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## Port of Walvis Bay



**N**AMIBIAN Ports Authority was established in 1994 and its strategic goal is to consolidate the Port of Walvis Bay as a regional gateway, for imports and exports to and from the SADC Region.

The Port of Walvis Bay handles more than 2.3 million tonnes of cargo per annum consisting of dry bulk, break bulk, petroleum products and containerized cargo. Namport aims to increase the regional and international trade opportunities through participation in the Walvis Bay Corridor Group to encourage use of this alternative trade route between Namibia and its neighbours. The Port of Walvis Bay is the focal point of the Walvis Bay Corridor for efficient land and sea cargo transfers, offering strong growth potential for trade between Southern Africa, Europe and the Americas.

Related article on page 19

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# IAPH Invites Your Entry

## IAPH IT Award 2005

*Commemorating IAPH's 50th Anniversary*

The Trade Facilitation Committee organises this award to demonstrate their commitment to promoting the use of information technology in ports and maritime transportation and the award is presented to outstanding projects in this arena.

### Conditions of entry

The 7th award, to be presented in Shanghai in 2005, is open to entries from any Regular or Associate Member of IAPH.

Any application of information technology within a port may be submitted, whether purely internal to the port authority or involving outside organisations.

The winner will be the project or application, implemented in the previous 2 years, that resulted in the greatest benefit to the port as assessed by the Selection Committee on the following criteria:

- Reduced costs
- Increased revenue
- Improved safety
- Environmental protection
- Enhanced efficiency

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

### Project Description

Submissions for the award should follow these guidelines:

- Project Summary - Briefly describe (up to 400 words) the project. Include the business problem, the technical solution, the date of implementation and the time taken to achieve results.
- Results achieved - (up to 400 words) - Provide specific performance measurements to show the improvement resulting from implementation of the project. Examples would be cost savings, increased revenue, time savings and increased operational capability.
- Technology used - (up to 200 words) - Detail hardware, software and services that were used in the project.
- Obstacles overcome - (up to 300 words) - Explain the primary problems

(technological, organisational, human etc) overcome or avoided in the progress of the project, and how these were countered.

- Technology Base - (up to 300 words) - Provide an indication of the level and extent of technology in use within the organisation before implementation of the submitted project.

**Gold, silver and bronze plaques will be presented for the best entries.**

### Selection Committee

The Selection Committee will review and judge the merits of all the projects submitted. The four members of the Committee will be:

- Chairman of the IAPH Trade Facilitation Committee;
- Nominated representative of the port of Shanghai (Hosts for 2005 Conference);
- A member to be nominated by the Chairman of the Trade Facilitation Committee from a region not represented by the other two members
- Satoshi Inoue, Secretary General of the IAPH.

### Language

Submissions should be in English.

### Notification of Results

The winners of the three awards will be notified in good time to allow the presentations to be made during the 25th IAPH World Ports Conference in Shanghai, China, May 21-27, 2005

### Publicity

The award-winning entries will be published in the IAPH journal "Ports and Harbors".

### Entry submission to

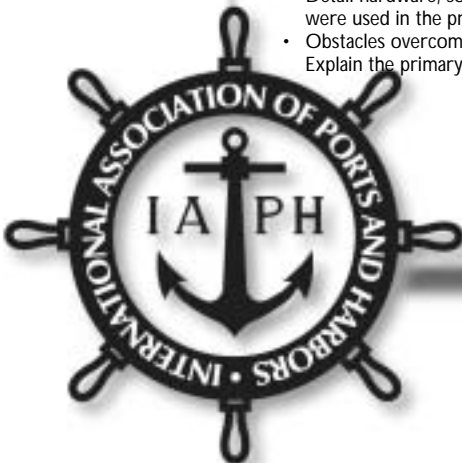
Entries should be provided in quadruplicate (4 copies), and sent by mail, e-mail or fax to:  
IT Award 2005  
International Association of Ports and Harbors  
7th Floor, South Tower, New Pier, Takeshiba,  
1-16-1 Kaigan, Minato-ku,  
Tokyo 105-0022, Japan.  
Tel: +81 3 5403 2771  
Fax: +81 3 5403 7651  
E-mail: [info@iaphworldports.org](mailto:info@iaphworldports.org)

### Deadline for Entries

4 p.m. Japan Time  
February 28, 2005

### Contacts:

IAPH Secretariat  
E-mail: [info@iaphworldports.org](mailto:info@iaphworldports.org)  
Phone: +81 3 5403 2770  
Fax: +81 3 5403 7651



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# President's Message for IAPH's 49<sup>th</sup> Anniversary

**A** turbulent year preceded the 49th anniversary of the International Association of Ports and Harbors. The invisible threat of terrorism means that we have imposed tight security in our ports. And that is a good thing too. The world has seriously changed in the past few years. Who would still board a plane knowing that anyone could get on without being checked? The introduction of the International Ship and Port Facility Security Code caused quite a stir, but has ultimately led to a substantial improvement in the situation. And that's a good thing. Today, in 2004, terminals need to be enclosed with secure fencing, visitors must register and security officers must know what they are up against. Procedures must be detailed for three levels of threat. The shipping sector has also come up trumps. At the IAPH, we took account of the possibility that a large percentage of the sea-going vessels would fail to comply with the ISPS code after 1 July 2004 – the date the law took effect. Actually, 97 percent proved to comply by that date. My compliments therefore also go to the shipowners. Generally speaking, shipping has responded to the new international rules in a similar way as the ports. We can be extremely satisfied with both parties. Introducing rules is one thing, persevering with them is another. What is now important for all ports and terminals is enforcement.

I think that we as IAPH have played a stimulating and co-ordinating role in the introduction of the ISPS code. But there is more work to be done. I am firmly convinced that the code is just the first of many international regulations in this area. The security of the whole port must be looked at closely. The terminals are now protected according to international criteria, but these rules do not yet apply to the other industry and structures which form part of a modern port and industrial complex. Ultimately, we want to have in place logistic networks protected according to international standards. Protected, secure lanes from original producer to end consumer.



While the offices of the IAPH are buzzing with the approaching 50th anniversary of the association, you would almost be forgiven for forgetting that there was first a 49th to be celebrated. People who know me a little also know that I enjoy a party now and then. Especially if you can celebrate it with family, friends and acquaintances. I am therefore looking forward to 7 November, to the anniversary of the IAPH. To celebrating this happy occasion together. After all those forty-nine years, I think you can safely say that the IAPH has become a close-knit family. Just one more year and we'll be fifty. The IAPH 50th Anniversary Committee, chaired by Mr Dommenic Taddeo, is doing all it can to make this festive event unforgettable. The foresight with which it chose the big Chinese port as venue for a party at that particular moment makes me confident that it will succeed. The Chinese economy is booming. Last year, throughput with Shanghai was up by 50 million tonnes. Another such spurt and Shanghai will have something else to celebrate next year. It will then be the largest port in the world.

There is another reason for visiting Shanghai next year with mixed feelings. My term of office expires next year. How time flies and how little opportunity there is to make your mark as president. When I took office last year, I had three arrows in my bow. I wanted to apply myself particularly to positioning the IAPH as a regional basis for dealing with global problems. During the regional meetings, these regional problems can be brought up for discussion. The ports must listen to, and help, each other. Together, we will have to convey our wishes and possibilities to national and international bodies. I think that we have become more alive to regionalisation in recent times. In December, the third successive regional IAPH meeting will be held in Africa. This time in Alexandria. The IAPH plays a role in representing the common interests of regions in international bodies such as the International Maritime Organisation and the International Labour Organisation.

The reliable port concept has continued to become more topical. Nowadays, every port is experiencing for itself how reliability is the key to success. And I am not only talking here about security, but also such things as sustainability and safety. Last year, the Tokyo office was busy improving communication with its 'grassroots'. And with success. The details will be filled in at the beginning of next year. In co-operation with the publisher of the maritime journal *Fairplay*, there will be a new edition of *Port & Harbors*. It will be a bi-monthly bulletin, which not only provides information on developments within the IAPH, but also pays attention to subjects which concern ports, therefore making it interesting for a wider target group.

All of these intentions are covered by our motto 'World peace through World trade, World trade through World ports'. Co-operation and commitment from each of our members is essential to achieve this goal. In this time of threat and filthy wars, co-operation is more important than ever in creating better ports and maritime trade and, in turn, a better and more peaceful world.

# IAPH ANNOUNCEMENTS AND NEWS

## IAPH Officers meet in New York



Houston Authority, will organize "Houston Night" at the Grand Hyatt Hotel on May 26, 2005.

- **IAPH Golden Jubilee Project**
  - Three "Global celebration events" are being prepared, starting in Tokyo on January 14, 2005, then moving to Shanghai on May 23, and finally to the birthplace of IAPH, Los Angeles, in the first week of October 2005.
  - Also, "Regional celebration events" will be held in Teheran, Iran, in February 2005 (for Asia/Oceania); London, U.K., in May (for Africa/Europe); and perhaps in Africa in December 2005 in conjunction with each regional meeting.
  - IAPH Honorary Members will be cordially invited to these global/regional events, in particular to the Shanghai Conference event.
  - The donation for children's welfare, originally proposed and agreed at the Mid-Term Board Meeting in Charleston in May, will be sent to "Save the Children", an NGO established in 1919 in London U.K. and now active in over 115 countries worldwide with 27 independent "Save the Children" organizations.
- **IAPH Essay Contest 2004/2005**
  - In the light of commemorating our 50th anniversary, the scheme has been uniquely designed for the special year with the agreement of Mr. Eddy Bruyninckx, Chair of Human Resources Development Committee, to invite the participation of all membership worldwide, not just those from developing ports as is usually done. The theme is "Action for a Quality Port" with the deadline for submission December 31, 2004.

IAPH Officers Meeting was convened in New York, U.S. on September 15, 2004, at a Port Authority of New York & New Jersey office. Thanks to the hospitality and kindness of the Port of New York & New Jersey, in particular Mr. Richard Larrabee and his colleagues, the meeting proceeded successfully.

Major issues discussed at the meeting were:

- **24th IAPH World Ports Conference in Shanghai, 2005**
  - The speakers list for the Working Sessions has been nearly completed.
  - Second announcement together with registration and hotel reservation forms will be sent out shortly, sometime in early October. An official Shanghai Conference website will be launched at the same time.
  - The next conference host, Port of

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to know more about IAPH, the world port community and much more!

- 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 \*

\* limited to IAPH members only - if you need assistance in entering the Members Area with password, please contact us at [info@iaphworldports.org](mailto:info@iaphworldports.org)



# Welcome Message from Yokohama

## EXCO 2005 in Yokohama



**Keiki Yasutake**  
Director General, Port of Yokohama

**T**HE International Association of Ports and Harbors (IAPH) will welcome its 50th anniversary in 2005. It is a great honor that the Executive Committee meeting, to be held as part of the commemorative celebration, will take place in Yokohama.

We at the Port of Yokohama eagerly await your arrival.

The year 2009 will mark 150 years since the opening of the Port of Yokohama. While supporting Japan's economy as a logistics and production

base, the Port of Yokohama has developed from a small village of 600 residents in 1859 to one of the world's leading trading ports. Yokohama continues to grow as Japan's second largest city with a population of approximately 3.5 million people.

In Yokohama, we are now planning a grand ceremony for the 150th anniversary of the port's opening, as well as proactively taking measures to make this landmark a year of opportunity for further development. At such an occasion

as this, we feel it is very significant to have the opportunity to welcome participants affiliated with ports from around the world.

During this conference, in addition to attending conference proceedings, we wish to invite you to enjoy not only the state-of-the-art Port of Yokohama, but also our modern city with waterfront skyscrapers and traditional Japanese gardens.

We sincerely hope that you will take time out of your busy schedule to join us at this conference.

It is our belief that the Executive Committee meeting and the Technical Committee meeting to be held jointly will be productive and informative.

We look forward to seeing you in Yokohama in January!



One of historic buildings in Sankeien Garden in Yokohama



# Inspection programs for cargo transport units (CTUs) carrying dangerous goods



**Peter van der Kluit**  
Managing Director, IAPH Europe Office

**C**ARGO transport units (CTUs) comprise freight trucks and containers.

In its meeting of May 1998 the Maritime Safety Committee (MSC) of IMO noted with concern that inspections by member states showed that a substantial percentage of the transportation of dangerous goods in CTUs was in not in compliance with applicable IMO standards. This non-compliance represented a serious safety threat.

In a reaction, MSC issued a circular in which it urged member governments, and especially those that had not yet done so, to implement inspection programmes on a regular basis using relevant IMO Codes and guidelines as standards. The results should preferably be submitted to MSC on a yearly basis.

The circular mentioned a number of items that should be covered by the inspection programmes, such as placarding and marking, the labeling of packages, proper documentation, prop-

er packaging, stowage and securing inside the CTU and proper segregation of cargo.

