March 2007 Vol 52 No 2

# PORTS HARBORS

Official Journal of the International Association of Ports and Harbors



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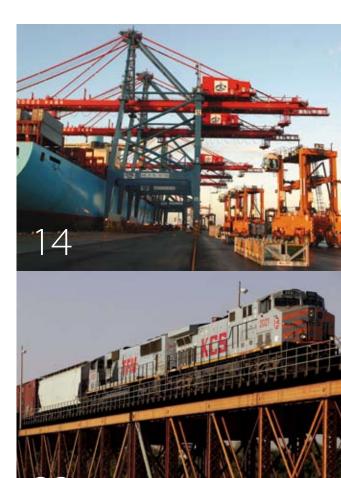


Ports are making great efforts to reduce pollution in their areas and are reaching out beyond their gates to improve the environment

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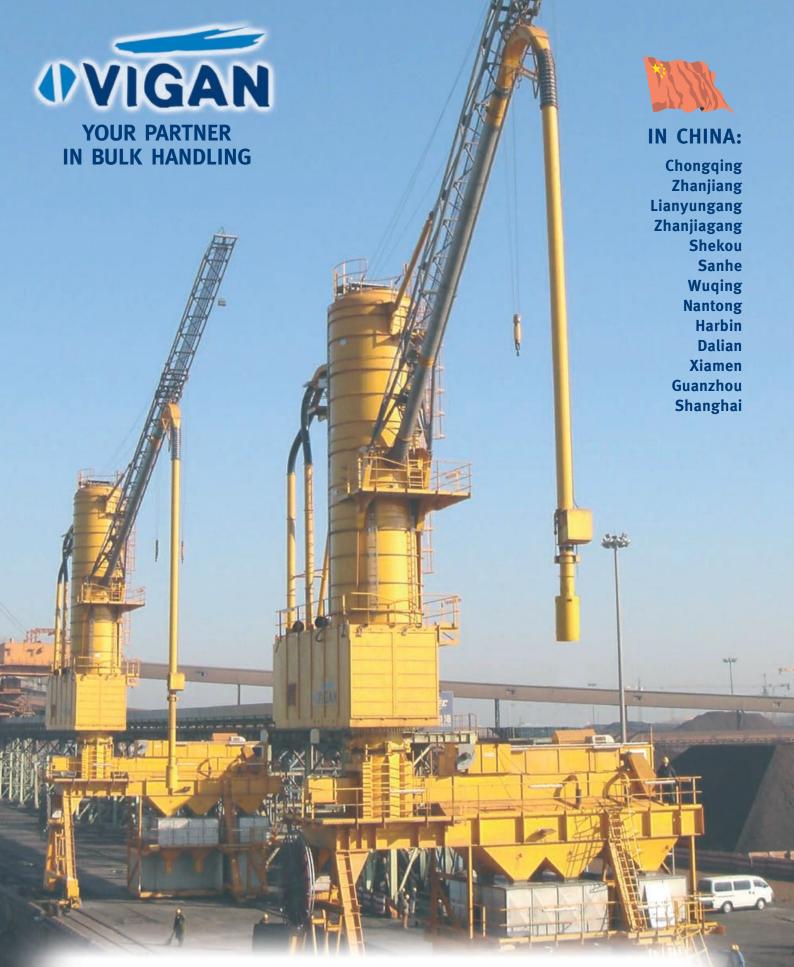
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# PORTS HARBORS

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# Bringing the public closer to ports

Old facilities are being transformed into desirable properties and Vietnam has plans to follow suit

arly in February, I was in Ho Chin Minh City (HCMC), Vietnam, attending the 8th IAPH Asia/Oceania regional meeting. Gaining WTO membership in January this year, the country's economy is growing at the remarkable rate of about 10% per year. Container traffic through HCMC's gateway, Saigon has reached 2.2M teu a year – with 20% growth every year over the last decade. To cope with these overwhelming demands, Saigon Port will build new container terminals 90km from the city, where deep water is available. (See our article on p 30).

On my visit to HCMC, I was stunned at the over-crowded city streets, full of cars and motorbikes. The new port development away from the city will help avoid further aggravating the city's traffic congestion. And it came as no surprise to me that port executives

# New links with the public are developed

plan to redevelop riverfront areas, currently occupied by cargo-handling terminals, into a new city centre.

In fact, Busan Port is also about to start a similar, much larger-scaled project, while developing New Busan Port 25km west of the city. Around the globe, we also

find port redevelopment projects such as those at Helsinki Port and HafenCity in Hamburg.

Starting in the 1970s, cargo handling facilities were moved from many inner harbors, often adjacent to downtown areas and the old facilities transformed into new urban waterfronts. Modernised terminals were then developed in outer harbor areas.

This has provided port cities with enhanced public access to waterfronts and given unique spaces for a variety of urban activities, including shopping, restaurants, hotels, housing and offices.

However, port redevelopment should not be taken as the fading out of port activity in central urban waterfronts, but rather as the creating of urban ports emerging from a modern interaction between port and city. Rich historical and cultural maritime assets of many inner harbor areas offer great opportunities for cruise and coastal shipping terminals.

People there will see, feel and experience the past, present and future of their port. They offer us opportunities to bring the public closer to ports and raise awareness of how they are working for the betterment of people's lives. PH

8. June

**Dr. Satoshi Inoue** Secretary General – The International Association of Ports and Harbors

### **Port updates**

### THE AIR THAT WE BREATHE

California is pushing ahead with stricter maritime air pollution regulations this year, says Mike Scheible, deputy executive officer of the state's Air Resources Board. He said the agency wants ships to use low sulphur fuel in main engines by 2010, reducing SOx by 96%, particulate matter by 83% and NOx by 6%. Use of alternative maritime power will be expanded to more than half the ships visiting within seven years, rising to 80% by 2020. Vessels will also have to reduce their maximum speed to 12kt when in a 40nm range of Los Angeles and Long Beach.

### **BARCELONA BLOCK PROBE**

Barcelona Port Authority (APB) has opened an international tender to discover what caused the displacement of 500m of concrete blocks last month from the new sea wall of the port's future Prat Wharf container terminal, Barcelona's largest infrastructure programme. Work to repair damage will start in May. According to APB, the winning bidder need to determine the cause of the incident. Jose Luis Estrada has been appointed commissioner to oversee development of the initial phase, which was originally expected to be completed by 2008.

#### ΑΡΑΡΑ CAPACITY

APM Terminals is to invest \$136M at its Lagos Container Terminal, Apapa, in a bid to make it as efficient as those in the developed world. Already on 24 hours a day operation, handling capacity will be boosted by two new gantry cranes and other cargo handling equipment, while the workforce will be cut from 600 to 150. *More info at www.apmterminals.com* 

#### **GWANGYANG GROWS**

Work will to begin later this year on two 20,000dwt general cargo berths at the Port of Gwangyang, South Korea. Investment amounts to \$45M from private sources and \$16M from the government. When the two berths are completed in late 2010, they'll be able to handle more than 1M tonnes of general cargo and 73,000teu per year.



Annette Edmonds, wife of PHA chairman Jim Edmonds, cuts the ribbon to open the terminal

# The dock of the Bayport opens

The Port of Houston has officially opened its Bayport container terminal for business in front of some 800 elected officials, port commissioners, community and labour leaders and representatives of the maritime industry.

