take an estimated two years with tentative completion set for late 2006.

The Port earmarked \$2.5 million for development and construction. BP, which leases the terminal from the Port, will retrofit two tankers at an estimated cost of \$2 million (\$1 million for each tanker).

"The community has given us the charge to reduce pollution and clean up the air without slowing down commerce or eliminating transportation-

related jobs," said John R. Calhoun, president of the Board of Harbor Commissioners. "It is not an easy task, but with help from BP, we are answering the call."

While at port, vessels still need power for refrigeration, lighting, pumping and other ship functions. Typically, this power comes from running auxiliary diesel and steam engines, or main engines, at reduced rates. Replacing onboard power with electrification would produce significant reductions in at-berth, diesel emissions.

"Plugging in our ships will cost us more to off-load the crude, but the increased costs are relatively small when you consider the environmental benefits from the project," said Tim Scruggs, BP Carson business unit leader/refinery manager.

Harbor Commissioners on June 19, 2003, authorized a \$350,000 study on the feasibility of cold ironing. That study revealed that frequent visits and high electrical demands by cargo vessels are necessary to make cold-ironing cost-effective. BP determined that two vessels about to be launched would meet the cost-effective threshold and that BP's berth (T121) is one of the few that has adequate existing electrical power to make cold-ironing possible, thereby significantly reducing project costs.

At the same time, BP conducted an independent financial analysis and determined that it could absorb the costs associated with cold ironing at Berth T121 and retrofitting two tankers to accept shore-side power.

The Port will construct all landside improvements associated with bringing the power from the existing electrical substation on the BP terminal to the wharf, as well as providing the gear needed to connect power cables to the vessels. During construction, the Port will ensure that Berth T121 remains functional. BP will be responsible for the long-term operation and maintenance and future improvements at the berth, including the cost of power.

"This comprehensive approach to cold ironing developed by the Port of Long Beach with BP's assistance will be closely monitored by the shipping industry worldwide as the bellwether of where this industry and the future of international trade is inevitably headed," said Richard D. Steinke, executive director of the Port of Long Beach. "It represents a large step toward this port's goal of ensuring that Long Beach citizens can enjoy both the substantial economic benefits of international trade

and an improved quality of life through a cleaner environment. That is what our Healthy Harbor program was developed to provide."

The shore-side electrification of ships is part of Healthy Harbor Long Beach, the Port's comprehensive initiative to improve air quality, water quality, and wildlife habitat. Healthy Harbor Long Beach was launched in April 2003, with the introduction of a comprehensive Air Quality Improvement Program that calls for use of alternative fuels in port- and tenant-owned vehicles, installation of pollution control devices on equipment and a wide variety of other strategies to reduce diesel emissions resulting from Port operations.

At BP, we believe energy and environmental policy go hand in hand. At BP, we are committed to achieving the appropriate balance to find new ways of delivering clean energy to the United States at stable prices, without damaging the environment. This fundamental principal guides us in everything we do.

(August 30, 2004, Port of Long Beach)



Panama Canal: Panama Canal turns 90



A dream held for more than four centuries became a reality August 15, 1914, when the SS Ancon made history as the first vessel to cross the Isthmus of Panama. The vessel traveled from the Atlantic entrance of the Canal at the Port of Cristobal at 7:10 a.m. through the fifty mile stretch of the waterway to the Port of Balboa, located at the Pacific Ocean entrance. "So quietly did she pursue her way that ... a strange observer coming suddenly upon the scene would have thought that the Canal had always been in operation, and that the Ancon was only doing what thousands of other vessels must have done before her," wrote John Barrett in *The Opening of*

the Panama Canal (published in the *Bulletin of the Pan-American Union*) of a passenger on board the vessel.

Yesterday, the Panama Canal celebrated its 90th anniversary. Since that momentous day in August of 1914, the Canal has continued to play a critical role in global trade. The importance of the Canal continues to grow - the All-Water Route (from Asia to the East Coast of the United States and back) is considered vital and one of the fastest-growing trade routes.

Canal historian Ira Bennett, as quoted in David McCullough's *The Path Between the Seas*, wrote, "Strongly as the Panama Canal appeals to the imagination as the carrying out of an ideal, it is above all things a practical, mechanical and industrial achievement." The Canal set the standard and was the "world's first" of a great many things: the world's largest dam, the world's greatest man-made lake and the world's highest locks.

"It is an honor and a privilege to be part of the Panama Canal; its construction is one of the greatest achievements in history," said Administrator Alberto Alemán Zubieta. "I, personally, take great pride in our employees who have devoted so much time and energy to the Canal. Today, we remember what began here 90 years ago; we remember the past, the ingenuity and the sacrifice. So many people gave their lives for this noble cause. We look forward to the next 90 years; great things are yet to come."