Since then only a small number of countries have carried out inspections and reported the results to IMO; in 2004 only 5 countries submitted such results and they show a worrying picture: an average of 20.7 % of the inspected units showed deficiencies. The individual percentages per country varied between 15.4 and 44.7 %!

There is no reason to believe that the situation in countries that have not submitted inspection results will be different. Both ICHCA International and IAPH consider this a very serious situation because many of the deficiencies represent a potential or real safety hazard to port and terminal personnel. Obviously, if a container loaded with hazardous cargo is not labeled or documented as such, dangerous situations may arise if that container is handled by personnel being unaware of the dangerous properties of its contents. Necessary precau-

tions are not taken and in case of incidents it is not possible to know the suitable counter action.

The issue has been discussed in a sub-committee of MSC, the Sub-committee on Dangerous Goods, Solid Cargoes and Containers (DSC). There was general agreement that action should be taken. Now that the International Maritime Dangerous Goods Code (IMDG) has become mandatory as of 1 January 2004, the transportation of dangerous goods, also in CTUs, is subject to the provisions of that Code.

The occasion of the IMDG Code becoming mandatory was considered an excellent opportunity to once again bring the matter to the attention of member states.

It was also suggested that the total of only five countries (both in 2003 and 2004) submitting inspection reports could not be a true reflection of the degree of inspections taking place. It was therefore proposed to carry out a survey of member governments to ascertain the full extent of inspections.

ICHCA International and IAPH were invited to draft a proposal for such a survey.

This proposal has been submitted as document DSC 9/6/5 and will be discussed at DSC's meeting in October 2004.

Given the fact that non-compliance with IMDG Code provisions may result in serious safety incidents, notably in ports and at terminals, it is in the ports' interest that compliance is enforced and inspections take place to detect deficiencies. In that context IAPH members are advised to urge their responsible governmental agencies to carry out inspections if they do not already do so on a regular basis and advise the Secretariat of IMO of the results so as to enable proper evaluation.



## Essay Contest - IAPH Award Scheme 2004/2005

Commemorating IAPH's Golden Jubilee  
running till December 31, 2004

For details please visit <http://www.iaphworldports.org/link/main-link.htm> or please contact [info@iaphworldports.org](mailto:info@iaphworldports.org)

# Port Health and Safety News

No.5



**Mike Compton**  
Proprietor, Circlechief AP

**C**ONTINUING our new series of articles aimed at discussion of topical issues that relate to safety and health in port operations, the author considers some of the issues debated at the recent IMO Dangerous Goods, Solid Cargoes and Containers Sub Committee meeting

## IMO

The IMO has three main policy Committees – the Maritime Safety Committee (MSC), the Marine Environment Protection Committee (MEPC) and the Facilitation Committee (FAL). As far as cargo handling and cargo operations are concerned, the MSC deals with related issues. It has a number of Sub Committees working to it but the most relevant is the Dangerous Goods, Solid Cargoes and Containers Sub Committee (DSC). Recently that met for a week in the IMO's headquarters in London and, as it covered a number of relevant issues, this month's article is concerned with that meeting.

## DSC/9

The ninth meeting of the DSC Sub Committee of IMO met at the IMO's headquarters in London during the week September 27 – October 1. There were a number of issues that will be of interest to IAPH members, most of which were actually finalised during the meeting. Finalisation means referring the adopted text to the MSC for approval, following which it will be published by IMO. The next two MSC meetings planned are in December (MSC/79) and next May (MSC/80). Only

fast track matters can go to MSC/79 from the DSC meeting as the deadline for papers for December was on the final day of the DSC week. One feature of the DSC meeting relevant to IAPH members was a joint paper between IAPH and ICHCA International that was accepted and the initiative that it proposed agreed. The two organisations have similar interests and regularly collaborate in the international arena and this was a good example. Both organisations were present at the meeting.

## DANGEROUS GOODS

An enquiry made during the week of the meeting revealed that the 2004 printing of the IMDG Code, incorporating amendment 32, will become available for purchase from 8/14 October. By the time this is being read, therefore, it should be in stock. Members concerned should, accordingly, be ordering their copy or copies now. Next year will be a transitional year in which both amendment 31 and 32 provisions may be used, whilst the latter will become mandatory on January 1, 2006. During the meeting, the first steps were taken on the path that will eventually lead to amendment 33 being adopted and printed in the autumn of 2006.

## BC CODE

Another dangerous goods issue dealt with by the Sub Committee was the revision of the Bulk Chemicals Code (the BC Code). This very thorough revision was finalised during the meeting. The BC Code is the equivalent of the IMDG Code, with the latter dealing with packaged dangerous goods and the former dealing with those solid bulk cargoes that can present a hazard to the ship and/or its crew during the voyage. At one time, this Code was included in the Supplement to the IMDG Code but is now only available as a separate publication from IMO. It is not mandatory, although DSC has firm intentions to make it so and a tentative timetable to achieve that was considered. Because of the complicated steps that have to be taken to achieve mandatory status, it is not likely to be achieved before 2010 but what was decided was that, when it is mandatory, changes will be kept in harmony with the timing of the IMDG Code. A very sensible provision. This matter will now go to MSC/80 for approval.

## INSPECTION PROGRAMS

The Sub Committee considered the joint IAPH/ICHCA International paper that proposed a survey to be carried out by the Secretariat to ascertain the extent of inspection programs being carried out by Maritime Administrations regarding freight containers carrying dangerous goods. This arose from the last meeting and the fact that a wholly false picture was being shown by the small number of reports of such programs being submitted to the meeting. Last year it was five and this year also, although not quite the same five countries. As the position being revealed by such programs was one of a considerable degree of non-compliance with the IMDG Code, the Sub Committee sought to encourage the development of such initiatives and an MSC Circular was issued in 1999. The proposal for a survey was adopted and under the fast track procedure will go to MSC/79 in December for approval. It should then be activated in January with a reply date by early June 2005. This will enable next year's meeting to have a complete picture.

## REVISION OF SAFE TRANSPORT OF DG IN PORT AREAS RECOMMENDATIONS

Yet another initiative relates to dan-

gerous goods. The IMO first published a recommendatory document on safe handling of DG in port areas in 1973, revised it in 1980 and produced the current edition after further revision in 1995. The author of this article was the Chairman of the Working Party that carried out that work in 1992-4. Spurred by the recent maritime security needs relating to port activities and also the mandatory nature of the IMDG Code, a full revision of the Recommendations on the Safe Transport of Dangerous Goods and related activities in Port Areas is underway. It will be further considered at the next meeting DSC/10 when it may be completed. It is expected that IAPH will be considering the proposed changes quite carefully.

### SOLID BULK CARGOES

In addition to the BC Code revision, another initiative that came to fruition at the meeting was concerned with the BLU Code. Adopted by IMO in 1997 and published in 1998, it was part of a package of measures aimed at reducing the high rate of losses of solid bulk carriers at sea. The BLU Code is concerned with the loading/unloading process and names two persons as being in overall charge – the master and a terminal representative. Whilst the former is well understood, the latter was a new concept and the work that DSC has just approved consists of guidance to the terminal representative and his role. There has been a dramatic improvement in the losses at sea and part of this must be, and has been, attributed to the BLU Code. This new guidance is to be welcomed, especially as the Code applies to all bulk cargoes and to all bulk carriers down to 500 gt. It applies, therefore, not just to the large terminals but to small and medium size ones as well. At present, the BLU Code is recommendatory only (although it will soon be mandatory within the European Union) but it is in the interests of all terminals, whatever their size, to ensure and be able to prove that they are working to the Code's provisions. The only bulk cargo it does not apply to is grain

(on the grounds that there is already a mandatory IMO grain code) but as the existing code on that cargo does not address the issues that the BLU Code does, there is a move to remove the exclusion. Those operators of grain terminals would be well advised, therefore, to consider implementing the BLU Code as a precaution now. The guidance will now go to MSC/80 for approval and publishing

### CONTAINERS

A major IMO Convention in relation to cargo handling is the Container Safety Convention. Adopted in 1972 (although its various provisions did not fully come into force until 1989), it provided a means of ensuring that freight containers were regularly checked, properly maintained and kept in good order. The Convention also provides for Contracting Parties (in reality Government Inspectors) to stop a container if it does not have a valid CSC plate. If it is subject to a Periodic Examination Programme (PES), it should have a date on it and that it is in the future, ie it is not out of date. If the container is subject to an Approved Continuous Examination Programme (ACEP), there should be an ACEP marker on the plate. All this has been known for a long time. However, what is not so well known is that an Inspector can also stop a container if "there is significant evidence for believing that the condition of the container is such as to create an obvious risk to safety" (Article VI, paragraph 1). What in reality does that mean was a query originally raised by Spain and it has been accepted that some guidance would be useful. As a result and following work done in the last meeting of DSC, a correspondence group between meetings and a further session during the recent week, a set of guidelines have been prepared and approved by the Sub Committee. Based on ISO Standards, the guidance specifies criteria within which a container could be considered to be unsafe to be allowed to continue its journey. It is anticipated that it will be approved by

MSC/80 next May and published in the summer of 2005. Such guidance may also be useful for terminal operators and others who handle freight containers as they operate under a general obligation to ensure that the containers that they handle are safe to be so handled. This does not mean or imply that every container has to be inspected but does imply action if the handler becomes aware of serious structural deficiencies.

This new series of articles is aimed at discussion of topical issues that relate to safety and health in port operations and in the process will offer practical pointers as to what action ports might undertake

Readers wishing to submit questions on this topic or that have points to add to this debate are encouraged to contact Mike Compton directly by e-mail on [mike@portsafety.demon.co.uk](mailto:mike@portsafety.demon.co.uk)



# Bursary Recipient's Report

## International Program for Port Planning and Management New Orleans, U.S.A.



**Hairuddeen Bin Seeni Muhammed**

Assistant Manager, Container Planning  
Northport Malaysia Limited, Malaysia

### Overview

This year The International Program for Port Planning and Management (IPPPM) was the 20th program of its kind held annually. The program officially began on Monday, May 17, 2004 at the Executive Suites of the World Trade Center on the 29th floor. The World Trade Center is a 33-story building located at the foot of Canal Street on the Mississippi River in New Orleans. The program ended May 28, 2004 where at the end of the program a graduation ceremony was held. Altogether 30 participants from all over the world participated in this year's program.

### Introduction

IPPPM focused intensively on the unique demands and challenges of the maritime industry. The two-week program designed to help participants, especially maritime industry executives, sharpen practical skills and strengthen conceptual understanding in a total learning atmosphere away from the demands of routine administrative responsibilities.

The program focused on the general management of port operations in an international environment and the curriculum covered three broad areas: port systems, port authority management and administration, and port planning and operations. Participants were actually involved in problem solving sessions, case studies and sharing of experience for mutual benefit. Additionally participants were also exposed to specific managerial training through exercises, lectures, case studies, films and site visits.

Among the topics that were covered during the two week program:

1. Strategic Planning & Port Sector Reform
2. Trends in Shipping and Ports
3. Port Operation and Productivity
4. Port Capacity and Technology
5. Dredging and Environmental Concerns
6. Intermodal Transport in Europe
7. Navigational Safety
8. Port Security
9. Leasing
10. Cruise Terminal & Tourism
11. Information Technology
12. Port Privatization

### 1. Strategic Planning and Port Sector Reform

Dr. Anatoly Hochstein, who is Director and Distinguished Chair Professor at the National Ports and Waterways Institute, conducted a lecture on the above subject. The subjects discussed were:

- a) Assessment of port strengths and weaknesses.
- b) Definition of port mission, objectives, strategic options and specific programs.
- c) Review of market structure, market participants, port organization and performance.
- d) Market research, and selection of market partners
- e) Options for the extent of port involve-

- f) Strategic choice between "Expensive" development with port control and "Contractual" development, controlled by users.
- g) Traditional vs new relations between a port, shippers, shipping lines, stevedores and rail/truck lines.
- h) Port revenue flow and distribution among participants of intermodal operations.
- i) Alternatives of contractual relationship between participant in intermodal operation and their impact on the extent of port control, operational efficiency, marketability and financial risk.

Also offered was a review of the current major strategic issues among ports in the United States

- a) Port strategic planning in USA
- b) Strategies for obtaining funds and compensatory prices for port maintenance and expansion.
- c) High labor cost and inefficient union work rules
- d) Provision of required railroad and highway access to ports and intermodal terminals.
- e) Limited land availability and pressure to use port property for non-maritime use.
- f) Timely dredging and environmental regulations.