Port of Houston Authority (PHA) chairman Jim Edmonds said the \$1.4Bn facility will nearly triple the port authority's container handling capacity.

"When fully developed, the terminal will have a total of seven

container berths with the capacity to handle 2.3M teu on a complex which includes a 376 acre (152ha) container yard and a 123 acre (50ha) intermodal facility," he told P&H.

CMA CGM was the first carrier to take up residence at the terminal in December and Mediterranean Shipping Company is expected to begin calls shortly. At the opening ceremony, Frank Baragona, president of CMA CGM (America) said, "We value the trust and respect that allowed the Port authority to award phase I of Bayport to CMA CGM. We are proud to partner with the Port of Houston Authority in positioning Bayport on the global stage."

Bayport is expected to initially take on 25% of the throughput from Barbours Cut container terminal, built in 1977 – which has been operating at 150% of capacity, port executive director Tom Kornegay said. Construction on the multiphase Bayport cargo and cruise terminal began in June 2004.

## Eurogate capacity increases

Container terminal operator Eurogate's intermodal division has increased its block train capacity by 62% since the beginning of the year, spurred by growing Central European imports.

Total daily block train capacity now stands at

1,750teu, provided through BoxXpress, a joint venture with Maersk and German logistics provider TX Logistik. Highest growth rates were reported for the block train service from Hamburg to Hungary, where departures were increased from two to four a week.

# Big Apple terminal deal is struck

Port Authority of New York and New Jersey (PANYNJ) demands for around \$83M in repayments from DP World were dropped late last month, apparently clearing the way for the handover of DPW's US terminals to AIG International as *P&H* went to press.

The demand was withdrawn a day after two leading Democrat senators – Chuck Schumer of New York and Robert Menendez of New Jersey – threatened to pull congressional support from PANYNJ if it did not relent in its demands.

Under the compromise, which still needed board approval as P&H went to press, AIG's new subsidiary, Ports America Inc, agrees to invest \$50M in port development at Newark.

The brouhaha threatened to derail the entire sale of DPW's terminal holdings at six US ports

after Dubai-controlled DPW said it would walk away from the estimated \$1Bn deal before it would bow to New York's demands.

Ironically, Schumer was the prime mover in Congress last year of the debacle over DPW's acquisition of P&O Ports' terminal holdings. At the time, he painted DPW's ownership of US terminals as a threat to national security.

# Bandar Abbas gets new cranes

Five new ZPMC full assembled super post-Panamax quay cranes have arrived at Shahid Rajaee New Container Terminal under construction in Bandar Abbas.

Work continues at Shahid Rajaee New Container Terminal to triple capacity from 2M teu 6M teu.

The first phase is scheduled for completion soon by Iranian Port & Shipping Organization Investment which is undertaking the work. It includes a 850m quay with 17m depth, a 70ha container yard, and eight super post-Panamax gantry cranes.

Phase two of the project is expected to be completed after 2009, providing approximately 2,050m of additional quay length with 16m depth and a 140ha container yard.

Shahid Rajaee's existing container terminal (SRCT) in Bandar Abbas has recorded impressive growth in container throughput for 2006, passing 1.4M teu – a 9% increase over the previous year.



The cranes arrive for work at Bandar Abbas

Bandar Abbas has ambitions to exploit its position at the north of the Strait of Hormuz as a transhipment hub for the Middle East and the Persian Gulf region. "It is ideally situated to serve the Iranian domestic market and is the main gateway for containerised cargoes for Central Asia, the Caucasus and Afghanistan through Iranian road and railway networks," said A. Ch. Jahan, container affairs manager of Tehran-based Tide Water Middle East Marine Services. *More info:www.tidewater.ir* 

# Amsterdam shuttle service

A new train shuttle service has started between the Ceres Paragon Container Terminal in the Port of Amsterdam and Prague.

Japan-based NYK (Nippon Yusen Kaisha) is operating the service, facilities provided by Rail4Chem. Members of the Grand Alliance joint venture can book capacity on the service to transport their goods to Prague. The train arrives at the terminal on Tuesday evenings and returns to the Czech capital a few hours later.

Within six months, the train shuttle service is expected to ship out 80teu of goods and ship in 40teu per train ride every week. Trade between Amsterdam and Central Europe is growing fast.

# Delivering the environmental goods

Canada's new government has launched CAD\$61M (\$52M) programme – called ecoFreight – which is aimed at reducing the environmental and health effects of freight transport.

"We want to encourage the freight industry to join the effort as we all have a role to play in the reduction of emissions from transportation sources, and the development of cleaner transportation systems, practices and technologies," said transport minister Lawrence Cannon. The ecoFreight programme is made up of six initiatives, two of which concentrate on the trucking industry, through the removal of regulatory barriers and the reduction of fuel use and emissions.

The other initiatives target air, rail, road and marine, as well as users of the freight system, by establishing a freight technology demonstration fund, providing cost-shared funding, building and maintaining partnerships and demonstrating the potential of shore-based power.

Under this, some \$5M is to be allocated to a marine shore power programme to set up four pilot projects for the installation and use of alternative maritime power.

No Canadian ports currently offer this service commercially, so the government is hoping its introduction will help to improve local air quality. It believes it will help to reduce air pollution from ships in some of Canada's largest urban centres.

More info: www.tc.gc.ca.

### **Port updates**

### **CHINA EXPORT BOOM**

A boom in Chinese trade is behind plans to expand Vladivostok Sea Commercial Port (VCSP). Along with other Russian east coast ports, Vladivostok's enjoying a growth in raw material exports to northern China. With business growing at 20% a year, container flows through the port are expected to reach 250,000teu by 2010. Cross-border rail links are operating close to capacity so Vladivostok Container Terminal operator, Severstaltrans, is to develop two berths for container handling. The aim is to increase capacity to 300,000teu by 2009. A separate proposal envisages VCSP setting up a logistics centre, the Yuzhny Primorsky Terminal, outside the city, next to the Trans-Siberian Railway. More info at www.vladcomport. ru/index.html

#### MAHARASHTRA SMALL PORTS

The Indian coastal state of Maharashtra is pressing ahead with its policy of developing smaller ports alongside maritime hubs such as Mumbai and JN Port. Five ports are being built or upgraded to cater to the region's manufacturing and automobile industry. Work has already started on ports at Rewas - to give 21 berths handling 44.7M tonnes a year – and Dighi – which will have six berths and 19M tonnes a year capacity. The state government will invite private companies to tender for port projects at Jaigarh, Vijaydurg and Ratnagiri to be developed on a build-operate-transfer basis. More info at www.mmbmumbai.com

#### **DEEPER AND DOWN**

The small, shallow-water port of Puducherry (formerly Pondicherry) in southeast India is to be transformed into a deepwater port to handle containers, general, bulk and liquid cargo. The \$475M joint venture between Subhash Group and Om Metals is expected to be ready by 2014, with three container berths, one general berth and a cruise terminal.

### **Port updates**

#### DAMAGED DREDGER STALLS PROJECT

Work on India's \$435M-plus prestigious Sethusamudram Ship Canal Project has stalled after a dredger was damaged. A floating crane sent to retrieve the dredger's missing part also got into difficulties. A second and larger 200 tonne capacity crane was deployed from Vishakapatnam to retrieve both the sunken crane and the part. But the project has delayed plans to create a 12m deep, 89.3km long channel.