Readying itself for the future, the Panama Canal seeks to maintain its commitment to the maritime industry while providing the best value for its customers. Recent and ongoing projects include:

- Widening the Gaillard Cut;
- Deepening Gatun Lake (will provide an additional meter of water - a 45 percent increase),
- Constructing a new barge and launch on-site in Panama;
- Modernizing the locomotive fleet and replacing the locomotive tow tracks at Gatun Locks;
- Implementing an electronic system to send and receive data to and from vessels planning to transit the Canal and implementing a new navigational system to track and monitor Canal traffic;
- Achieving 142 days without a single delay, set October 12, 2003 through March 2, 2004;
- Transporting more than one million net PC/UMS tons through the Canal in a single day - March 16, 2004.

Approximately 35 vessels transit the Canal every day - 11,725 oceangoing vessels transited the Canal in 2003. Since 1914, more than 880,000 vessels have transited the waterway.

(August 16, 2004, Panama Canal Authority)



San Diego: Celebrates becoming Sister Ports with Port of Ensenada



FOR mutual benefit, the Port of San Diego and the Port of Ensenada in Baja California, Mexico, have become sister ports. An official signing ceremony signifying the sister port agreement will be held at the Port of San Diego's Tenth Avenue Marine Terminal on August 31, 2004.

With the support of the Administracion Portuaria Integral de Ensenada, the official operating authority of the Port of Ensenada, the Port of San Diego Board of Port Commissioners in June 2004 adopted a resolution establishing a sister port relationship.

"We recognize that the Port of Ensenada is an important catalyst for development in the state of Baja California, just as we recognize the Port of San Diego as an economic engine for this region," said Peter Q. Davis, Chairman of the Board of Port Commissioners. "And, we recognize that through cooperation there is potential for an even greater economic impact."

For over a decade, the two ports have worked together to increase cruise ship business. Now, an increased emphasis on commercial cargo opportunities is also under way. For example, there is interest from shippers in South America who want to offload cargoes in San Diego, and load cargo in Ensenada, allowing the freighters to return full. In addition to Ensenada, other Mexican ports can also benefit from this relationship by exporting products to South America.

"As global sea trade is scheduled to

double and even triple, we don't consider the Port of Ensenada to be our competitor. We consider the Port of Ensenada a partner in our quest to increase maritime operations," said Chairman Davis. "As 'niche' ports, we can complement each other's cargo projects and future development for the benefit of the entire southwestern U.S. and Baja region.

Currently, the Port of San Diego's maritime cargo annually generates \$262 million in revenue for the region and approximately 2,350 jobs. Cargoes such as produce, cement, soda ash, fertilizer, sand, fuel and newsprint are handled at the 96-acre Tenth Avenue Marine Terminal. At the Port's National City Marine Terminal, vehicles and lumber are offloaded.

The Port of San Diego is a public ben-

efit corporation and special government entity. Created in 1963 by an act of the California legislature, the Port manages San Diego harbor and administers the public lands along San Diego Bay. The Port has operated without tax dollars since 1970 and has been responsible for \$1.5 billion in public improvements in its five member cities—Chula Vista, Coronado, Imperial Beach, National City and San Diego. With a \$3.7 billion economic impact on the San Diego region, the Port oversees two marine terminals, a cruise ship terminal, 16 public parks, various wildlife reserves and environmental initiatives, a Harbor Police Department and the leases of over 600 tenant businesses around San Diego Bay.

(August 24, 2004, Port of San Diego)

"Most items on our store shelves were manufactured overseas, put into a container and transported to this country in ocean-going ships. Just look at the tags on your clothes," said Timothy J. Farrell, Port of Tacoma Acting Executive Director. "More than any other factor, security is enhanced by the visibility and efficient movement of cargo. Operation Safe Commerce can give the shipping industry the tools to make security and efficiency one and the same. And that can ultimately result in lower prices for American consumers."

The objective of OSC is to create the knowledge base for possible future international standards for secure containerized shipment - from the overseas point of origin through the supply chain to the U.S. point of distribution. Murray outlined the key initial findings learned during the course of the nine Puget Sound Load Center test programs, including:

- Supply chains have points of vulnerability, both in the United States and overseas. Vulnerabilities were identified and assessed on each OSC test program. In many cases, vulnerabilities were not on U.S. shores or within U.S. jurisdiction. Addressing those vulnerabilities will require cooperative working relationships with overseas trading partners and governments to reduce risk.
- Technology is only part of the solution: There is a need to develop international standards, including shared policies, procedures and processes to ensure safe and economical flow of trade.
- Supply chains are complex, dynamic and unique: The same technologies cannot be universal in terms of geography, culture and economics. Shippers understand this, but many governments do not. This reinforces the need for international standards.
- Solutions must be globally integrated and developed from a system wide perspective: The entities that receive critical security information must be in close partnership with the logistics providers and shippers that are moving the goods.
- We must have multi-national acceptance of security in the supply chain and the global shippers are the glue that binds the supply together; hence they are and must continue to be our partners within OSC.