### 2. Trends in Shipping and Ports

Among the subjects outlined in this topic was:

- a) Trends in vessel size, changes in cargo forms, intermodal connection improvements and impact of these trends on port functions.
- b) Port transformation from public agencies with captive hinterland to commercialized entities, operating in competitive conditions.
- c) Mission change from extension of movement to public enterprises with self generated revenues.
- d) Trends in shipping
  - i- Line consolidation and/or alliances
  - ii- Load centering
  - iii- Intermodal bridges
- e) Trends in railroad operations
  - i- Domestic containers
  - ii- Service rationalization
  - iii- Intermodal yards
  - iv- Short line railroads
- f) Trends in motor carrier operations
  - i- Competition with railroads
  - ii- Drayage to/from intermodal yards
  - iii- Trailers, trailer ferries and alliances with railroads
- g) Trends in inland waterway operations

- i- Competition with railroads
- ii- Mid-stream transfer
- iii- Container-on-barge concept
- h) Stevedores and port operations – consolidation and line-owned stevedores.
- i) Customs and information system – automated manifest system, EIS, MIS and commercial and operational data collection.
- j) Port organization and operation:
  - i- Forms of public ownership
  - ii- Cargo and non-cargo activities
  - iii- Landlord vs. operating ports
  - iv- Extent of port business involvement
- k) Port facilities – terminal size, scarcity of waterfront land, conflict with urban development and environmental constraints.
- l) Port financing – public financing, port financing, private financing and combined financial packages.
- m) Examples of port development trends around the world.

### **3. Port Operation, Productivity, Capacity and Technology**

Subjects discussed under this topic were:

- a) Stock & flow methodology for calculating capacity of cargo transfer terminal.
- b) Systematizing international benchmarking for ports
- c) Factor analysis and benchmarking port performance
- d) Case study on the productivity, capacity and equity in the port of San Juan
- e) Usage of dual hoist container cranes, their productivity and economy
- f) Productivity and capacity of container terminal – calculation
- g) Port productivity revisited

### **4. Dredging and Environmental Concerns**

The lecture on the above topic was done by Dr. Michael Palermo, consulting engineer, Vicksburg, Mississippi. Among the items discussed on this topic were:

- a) Regulatory overview regarding dredging and environment
- b) The dredging process
- c) Advantages and disadvantages of the various dredging equipment and techniques that being used.
- d) Transportation of dredged material
- e) Placement or disposal operations
  - i- Description of open water disposal
  - ii- Description of confined disposal
- f) Categories of beneficial usage of disposal materials

### **5. Intermodal Transport in Europe**

Presented by Rob Maaswinkel, Portando USA LLC. Discussion included:

- a) Challenges of the European market
- b) Economic centres (infrared satellite-shot)
- c) Goodflows within Europe (road, rail, water and pipeline)
- d) Transshipment of all goods in Northwest-European ports (in million tons)
- e) Dominant transport corridors Northwest-Europe
- f) Modal split transport of goods in the EU
- g) 24 reasons to choose a way of transport for shippers
- h) External costs for transport of goods
- i) Analysis on transport distance per modality with a fuel consumption of 5 liters per ton
- j) Container terminals, road/water and water/rail in NW-Europe
- k) Lay-out of the necessary infrastructure in the seaport, on the waterways and in the inland port to achieve modal shift

### **6. Navigational Safety**

#### **7. Port Security**

#### **8. Leasing**

Presented by Andree L. Fant, Manager, Terminal Operations, Board of Commissioners of the Port of New Orleans. The discussion included:

- a) Pros and cons of leasing vs. short-term vs. operating
- b) Implementation strategy
- c) Leasing process
- d) Evaluation

### **9. The Role of a Port Authority and Land Contracts**

- a) Main tasks of a port authority
- b) General mission of port authorities
- c) Port authority income
- d) Governmental involvement in seaports
- e) The instruments of governmental involvement
- f) Tenancy versus long lease

### **10. Information Technology**

#### **11. Port Privatization**

Restructuring ports from total central government control to a free market operation. Lecture on this subject outlined:

- a) Principles and conditions of port restructuring
  - i- Common institutional problems in the port sector.

- ii- Strategies for improving port performance – commercialization, liberalization, privatization, port administration modernization and their characteristics, comparative advantages and limitations.
- iii- Objectives of port restructuring as the key to the selection of the type of port organization.
- iv- Definition of landlord, operating and mixed ports and sequence for privatization of their functions.
- v- Advantages and disadvantages of different levels of government that have ultimate control of ports.
- vi- Definition of government role in ports administration depending on level of competition within port system.
- vii- Conditions and limitations of government participation as a shareholder in the port system.
- viii- Labor job security, financial settlement, training and retraining.
- ix- Avoidance of underinvestment due to increase of profit in private ports.
- x- Flexibility in pricing, linkage to performance, and financial autonomy.
- xi- Mitigation of conflicts between customs and port as a prerequisite for improving port performance.
- b) The class was also given a case study on the process and methods of port restructuring under several conditions (Ports in Costa Rica)
  - i- Benefits of port restructuring
  - ii- Alternatives in the scope of private sector participation
  - iii- Type of privatization.

### **Conclusion**

The course was generally very comprehensive, in that it offered a broad spectrum of topics related to the port industry. Therefore through this program participants will be better informed of the various developments and evolutions that affect shipping and port industries. The complexity and ever changing demands of these industries require effective managers to keep abreast of state-of-the-art technologies in the market. Towards this end, this program has achieved its objective.

# President Struijs honored at Maritime Security Expo 2004



IAPH President Mr. Pieter Struijs, Vice Chairman of the Executive Board of the Port of Rotterdam, received the 2004 Maritime Security Lifetime Achievement Award on September 14 at the Maritime Security Expo 2004 in New York City.

Together with Mr. Robert Bonner, U.S. Commissioner of the Bureau of Customs and Border Protection, Mr. Struijs was admired for his efforts and contributions towards global maritime security.

During his speech of thanks, Mr. Struijs said: "Security has always been an important focal point for us here at the Port of Rotterdam, both from a sense of responsibility towards the customer in the port and towards the areas surrounding the port. Cooperation between the various organizations in Rotterdam that focus on security, such as the Seaport Police,

Customs, the Rotterdam Port Authority and the security team of the Port of Rotterdam, has always been very important in this respect. The fight against terrorism will also require substantial efforts from our side in the future."

Secretary General Dr. Satoshi Inoue was also invited as a guest speaker for the Conference program at the Expo. In his presentation, "Global Cooperative Efforts on Port Security", Dr. Inoue introduced IAPH and its activities; how the world port community has been and will be striving to secure port facilities as well as port operations, particularly from an international point of view. Dr. Inoue ended his presentation emphasizing IAPH's commitment to continued efforts and global collaboration on this crucial issue, and welcomed the audience to IAPH's Golden Jubilee Events.

## Membership Notes

### New Member

#### • Associate Member:

[Effective From January 1, 2005]

#### Transport Education and Training Authority (TETA)

Address: Private Bag X10016, Randburg 2125, Gauteng, SOUTH AFRICA  
 Telephone: +27-11-504-9242  
 Fax: +27-11-781-0200  
 E-mail: piet@teta26.co.za  
 Representative: Dr. P.H. Bothma, Chief Executive Officer

### Changes

#### Member Matters:

#### Genoa Port Authority [ITALY]

Secretary General: Mr. Sandro Carena

#### Containerization & Intermodal Institute [U.S.A.]

Address: 960 Holmdel Road, Bldg. 11, Ste. 201 Holmdel, NJ 07733

## Visits

ON September 9, delegates from Port of Stockton visited IAPH Secretariat during their promotion tour in Japan. Accompanied by Mr. Akira Yoshimura, Representative in Japan, Mr. Richard Aschieris, Port Director and Mr. Mark C. Tollini, Deputy Port Director, Trade & Operations were welcomed by Secretary General Inoue, and exchanged views on various issues facing Port of Stockton today.



From L to R: Mr. Akira Yoshimura, Mr. Richard Aschieris, Dr. Inoue, Mr. Mark C. Tollini

## 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
- March 9-11, 2005  
**IAPH Africa/Europe Regional Meeting**  
London, U.K.
- May 21-27, 2005  
**24th IAPH World Ports Conference**  
Shanghai, China
- October 5-7, 2005 (t.b.c.\*)  
**IAPH EXCO Meeting**  
Los Angeles, U.S.A.
- May 20-25, 2006  
**IAPH Mid-Term Board Meeting**  
Dunkirk, France
- October, 2006 (t.b.c.\*)  
**IAPH EXCO Meeting**
- April 27-May 4, 2007  
**25th IAPH World Ports Conference**  
Houston, Texas, USA

\* Notes: To be confirmed.

## Port Co-opetition: Motivations and Strategic Implications



**Dr. Dong-Wook Song**

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**Abstract:** Globalisation and borderless businesses become a major impetus for ports to compete against their neighbouring ports serving the more-or-less same customers and hinterlands. To obtain and sustain their relative power within the region, the ports have traditionally opted for a competitive ('destructive') strategy, which results in a win-lose situation. An alternative was suggested; that is, a win-win game could be achieved by the concept of co-opetition: a mixed term of competition and cooperation. This concept seems to be new to the port industry. This paper aims to examine the existing co-opetitive relationship among container terminal operators and discuss strategic implications to the industry.

### 1. INTRODUCTION

Globalisation means changes in transportation modes. The role of port has been changed from a node for transferring cargoes between sea and other modes to a linkage in total logistics chains. Given this changing pattern, the port no longer enjoys a natural monopoly. All these eventually bring along greater competition among port and/or terminal operators in an international scale; consequently, the operators (especially, container terminals) must seek a new approach so as to benefit from their competitor. On the other side of maritime transport, concentration, alliances and mergers are the utterance that can describe the currently on-going phenomena in the container shipping industry. The penetration of shipping lines into terminal operations seems a business norm. These trends allow the shipping industry to hold the greater bargaining power over its coun-

terpart port sector in various ways.

In response to these business patterns of shipping lines, ports are now desperately needed to search for a new option in an effort to establish a countervailing power (Beth, 2000). With these points in mind, this paper aims to examine the reasons (or 'motivations') why terminal operators seek and form a certain form of co-opetition within the framework of a content analysis and to discuss its strategic implications to the industry.

### 2. CO-OPETITION AS A STRATEGIC OPTION

Co-opetition is a term coined as a mixture of competition and cooperation. It is a strategic option for those engaged in the same or similar market to consider a win-win strategy, rather than a win-lose one. It can be considered as a single-relationship comprising both competition and cooperation that

firms can compete and cooperate simultaneously (Culpan, 1993); in other words, co-opetition is a way of 'collaborating to compete' and of avoiding mutually destructive competition among players. It is a strategic partnership or alliance that can strengthen both involved parties against outsiders. Power in the cooperative side of the relation is based on functional aspects in accordance with the value chain. On the other hand – the competitive side, power is based on the players' relative position and strength (Vaehri, 2000). Such a dual nature of the relationship is the key idea of co-opetition.

Combining competition and cooperation as a corporate strategy for global port players leads to a coherent and consistent strategic option because it seeks a market opportunity in a way that creates competitive advantages (Aaker, 1984). Starr (1991) agrees that joint ventures or other cooperative forms can access to a power without losing the flexibility. The underlying objectives for strategic alliances in the contemporary liner shipping may be classified into five distinctive areas. These include financial, economic, strategic, marketing and operational objectives. It is known that the formation or defection of strategic alliances are driven by the needs to accomplish these objectives (Gardiner, 1997). Similarly, port authorities and terminal operators involved in cooperation and competition are subject to similar considerations (Heaver et al., 2001). In addition, Avery (2000) proposes strategic alliance between adjacent container ports to form a 'port strategic alliance' as a counter-strategic option to cope with the business trends of shipping side. A number of researches have provided reasons or motivations for such a co-opetitive formation, which can be categorised as follows:

- Strategic Motivation
- Financial Motivation
- Economic Motivation
- Operational Motivation
- Marketing Motivation

A conceptual boundary and framework representing the motivations for port co-opetition is thus illustrated in Figure 1.

Figure 1. Motivations for Port Co-opetition



**3. FINDINGS**

As for the purpose of the current paper, a content analysis is adopted. It can be defined as the systematic, objective, quantitative analysis of message or textual characteristics (Babbie, 1998). More specifically, the definition given by Singleton et al. (1993, p. 381) will be applied in this piece of research. That is, “the basic idea [of content analysis] is to reduce the total content of a communication to a set of categories that represent some characteristics of research interest”. In order to have content analysis appropriately implemented for the research, we need to follow a few steps – constructing categories, developing units of analysis and sampling the data set. As discussed in the previous section, the main motivations for port co-opetition can be summarised or categorised into the five different headings – strategic, financial, economic, operational and marketing motivations. With these classification, this paper utilises single words or terms as an analysis unit. Table 1 shows the categories adopted and the unit of analysis used in this paper.