### SPEEDY DEEPENING

The German federal government plans to swiftly conclude dredging projects on the Elbe and Weser waterways. It said the outer Weser's deepening could by completed by autumn 2008 and the Elbe project may take until late 2009. Berlin has already earmarked €276M (\$362M) in its budget for the projects, which are designed to ease the passage of 14.8mdraught container ships travelling to Bremerhaven and Hamburg. More info at www.bundesregierung.de

#### **BUSAN GETS DEEPER**

Busan Port Authority (BPA) has commissioned a \$120,000 study to be conducted over the next six months, to analyse best practices for dredging and investigate the opinions of shipping lines and terminal operators. The largest vessel to have called at Busan so far is the 9,580teu Xin Los Angeles operated by China Shipping Container Lines. More info at www.pba.or.kr

#### **NIGERIA WATER 'ROADS'**

The Nigerian government has announced a NGN43.7M (\$341,000) dredging programme for the Lower River Niger to open up inland waterway transport. Dredging will be carried out between the Niger state ports of Warri and Baro, providing a 100m wide, 570km long and 2.5m deep channel for year-round navigation. It will link eight state capitals and provide an alternative freight route to the poor existing road infrastructure. More info at www.nigeria.gov.ng



The Canal's Pacific entrance, where port developments are planned

# PSA's \$120M Panama plans

Singapore's PSA International plans to build a container port at the Pacific entrance of the Panama Canal, the country's Minister of Trade Alejandro Ferrer has confirmed.

The company began negotiations with Parque Industrial Maritimo de Panama (PIMPSA) last year, to buy the infrastructure at the former US Rodman Navy base, which it had under concession and from where it operates bunker supplies.

It is believed that PSA plans to invest \$120M to transform the terminal into a container facility. But some officials have said that the new port venture could delay Panama's mega port project at the western entrance of the waterway which was announced in 2005.

Ferrer said the investments could complement each other and that all initiatives will be properly evaluated.

Several international port operators, among them Japan's NYK. SSA Marine of the US. Denmark's APM Terminals and DP World have shown an interest in participating in the mega port development. Panamanian ports moved 3M teu last year, mostly transhipment cargoes. PIMPSA is owned by Liberman's LSI.

# Air ahead of cruise on security

The events of 9/11 led to a sharp increase in awareness of potential security risks at cruise ports, but there is still room for improvement, according to Paolo Costa, chairman of the transport and tourism committee of the EU Parliament.

"We do not have the same kind of security as we do at airports at all (cruise) ports yet - despite the ISPS Code," Costa said in Brussels.

He said that security is an issue that concerns all EU member countries

# New contract for UKE

UK Dredging (UKD), Associated British Ports' (ABP) dredging arm, recently renewed a three-year agreement with its customer Forth Ports PLC to continue maintenance dredging works at Forth Ports' ports of Grangemouth, Leith, Rosyth, Methil and Dundee.

UKD was first awarded the contract in 2001 and uses UKD Marlin to undertake the work. The vessel - one of UKD's two twinpipe trailing suction hopper dredgers - is ideally suited to dredge in confined locations, such as Forth Ports' enclosed docks.

"UKD starts 2007 on a very

strong note, having renewed this three-year agreement with Forth Ports," said John Fitzgerald, ABP port director for the South Wales Ports, who has overall

responsibility for the company." am confident that UKD will continue to develop and build its business as successfully as it has done for the past decade."



The UKD Marlin can dredge in enclosed docks

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### People

### SINGAPORE CHIEF

PSA has appointed a new CEO of Southeast Asia and Singapore Terminals. Kuah Boon Wee takes up the position formerly held by Grace Fu, who has been elected MP and appointed a minister. Kuah was the group CFO at PSA International. This position will now be held by Edmond Cheng.

#### CHANGES IN SEATTLE – CEO...

Tay Yoshitani will replace Mic Dinsmore as CEO of the Port of Seattle, after Dinsmore announced plans to retire in the first quarter of this year, following 16 years service heading the port. Tay was executive director for the Maryland Port Administration from 1995 to 1998 and deputy executive director at Oakland from 1998 to 2001, since when he served as executive director.

### ...AND DEPUTY MD

Phil Lutes has been named deputy MD of the seaport division at the Port of Seattle. He spent 28 years with Westwood Shipping Lines where his last post was director of marine operations. His responsibilities included managing Westwood's vessel fleet and the company's new vessel building programme.

#### **BARCELONA CHAIRMAN**

Jordi Valls i Riera, is the new chairman of Barcelona Port Authority (APB). Valls i Riera's appointment follows the departure last year of his predecessor, Joaquim Coello, to run a private company. Valls i Riera, a senior member of the Catalan Socialist party, PSC, last year ran the Catalan regional government's work and industry department before taking up his new appointment.

### **ENVIRONMENT DIRECTOR**

Susan Mauermann has taken over as director of environmental programmes at the Port of Tacoma. She was previously deputy director for the Washington Department of Community, Trade and Economic Development (CTED).



James Sutcliffe presents Jane Smallman with her certificate

# Jane bows out

Chairman of the UK Ports & Terminals Group (UKPTG), Jane Smallman of consultants H.R. Wallingford, has stepped down after two years service.

Smallman has been a member of the group for 11 years and on its council for five. UKPTG director Ken Gibbons praised her dedication.To mark the occasion she was presented with a certificate by James Sutcliffe, chief executive, DCT Gdansk, who is also chairman of the UK's Ports Advisory Group.

The new chairman of the UKPTG is John Owens, MD of Portia Management Services, Liverpool.

# Investment conflict

Russia's minister for economic development and trade, German Gref, has clashed with defence minister – and presidential candidate – Sergey Ivanov over the issue of allowing foreign investment in the country's ports.

Citing the decision by the US administration of President George W. Bush to force Dubai Ports World's divestment of its six US port concessions, Ivanov said he favoured a similar approach in Russia.

So far, no foreign company has been allowed a stake in a Russian port. An oil export terminal, at Novorossiysk, is owned by the Caspian Pipeline Consortium, in which foreign investors have the majority shareholding, but Russia holds the controlling share.

Gref said restrictions held back the creation of a "favourable investment climate." Prime minister Mikhail Fradkov told the two ministers to come back to cabinet in a month with a considered review of the issue.

## Congress clears the air on emissions

Even as Congress moves toward passing laws to implement strict Marpol Annex VI rules, the US is circulating suggestions on tighter vessel emissions.

The House Transportation Committee has approved the implementing bill for Marpol Annex VI. It now needs full House and Senate approval and presidential signature to become law. It would then be enforced by both the Environmental Protection Agency (EPA) and US Coast Guard.

The US, together with other IMO member nations, will then need guidance on enforcement and the EPA's specialist on the issue, Bryan Wood-Thomas, confirmed to P&H as it went to press that he has

circulated proposed standards for IMO consideration. These will set "performance based standards" and give shipowners two choices to meet those standards – use cleaner fuel, or install scrubbers, or both.

Wood-Thomas said the draft proposal had been "circulated to a few stakeholders, including flag states and industry groups" for consideration prior to a broader IMO debate.