The Port of Seattle and Port of Tacoma are partners in nine of the 19 supply chain projects funded by \$58 million in federal grants, administered by the Department of Homeland Defense, Office for Domestic



Seattle/Tacoma: Successful Completion of "Operation Safe Commerce" Round 1



STANDING on Terminal 7 at the Port of Tacoma, U.S. Senator Patty Murray today declared the test phase of Operation Safe Commerce a "resounding" success.

Operation Safe Commerce (OSC) is a federal program designed to test and evaluate practices, policies and procedures to improve the security of international containerized shipping. The first OSC test containers arrived at the Port of Tacoma in March 2004. Since then, hundreds of OSC containers have moved through the Puget Sound Load Center (Port of Seattle and Port of Tacoma).

"That original shipment we celebrated five months ago, and the tests that

followed, tracked shipments from their origination point - whether that was the factory floor or an agriculture field - to a distribution center right here in Washington state," said Murray, who has supported funding for the program. "The products traveled by truck, train and ship along their journey, and we watched them every step of the way. We monitored and analyzed the security at the origination point, every subsequent transfer point, and on each mode of transportation until it reached the customer.

"We found that each supply chain is unique and very dynamic," Murray continued. "The players change often and market forces have a significant impact on how those players change. We found that technology alone is not the answer. Technology is just but one part of governmental policies, logistical procedures and the physical processes needed to move containers in the global economy."

"There are many maritime security efforts underway," said Linda Strout, Deputy Chief Executive Officer of the Port of Seattle. "But OSC is unique in making ports and the communities around them safer by first securing the cargo that moves through them. OSC also adds value by improving inventory control and expediting the movement of cargo."

Preparedness (ODP). Other participating load centers include the Ports of Los Angeles/Long Beach and New York/New Jersey. Supply chain test findings from Tacoma/Seattle and New York/New Jersey will be submitted to ODP in late 2004. Los Angeles/Long Beach will follow in early 2005.

A proposed Round 2 for OSC, funded by \$17 million in ODP grants, will "stress test" selected supply chains to prove supply chain security approaches. Details are not yet determined. When all testing is complete, the knowledge base created by OSC can be used to create international standards for containerized shipping.

(September 2, 2004, Ports of Seattle / Port of Tacoma)

Suape: Gears up for traffic growth



PLANS are underway to add new container handling equipment and further improve port facilities at the Suape Container Terminal (SCT), the largest and most modern container terminal in north and northeastern Brazil.

Tecon Suape S.A. (TSSA), International Container Terminal Services, Inc.'s (ICTSI) Brazilian unit operating the SCT, recently announced its plan to purchase new container handling equipment – two quay cranes (QCs) and two rubber tired gantries (RTGs). Suppliers have been invited to an international tender.

TSSA will order QCs that are post-Panamax with a 47-meter outreach, capable of twin-lifting two 32-metric ton containers over 17-meter wide vessels. The RTGs should be configured to stack six container-wide plus roadway with stacking heights of one-over-five. The new equipment will boost existing yard capacity to handle rising container throughput.

The new equipment will also employ the latest technology, such as low maintenance AC drives, on-board computer monitoring and anti-sway system to reduce cycle times and minimize downtime. Real time operating data from the control systems will be trans-

mitted by wireless network. TSSA expects the QCs and RTGs to be operational by the third quarter of 2005.

Meanwhile last year, TSSA invested some USD3.4 million for the expansion of the paved area of the container terminal to 40 percent of the 29-hectare terminal. TSSA plans to have a total paved area of 112,000 square meters for container storage allotted as follows: 30,000 square meters for cabotage; 34,000 square meters for empty containers; and 48,000 square meters for full containers including refrigerated containers.

The investment program is designed to respond to the increase in container traffic being handled at the terminal, to meet the latest needs of shipping lines, and to progressively integrate SCT into the logistics chain for important cargo flows such as fruit and shrimp trades in Suape's hinterland.

TSSA had earlier reported a significant improvement in throughput for the first half of the year of 63,275 TEUs, up 268 percent, from 17,210 TEUs handled for the same period last year. In the second quarter of the year, the SCT handled 33,301 TEUs, an improvement of 260 percent over the second quarter last year.

Food products, shipped in temperature controlled containers, have been growing particularly fast with strong demand for seedless grapes from

Europe and the US. Last year, the first of the two grape seasons generated export cargo equivalent to around 1,000 TEUs. This year the first season, despite the negative of high rainfall, will generate around 2,000 TEUs in the first season, and 4,000 TEUs in the second. Mangoes are also being exported.