In respect of sampled data set, this paper electronically searched archives of the Lloyd’s List, Lloyd’s Maritime Asia, Lloyd’s Freight Transport Buyer Asia, Containerisation International and Port Development International for the duration of 1998 and 2003. These trade journals or magazines are widely quoted in the industry, thus representing its characteristics. The strategic discussion in South China – how effectively logistics industries including the ports are to be integrated – is a main item of the

political and economical agenda in the region. Figure 2 depicts the status quo of the inter-relationship among the six players in the region.

Practically, there are three different dimensions of co-opetition: that is, co-opetition between (i) Hong Kong terminal operators, (ii) Shenzhen terminal operators, and (iii) Hong Kong and

Shenzhen terminal operators. Furthermore, the two aspects of the co-opetition (i.e., competition and cooperation) put the dimensions more complicated. In other words, six distinctive aspects of co-opetition are in place. For example, both a competitive aspect between Hong Kong side and a cooperative aspect between the same side can be attached to the dimension (i) above. However, given the boundary and framework of the said content analysis in the research, these collective and individual aspects of co-opetition are not explored. Instead, the current research focuses on the motivations for co-opetition (i.e., collaborating to compete) between the container terminal operators of the both sides. Figure 3 shows the summary statistics derived from the content analysis of the magazines over the sampled years.

In case of the same or similar description or context found in counting the cases, just ‘one’ is counted in order to avoid counting duplication, which is commonly happened in such trade journals or magazines. Under the total of 1,573 counts associated with the motivations of port co-opetition in the region, the strategic motivation stands the first with 628 number of mentions,

Table 1. Category and Analysis Unit

Category	Unit of Analysis (Words or Terms)
Strategic Motivation	Strategic alliance, option or choice, new market entrance
Financial Motivation	Financial performance or stability, joint investment, risk sharing
Economic Motivation	Service rationalisation, comparative advantage, cost saving
Operational Motivation	Technology or know-how transfer
Marketing Motivation	Customer services (including flexible and reliable vessel deployment)

Figure 2. Inter-relationship of Container Terminal Operators between Hong Kong and Shenzhen

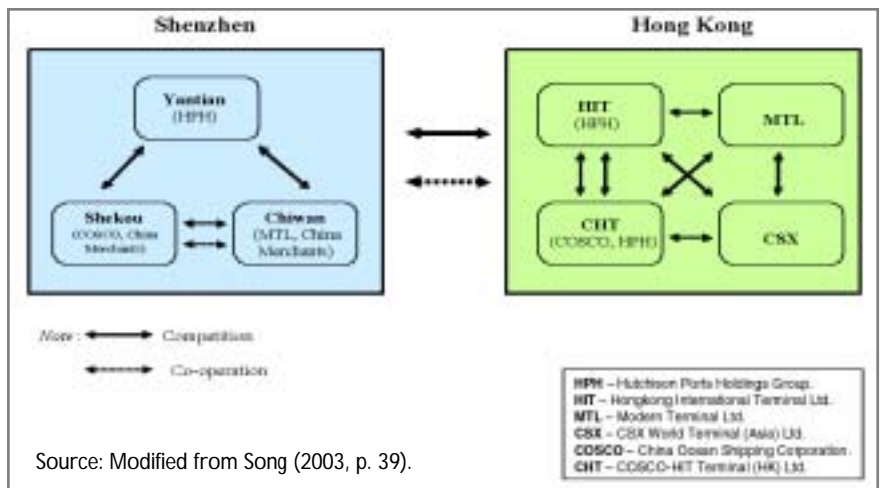
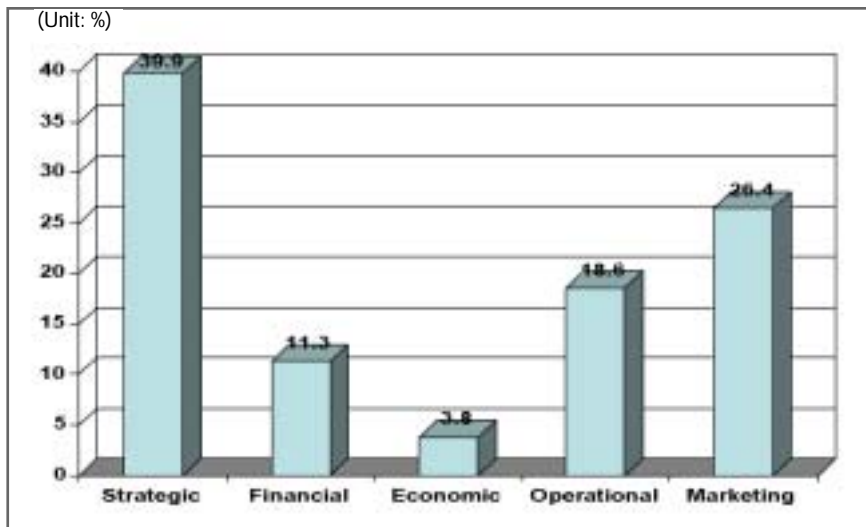


Figure 3. Relative Proportion of Motivations



followed by the marketing, operational, financial and economic motivations, with 415, 293, 178 and 59 counts of mentions, respectively. Relative importance of each category is shown in Figure 3, where strategic motivation accounts for approximately 40%, marketing for 26.4%, operational for 18.6%, financial for 11.3% and economic for 'only' 3.8%.

**4. DISCUSSION AND IMPLICATIONS**

Results from the content analysis on the motivations for co-opetition among the container terminal operators in Hong Kong and Shenzhen clearly indicate that the major reason for establishing a certain form of co-opetition in South China is strategic matters. These include the penetration (by Hong Kong operators) into a new market (Shenzhen) in order to expand their relative market volume. This motivation is supported by the fact that Shenzhen ports become an ever-more active player in the world container trade, and are recently ranked in the world fourth largest container port after Hong Kong, Singapore and Shanghai (Containerisation International, 2004). This trend is largely because South China, especially the Pearl River Delta, has already become the second largest production site in China after Shanghai region, and stimulates Hong Kong operators to install their portion on the site as part of their long term business plan.

Marketing issues stand up the second most important reason for co-opetitive formation in the region. Demands from shipping lines are ever-changing, and demands for port services seem

subject to shipping lines' choice. In other words, shipping demand is the secondary (i.e., derived from international trade) and port demand is the thirdly (i.e., derived from shipping business). Slack (1993) mentions such a trend that a port becomes a pawn in the international game. This changing pattern can be explained by the movement that shipping lines tend to call at fewer ports to enjoy the benefits of hub-spoke network, which at the same time creates a problem for a terminal operator of how to relay or transfer cargoes, whose final destinations are scattered over the region. An effective way to do so is to form a port or terminal alliance to offer more frequent feeder services linking the both directions than common competitors. Hong Kong operators seem keen to this sort of businesses coping with South China bound cargoes.

The third most important motivation comes from operational issues. It becomes obvious that the terminal operators in Shenzhen need an advanced technology and business know-hows from their counterparts in Hong Kong, whose container ports have been enjoying the world number one status for a number of years, in part thanks to advanced operating technology and business experiences accumulated over the years. These tangible and intangible assets of Hong Kong are an inevitable resource to the operators in Shenzhen for future prosperity.

Financial and economic motivations are surprisingly of comparatively lower importance than expected. In this early stage of co-opetitive development, cost reduction and services co-ordination seem less important. The last two items

for port co-opetition seem to be realised after the first three items for port co-opetition are done in this context.

In conclusion, the findings of this paper provide a substantial insight into strategic thoughts to the industry players (i.e., public or semi-public or private port authorities, terminal operators and other parties). Given respective advantages of each player, both sides enable to create a selective win-lose business situation, which can be feasible after a careful market analysis. However, a more rigor research method (e.g., a structured questionnaire survey or interview or a well-established (cooperative) game theory) can further build up the insights. This approach can be applicable to any part of the world in which ports/terminals are located close to each other.

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## ISU: Launching new drive to prevent marine pollution



**M**ARINE salvors meeting in London for the International Salvage Union's 50th General Meeting agreed to develop a new Pollution Prevention Strategy to reinforce and enhance casualty response services worldwide.

Hans van Rooij, the ISU's newly-elected President, says: "We live in a world with zero tolerance towards oil spills and other damage to the marine environment. While it may not be possible to save every ship and prevent every spill, we have a responsibility, working alongside our industry partners, to get as close as humanly possible to the ideal of zero damage to the marine environment."

The new ISU strategy calls for much closer cooperation with P&I Clubs, property insurers, shipowners and governments. The main objective is to identify changes which will improve the ability to intervene and prevent pollution.

Hans van Rooij adds: "Over the past 10 years ISU salvors have recovered over 11 million tonnes of oils, chemicals and other pollutants from over 2,000 casualties. This is a good record and we will have to work hard and think creatively to further reduce the number of casualties which cause serious environmental damage. Events like the Erika and Prestige are rare events. We are determined to make them rarer still."

On the agenda for the Pollution Prevention Strategy are issues which, in some cases, impede effective salvage and pollution prevention. They include

places of refuge, lack of responder immunity, continuity of salvage services in a declining market and the trend towards criminalisation of individuals involved in accidents and response to accidents.

The ISU's Pollution Prevention Strategy opened with the ISU's decision to add its support to a new joint industry initiative - led by the International Chamber of Shipping - to ensure that a new European Directive on marine pollution and criminal penalties does not conflict with the International Maritime Organization's MARPOL Convention.

In a second move under the new strategy, the ISU has adopted a firm position on criminalisation. The General Meeting decided that the ISU will oppose the provision of salvage services in a jurisdiction detaining salvage personnel "without reasonable cause."

In a third development, the ISU's Executive Committee adopted a motion which looks to the further enhancement of salvage services. The Committee also resolved to work to amend the current system of remuneration, to ensure that the environmental benefits of salvage are fully recognised.

During the General Meeting, ISU Members unanimously adopted a new Resolution to reaffirm the ISU Membership's commitment to the Lloyd's Form/SCOPIC system. This Resolution reads:

"This Resolution binds all members of the International Salvage Union to LOF/SCOPIC in its contracted form without compromise, remaining free to contract any other Form in the interest of any job and/or to confront competition."

### Salvage overview

Property (ships, bunkers and cargoes) salvaged by ISU members in 2003 totalled US \$1.27 billion in value - an increase of just over 16 per cent on the US\$1.1 billion recorded in 2002. Yet the salvors' revenue from Lloyd's Form and other contractual services (excluding Article 14 Special Compensation, SCOPIC claims and wreck removal) fell sharply in 2003 - down nearly 17 percent, to just US\$76 million. The return from casualty salvage services, expressed as a percentage of salvaged value, was 5.99 percent (the lowest level since 1997).

The return in 2002 was 8.39 percent.

These statistics concern salvage cases finalised last year by Award, negotiated agreement or fixed price. The actual salvage services may have been performed in 2003 or earlier. While casualty salvage revenue fell in 2003, the number of salvage services finalised actually increased to 173, as against 158 in 2002.

ISU revenue from all forms of salvage activity, including wreck removal, totalled US\$195.6 million last year, an increase of nearly 20 percent on 2002. Newly-elected ISU President Hans van Rooij says: "Only a record year in the wreck removal sector offset the continued decline in the ISU's casualty salvage revenue. Last year's wreck removal earnings were exceptional but benefited only a minority of the ISU's 50 members. The low levels of activity and falling earnings in the casualty salvage sector are matters of serious concern. This trend raises important questions about the viability of providing marine emergency services, including spill prevention."

There was only one Article 14 Special Compensation case finalised in 2003, producing revenue of US\$0.4 million. A total of 42 Article 14 cases have been reported since 1992. Last year's case brought the total Article 14 revenue for ISU members to US\$79.6 million (an average of US\$1.9 million per case) over the 1992-2003 period.

The SCOPIC clause, introduced in 1999, has been invoked in 90 cases. During 2003, 14 SCOPIC cases were finalised, producing revenue of US \$22.6 million - a fall of US \$5.5 million on 2002. A total of 48 SCOPIC cases had been finalised up to the end of 2003, producing revenue of US \$85.7 million (around US \$1.79 million per case).

The salvage industry performed 45 wreck removals in 2003, as against 36 in 2002. Income increased from US\$43.1 million to US\$96.6 million.

- The ISU's annual Salvage Statistical Survey began in 1978. It now covers 4,793 services (2,588 performed under Lloyd's Form).

*(September 22, 2004, International Salvage Union)*



## Shipping industry appeals to Colin Powell on seafarers' shore leave

SEAFARERS' trade unions and shipowners' organisations will join together on World Maritime Day tomorrow, September 30, to highlight the denial of shore leave to seafarers that has been an unfortunate feature of post 9/11 security measures.

The International Transport Workers' Federation (ITF) and the Round Table of International Shipping Associations (BIMCO, ICS/ISF, INTERTANKO and INTERCARGO) are sending a letter outlining their concerns to the United States Secretary of State, Colin Powell.