In addition to setting firm deadlines for reduction of NOX and  $CO_{2'}$  the proposed rule would establish a set distance from shore where the tighter tier 3 SOX rules would apply.

See *P&H* Cover Story page 24.

## New chief executive at ABP

Associated British Ports Holdings (ABP) has appointed Peter Jones as the company's new chief executive from April 1. Jones, who moves from the Mersey Docks & Harbour Company (MDHC), replaces Bo Lerenius, who is retiring at the end of this month after eight years in the role.

During his time at MDHC, which owns and operates the Ports of Liverpool, Heysham and the Medway ports of Sheerness and Chatham, Jones expanded the group's ports, transport and logistics interests. He increased the group's turnover, with the share price outperforming both the market and the transport sector, before MDHC was taken over by Peel Ports in 2005.



The first cargo at the reactivated Alexander Wharf – now the PLA wants more green cargoes

# New life for cargo wharf

A River Thames cargo wharf in East London has been brought back into working use after being unused for over a decade with the visit of the cargo ship Wiebke D to Alexander Wharf in Barking.

The ship arrived at the wharf to collect about 1,000 tonnes of stainless steel scrap metal for recycling. This high value metal cargo will now be sailed out of the Thames directly to a major stainless steel producer where the metal will be recycled. The last time the wharf was used was in 1996.

The operators of Alexander Wharf, ELG Haniel Metals, hope to ship at least 1,000 tonnes of stainless steel scrap every month from the facility. The company specialises in the recycling of stainless steels and special alloys.

Dredging was necessary to reactivate the wharf, to ensure there was sufficient depth in the area for ships to come and go from the berth safely. The Port of London Authority (PLA) worked closely with the operators at every stage of the dredging project to ensure that the local river environment of the River Thames was protected.

"We are very pleased to have

worked in partnership with ELG Haniel to bring this wharf back into working use," said Jim Trimmer, head of planning & partnerships at the PLA. "This is part of our work to safeguard the future of working wharves on the Thames and to reactivate a number of currently unused port facilities on the River.

"Every ship and barge that uses the Thames helps keep lorries off the crowded and congested roads. We will continue increase the use of the river for cargoes of all types and we see particular potential for growth in 'green' cargoes."

# Busan gets new port chief



Gap Sook Lee has taken over as the second president of Busan Port Authority (BPA) – with hopes high that he will drive forward the Port's new developments.

In his inaugural statement, he emphasised that Busan Port will be a new driving force in national development adding that he faces many personal challenges.

He said he would continue the efforts to develop Busan Port into the logistics hub for Northeast Asia. He said the port should be a growth engine for South Korean economic development.

The main projects he intends to concentrate on are the North Port redevelopment, Busan New Port construction, the development of the Distripark and work on attracting cargo to keep Busan's traffic up.

### People

### **EXXTOR CHIEF**

Martin Szakal has been named as the new GM of Exxtor Terminal, the four-berth ro-ro and lo-lo terminal at Associated British Ports' (ABP) Port of Immingham.

### PORTS PRESIDENT

Engineering, construction, and operations company CH2M HILL, has promoted William Priore to global VP of sediments, ports and waterways for the eastern US. He has nearly 20 years of experience in strategic consulting and construction services.

### **RAIL TO PORT**

The Port of Los Angeles has taken on Kathryn McDermott as director of business development and real estate. McDermott's responsibilities include negotiating and administering leases, permits, acquisitions and property sales, as well as gathering marketing intelligence and analysing trade data. She moves from the Southern Pacific Railroad, where she co-ordinated the sale of transportation corridors to the Ports of Long Beach and Los Angeles.

#### **MOVERS IN MANILA**

Philippines-based International Container Terminal Services Inc (ICTSI) has appointed former JP Morgan MD Martin O'Neil as senior VP and CFO – posts he also holds with ICTSI Ltd, an overseas operations subsidiary. The company's also named Brian Oakley as VP for engineering.

#### **COMPASS MOVE**

David Atkin moves from head of operations at Associated British Ports' Port of Grimsby & Immingham to become port manager for Plymouth and Teignmouth. Atkin joined Grimsby & Immingham as a clerk 27 years ago and took up his current position in 2002.

#### **VIRGINIA DIRECTOR**

Port of Oakland's executive director Jerry Bridges moves to a similar post at Virginia Port Authority, succeeding VPA's leader J Robert Bray, who retires later this year. Bridges will oversee trade development at the port.



# Shortsea container hub for Zeebrugge

European multimodal specialist Samskip and the terminal operator PSA HNN are to cooperate in the development of the Port of Zeebrugge as a hub for shortsea container activities in Northern Europe.

The partners have conducted a

market study to evaluate the benefits and possibilities of expanding business by using a Belgian gateway. A dedicated terminal has been decided on as the way forward.

Samskip will use PSA HNN's container terminal facilities to expand its intra-European multimodal operations using the rail, road and barge links to the European hinterland.

The first phase of the service will see Icelandic-based Samskip providing a weekly connection between Zeebrugge and Irish ports.

According to Frank Kho, head, container division, PSA HNN, this new business is a key development for Zeebrugge to position itself as a strategically located shortsea container port:

"PSA HNN is a highly experienced deepsea terminal operator but we recognised some time ago that we were ignoring a potentially huge extra source of business, namely the fast-growing shortsea market," he said. "We have closely studied the special needs of shortsea operators and together with Samskip we have developed a product that will ensure the fast and efficient processing of shortsea containers through the Port of Zeebrugge."

For Samskip, the development of a second Benelux hub port is "extremely important", explained Paul Swaak, COO of Samskip Multimodal Container Logistics:

"Our business continues to expand and we knew that, unlike most major European ports, Zeebrugge had spare capacity and room to grow as demand warranted," he said.

"Zeebrugge has excellent connections to the European hinterland and easy access to the North Sea. We can develop these inland connections.".



### Serving the community for more than 74 years



# Rotterdam too full for empties

The sharp increase in container flows is putting so much pressure on facilities at the ECT's Delta Terminal in Rotterdam that it is not accepting empty containers for the time being.

This follows moves by APM Terminal Rotterdam and terminals in Hamburg to set limits on the acceptance of empty containers.

So far Rotterdam has not set restrictions on loaded import containers, although these containers are stored outside the immediate operational area of the terminal after 14 days.

The terminal said measures are needed to reduce the massive increase in the average time containers spend in the port and hence improve the flow around the facility. ECT hopes to let in a limited amount of empties again in two to four weeks time.

ECT informed shipping companies and hinterland carriers of the restrictions by e-mail and explained its decision at a meeting with representatives of the Association of Rotterdam Shipbrokers and Agents (the shipping sector, VRC) and the Port of Rotterdam Authority.

Empty containers are still accepted in Rotterdam for storage at specialised depots beyond the terminals, but the Port could not confirm whether there would be enough capacity for all the empties expected in that time. It is thought that storage capacity in the hinterland will also probably be needed.

"Due to the growth spurt in the European economy, the increase in containers far exceeds the 1015% expansion in terminal capacity. It's down to imports from the Far East and South America, but also increasing German and Dutch exports," said Port Authority CEO Hans Smits.

"In addition, there has been a massive increase in numbers of empty containers. Normally speaking, Rotterdam is the main collection point in Western Europe for these containers. With the increase in our activities in the Baltic region, the return flow from there has increased proportionately," he added.