Shrimp traffic has also increased especially to the US, with huge farms producing up to 40 tons per day. TSSA has already made special provisions for these two sectors by increasing the number of reefer plugs in the terminal, from 370 last year to almost 600. Likewise, the reefer area was also expanded to 10,000 square meters.

Aside from the rapid demand for reefer services, cabotage trade has also been growing at a rate of 20 percent annually in Brazil. The SCT is situated in the heart of a fast growing industrial area and this, too, is increasingly playing a part in traffic growth. There is also significant potential for transshipment due to the terminal's strategic location on the northeastern tip of Brazil.

The new investment at the SCT, together with further improvements in human resources especially with new agreements forged with the trade unions, has given the SCT the competitive advantage over other Brazilian terminals.

(September 3, 2004, ICTSI)

Africa/Europe



EU: Transport priorities of the Dutch Presidency

LAST Tuesday Karla Peijs, former Member of the European Parliament, was sitting in front of the auditorium explaining the Transport priorities of the Dutch Presidency and answering questions from her former colleague-MEPs. Though touching on all major transport issues pending, Karla Peijs made clear that the Dutch Presidency is determined to push forward on three main issues: Short Sea Shipping (SSS), inland waterway shipping and reduction of administrative charges.

Karla Peijs emphasized the need to develop Short Sea Shipping as a sus-

tainable alternative for road traffic. She announced the publication, probably in autumn, of a Commission guidance document on implementation of Motorways of the Sea projects. A consultation paper on the future guidance document has recently been launched. The paper presents a range of quality criteria Motorways of the Sea-projects may have to fulfil, proposes submission procedures, and informs on EU and State funding. Member States and concerned sector organisations, including ESPO, have been given until 30 September to respond.

Further on, the Presidency wants to take major steps forward in inland waterway shipping and in reducing administrative charges. Administrative barriers, insufficient maintenance and upgrading of inland waterways, lack of effective communication, etc. must be resolved to keep transport in the European Union efficient and sustainable. The Presidency hopes to obtain in the near future a decision from the Council on the mutual recognition of seafarers certificates. As for maritime safety, the Dutch Presidency hopes to take up the forthcoming new Commission proposals, unofficially called the "Erika III package", within its term of office. This new package is likely to include concrete proposals regarding places of refuge.

Under the Dutch Presidency there will be two meetings of the Transport Council, in October and in December. The December meeting will be dedicated to maritime issues.

(September 2, 2004, ESPO NEWS Plus+)



ABP: Interim results for the six months ended June 30, 2004

4% growth in UK ports and £400m investment plan

Highlights

- UK ports and transport turnover up 6% to £182.2m (2003*: £172.0m)
- Underlying UK ports and transport operating profit up 4% to £70.1m (2003*: £67.6m)
- Underlying group pre-tax profit up 7% to £65.2m (2003*: £61.2m)
- Underlying earnings per share up 7% to 14.3p (2003*: 13.4p)
- Interim dividend up 4% to 7.00p (2003*: 6.75p)
- Group pre-tax profit of £20.1m (2003*: £64.2m) and basic earnings per share of 3.8p (2003*: 14.4p) - impacted by previously announced write-off of £44.9m Dibden Terminal costs
- Plan to invest in excess of £400m over next 10 years in developing core UK ports business - including three new terminals operational on the Humber by 2006/2007
- New £44.5m coal terminal development at Port of Immingham announced today - agreements signed with BHP Billiton, Drax Power and EDF Energy - operational in 2006

- Announced today plans to dispose of a further £50m of non-core property assets - sold £300.2m of non core assets since early 2000
- Completed £49.8m of £130m share repurchase programme - when complete £216m will have been returned to shareholders since early 2000

* Prior period restated for the effects of Financial Reporting Standard (FRS) 17 - Retirement Benefits and Urgent Issues Task Force (UITF) Abstract 38 - Accounting for ESOP Trusts.

Bo Lerenius, Group Chief Executive, commented:

"The underlying growth achieved by the group's UK ports business in the first half of the year once again demonstrates the benefit of focusing our business on long-term contracts with quality customers. Today, this has been highlighted by agreements we have reached with some of the UK's major energy suppliers to build a £44.5m coal terminal at the Port of Immingham. This project, coupled with a new roll-on/roll off facility on the Humber, will generate additional growth over the medium-term and provide our customers with much needed solutions to their needs."

(September 1, 2004, Associated British Ports Holdings PLC)



amsterdam port authority

Amsterdam: Oil product storage increasing

THIS week sees completion of Oiltanking Amsterdam's massive expansion of its oil tanking capacity in the Amerikahaven. The world's second biggest independent tank storage company has raised its Amsterdam storage capacity from 800,000 to over 1,000,000 cubic meters. Loading and unloading facilities too have been upgraded. The company now has four moorings for sea-going vessels and twelve for inland vessels.