Industry representatives are also meeting the Secretary General of the International Maritime Organization (IMO), Eftimios Mitropoulos, in London in order to emphasise that, in view of the security role that has been conferred on seafarers by the ISPS (International Ship and Port Facility Security Code), policies such as denial of shore leave are counter productive to security objectives, generating ill feeling among those who have such an important security role to play.

ITF General Secretary, David Cockroft, commented: "On World Maritime Day we are all joining to back the basic rights of those who work at sea and to remind the US and other governments that enhanced security will be achieved by cooperation not confrontation."

ISF (International Shipping Federation) Secretary General, Chris Horrocks, commented: "We are all committed to improving security, as demonstrated by the implementation of the ISPS Code, but we want to remind governments - especially the United States - that this is best achieved by working together, not by treating visiting seafarers as potential terrorists."

The industry is also engaging with US Embassies and Consulates worldwide, and related events are being held as part of a global effort to raise awareness of the problem.

Information describing related events, along with other background material can be found at <http://www.itf.org.uk/english/campaigns/wmd2004/index.htm>.

- The International Transport Workers' Federation - ITF
- Round Table of International Shipping Associations - Rtisa (BIMCO, ICS/ISF, INTERCARGO, INTERTANKO)

(September 29, 2004)



## RTisa: Shipping Industry launches SHIPINGFACTS.COM

HERE is a growing perception that views about the merchant shipping industry, amongst policy makers and the public at large, could be improved.

As part of a co-ordinated effort to present maritime transportation in a positive light, the Round Table of international shipping associations - BIMCO, Intercargo, ICS/ISF and Intertanko - with the support of ECSA and OCIMF, has produced a dedicated website: [www.shippingfacts.com](http://www.shippingfacts.com)

It will be seen that the site provides basic information about the structure of the shipping industry, its contribution to the world economy, and its safety and environmental performance. The site also contains links with more detailed sources of information about the industry.

The site is principally intended for use by non-specialist policy makers, non-specialist journalists and others such as students who require quick information about shipping.

The site is also intended to demonstrate the industry's willingness to be open and helpful to those seeking information about its activities. It is hoped that [shippingfacts.com](http://www.shippingfacts.com) will foster a greater interest in the transport of goods by sea, and encourage a better understanding of the importance of this vital industry.

Round Table of International Shipping Associations (RTisa):

- BIMCO
- INTERCARGO
- ICS/ISF
- INTERTANKO

(September 16, 2004)



## WCO: Committed to supporting Customs Capacity Building in the North of Africa, Near and Middle East

THE WCO Regional Conference on Security and Facilitation of the International Trade Supply Chain for the North of Africa, Near and Middle East was held in Amman (Jordan) from September 8 to 10, 2004 [1]. Characterized by extremely broad representation both in terms of speakers and participants, this very high level Conference resulted in the adoption of a Declaration entitled the "Message of Amman."

The region's Customs administrations, local private sector representatives, major companies [2], leading Customs administrations [3] and key international organizations playing an active role in the region [4] met together to discuss security and facilitation issues in the North of Africa, Near and Middle East region. The diversity of the speakers and the audience ensured that this event was a first class Conference.

The initial discussions focused on existing initiatives in terms of security and facilitation of the international trade supply chain, whether they be international (such as those by the WCO), regional (such as those in the North of Africa, Near and Middle East, or those planned by the EU) or national (such as those developed by the United States or Japan).

The future role of Customs in the region was also discussed. In this respect, participants stressed the need to build Customs administrations' capacities so as to increase supply chain security whilst promoting the growth of legitimate trade. In this context, the discussions turned to assessing the resources required by Customs administrations to implement security and facilitation measures.

Finally, before adopting the Message of Amman, some private sector representatives presented Customs administrations with their solutions for securing the supply chain and facilitating trade. This enabled all the participants to reflect on the challenges facing Customs/Business partnerships.

In parallel to the Conference, the region's Customs administrations and the WCO signed an Agreement concerning Arabic interpretation at the sessions of the Technical Committee on Customs Valuation and the Technical Committee on Rules of Origin (in addition to the current languages: English, French and Spanish).

In conclusion, the participants adopted



the Message of Amman in which they :

- Recommend the implementation of measures advocated by the WCO, particularly the use of modern techniques such as telecommunications, risk assessment and risk management.
- Call for greater co-operation between Customs administrations and the private sector in the North of Africa, Near and Middle East, in order to implement the WCO Resolution on Security and Facilitation of the International Trade Supply Chain.
- Urge Customs administrations in developed countries to co-operate more with developing countries, especially in terms of information exchange.
- Call upon the WCO to assist the region's Customs administrations with their capacity building programmes regarding security and facilitation of the international trade supply chain.
- Call upon the WCO to prepare and promote capacity building projects for Customs administrations based on national or regional diagnostic studies.

2:30 p.m. **Session 6**  
Strategic Planning – Energising  
The Systems To Cope With  
Accelerating Trade Growth In  
Ports

**Registration Fee:**  
International Delegate Rate  
US\$1495.00 / € 1250.00  
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• If 2 Or More International Delegates  
Register from the same company, a 3rd  
delegate from the same company is entit-  
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2.30 p.m. **Vision Session:**  
An Integrated Policy for Port  
Connectivity

Registration Fee:  
• Rs 3,000 for Member of Bombay  
Chamber of Commerce  
• Rs 5,000 for Non-member  
• \$100.00 for International Delegates  
• 10% discount for IAPH Members

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com/port-conf.htm

## Upcoming Conferences



### Logistics Europe 2004

November 25 -26, 2004  
Gdynia, Poland

#### Conference Program

##### November 24, 2004

9.00 a.m. Technical Site Visit to the Port of  
Gdynia and Baltic Container  
Terminal

##### November 25, 2004

9:05 a.m. Opening Remarks  
9:45 a.m. Exhibition Opening Ceremony  
10:30 a.m. **Session 1**  
Gearing Up For A Piece Of The  
Action – Opportunities In  
Thriving Markets

##### 2:00 p.m. **Session 2**

Ports And Shipping – Trends  
And Opportunities

##### 4:00 p.m. **Session 3**

Shipping Trends – Coping With  
Accelerated Growth

##### November 26, 2004

8:00 a.m. **Session 4**  
The Continued Need For An  
Integrated Intermodal Logistics  
System

##### 12:10 p.m. **Session 5**

Key Trends In The Port IT  
Sector – Integration And  
Standardisation

## Indian Ports & Shipping 2004

### Port Connectivity in India

December 9-10, 2004, Mumbai, India

ORGANIZED by the Bombay  
Chamber of Commerce and Industry,  
the conference is intended to address  
in a comprehensive manner issues of Port  
Connectivity and related infrastructure. With  
national and international experts sharing their  
perspectives, the conference would provide an  
opportunity to match India's needs with the  
best practices followed elsewhere in the world.

#### Conference Program

##### December 9, 2004

10.00 a.m. **Inaugural Session**  
Keynote Address: - Port  
Connectivity in India: Current  
Realities  
Mr. R.B. Budhiraja,  
IAS, Conference Chairman  
Address by Chief Guest:  
Mr. T.R. Baalu  
Hon'ble Union Minister of  
Shipping

2.00 p.m. **Session 1:**  
Multimodal Port  
Connectivity – Rail, Road,  
Inland Waterways

4.00 p.m. **Session 2:**  
Hub Port Connectivity & Logistics

##### December 10, 2004

10.00 a.m. **Session 3:**  
Distribution and Supply Chain  
Logistics

12.00 p.m. **Session 4:**  
Trade Facilitation



## 4th Pan-African Ports Conference

December 13 - 15, 2004  
Alexandria, Egypt

KINDLY hosted by The Maritime  
Transport Sector, Ministry of  
Transport, A.R.E., The 4th Pan  
African Ports Conference in coordination with  
the International Association of Ports &  
Harbors (IAPH) and the Pan African  
Association for Ports Cooperation (PAPC)  
will be held in Alexandria, Egypt, in the period  
from December 13 to 15, 2004.

#### Main Subject:

Security and development of Ports

#### Secondary Subjects:

- (1) Security and port environment
  - The outcome of implementing the mar-  
itime code for the Security of Vessels &  
Ports in African Ports
  - The outcome of implementing the mar-  
itime code for the Security of Vessels &  
Ports in European Ports
  - Prevention of Maritime pollution from  
fuel
  - Port State Control
  - Technical Cooperation Program of IMO
  - Smart Trade Line
- (2) Regional development of ports
  - Regional development (The experience of  
the North European Ports)
  - Regional development (The experience of  
the Baltic Ports)
  - Regional development (The experience of  
South European Ports)
  - Regional development & The experience

of:

- North Pan African Ports Administrations Association
- West & Central Pan African Ports Administrations Association
- East & South Pan African Ports Administrations Association

(3) Ports Competitiveness

- Costs of cargo transit in ports
- Privatization of Ports
- Incorporating Africa in the interests of International maritime companies
- Multi-modal transport (the experience of one of the European Ports)
- Electronic trade in ports

### PROGRAM

#### Day 1 / December 13

##### Morning

The official opening of the conference by their Excellencies:

The Minister of Transport, the Head of Maritime Transport Sector, and the Governor of Alexandria

##### Afternoon

The regional meetings between the three Pan African Associations & The Pan African Ports Cooperation

#### Day 2 / December 14

##### Morning

The first secondary subject - Security and Port environment

##### Afternoon

The second secondary subject - Regional Development of Ports

#### Day 3 / December 15

##### Morning

The third & last secondary subject - Competition among Ports

##### Afternoon

A visit to the Port of Alexandria, and returning to the hotel for the closure ceremony of the Conference

#### Day 4 / December 16

A field visit to East Port Said Port.

(A Voluntary visit on request & on the expense of the delegate him/herself)

Registration Fee for non-Egyptian:

- 300 Euro for members in one of the Pan-African Regional Association, Ports & Co-operation in Africa and The International Association of the Ports and Harbors.
- 350 Euro for non-members

For further information:

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Head of Central Department of Maritime Transport Affairs

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E-mail: papc2004@emdb.gov.eg/  
mmt@idse.nt.eg

URL: <http://www.papc2004.com>

## New Publications



### Informa: Freight Forwarding and Multi-Modal Transport Contracts

- Comprehensive guidance on the law governing contracts used by operators concerned in the movement of goods, focusing particularly on where more than one mode of transport is involved
- Full analysis of contract forms and terms used by service providers (including freight forwarders, logistic suppliers, combined or multi-modal transport operators and container operators)
- Contract forms and terms are examined at various locations; Location of the cargo, Location of supply or procuring of multi-modal carriage and destination, Location of combined transport equipment
- Study of contract forms used by specialist operators including forms those produced by recognised bodies and associations
- International rules providing the basis of contract terms explained

Publishing date: December 2004

Author: David Glass

Price: £215.00 / US\$419.00 / SG\$699.00

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E-mail: [grant.rowles@informa.com](mailto:grant.rowles@informa.com)

Please quote: SGBM078E

### Maintenance Dredging in the Port of London



A new publication sets out the current approach to maintenance dredging in the Port of London

area. Published by the Port of London Authority (PLA) in co-operation with the Thames Estuary Partnership, the document sets out the strategic decision-making framework for such activities.

As with many navigable waterways, maintenance dredging is regularly carried out in the tidal Thames. This is to maintain safe operational water depths for navigation and to ensure continued access to many of the 70 plus berths, docks, wharves, and jetties that make up the Port of London.

These dredging operations need to strike an appropriate balance between long-term protection of the environment and achieving sustainable economic growth. In addition to following best environmental practice, there is also the need for compliance with environmental legislation including EU Directives.

The 26-page A5 booklet describes the regulatory framework for maintenance dredging within the Port of London and explores the way the PLA and the Thames Estuary Partnership have worked together to prepare a Maintenance Dredging Framework to provide a decision making process for the licensing of third party dredging and approval of PLA dredging operations.

Areas discussed in the publication include:

- the setting up of a 'Dredging Liaison Group' with other regulators, operators and key stakeholders
- guidance to berth owners and operators
- the development of the tidal Thames 'Information Exchange System' (IES) – a data management system for environmental information

Commenting, PLA environmental scientist, Nicola Clay said:

"This booklet explores the way that the environment and the need for sustainable development are taken into account in the modern Port of London. Activities increasingly need to be conducted transparently to ensure both sustainable economic development and high environmental standards."

Jenny Stratford, from the Thames Estuary Partnership said:

"We have welcomed the PLA's partnership approach to maintenance dredging and their consideration of other inhabitants and users of the estuary. The Maintenance Dredging Framework demonstrates the benefits of working together and exchanging information to ensure sustainable management of the Thames."