Smits said the restrictions in Hamburg had shifted empties to Rotterdam and more problems were caused by temporary disruptions due to storms and actions by customs staff. In addition, there were fewer terminal staff are available during the country's current holiday period.

"The cumulative effect already led to serious handling problems in the past three weeks. To avoid things getting even worse, tough action was needed," he said. "The Port authority will support this where possible. We are looking for a possible partial emergency solution, in consultation with ECT, but the space outside the terminal is limited and nothing can be done about that.

"I realise that the restrictions have unpleasant consequences in the rest of the supply chain, right up to the shippers and recipients. I not only apologise for the inconvenience, but also ask for their co-operation. I am pleased that at the constructive attitude".



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In central California's San Joaquin Valley is accessed by two major Class 1 railroads and has secured gates open 24/7.

In 2006, more than 6 million MT of cargo crossed the Port's docks, including 300,000 MT of steel and 1 million MT of California export bagged rice.



Board of Commissioners Sam L. Toccoli, Chairman; W. Ronald Coale, Vice Chairman; Gary Christopherson; Ronald Ferrario; Steven A. Herum; Joseph H. Johnson; Robert V. Kavanaugh. Port Director: Richard Aschieris



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### Cash & cargo

#### INGAPORE'S 200 TERMINAL TRACTORS

Kalmar, part of Cargotec, has received an order for 247 terminal tractors from PSA Singapore Terminals, for delivery in mid-2007. The terminal tractors will be designed in Ottawa, Kansas, US and assembly will be done mostly in Shanghai, China. Kalmar South East Asia will provide spare parts and service. The value of the order is about €15m (\$20M).

#### SHIP TO SHORE IN FINLAND

Kalmar will also supply four ship-toshore (STS) cranes to be used at the new Vuosaari Port in Finland. The cranes will be capable of servicing post-Panamax vessels in twin-lift operation, while preparations will be made for future tandem-lift operation. The cranes will be up and running by November 2008.

### **ICTSI IN STEVDORING DEAL**

International Container Terminal Services, Inc (ICTSI) has acquired a majority stake in Davao Integrated Port and Stevedoring Services Corp. (DIPSSCOR), a subsidiary of Aboitiz Transport System Corp. (ATSC). Through Abbotsford Holdings, Inc. (AHI), ICTSI purchased 90.7% of the outstanding capital stock of DIPSSCOR from ATSC. AHI is a new holding company of ICTSI established for investments in the Philippines. The transaction, with an agreed purchase price of PhP337M (\$7M), is subject to the approval of the Philippine Ports Authority (PPA).

### SILPORT'S TRIUMPH

The Estonian port of SILPORT handled 669,618 tonnes of cargo in 2006 – its first year operations. Of this, some 122,749 tonnes was handled in December alone. Oil products accounted for 39% of the cargo flow, 13% came from liquid chemicals and 20% was general cargo mainly timber, scrap, and metal plant. Other cargo groups transhipped through SILPORT terminals were gravel, shale oil and ro-ro cargo. All the cargo was handled by the port's five new terminals.



In the fast lane: Durban needed 70 drivers

# SAPO steers cars in

All hands were on deck the Durban Car Terminal (DCT) when a record breaking 5,036 cars were discharged from the *Morning Calm* – the biggest shipment of cars to be discharged from a single vessel in South Africa. The previous record was 3,600.

Hector Danisa, DCT business

unit executive, said: "SAPO worked with the shipping agent, cargo owner and transporters to plan for the discharge of the 5,036 vehicles from China, Korea and Malaysia.

"This required proper planning for storage space and arranging teams and other resources to ensure efficient and continuous operations.

# Black Sea journey

Advance International believes it has moved the largest-ever single item of cargo from a Black Sea port as part of a major project freight management contract on behalf of Mitsubishi Heavy Industries (MHI).

Loaded on the *Annegret*, the 312 tonnes shipment, consisting of an auxiliary boiler unit 13m long, 6m wide and 19m high, was shipped from Constanza, Romania, setting a new record for the country.

From Constanza, the boiler moved via Italy to Oman and arrived just over four weeks after loading. It forms part of a multimillion dollar fertilizer complex being constructed by MHI at Sohar, Oman.

Advance International is the principal freight forwarder contracted by MHI to ship the thousands of parts and pieces of equipment from all over the globe which are being used to construct the facility. On completion the complex will comprise a 2,000 tonnes tons per day (tpd) ammonia production plant, a 3,500 tpd urea production and granulation plant, and supporting facilities.

Commenting on the shipment, Jawad Kamel, Advance International's president and CEO, said: "This was a shipment to remember. In fact, I don't know if it will ever be surpassed!"



The start of a long journey

We have 70 drivers working round the clock to offload the vessel within an estimated 45 hours."

Danisa said further that the Durban Car Terminal was handling a phenomenal growth in vehicle volumes in line with growing demand from the South African market. In 2006, 389,681 units were handled in the terminal, which represents a 41% on the previous year's volume. 2007 is expected to grow by 18%.

"We are creating additional capacity to ensure that we are able to continue providing efficient and cost-effective services that are able to meet and exceed customer expectations."

Sabu Joseph, MD at Diamond Shipping Services, agent in South Africa for the shipping line, Eukor Car Carriers, said: "The number of sailings increased from 25 calls in 2005 to 49 calls in 2006 and the number of units increased from 45,848 in 2005 to 65,013 units in 2006."

Joseph said he was optimistic about the growth plans outlined by SAPO in keeping with the growth in the car import market.

# Cruises are up to \$10Bn

European cruise tourism is valued at €8.3Bn (\$10.75Bn) in direct expenditure, according to figures released by the European Cruise Council and is expected to reach €12.7Bn by 2010.

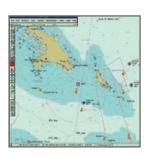
Chairman Pier Luigi Foschi said a major study on the economic impact of cruising – European Cruise Contribution - was commissioned by the Council together with shipbuilders' grouping Euroyards and cruise port associations Med Cruise and Cruise Europe.

Foschi, who is chief executive of Costa Crociere, said the growing cruise industry has provided more than 180,000 jobs across Europe, and that this could grow to 250,000 by 2010.

In 1995, 1M Europeans took a cruise: it is estimated that will rise to 4M by 2010.









# The power to see at a single glance

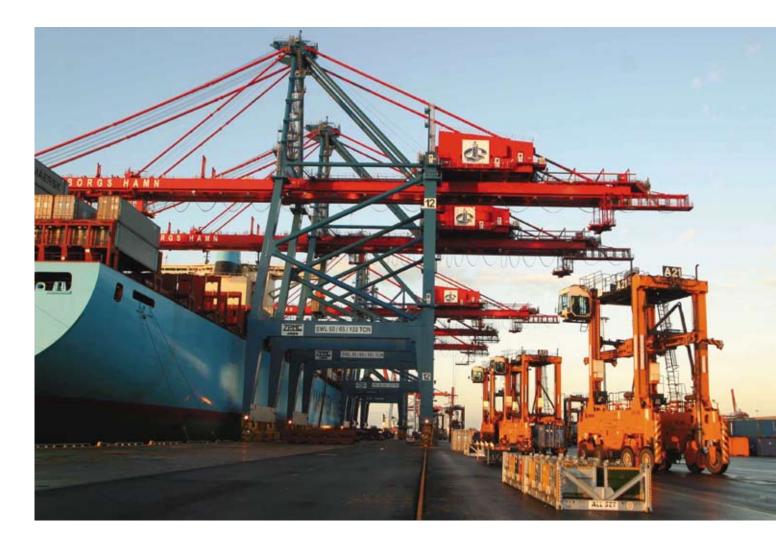
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# Lifting capacity beyond the limits

As each milestone in vessel size is reached and surpassed, ports and terminal operators are put to the test to reach new productivity targets as **Bridget Hogan** reports

> ime in port for vessels is time that they are not earning and since time immemorial the pressure has been on the land side to turn ships around as quickly as possible.