According to Port Alderman Mark van der Horst, storage and processing of oil products is increasingly important to the Port of Amsterdam. "Demand for fuel and storage capacity is on the rise. This means additional supply and transport which leads on to extra municipal seaport dues. Mixing fuels is also proving a good example of adding value, one of the port's strengths."

In 1975 Oiltanking Amsterdam opened its doors on a 30 ha (72 acre) site on the Amerikahaven. The company is fully owned by the Hamburg-based Marquard & Bahls AG. With 67 operations worldwide Oiltanking is the world's second largest independent tank storage company.

Oiltanking Amsterdam owes its growth partly to the world's increasing demand for fuel. In 2001 Oiltanking built four more tanks on its own site with a capacity of 50,000 m³. In the last expansion Oiltanking rented a 7 ha site to build storage tanks with a total volume of 230,000 cubic meters.

(September 7, 2004, Amsterdam Port Authority)



Dunkirk: A fourth ro-ro Berth commissioned



EARLY in August, a new roll-on/roll-off berth has been commissioned on the Quai de Lorraine, in the Dunkerque Western Port.

The new Ro-Ro 4 berth includes a large floating barge and linkspan and can accommodate very large vessels fitted with a stern ramp to ensure transshipments of all types of vehicles (trailers, high and heavy loads, 40 feet double-stack loads).

This new facility will promote the growth of Ro-Ro traffic that exceeded 462,000 vehicles in 2003.

In addition, with new liner services to the Eastern coast of England, Dunkerque is set to open new routes to Northern and Southern Europe, in the context of the EU policy to shift truck flows from the roads to shipping.

(August 23, 2004, Port Autonome de Dunkerque)



Göteborg: Strong six-month cargo statistics



DURING the first six months of 2004, Port of Göteborg cargo traffic increased by 15% compared with the corresponding period last year. In absolute terms, 18.1 million tonnes of cargo were shipped.

Unit-loads and oil, the Port's major cargoes, both experienced good increases. The spectacular 22% increase in the oil sector is partly due to a refinery maintenance break in the comparison period last year. Unitized cargo such as containers and cassettes saw a 9% increase, reflected in a 368,000-TEU total.

(PortGotNews No. 13 2004, August 19, 2004)



Piraeus: The "Olympic Games" at the Port



WITH a contract signed with Athens 2004 and the Ministry of Merchandise Marine, the Piraeus Port Authority S.A. (PPA S.A.) assumed specific commitments that involve "actions taken in relation to the Olympic Games" and focused on services provided to the cruise ships that will be used as floating hotels during the Olympic Games.

The main contractual obligations of PPA S.A. are the following:

- Designing and assignment of places for the mooring of ships that will accommodate

visitors during the Games;

- assignment of other spaces and means (storage, public transport terminals, first aid stations, control center, etc.);
- provision of additional services for boats and guests.

For the mooring of ships PPA has allocated a part of the Central Port of Piraeus. This part, whose length is approximately 3,000m of quay walls, includes the entire part of the port that presently serves cruise ships and a small part of coastal navigation, with the respective overland facilities. This area corresponds to around 12 ship mooring spots, 3 of which were constructed and delivered at the end of 2003 in "Palataki" area, co-financed by the Cohesion Fund of the European Union and PPA S.A. The existing mooring capacities of the port allow it to receive the Queen Mary II, the biggest cruise ship in the world, around 340m long and with 10.50 meters draught. We estimate that the cruise ships that we are already receiving will carry approximately 15,000 guests, apart from their crew.

The Infrastructure Works for the Olympics 2004

As part of the preparation of the port of Piraeus for the 2004 Olympic Games, PPA in cooperation with Athens 2004 and the Ministry of Merchandise Marine executed a number of infrastructure works which are the following:

- Construction of a new modern water supply - fire fighting - grey waters sewerage of the Central Port.

A new water supply network was constructed with the possibility to supply the cruise ships with large quantities of water. At the same time, a fiber optic network and a power supply line of the Central Port were added to the new water supply canals. Moreover, a grey waters sewerage network was constructed, innovative for a Mediterranean Port, which channels grey waters to the network of the central waste water treatment plant in Psytallia and also channels to Psytallia the waste of building complexes in the Port.

- Construction works of overland facilities in the Olympic Port Zone.

These works include demolitions of old warehouses, asphalt covering, creation of pedestrian zones, remodeling of premises, reinforcement of power supply and lighting, telephone network, etc. Within the framework of these works, a modern heliport was built in "Palataki" area and the ancient Long Walls in the same

area were remodeled and set off.