For further information:

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## Cover of the Month

### Port of Walvis Bay



**N**AMPORT, proven as a successful commercialised entity, is a key player in the Walvis Bay Corridor, facilitating economic growth in Namibia by promoting foreign trade and making the ports of Walvis Bay and Lüderitz as preferred

links for seaborne trade with Namibia and SADC countries.

Strategically located half way down the coast of Namibia, with direct access to principal shipping routes, Walvis Bay is a natural gateway for international trade.

Walvis Bay is Namibia's largest commercial port, receiving approximately 1,000 vessel calls each year and handling about 2.5 million tonnes of cargo. It is a sheltered deepwater harbour benefiting from a temperate climate. Fortunately, no delays are caused by bad weather.

In order to deal with even higher levels of throughput, Namport have steadily improved its cargo-handling facilities, and remains committed to infrastructure development, in line with Namport's Mission to provide efficient and effective port and related services.

#### Container Terminal

Our container terminal at the port of Walvis Bay can accommodate grounds slots for 380 containers with provision for 210 reefer container plug points. Our technical services division, Namtech, provides reefer repair services at the port.

Namport's striking Container Terminal Entrance Building promotes its image as a dynamic world class port. This building houses the CTIS (Container Terminal Information System), which enables the Container Terminal to render an efficient and streamlined service to our clients. The





system computerises aspects such as gate control, ship to shore operations and container yard planning. In addition, clients can arrange remote access to the system.

The container terminal can host about 150,000 containers per annum, therefore various business development opportunities are being undertaken to facilitate imports and export containers at this Port.

### Equipment

We have seen a good return on our investment in cargo handling equipment in that our mobile harbour crane now achieves an average of twenty moves per hour, resulting in a reduction of port time for container vessels by 50%. Furthermore, repositioning of two cranes from the new container terminal to the general cargo quay has optimised the use of our equipment and quay space.

Our marine equipment has been enhanced with the acquisition of larger Tug, which comprises to the total fleet of Tugs at Walvis Bay now to Two larger (larger than 30 bollard pull) tugs, two medium sized tugs and two smaller tugs which are being used for launching services.

### Upgrading of Infrastructure

With the completion of the activities set aside in the Port master plan concerning the initial development of the Port of Walvis Bay to become a Hub Port for Southern Africa the Port Authority is currently busy updating this Masterplan to cater for developments for the next five to ten years. Continuous efforts are in place to upgrade existing infrastructure to ensure high service levels to our clients at all times.

### Deepening of the port

This project represents an investment of some N\$ 50 million in national infrastructure, and was vital to position the Port of Walvis Bay as the gateway to countries in Southern Africa through the Walvis Bay Corridor. The area of Berths 1, 2 and 3 in the commercial port of Walvis Bay, the turning basin and the approach channel are now at a depth of 12,8 metres below chart datum. From Berths 4 to 8, the depth is 10,6 metres below chart datum.

### Pelican Point Lighthouse

The Pelican Point Lighthouse has been fully automated and the lighthouse personnel transferred to other departments within Namport. In line with focusing on our core business, Namport will retain ownership of the lighthouse and access thereto, including the jetty, and the remaining extent

of the lighthouse land will be returned to the State.

### The Syncrolift

The Syncrolift ship repair unit in Walvis Bay was substantially upgraded last year with the installation of a PLC electronic control system for the operation of the ship lifting platform. This has replaced the very old original control system with a modern system providing a vast increase in ease of operation much improved operational performance and safety. This facility can handle vessels up to 2 000 tons and with a maximum length of 80 metres. Plans are currently in the process to extend the parking area for the Syncrolift while a much larger dry dock is planned to foresee in the demand of larger vessels along the Atlantic Ocean.

### Walvis Bay Corridor

An important strategy component for Namport's business development is the Walvis Bay Corridor Group, which in our view must be seen as a vital catalyst to position Namibia as a future major economic player for the SADC region on the west coast of Africa. Namport's business development and the strategic marketing drive remains a high priority, with business development into the SADC region forming an inherent part of the medium to long-term business development of Namport and the Walvis Bay Corridor Group. The WBCG was created in 1999 to provide an extension of the harbour facilities inland through Namibia to the Gauteng region in South Africa, Botswana, Zambia and the Democratic Republic of the Congo.



## The Americas



Transportation  
Security  
Administration

### USDHS: \$49 million in grants to secure America's ports

AS part of the Department's commitment to enhance security at our nation's key ports and facilities, Secretary of Homeland Security Tom Ridge is pleased to announce \$49,429,867 in the fourth round of port security grants.

The Port Security Grant Program provides resources for projects to improve dockside and perimeter security that is vital to securing our critical national seaports. These awards will contribute to important security upgrades such as surveillance equipment, access controls to restricted areas, communications equipment, and the construction of new command and control facilities. This grant program represents one layer of the Department of Homeland Security's system of defenses for our nation's ports that includes monitoring the people, cargo and vessels entering our ports from the time they leave a foreign port to the time they arrive in the United States.

"The Department of Homeland Security is committed to further securing our nation's maritime system, which is vital to our nation's economic well-being as the avenue for international trade and commerce," said Secretary Ridge. "These projects are critical to the mission of securing our ports."

"Each year, millions of people, vessels and pieces of cargo pass through our nation's ports," said C. Suzanne Mencer, Executive Director of the Department of Homeland Security's Office for Domestic Preparedness. "These grants help protect our ports of entry and ensure the uninterrupted flow of global commerce."

The Office for Domestic Preparedness, Transportation Security Administration, Customs and Border Protection, the United States Coast Guard, and the Department of Transportation's Maritime Administration evaluated this round of port security grant applications and selected 154 award recipients across the nation.

In addition to this round of awards totaling \$49 million, the Department of Homeland Security awarded \$92 million in June 2002, \$168 million in July 2003, and \$179 million in December 2003 as

part of the Port Security Grant Program, and \$75 million from the Urban Area Security Initiative for port security in August 2003.

*(September 13, 2004)*



### AAPA: Legislative Policy Council announces new actions

SEVERAL key actions were taken yesterday by the American Association of Port Authorities' (AAPA) Legislative Policy Council (LPC) at the Association's 93rd annual convention being held this week in Long Beach, California. The LPC is comprised of port directors representing each region of AAPA's U.S. Delegation.

As part of AAPA's Quality Partnership Initiative (QPI), the LPC approved the Association's active involvement in the development of performance measures for the Corps of Engineers program.

The LPC also approved new AAPA policy on several environmental issues including:

- Supporting expanding EPA's diesel emission reduction incentive programs to include port and harbor diesel engines;
- Supporting revisions to EPA General Conformity regulations to treat port construction emissions similar to highway construction emissions;
- Supporting the intent of S. 2488, the Marine Debris Research and Reduction Act and work with Congress to revise the section on disposal of waste to make it compatible with facility operations.

In other action, the LPC discussed short sea shipping, salvage regulations, dredging issues, maritime security, other environmental issues and highway program reauthorization.

*(September 28, 2004, AAPA)*



### Transport Canada: Announces consultations on Marine Security Regulations

TRANSPORT Minister Jean-C. Lapierre today announced that consultations on proposed amendments to the Marine Transport Security Regulations will begin September 20, 2004. The amendments include the introduction of a Marine Facilities Restricted Area Access Clearance Program.

The proposed program would further enhance marine security by requiring background security checks for port workers who require access to certain restricted areas or occupy certain designated positions. The program will build on the experience gained from Canada's program of background security checks for airport personnel, which was introduced in October 1985.

"These proposed amendments represent Transport Canada's next steps to enhance marine security and build on the new port and ship security requirements in place since July 1," said Mr. Lapierre. "Transport Canada looks forward to working with stakeholders in the marine industry to develop these amendments, including the Marine Facilities Restricted Area Access Clearance Program."

The amendments are being proposed further to the Government of Canada's National Security Policy, announced on April 27, 2004 by Deputy Prime Minister Anne McLellan, which proposes to strengthen Canada's marine security by:

- clarifying and strengthening accountability;
- establishing Marine Security Operations Centres;
- increasing the Canadian Forces, RCMP and Canadian Coast Guard's on-water presence, as well as the Department of Fisheries and Oceans' aerial surveillance activities;
- enhancing civilian and naval fleet communications;
- pursuing greater marine security co-operation with the United States; and
- strengthening the security of marine ports and facilities.

Transport Canada expects to have the new regulations in place by early 2005.

*(September 17, 2004, Transport Canada)*



## Canaveral: The port fully operational



**P**ORT Canaveral today returned to normal operations for all cruise ships and all but a very small number of cargo ships after continued dredging of the channel to restore it quickly to its normal depths. Hurricane Frances and Hurricane Jeanne caused shoaling at the harbor entrance.

"We are quite pleased that once again Port Canaveral can now accommodate all of our cruise vessels, including the Mariner of the Seas, and an overwhelming percentage of our cargo vessels," says Stan Payne, Chief Executive Officer of the Canaveral Port Authority. "This monumental task was made easier and accomplished safely and quickly because of the unprecedented cooperation of the Port's partners - the Canaveral Pilots Association, the U.S. Coast Guard, the U.S. Army Corps of Engineers, cruise lines, and cargo companies. That cooperation continues."

The Coast Guard this afternoon issued a marine advisory allowing for vessels of 36 feet draft anytime into Port Canaveral and up to 38 feet draft one hour before high tide, effective at 3:00 p.m. today.

All Port businesses, including restaurants, charter boats, and gaming vessels

have re-opened and are back in operation.

Parks and public boat ramps also are open.

*(October 1, 2004, Port Canaveral Authority)*



## GPA: Sign agreement with Shanghai International Port Group

**T**HE Georgia Ports Authority (GPA) and the Shanghai International Port Group (SIPG) signed an historic agreement recently that will allow both port systems to jointly promote all-water shipping routes between Asia and the Port of Savannah.

"China's economy continues to fuel world trade among all nations and in doing so is growing a new domestic market of its own for the world economies to service via exports to China," said Doug J. Marchand, GPA's Executive Director. "This strategic alliance will allow GPA and the Shanghai International Port Group to improve services for our customers and generate new economic opportunities for Georgia and the Southeastern United States."

The agreement provides for both parties to promote a strong working relationship and exchange information and expertise in the areas of marketing, communications, management, training and safety. The agreement also calls for concerted efforts to expand international trade through both ports by supporting the market presence in their respective countries and with common customers.

"Georgia grown, processed and produced products exported to China have increased by more than 30 percent in just the past year," said Marchand. "The State of Georgia can only benefit from this trend and by increasing ties with China through initiatives such as the MOU signed last week between GPA and SIPG."

The Port of Savannah has 13 all-water weekly services to the Far East that transit the Panama Canal, is the 2nd ranked port on the U.S. East Coast receiving imports from Asia, and the fifth largest containerport in the United States.

"A key ingredient to our steady growth in the Asian market is directly tied to our excellent partnership with America's major retailers," said Marchand. "As a result, Savannah is a regional distribution hub employing thousands of people."

*(September 15, 2004, Georgia Ports Authority)*

## GPA: Anticipates 150% growth in less than 15 years



**D**OUG J. Marchand, Executive Director of the Georgia Ports Authority (GPA), announced today that the Port of Savannah anticipates 150 percent growth in less than 15

## 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

**Tokyo News Service, Ltd.**

years. "Based on state of the art economic modeling, we anticipate that the Port of Savannah will handle at least 4 million TEU's, or experience 150 percent growth in less than 15 years," said Marchand. "We can and will be able to accommodate this growth by completing new facilities and infrastructure improvements."

During the annual State of the Port event, Marchand presented Savannah's business and maritime leaders with a "Call to Action," asking that they help him mobilize local, state and national leaders to fully understand the Port of Savannah's strategic importance to global trade and prepare for future growth. "This is a call to action," Marchand told more than 400 business and maritime leaders. "This is a call to handle 150 percent growth over the next 15 years by completing new facilities and infrastructure improvements; a call to mobilize this business and maritime community to work together to achieve important projects beyond our terminal; and a call to educate, train and employ the tens of thousands of new workers who will help us shape Georgia's future."

Marchand attributed GPA's forecast for future growth to state of the art economic modeling that includes detailed analysis of trends in containerized trade, current and projected shipping schedules, major distribution centers and intermodal access. He encouraged leaders to join with him in an effort to make the "last mile" improvements necessary between GPA's terminals and the interstate system.

Beyond necessary road, rail and infrastructure improvements, Marchand said GPA has projected the need for 30 to 40 million additional square feet of warehouse space to accommodate anticipated growth.

Job training is also an important part of preparing for future growth, said Marchand. "Construction, port operators, transportation services and distribution centers will all continue to create tens of thousands of new jobs in and around Savannah."

Marchand also reviewed the Port of Savannah's 15-year history of growth with business and maritime leaders. In FY04, Port of Savannah's total tonnage reached 14,085,849, a 124 percent increase over FY90, or 7,798,301 more tons. In FY04, Port of Savannah's total containers reached 1,572,734, a 289 percent increase over FY90, or 1,168,378 more containers.