> What is certain is that there will be different achievements for different terminals. The nonhub non-transhipment port will struggle to raise productivity above 100 moves an hour, believes Dave Rudolf of US-based Techports Consultants.

> He said multi-user terminals will probably be able to make 100 moves/ship/hour, but it will be the singleuser berths that hold out the most hope for achieving 200 moves/ship/hour. Most ports are within reach of the 100 moves an hour target as they achieve at least

30 moves per crane, and typically allocate three cranes per vessel, he pointed out.

However, it is not necessarily hardware that will gain ports and terminals productivity. He is adamant that what is at stake is organisation – on ships and on the land side. Without proper thought of where the boxes are destined for or their original position on the ships, ports will struggle to make anything other than short term dramatic gains.

"The yard has to keep up with the crane," he said. "It is incumbent on the terminal to have the yard set up to be as quick and responsive as possible.

"There are lots of examples of port that exceed 200 moves for a short time," Rudolf said, pointing to records made and broken at Yantian with the *Emma Maersk*. "I don't believe that any port can exceed 300-400 moves an hour for an extended time," he added. "That appears to be more or less a PR exercise."

Nor is the addition of extra cranes a guarantee of increased productivity. "As soon as you put more cranes on each vessel the complexity of the process of handling containers in the yard increases." As more cranes are added a process of diminishing returns is started, he said.

"You are not going to see five or six cranes working regularly on vessels unless there is a configuration such as the 'ship in a slip' and even then the co-ordination of operations is very complex."

For many of the world's ports, especially those in predominantly urban areas, the scope for expansion is limited. Hemmed in by residential, business and industrial districts, there is often little scope for expanding to landward. Creating new areas for terminals by reclaiming land from the sea can be expensive, and approval may be protracted and hard to obtain if the proposed development becomes entangled with environment-protection issues.

Physical expansion is not the only way out of a tight spot, however. An obvious alternative is to make the existing assets work harder – and cranes are playing an important part in increasing dockside productivity.

When Associated British Ports (ABP) failed to gain approval to expand Southampton Container Terminal (SCT) by building new facilities at Dibden Bay, it turned to cranes to help boost throughput. SCT, jointly owned by ABP and DP World, is scheduled to take delivery of two new gantries, capable of spanning 22 rows, in 2008, adding to the 12 gantry cranes already in use at the terminal's four main deepwater berths.

There is the possibility that an order for a further two cranes could be placed later this year, according to SCT MD Patrick Walters. He summed up the thinking behind the investment, as: "productivity's the key".

SCT's new feeder berth, opened in November for ships up to 150m long, is serviced by a Gottwald mobile harbor crane of 100 tonne capacity, with another to be ordered when work starts on a second feeder berth. Walters emphasised that the cranes are an essential part of making the most effective use of the new berths:

"If you're achieving only 15 moves an hour and you increase productivity to 20, then you've increased capacity by 33%. Increase that 20 to 30 moves an hour and you've upped capacity by 50% and your berth utilisation will increase."

Although SCT intends that all its cranes achieve the international standard of 23–25 moves an hour, the ultimate aim is higher. "Our aspirations are nearer 30 moves an hour," said Walters.

Walters' views are echoed by Ulf Boll, MD of Steinweg. The company has recently taken delivery of a 150-tonne-capacity Gottwald G HMK 7608 crane for handling turbines, pressure tanks and similar cargo at its Süd-West Terminal in Hamburg. "It means we nearly double our capacity," said Boll.

While many operators naturally cite cost as a major consideration in their choice of crane, flexibility and reliability are also high priorities, as Ian Schofield, engineering director of ABP, explains. "Flexibility of the equipment to be adapted to fit in with a terminal's existing infrastructure is also a necessary consideration, as is availability of key skills – both in terms of service from the manufacturer and in-house skills within the ports." He continued: "At our Humber ports of Grimsby, Immingham, Hull and Goole, for instance, we've invested in mainly mobile harbor cranes, but also in large, rail-mounted luffing cranes that can serve a multitude of different operations."

Tom Boyd, corporate communications director at APM Terminals, and Ines Töllner, of Eurogate, agreed that lifting capacity, lifting speed, general quality and after-sales support from the manufacturer were important elements in their choice of crane. For Judith Adams, of Alabama State Port Authority, and Töllner, it is essential that cranes are able to meet strict environmental criteria. Töllner's particular concern is noise, which is strictly regulated by the local authorities in Bremerhaven and Hamburg, where APM's terminals are close to residential areas.

Schofield confirmed that environmental matters loomed large for ABP, too: "We operate in some areas where noise, dust, atmospheric emissions and contamination of ground and watercourses are extremely sensitive issues. These environmental factors are taken into consideration in the procurement of all strategic assets, including cranes."

German grab specialist Orts Maschinenfabrik has

# ■ I don't believe that any port can exceed 300–400 moves an hour for an extended time ■

developed a floating oil-salvage grab that CEO Sigvard Orts says can operate in seas too rough for other types of oil-salvage equipment.

However, the company mainly concentrates its activities on bulk handling equipment – from wood grabs (for bundles or logs) and mechanical rope grabs to cargo-turners and crane equipment for operating electro-hydraulic grabs.

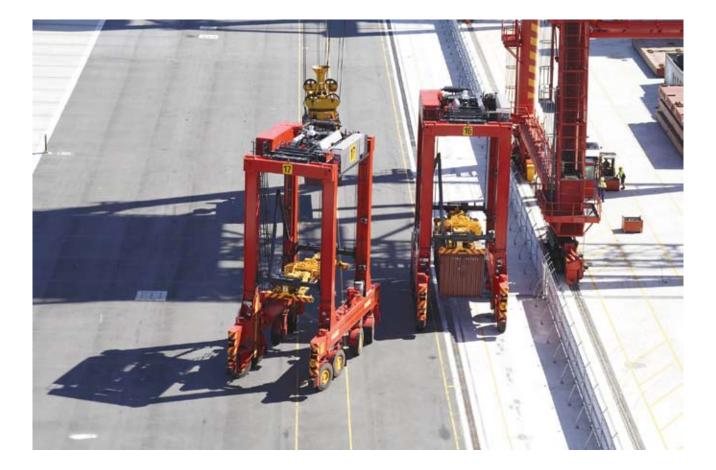
"Operators love it," Orts said of his radio-controlled, diesel-hydraulic DHS-B grab: "the radio control is a bit like *Star Wars* and the discharge rates are excellent."

While many port operators welcome advances in crane technology, it is not always practical to insert a fully automated cargo-handling system into existing facilities, as Adams pointed out.