The works were completed in order to cover the increased needs of the Olympic Games:

Traffic arrangements at the cruise ship reception area

- Works of enclosure, reconstruction and reinforcement of entrance - exit gates
- Transformation and renovation of the old stone warehouse of Kanelos into a modern cruise ship passenger station, rehabilitation of the old Royal Pavilion (Palataki) to be used as a showroom of the History of PPA, renovation - improvement of the passenger station in Akti Xaveriou, modeling of rooms on the 1st floor of the PPA Palace to house the Administrative Center of ATHENS 2004 during the Olympic Games, modeling of rooms on the ground floor of Pier III to house a First Aid station and offices for the Counter-Terrorist Service.
- Construction of new modern buildings for the establishment of a Fire and Piloting Station in Palataki area and reformation - improvement of the former wet dock of lighters, which will provide service to fire fighting boats, pilot boats and Coast Guard vessels.
- Works that will support a standard security system, within the framework of Olympic Hospitality, designed in cooperation with Athens 2004.

The Security of the Olympic Port Zone

The security of the Olympic Port Zone and facilities belongs exclusively to the competence and responsibility of the Olympic Games Security Directorate (DAOA). DAOA, in cooperation with the Ministry of Public Order and Athens 2004, have designed the organization and protection of PPA facilities in every detail, and the competence of security issues was assigned to the company SAIC.

For the safety of the Port Area within PPA a series of interventions was carried out:

- Special sensors were placed on the enclosure constructed by PPA, perimetrically of the Olympic zone.
- Cameras were installed along the enclosure to control access.
- Moving cameras were installed inside the facilities.
- Lighting in the area was reinforced.
- A sonar was installed to control the inbound and outbound watercrafts.
- The mooring of Coast Guard speed boats was scheduled, as well as the presence of

select units in the Olympic zone facilities 24 hours a day

- Access control is performed on a 24-hour basis by Coast Guard units.
- Moreover, upon agreement between the Hellenic Committee of Atomic Energy, the International Atomic Energy Organization and the Olympic Games Security Directorate, a plan was implemented for the installation of radioactivity detection systems at the entrance of the commercial and passenger (SEMPO) port of PPA.

PPA S.A. on its part has worked and contributed to the application of the required security measures and the creation of an effective protection umbrella. We indicatively mention that upon recommendation of the DAOA the Exhibition Center of PPA will not be operative during the Games by third parties, in order to facilitate the protection plan of the Olympic Zone. In this spirit, the new administration interacts with all competent bodies in order to settle any existing pending matters and effectively fulfill its obligations.

The Port of Piraeus, on the occasion of the Olympic Games and the hospitality of cruise ships, contributes to the international promotion of Piraeus. We hope that with the contribution of all competent bodies, the sojourn of visitors will be an exceptional opportunity for the economic and cultural development and promotion of Piraeus.

(Piraeus Port Authority S.A. website)



Vladivostok: New Regular Container Line launched



AT the end of August Sakhalin Shipping Company (SASCO) started a new regular container service between Sakhalin and Vladivostok. The vessel "Pioner Sakhalina" of 250 TEU capacity was deployed on the line.

SASCO is one more shipping company, which in addition to FESCO, the traditional carrier, launched the carriage of

cargo to Sakhalin. A new alternative carrier suggests the strengthening of competitive advantages of the Vladivostok Container Terminal itself. Until recently Sakhalin Shipping Company carried out only tramp traffic. Due to the offshore development projects the Sakhalin route is one the most promising short sea shipping. Joint efforts of the Commercial Port of Vladivostok and Vladivostok Fishery Port made it possible for the City of Vladivostok to dominate at the market of container traffic to Sakhalin.

In the nearest future the Commercial

Port of Vladivostok forecasts the enhancement of cargo flow destined to Sakhalin. If currently the port of Vladivostok handles about 900 TEU per month, then in prospect it intends to reach the target of 1,500 TEU.

Three shipping companies, FESCO, SASCO and Kamchatka Lines, are now offering a new service providing four departures a week from the Vladivostok port to Sakhalin.

(September 1, 2004, Port of Vladivostok)

Asia/Oceania



Colombo: Handles record volume of TEUs



THE port of Colombo has handled a record volume of 202,950 TEUs, the highest Number of containers handled by the Port of Colombo during a month in its container handling history.

The previous highest was 185,697 TEUs handled in July 2003. This is an increase of 9.4% as against the transshipment volumes handled during the month of July 2003, a statement issued by the Port and Aviation Ministry said.

The SLPA attributes these achievements to the reforms carried out by the new management of the SLPA on the advice of Minister Mangala Samaraweera.

Ministry of Ports and Aviation enhancing the productivity and efficiency at Jaya Container Terminal and commencing container handling operations at the Unity Container Terminal.