*(September 23, 2004, Georgia Ports Authority)*



**Panama Canal: Five Panamax Vessels transit successively through Gatun Locks**



IN another feat that signifies the Panama Canal's increased efficiency and reliability, the Panama Canal Authority (ACP) announced today that five "extreme-sized" panamax ships (more than 900' in overall length) transited successively through the waterway's Gatun Locks on August 26, 2004. This accomplishment marks the first time that five of these panamax vessels have transited Gatun Locks consecutively going southbound, toward the Pacific Ocean.

Eight locomotives and 16 wires were used to move the vessels through the Locks. Normally, six locomotives and 12 wires are used to accommodate regular panamax vessels. Total transit time for all of these ships to pass through Gatun Locks was estimated at five hours.

"The Canal's achievement today is a testament to the tireless effort of our employees and their commitment to a more efficient, reliable and safe Canal. We are reaping the benefits from the investments made in the Canal's permanent modernization program. Our purpose remains firm - to provide the best service for all of our customers," said Administrator Alberto Alemán Zubieta.

Last year, the ACP purchased 34 new locomotives from the Mitsubishi Corporation as part of the Canal's permanent modernization program. The ACP has been upgrading its locomotive fleet in a multi-year contract with Mitsubishi for the past several years. The contract entitled the ACP to exercise the unique option of assembling 16 of the 34 locomotives in Panama by ACP employees, with Mitsubishi supervision of the first two. Rarely done by Mitsubishi, the assembly in Panama provided ACP employees with a transfer of skills, as well as opportunities for training and technology education.

The Canal will also continue to replace

the locomotive tow tracks at Gatun Locks through 2005. The tow track replacement will improve the Canal's operations and will continually increase efficiency and capacity, thus contributing to maintain good Canal Waters Time (the time it takes a vessel to transit the Canal including time waiting for passage), even with the increase in traffic and tonnage that the Canal has experienced recently.

*(September 2, 2004, Panama Canal Authority)*

**Port of Seattle**

**Seattle: Economic-impact study shows significant job and revenue growth**

THE Port of Seattle's Seaport supported 34,501 jobs in 2003, produced \$2.1 billion in wages and salaries, and \$2.4 billion in revenue, according to a new study of the Port's economic impact.

The figures indicate significant growth over 1999, the last time a similar study was conducted.

"This study gives a real picture of the Seaport's impact on the regional economy," said Commission President Paige Miller. "It's good news that Seaport businesses are growing and adding jobs. The Port's investments in shipping, fishing, recreational boating and cruise terminals are keeping the maritime industry strong and competitive."

"These industries have served our community through thick and thin," said Port CEO M.R. Dinsmore. "While they are subject to the same ups and downs in the economy as other businesses, maritime industries have continued to help support our local and regional economy even in tough times."

The impacts are detailed in a draft report by Martin Associates, of Lancaster, PA., a national consulting firm. The draft, which will be made public today at a meeting of the Seattle Port Commission, is a first part of a five-year update of the Port's economic impact. A similar study on the impact of Seattle-Tacoma International Airport will be published in October.

The study measures the impact of maritime cargo operations, the cruise industry, fishing, recreational boating and the seaport's real estate portfolio. It considers direct impact, or jobs and wages produced directly by the Port's operations, as well as induced impact, or the jobs and economic activity than

can be attributed to purchases by those holding direct jobs. Finally, the draft also includes indirect jobs and impacts - or those attributable to purchases by firms that are directly dependent on the Seaport.

The 34,501 jobs include 17,927 jobs directly attributable to Seaport activity, 11,198 "induced" jobs that are attributable to purchases by those holding direct jobs, and 5,376 "indirect" jobs generated in the local economy.

Seaport activity produced \$2.1 billion in wages and salaries, including \$972.3 million in direct wages and salaries, \$954.1 million in payroll generated by induced consumption and \$204 million in indirect income.

The Seaport also produced \$2.4 billion in business revenue, \$431.3 million in local purchases, \$210.8 million in state and local taxes, and \$87.7 million in revenue to the Port of Seattle.

According to the study, the Seaport supports about 8,000 more jobs than in 1999 and provides an additional \$800 million in wages and salaries.

Most jobs and revenue are produced by cargo activities, followed by fishing and the cruise industry.

Changes that had an impact on the results of this study include closing of Port of Seattle auto and warehouse operations and reduced imports of petroleum, along with growth in cruise operations.

A new methodology gives a more accurate view of the jobs and economic activity generated by fishing and recreational boating industries. Unlike in 1999, this study focuses only on Port of Seattle facilities and not on other privately operated facilities in the Seattle harbor area.

*(September 9, 2004, Port of Seattle)*

This list may be consulted at:

<http://www.emsa.eu.int/end900d002d007d001.html>

An overview of all the actions taken may be consulted at:

[http://europa.eu.int/comm/transport/maritime/safety/prestige\\_en.htm](http://europa.eu.int/comm/transport/maritime/safety/prestige_en.htm)

*(October 1, 2004, European Commission)*



## Antwerp: Welcomes the CSCL Europe



THE CSCL Europe, a China Shipping Container Lines carrier with a capacity of no less than 8,468 TEU, is expected in the port of Antwerp.

This represents a new record for the port. The megacarrier arrives on September 30, and leaves already on October 1. The ship will dock at the Noordzee terminal operated by PSA/Hesse-Noord Natie (quay number 901-913).

The Cypriot-flagged container carrier was built this year in Korea by Samsung. The CSCL Europe has a length of 334 m, a width of 42.8 m and a draft of 14.3 m (46 ft. 11 in.). It has a load capacity of 99,500 dwt and a speed of 25.34 knots.

The CSCL Europe plies between the Far East and Europe, calling at Felixstowe, Hamburg, Antwerp, Rotterdam, Port Kelang, Hong Kong, Shanghai, Ningbo, Xiamen, Yantian and Chiwan.

The arrival of the CSCL Europe once again demonstrates the trend towards ever-larger ships, with various other megacarriers expected in Antwerp over the next few weeks. These will include the CSCL Europe's sister ship, the CSCL Asia, with a similar capacity of 8,468 TEU.

*(September 30, 2004, Port of Antwerp Authority)*

## Africa/Europe



### EC: EMSA publishes a new list of ships banned from EU ports

EUROPEAN Commission published in the Official Journal the list of ships which, between 1 November 1, 2003 and August 31, 2004, have been refused access to EU ports. Publication of this information is required under the new European rules on port State control to ensure transparency and to deter those who already fall short of the relevant maritime safety standards. "This measure is part of the arsenal of legislation adopted in the wake of the Erika and Prestige disasters to combat oil spills and rust-bucket ships. We must keep up the pressure so that maritime safety continues to improve globally and ensure that the rules are applied rigorously by all Member States," said Loyola de Palacio, Commission Vice-President responsible for transport and energy. In parallel, at the request of the Commission, the European Maritime Safety Agency (EMSA) publishes on its web site a regularly updated list of banned ships from EU ports.

Nineteen ships were banned from EU ports between November 1, 2003 and

August 31, 2004, flying the flags of eight different States: St Vincent and the Grenadines (6), Bolivia (3), Panama (3), Turkey (3), Belize (1), Cyprus (1), Romania (1) and Syrian Arab Republic (1). Most of the ships listed are bulk carriers (12 out of the nineteen), but there are also four ro-ro passenger ships, two chemical tankers and one oil tanker.

The ban on entering EU ports was imposed on these ships because they were detained several times and they were flying a flag included in the black list published as part of the annual report of the Paris Memorandum of Understanding on Port State Control.

Under the European port State control Directive adopted in July 2003, the Commission is now required to publish every six months the list of ships which have been refused access to EU ports.

In addition, the European Maritime Safety Agency (EMSA) publishes on its web site an up-to-date list of ships that includes the port State control historical data on the banned ships.







## Hamburg: Huge marine propeller on a container vessel to South Korea



**T**HE biggest marine propelling screw ever produced in Germany, weighing 103 tons and measuring 8.8 meters in diameter, was loaded on the container vessel "Hanjin Brussels" at Hamburg's EUROGATE container terminal.

The ship propeller, which had been transported overland by a flat bed truck from the production site of MMG Mecklenburger Metallguss GmbH in the town of Waren on the banks of the River Müritz to Hamburg several days ago had temporarily gone into storage at Hamburg's O'Swaldkai. That is where it was picked up and loaded onto the ocean vessel by a floating crane belonging to HHLA Hamburger Hafen- und Lagerhaus AG today. The vessel "Hanjin Brussels" will take the gigantic marine propeller, which is destined for an 8,100-TEU container vessel ordered in South Korea by the Hamburg-based shipping company Claus-Peter Offen, to Pusan within 28 days.

MMG is one of the world's leading manufacturers of large marine propelling screws, producing approximately 90 ship propellers per year. The overland transport to the seaport of Hamburg, which is the port handling the largest number of shipments, will be carried out by the company for the carriage of heavy goods Rostock-Trans, which has been commissioned by MMG.

Another ship propeller, weighing 100 tons and manufactured by MMG, will be positioned as an eye-catcher outside the main entrance of Hamburg's exhibition

hall on the occasion of the shipbuilding trade fair SSM.

(September 2004, Hamburg)



## London: New Chief Executive for PLA



**T**HE Port of London Authority (PLA) today announces the appointment of Richard Everitt as Chief Executive. Mr Everitt replaces Steve Cuthbert who retires at the end of the year.

Mr Everitt, aged 55, will join the PLA on December 1. He was previously Chief Executive of National Air Traffic Services, the air traffic services provider, prior to which he was Group Planning and Compliance Director at BAA plc, the airport operator.

He will take over the role of Chief Executive of the PLA when the Port of London is undergoing considerable development, not least with the proposed 'London Gateway' terminal. This scheme, to be built by P&O Ports on the site of the former Shell Haven refinery, awaits ministerial approval.

Commenting, PLA Chairman Simon Sherrard said:

"I am delighted Richard Everitt is joining the PLA. He has considerable expertise and a strong background in working with different stakeholders' interests in a complex transport and logistics environment.

"His wide experience will be invaluable in maintaining our high standards of safety and ensuring the future development of the Port of London."

Acknowledging Steve Cuthbert's contribution to the PLA, Mr Sherrard continued:

"Steve has led the PLA through a number of critical changes during his five years as Chief Executive, improving service quality for river users and ensuring that the Thames continues to be home to one of the UK's most successful ports. We wish him a long and happy retirement."

Richard Everitt said:

"I am very pleased to be joining the PLA at this important time. I am looking forward to working with the many stakeholders on the continuing development of London as a major UK port."

(September 15, 2004, Port of London Authority)



## Rotterdam: Air Liquide builds power plant for Shell

**A**IR Liquide is going to build a co-generation plant, fed with natural gas, in co-operation with Shell in Rotterdam Pernis. Its capacity is 25 megawatt and will produce an average 600 tons of steam per hour. Air Liquide will provide € 190 million of the in total € 260 million of investments. The company and Shell concluded a 15-year contract for delivery of all of the steam. The electricity is partly sold to Shell and the remainder are delivered to the Dutch electricity distributor Eneco. Construction of the installations will take three years.

### Emission reduction

So far, most of the electricity is produced by using heavy fuel oil the refinery produces itself. The new plant reduces the annual emission of sulphur oxides (-10,000 tons), nitrogen oxides (-2,000 tons) and solid particles (-1,200 tons). This is in accordance with the agreement made with the national government for the period after 2007.

### Energy production

Besides being a port for containers, chemicals etc., Rotterdam is also an "energy port".

In comparison to the end-2003 figures, the Air Liquide / Shell installation will rise (\*) the co-generation capacity in the port to almost 1000 MWe, 20% of what's installed national. The share of Rotterdam in the total Dutch energy production will go up to 15%.

### Energy production in the port of Rotterdam in 2003:

Type	MWe	% NL
Power plants	2,050	14
Co-generation	710	14
Waste incineration	108	26
Wind	70	10
<b>Total</b>	<b>2,938</b>	<b>14</b>

Besides the producing energy, the port also supplies the industry with coal (24 mln. tons p/a) and oil (100 mln. tons p/a)

(\* In the period 2004-2007 more capacity will be added by other projects.



## Southampton: Cruise on with investment

ASSOCIATED British Ports (ABP) is set to invest over £0.5 million in extending the City Cruise Terminal at its Port of Southampton. The programme of works is due to commence in January 2005 and will be completed in time for the start of the 2005 cruise season, which promises to be a record year for the port with over 220 cruise calls already booked.

The extension works will see the number of check-in desks quadruple, from eight to 32, and the baggage hall more than double in size, with 3,180 sq m allocated for the storage of baggage. Other works will include the purchase of new x-ray machines, a passenger gangway and baggage-handling equipment. The terminal will also be expanded to provide additional long-stay car-park spaces, as well as increase the number of coach bays.