"Cranes must still match the capacity of the infrastructure supporting them – the belts, hoppers and transfer points. But we do see cranes becoming more sophisticated, with computer systems for operation and monitoring."

Töllner also stressed the importance of matching the crane to the facilities: "We keep the optimal equipment for our quay capacity, also bearing in mind the turnaround of the vessels that use our harbors." He continued: "Automation's a topic we keep in view, but on the basis of a strict cost-benefit evaluation." PH More info www.techportconsultants.com

Five crane line-up: The *Emma Maersk* gets fast treatment at Gothenburg



# Eliminating the human factor

The industry is on the brink of new developments that will help it face up to the challenge of growing container trades, as **P&H** finds out

> A utomation may be in its infancy in ports but it will play an increasingly significant role in their development. It has already been applied to ease some terminal operating problems – from increasing productivity and addressing labour shortages to controlling costs and fulfilling environmental responsibilities.

> According to Jorma Tirkkonen, president of Kalmar intelligence and automation, the idea of fully-automated terminals was explored as early as 2000, but finally showed its full potential at the end of 2006 when Patrick Stevedores opened the world's first large-scale fully automated straddle carrier terminal in Brisbane, Australia.

By using 18 unmanned electric straddle carriers, the facility operates 24 hours a day, 365 days a year in nearly all weather conditions. Each machine has the capacity of a conventional straddle carrier and the ability to achieve a duty cycle exceeding that of a manned vehicle. On the other side of the world, HHLA is to convert Container Terminal Burchardkai (CTB) in Hamburg to an automated stacking crane (ASC) terminal to increase capacity with minimum impact on terminal operations during installation, Tirkkonen explained.

"HHLA realised that by converting the main part of the conventional straddle carrier container storage area to an ASC system by 2015, throughput could be almost doubled," he continued. Phase one of the terminal conversion is currently underway. This will see the first five yard stacking blocks at the terminal equipped with ASCs and associated automation and control systems.

Capacity will increase from 2.6M teu now to 5.2M teu by 2014 and to achieve this, the 30,000 slots for 20ft boxes will need to be expanded to 70,000. According to CTB MD, Christian Blauert: "One crane can do about 20 moves per hour. With the maximised flexibility provided by this system we can reach a handling capacity of up to 50 boxes per hour (20+20+10), or even more.

"Nearer to the quay side, due to the shorter distance, a crane can move up to 30 containers per hour but only if all containers in the area have been shuffled."

Tirkkonen is upbeat about the future of automation, which, coupled with process development, can address productivity, labour shortages, reduce costs

# **G** Intelligent container handling equipment and better yard management systems will double productivity by 2020 🔊

and help to tackle environmental issues responsibly, he said. "I believe that intelligent container handling equipment, combined with better yard management systems, will double productivity by 2020."

One area where automation is catching on fast is in the management of vehicle access to container terminals. At Southampton Container Terminal (SCT), jointly owned by DP World and ABP, the automated vehicle booking system (VBS) enabled the terminal to handle 1,366 trucks over 12 hours recently. Over the 12 hour period, 1,388 export containers arrived at the terminal and 1,186 import containers left – an average of 1.88 containers for each truck.

SCT has some 320 haulage companies which are signed up in the scheme. The mandatory VBS system has reduced turnaround times for hauliers visiting SCT as all the necessary information about a truck's visit to the terminal is collected in advance.

This includes information on containers to be dropped and/or picked up, any special requirements and the planned arrival time. With this information SCT ensures that hauliers spend the minimum time possible in the terminal to complete the drop off and/ or collection of containers. The mandatory VBS has also produced other benefits for the hauliers including eliminating 'wasted trips' when a truck arrives at the terminal to discover that the container due to be picked up is not available.

The introduction of VBS followed extensive civil engineering work to change the road lay-out, relocate and expand the empty container park and reach stacker areas. A third transfer area was added, near 204 berth, so vehicles can be sent to the most efficient part of the terminal dependant on their job. Straddle carriers work more efficiently with reduced travel distances and turnaround times for hauliers have improved, said SCT.

is then sent to an area of the terminal depending on the information entered in its VBS booking. The pre-gate area is now segregated to reflect the three transfer areas. Barriers allow SCT to allocate slots when the vehicle arrives at the area, rather than in advance, making better use of all parts of the terminal.

VBS is mandatory - so if there is no booking, the truck is not admitted to the terminal. It can handle 120 trucks an hour (rising to 130 trucks an hour during peak months) with free booking at off-peak times and a £1.00 (\$1.95) fee at peak times. Hauliers pay \$7.70 for a guaranteed booking, returned if the turn-round is more than an hour. No shows are charged \$49.

SCT is now exploring the feasibility and benefits of introducing an additional VBS system. It would run in parallel to the existing version to reduce the demand on the present system and create additional flexibility for hauliers wishing to either drop a laden export container or pick up an import box.

Free training in the system is offered to users, and SCT operates a 24 hour helpdesk to support use of the VBS. It provides help and guidance to haulage controllers and provides information for new users who need to access the system for the first time. The team provides support to the drivers once they are in the terminal.

Hauliers running late, or even early, can move a booking forward or back by up to six hours, depending on a slot being available. Bookings can be amended as many times as they need, provided the booking matches the containers on the trailer when the haulier arrives at the terminal.

Any truck arriving with out a booking cannot enter and instead is marshalled into an escape lane to exit the terminal. The haulier will need to apply through the VBS to make a booking before the truck is allowed entry to the terminal again. PH More info: www.kalmarind.com www.portbris.com.au

Cargo not people: increasingly ports such as Brisbane (above left) and Hamburg (below) are automating

The route to be taken by the haulier around the terminal is displayed on a SID (single interchange document) which is printed either at the pre-gate or, for specific companies, from remote depots. The vehicle

www.hafen-hamburg.de and www.southamptonspin.net









# The \$10M protection package

Mitigation planned for a new container terminal in the Port of Charleston includes assistance for communities as well as the environment, as **Byron Miller** reports

> herever industry expands, there is bound to be some impact on the environment. So when the South Carolina General Assembly directed the South Carolina State Ports Authority (SCSPA) to focus its expansion on the former Charleston Navy Base in 2002, the SCSPA prepared to take an aggressive, proactive approach to mitigate impacts of that expansion.

> Early on, the SCSPA committed to avoiding or minimising as much as possible the negative environmental impacts and to mitigating those impacts that could not be avoided.

> According to the final environmental impact statement (FEIS) released in December by the US Army Corps of Engineers, the lead federal agency in the permitting process, affects of the new three-berth, 101ha container terminal include air and water quality, increased noise levels, lighting and road traffic.

Taking this into consideration, the SCSPA worked

with permitting agencies, environmental groups and the community to develop a \$10M package that was included in the FEIS. It incorporated measures to help the environment and, for the first time in a port-related expansion effort, the SCSPA dedicated \$4M to a variety of community improvements.

Also included in the FEIS is a separate mitigation plan by the South Carolina Department of Transportation for the port access road that will connect the terminal to US Interstate 26.

The more than 70-page protection programme adds up to what is widely recognised as the largest single mitigation plan in South Carolina's history, and perhaps one of the most significant to ever be included in a port's FEIS.