The world class container facilities provided by the South Asia's largest container terminal managed by the SLPA, and SAGT managed by P&O Ports, has resulted in the Port of Colombo re-establishing its position as a pre-eminent gateway in the Indian Sub Continent.

(August 5, 2004, Daily News)



Nagoya: 45th Anniversary of Sister Port Ties with the Ports of Los Angeles



From L to R: Dr. Someya, Immediate Past President of the IAPH and Executive Vice President of the Nagoya Port Authority, Mr. Morimoto, Assistant Director of Marketing, Port of Los Angeles, Chairperson Tanaka, Nagoya City Assembly, Mayor Matsubara, City of Nagoya, Commissioner Tonsich, Port of Los Angeles, Mr. Keller, Executive Director, Port of Los Angeles, and Mr. Langenberg, Chairman, LANSICA

ON August 6, 2004, the Ports of Los Angeles and Nagoya celebrated the 45th anniversary of their sister port affiliation at the Sheraton Los Angeles Harbor Hotel, located in the vicinity of the Port of Los Angeles. The ceremony was attended by more than 30 people representing both ports and the City of Nagoya.

The Ports of Los Angeles and Nagoya have fostered sister port ties since 1959, when their respective cities concluded a sister city affiliation. The close rela-

tion between the two ports has now become a model for successful sister port relationships, with mutual experiences including staff exchanges and shared ideas and visions.

Mr. Nicholas Tonsich, President of the Board of Harbor Commissioners of the Port of Los Angeles, remarked in his speech on the similarities in waterfront facilities at the two ports, with facilities for visitors and local residents.

Mr. Larry Keller, Executive Director of the Port of Los Angeles, shared his expertise in the port industry. The first issue he raised was that of port security. Port officials attending the ceremony reaffirmed the importance of preparedness against terrorist threats. Environmental issues were another challenge Mr. Keller addressed. The Port of Los Angeles recently launched an ambitious program called Alternative Maritime Power (AMP), in which ships at berth are supplied electricity from the shore-side to reduce the air pollution in the port area.

On behalf of the Port of Nagoya, Mayor Matsubara referred to the great contribution of the two ports over the past years to the bilateral trade between the United States and Japan. Both ports are in fact leading ports in their respective nations, boasting substantial roles in their nation's trade.

Ports in the world are facing challenges that will only be solved by global cooperation. Sister port relations not only between the Ports of Los Angeles and Nagoya but those around the world are expected to play more beneficial roles in creating a better environment for the maritime industry.

navigable waters, 2,140 kilometres of coastline, handle more than \$60 billion worth of port trade each year and have more than 465,000 licensed recreational and commercial vessel operators." "The feedback and analysis we gathered during the course of the review process identified the need for a strong maritime regulator in NSW.

"The review made 20 recommendations to deliver better service to recreational and commercial vessel owners, ports, shipping and Government," he said.

Mr Oxenbould said the main changes to be adopted are:

- greater transparency in the use of fees collected from recreational and commercial vessels;
- a clearly stated objective and a list of functions which will be incorporated in legislation;
- a new structure to incorporate the new responsibilities and better align with customers and stakeholders;
- a revitalised infrastructure program to deliver more boating facilities throughout the State;
- an enhanced focus on environmental responsibilities;
- a drive for efficiencies and reduced administration costs, with savings invested in boating programs and infrastructure, and
- a name change to capture the broader responsibilities of the Authority.

Mr Oxenbould said costs associated with the name change would be minimal with signage only to be changed where essential and stocks of materials to be replaced as existing stocks ran out.

(September 1, 2004, NSW Maritime Authority)



achievement indicating the rapid, healthy and sustainable development of Qingdao Port as a service industry.

It is reported that the aim of this activity is to cultivate the modern enterprises so that they can adapt to the new situation brought by China's entry to WTO and keep in pace with the outside world in the 21-century. The activity also aims at promoting the Chinese well-known enterprises to make them more competitive in the international market.

(September 9, 2004, Qingdao Port News Center)



Townsville: Record Breaking at the Port

TOWNSVILLE Port is set to export the largest ever shipment of molasses from Queensland this week with the arrival of the product tanker, the M/T St Georg. The ship is scheduled to load about 5,000 metric tonnes of molasses for Amsterdam in Europe – a record for the Port of Townsville.

Ron McLean, Chairman of the Townsville Port Authority said: "This is great news for the Port of Townsville and the sugar industry. This is the largest single export of molasses we have ever had – and we hope to have many more of this size. The sheer volume of this trade reinforces the Port of Townsville's position as a diverse and progressive, multi-cargo handling Port. That is why we continue to grow and expand every year."