One of the first visitors to be welcomed to the City Cruise Terminal will be Royal Caribbean International's (RCI) vessel Legend of the Seas, which is scheduled to make 13 calls to Southampton as part of RCI's commitment to cruising from the UK. Other regular users of the terminal will include Fred Olsen Cruise Line, Saga Shipping and Thomson Cruises.

Commenting on the investment, Andrew Kent, ABP Port Director, Port of Southampton, said:

"The City Cruise Terminal has been an essential addition to the port's growing cruise business. However, in order to accommodate the increased size of vessels calling at the port, it has now become necessary for us to extend the terminal further. ABP's continuous investment in cruise facilities at Southampton reaffirms the port's position as the cruise capital of the UK."

ABP invested £1.5 million in the original construction of the City Cruise Terminal and work was completed in August 2003. The terminal was officially

opened by the Lord-Lieutenant of Hampshire, Mary Fagan, on August 14, 2003.

(September 17, 2004, ABP)



## Stockholm: Environmental Life-Buoy Certificate awarded to cruiseship "Jewel of the Seas"



CRUISESHIP GTS "Jewel of the Seas" was awarded the Environmental Life-Buoy Certificate by Ports of Stockholm. The certificate is awarded for praiseworthy maritime environment initiatives and the Jewel of the Seas is the first international cruise vessel to use fuel with a low sulphur content, which helps reduce atmospheric emissions.

GTS "Jewel of the Seas" is the first international cruise vessel to receive Sjöfartsverket's (the Swedish Maritime Administration) certificate. She was awarded for its use of fuel with a low sulphur content, which means that its fuel contains no more than 0.5% sulphur. The vessel is now entitled to Ports of Stockholm's reduced harbour dues.

### Sustained and active environment work

Ports of Stockholm has since the mid-1980s worked towards reducing emissions of sulphur and/or nitrogen oxide and improving waste handling from vessels. International cruise traffic has, however, lagged behind regular ferry and cruise traffic when it comes to implementing measures for reducing atmospheric emissions.

"It is a small but promising indication that Ports of Stockholm's long-term environment work is now also beginning to show results in international cruise traffic. We hope that this signals the beginning of a new trend," says Malte Sigemalm, Board Chairman of

Ports of Stockholm.

### Reduced emissions

As many as 93% of all calls to Stockholm by regular ferry and cruise traffic is today made by vessels that satisfy one or more of Ports of Stockholm's conditions for reduced emission. Another result of Ports of Stockholm's environmental work is a 43% reduction in nitrogen oxide emissions from vessels in scheduled services between 1995 and 2001.

"We implement differentiated harbour dues as a financial incentive to support and encourage shipping companies to take action to reduce their impact on the environment," says Gun Rudeberg, Environment Manager at Ports of Stockholm.

Cruise traffic this summer is expected to reach roughly the same level as last year, with some 60 international cruise-ships calculated to make around 220 calls in the ports of Stockholm, which entails about 202,000 passengers. Stockholm is a very popular destination and Ports of Stockholm anticipates a 5% increase in cruise passengers per year.

### Facts about Ports of Stockholm's Environment Buoy Certificate

Ports of Stockholm pursues an active environmental work with the overall goal of preserving the environment in all its operations, thereby helping to bring about a sustainable development in the maritime field. Since 2000 Ports of Stockholm has therefore rewarded praiseworthy environmental initiatives on the Baltic Sea both by awarding the Environmental Life-Buoy and the Environmental Life-Buoy Certificate which is awarded on an ongoing basis during the course of the year.

### Facts about the Jewel of the Seas

The "Jewel of the Seas" is owned by Royal Caribbean International and is registered in Nassau, Bahamas. The Jewel of the Seas is 293 metres in length, has a draft of 8.50 metres and 2,100 beds. Its key destinations are in the Caribbean during the winter months and in northern Europe in the summer. She visited Stockholm five times this summer, the last visit being made on August 25. She will be back next year and will be making seven calls between May and September.

(August 25, 2004, Port of Stockholm)

## Asia/Oceania



### Auckland: Ports of Auckland supports new US security arrangement

PORTS of Auckland welcomes the new export security arrangement between New Zealand and United States Customs announced today by the Prime Minister Helen Clark and the Customs Minister Rick Barker.

The comprehensive arrangement will see export cargo security issues reconciled prior to loading and high-risk containers identified and intercepted early on in the supply chain. This will ensure New Zealand exporters are well placed in the clearance queue at US borders.

"We are delighted with this initiative as it will result in smoother flows of exports through the supply chain, from New Zealand to US markets," said Sandy Gibson, General Manager of Axis Intermodal, Ports of Auckland's specialist container terminal operator.

"We are particularly pleased with the emphasis being placed on electronic processes which generate significant benefits for Ports of Auckland and its customers," said Mr Gibson.

The government and industry, including air and sea ports, co-operated to make this new arrangement possible.

Ports of Auckland is also supportive of the "Secure Export Partnership" (SEP) scheme being introduced by the New Zealand Customs Service which will substantially improve security at its container terminals.

*(October 1, 2004, Ports of Auckland Limited)*

### Gwangyang: Logistics Support Center opened

THE logistics center for the port of Gwangyang was opened to boost the port's capabilities.



Korea Container Terminal Authority KCTA broke a ground to construct the Center in a 20 pyeong-parking lot in Gwangyang (1 pyeong=3.954sq.yds.) on August 12. The Center opened in September 7 will function as an facilities and a wealth of information including the Center's operations.

The Center will also bridge shippers with shipping liners and invite their visits and to investment in the Port. The Support Center will monitor and address the issues, if any, that customers raise as well.

*(Port News, September, 2004)*



### Jurong: Record growth in throughput



*Jurong Port is now thriving with main and feeder shipping lines calling regularly at its Container Terminal.*

JURONG Port is experiencing record growth in throughput. It currently handles a monthly throughput of about 76,000 teus, which is an increase of 204 per cent compared to the same period last year.

The strong growth is attributed to new services introduced by existing customers, existing customers phasing in bigger tonnages, and new customers.

Since February this year, three new services have been introduced by existing customers. These are the round-the-world (RTW) services by Norasia, Gold Star Line and China Shipping Container Lines; the Vietnam Thailand Express (VTX) Service by Gold Star Line; and the Haiphong Service by EP Carrier. Existing customers have also been phasing in bigger tonnages, eg. Zim Line's Asia-Mediterranean-

Pacific (AMP) Service started at Jurong Port in 2002 with 2,500 - 3,000 teu capacity vessels and now they are using 3,800 teu vessels. As a result, ZIM Line's throughput at Jurong Port has grown by 82 per cent as compared to 2002. As for new shipping line customers, Jurong Port has added a few to its fold since late last year and these include New Econ Line, Delmas and United Arab Shipping Co.

Jurong Port is grateful to its customers for their support and is looking forward to building lasting relationships with them.

*(newsupdate, Issue 3, 2004)*



### MPA: 25 companies receive the International Maritime Awards



THE Maritime and Port Authority of Singapore (MPA) presented the International Maritime Awards to 25 companies in recognition of their commitment to make Singapore their regional base for shipping operations. These companies had qualified for either the Approved International Shipping (AIS) Enterprise or the Approved Shipping Logistics (ASL) Enterprise status.

Their presence demonstrates the attractiveness of Singapore and what it has to offer as an International Maritime Centre (IMC): strategic location, excellent physical connectivity, conducive business environment, well-integrated and sophisticated maritime infrastructure, and a professional workforce.

Mr Yeo Cheow Tong, Minister for Transport, presented the awards to the recipients at a ceremony held at Shangri-La Hotel today.

The AIS scheme, which was established to encourage international shipowning and ship-operating companies to set up operations in Singapore, was awarded to 12 new companies. Another five companies received an extension of their AIS status. The number of companies awarded the AIS this year is more than double the number for 2003. To date, more than 40

reputable shipping groups have made Singapore their shipping hub for Asia.

The ASL awards, given out for the first time, went to eight companies. Addressing more than 500 guests from both the local and international maritime industry, Minister Yeo said that the launch of the ASL award was part of Singapore's ongoing efforts to encourage companies to undertake more ship management, ship agencies and shipping logistics activities in Singapore to boost its IMC standing.

To ensure that Singapore remains an attractive maritime hub, we need to continually adapt our policies and enhance our initiatives. To this end, Minister Yeo also announced that companies under the Singapore Registry of Ships (SRS) and AIS schemes would enjoy tax exemption on the proceeds from vessel sales. This scheme will take effect from Year of Assessment 2005 and ending in Year of Assessment 2009, for an initial period of five years.

Re-affirming Singapore's commitment to help maritime companies tap the business opportunities in Asia, Mr Peter Ong, Chairman, MPA, said, "The international maritime community is undergoing a period of exciting developments fuelled by the growth in world economies and globalisation. As we move from one exciting year to another, we at MPA, will continue to treasure the relationships that we have built with the maritime industry players and will foster these ties by working closely together to grow their businesses."

*(September 22, 2004, MPA)*



## PAT (Thailand): Signs MoU for One-Day Clearance



**T**HE Port Authority of Thailand (PAT) has teamed up with three other state agencies to accelerate the clearance of cargoes in one day.

Mr. Yongyos Palanitisena, the board

member and Acting Director-General of PAT, said the authority and other three state agencies including the Customs Department, Thai Airways International Plc, and Airport of Thailand Plc, signed a Memorandum of Understanding (MoU) on cooperation in the implementation of the strategy for enhancement of the country's competitiveness on August 21.

A key element of the MoU is to put into practice the one-day clearance of inbound and outbound cargoes through a port or airport. Under the one-day clearance concept, the four agencies will jointly work out a plan to streamline documentation procedures, reduce working hours of services for importers and exporters, and deregulate their service process.

Meanwhile, information technology will be applied to ensure they could provide services in a swift, timely and transparent manner. A pool of information network systems will be developed to maximize the service efficiency in order to enable importers and exporters to clear inbound and outbound cargoes in one day, which will help reduce their costs.

Mr. Yongyos added that the four agencies had agreed to inaugurate the one-day clearance system on September 21. At the initial stage, PAT would inquire the Customs Delivery Order through the computer system of the Customs Department.

PAT would also pioneer the one-day clearance system at five service spots including Container Terminal 1 and 2 and Transit Shed 15, 16 and 17. The four agencies would jointly set up a liaison center to help solve import and export problems at the clearance points.

PAT's team, led by the Deputy Director, Cargo Operations Dept., comprises officials from Inbound, Outbound and Dangerous Cargo Division. The contact staffs are available to help solve the problems for customers around the clock.

*(September 2004, Port Authority of Thailand)*



## SNSC/PSA: Joint effort for better access to shipping information

**T**HE Singapore National Shippers' Council (SNSC) jointly with PSA have launched an on-line "E-Freight Centre" for the shippers community to conduct business via the Internet.

The "E-Freight Centre" uses PSA's e-

commerce solutions such as Portnet® and Cargo D2D® to simplify cargo booking processes, and to integrate information flow amongst logistics service providers in the shipping community. Real-time information such as vessel schedules and booking status will be made available to shippers.

This will facilitate better planning and control of the logistics process. In addition, shippers will be able to track their containers within the PSA Singapore Terminals via Portnet® and CargoD2D®. The "E-Freight Centre" will enhance the operational efficiency of shippers and their linkages with the shipping community, leading to significant cost and time savings.

The launch of the "E-Freight Centre" and its Track and Trace facility for shippers was announced at the two-day Federation of ASEAN Shippers' Councils (FASC) Forum held in Singapore from 13 to 14 September 2004. Participants were able to get first-hand experience of the "E-Freight Centre", Portnet® and Cargo D2D® capabilities.

Mr John Lu, Chairman, Singapore National Shippers' Council, said: "One of the key objectives of the 'E-Freight Centre' is to provide an e-enabled platform for shippers to manage their cargo booking process with shipping lines and other logistics service providers. This new initiative is the result of the valued partnership between SNSC and PSA. Together, we seek to provide access to real-time shipping information and services for shippers. PSA is a world-class innovator of port technology. We are confident that the 'E-Freight Centre' will help increase cargo visibility to shippers through the Portnet® and Cargo D2D® modules which have contributed to Singapore's status as an international shipping and logistics hub." Ms Grace Fu, CEO, PSA Singapore Terminals, said: "PSA values our partnership with SNSC. We will continue to invest in technology to enhance our service to shippers. By capitalising on our hub activities in Singapore, PSA is able to provide useful information via the Internet to shippers. We hope that through the "E-Freight Centre", Portnet® and Cargo D2D®, shippers will be able to streamline their cargo booking processes further, and that they will enjoy real-time tracking of their cargo and manage their costs even more effectively."

*(September 13, 2004, PSA Corporation)*