In recent years, total exports of molasses from Townsville have been in the range of 150,000 - 200,000 tonnes. During the current financial year, exports of molasses are expected to total approximately 230,000 tonnes.

(August 26, 2004, Townsville Port Authority)



NSW Maritime Authority (Australia): NSW Maritime Authority is born

TODAY marks day one for the State's restructured and renamed maritime regulator - NSW Maritime Authority - formerly Waterways Authority.

The name change is just one of the recommendations of a six-month review of the Waterways Authority overseen by the former Royal Australian Navy Rear Admiral Chris Oxenbould, who now also heads up the Authority.

"NSW is Australia's leading boating and maritime State, with a proud maritime heritage," Mr Oxenbould said.

"We have 12,500 square kilometres of



Qingdao: Listed Chinese Top 500 Enterprises for 3 years running

QINGDAO Port was listed again among the Chinese top 500 enterprises at the "Chinese top 500 Enterprises Releasing Conference and Top Leaders' Forum 2004" hosted by the Chinese Enterprises Union and Chinese Entrepreneur Association in Sept.5, which is the third time for Qingdao Port to receive this honor following the year 2002 and 2003, an



Tuticorin: Celebrates 58th Independence Day



THE 58th Independence Day was celebrated by the Tuticorin Port Trust in the Port School Ground with usual gaiety. Shri N. K. Raghupathy, I.A.S., Chairman, Tuticorin Port Trust unfurled the National Flag and took the salute of the Central Industrial Security Force, Port Fire Service, Harbour Schools N.C.C. Cadets and school boys & girls Parade Contingents.

After extending a welcome to all those gathered for the function, the Chairman remembered the sacrifices made by the various patriots in achieving the Independence and the contribution made by the serving and superannuated employees to the growth of the Port. While introspecting on the performance of the Port during the just completed 30 years, he expressed the view that TPT has not only performed the roles assigned to it satisfactorily but also admirably. During last five years, due to limited industrial development in the immediate hinterland cargo growth has not been very significant. But looking at the future in 2008-09, he stated that Port

would handle 25 million tonnes.

This projection is based on the proposed 1000 MW Thermal Power Plant in 75 hectares of Port land contiguous to the existing TTPS, to be set up by a Joint venture between NLC and TNEB. If Department of Coal approves the scheme early, the first shipment of cargo is expected in the year 2008. As far as container cargo growth is concerned, Port would handle at least 300,000 TEUs during the current financial year, about 20% growth. Considering the present growth rate, Port would expect to handle 600,000 TEUs during 2007-08.

In order to handle 25 million tonnes cargo in the year 2008-09, the required infrastructure needs to be developed. For this, it is proposed to develop inner harbour at a cost of Rs.835 crores. This project has three major components, one is capital dredging to the tune of Rs.450 crores in the years 2005 and 2006 and the entire money coming by way of grant from the Government. Second component is conversion of 8th cargo berth into containerised cargo berth at the cost of Rs.150 crores. Third component is development of five more berths, one North cargo or Coal Jetty -III (for the proposed 1000 MW project developed by NLC & TNEB), Berth No.9, a multi cargo berth which could be converted into container berth in due course and three Shallow water berths.

For the above infrastructure, equipments and Floating Crafts, Rs.235 crores will be required to be met out of Port's own fund. Thus, the Inner harbour development will be financed through a mix of Government grant, Port's own fund and investments made by private sector through BOT. Port has also proposed to develop Outer Harbour in a limited way

in the years 2006-08 and preliminary estimate indicate that Rs. 1200 crores will be required for creating a draft of 14 metres.

As far as Special Economic Zone is concerned, the concept paper submitted by the Tuticorin Port to the Tamil Nadu Government is being actively pursued and it is expected that in September, 2004, Tamil Nadu Government will seek in principle approval from Central Government. For a special purpose vehicle to be formed for implementation of the project, Port will participate in the equity to a limited extent. The operational areas of the Port are also proposed to be on intergral part of the Special Economic Zone which will be on 1350 acres in the first phase.

Shri N.K. Raghupathy, I.A.S., also gave away appreciation certificates to the personnel of CISF for their appreciable, distinguished and meritorious service, distributed cash awards and appreciation certificates to those selected for the best turn-out in the parade to the school children of the Port employees, including Tuticorin Port Trust Cargo Handling Labour Pool, who performed meritoriously in the SSLC and Plus Two Public Examinations and to the children who secured centum in the Public Examinations in individual subjects. Cash awards with appreciation certificates were given to Port employees who achieved laurels in the sports field. Shri T. Balakrishnan, Deputy Chairman, all Heads of Department, Trustees, officers and employees participated with family.

The function ended with a colourful Cultural Programme by the School Children.

(August 15, 2004, Tuticorin Port Trust)

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.



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

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

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