"We are committed to responsible development," said Bernard S. Groseclose, president and CEO of the SCSPA. "We attempted to address the impacts of port development in a fair and very thorough way." When compared to similar large-scale projects, the SCSPA's mitigation effort is certainly aggressive. As an example, the mitigation activity for 16ha of impact in North Charleston, South Carolina for a new aircraft assembly operation totalled \$4.75M. Port expansion at the former Navy Base will impact about 4ha of tidal marsh, 0.8ha of freshwater wetlands and 9ha of sub-tidal bottom fill.

To deal with direct impacts to aquatic resources and wetlands, the SCSPA will recreate 9ha of tidal marsh at a site in the lower harbor, restore more than 8km of oyster reefs in and around Charleston Harbor and purchase mitigation bank credits. These projects are

# As Charleston grows these special places become more important – it is our last chance to secure them for everyone

#### expected to total \$2.5M

To offset indirect environmental impacts and serve the public interest, the SCSPA's mitigation plan includes support for large-scale land preservation efforts

Under the plan, the Trust for Public Land (TPL), a national, non-profit, land conservation organisation would receive \$1M to help acquire and preserve a significant undeveloped local historical site – the 51ha Morris Island. There, one of the first shots of the US Civil War was fired, when Citadel cadets launched an attack on the Union supply steamer *Star of the West* on January 9, 1861.

"This contribution by the SCSPA takes us much closer to our goal of raising the \$5M we need to secure Morris Island for public ownership and initiate the process by which it can be responsibly managed," said Slade Gleaton, TPL's South Carolina director.

"As the Charleston area grows, these special places will become more and more important," he added. "This is our last chance to ensure that Morris Island will belong not to one company or individual, but to the entire community."

Also, The Nature Conservancy would receive \$1M toward protecting land through the Cooper River Initiative, a broad-based consortium of environmental agencies and groups.

But the SCSPA looked beyond the natural habitat to the human environment. For the first time in any port-related mitigation plan, the SCSPA also included activities specifically to address impacts on the surrounding community.

The SCSPA, the City of North Charleston and citizens, represented by a coalition of seven neighbourhood leaders, worked for months to ensure the most positive impact from the terminal. This culminated in an agreement for \$4M in community programming to fund education and job training programmes, establish an affordable housing trust and other projects. The City, community leaders and the SCSPA signed the community mitigation agreement.

"The city and the Ports authority have collectively raised the bar in terms of public involvement throughout this process," wrote Michael A. Brown, president of Lowcountry Alliance for Model Communities, in a letter supporting the mitigation plan. LAMC represents the seven predominantly African-American neighbourhoods around the proposed terminal site.

The SCSPA will also make available a 1ha site to support the recently announced development of the Clemson University Restoration Institute on the former Navy Base. Separate from the mitigation package, as a harm avoidance measure the SCSPA agreed to fund five years worth of aerial surveys to locate endangered North Atlantic right whales around the coast, satisfying concerns of the National Marine Fisheries Service.

Throughout the permitting process, the SCSPA has worked diligently to avoid, minimise and mitigate the impacts that are expected to be associated with the construction and operation of the proposed terminal. This commitment will continue as the site and construction plans are developed. **PH** 

### Byron D. Miller is director of public relations for the South Carolina Ports Authority

More info: www.port-of-charleston.com and www.tpl.org

Digging in the sand: Charleston came to agreements with local communities (right) which preserved Morris Island (above) for public use



# Planting an antidote

Eelgrass has been identified as a major food for sea life and a cushion against the impacts of waves and currents. Ports are helping to preserve it, as **Tsutomu Inada** reports

New life: a diver replenishes the seagrass beds in Tokyo Bay Ports have a role to play in the promotion of seagrasses, and particularly eelgrass, for the benefit of the wider community. These humble plants, crucial in sustaining whole populations of fish, shellfish, and other animals, can also help to maintain the stability of shorelines.

Seagrass meadows cushion the impact of waves and currents, preventing erosion and the roots weave sediments in place. This helps preserve the highly productive bacteria in the sediments which nourish large amounts of invertebrates.

During low tides, seagrasses shelter small animals and plants from extreme temperatures. On tideflats, beds hold moisture like a sponge, offering additional protection for small creatures.

In the past dredging projects destroyed seagrasses, eliminating food and shelter for entire ecosystems. In addition, structures such as docks prevented them from getting enough light to grow.

Ports around the world are increasingly recognising this and many are taking action to deal with the problem. One practical solution is to dredge only in the winter months when seagrasses do not grow.

Docks reduce near-shore seagrass habitats directly by limiting the incident light required by these flowering plants, which is greater than that needed by seaweeds. There are also indirect affects through associated activities, such as propeller wash and shading from vessels.

A major effort to replenish seagrasses, and particularly eelgrass, is underway in Japan. The project concentrates on the country's major bays including Tokyo Bay. Here, Toyo Construction is hoping to reverse the losses which have occurred since the 1960s.

Seagrass beds have disappeared as a result of the rapid economic growth in the country from that time. Reclamation was undertaken along Japan's slim coastal strip to create the space needed to develop industrial plants and port facilities.

Further damage to the plants' environments was caused as people moved into the growing port and industrial cities, creating pollution.



# **G** Docks reduce near-shore eelgrass habitat directly by limiting the incident light required by these flowering plants

Stages in a project: first children sorted seeds, researched sites and prepared the seeds for sowing on the sea bed in special mats Tokyo Bay, for instance, is the centre of Japan's economic, logistics and social activities. Some 20M people live in the greater area. Much of their effluent combines with that from local industries and is pumped into the bay's waters. In addition, about 1,000 vessels navigate its shipping lanes every day.

However, industry and local governments have combined to improve the environment in which seagrasses can thrive.

The campaign reached out to local communities, NPOs, volunteers, research institutes, fishermen's unions and private companies in the area. Toyo Construction helped develop technologies to enable replanting of the eelgrass beds.

Initially organisations, with community and local government backing and with knowledge of the area, were formed. They took the initivative to move eelgrass replanting projects forward.

In Tokyo Bay activities lead, after eelgrass site studies and seed sorting, to planting and monitoring of the new underwater meadows by divers.

One major project was the amamo revival collaboration formed in 2003 in Kanazawa-Hakkei, Tokyo Bay, between residents and local companies, including Toyo Construction.

Initially only 50 participants were attracted to the

# **Eelgrass Facts**

**Eelgrass Latin name:** Zostera marina; amamo in Japan Eelgrass is not a seaweed; it is a blooming underwater grass which spreads by rhizomes or roots Eelgrass meadows build up in the spring and summer, decaying in autumn and winter Eelgrass blades can grow up to 1m long **Zone:** shallow sub-tidal

Habitat: muddy, sandy bottoms

eelgrass bed replenishment project, but as time went on and publicity increased, more organisations were lured in. Within two years over 200 were working on the project. By involving residents consciousness of local environmental preservation measures was raised and many individuals were prompted to take concrete action to change their own behaviour, limiting their water usage and household garbage, for instance.

Some of the most successful participants in the project were schoolchildren who were givien the opportunity to take part in in extracurricular classes. At the Nishichiba elementary school, in Yokohama City, the *Team Nishichiba for Amamo* was formed at the suggestion of children after seagrass bed replenishment activities started in second grade.

Messages soliciting help for the following year's programme went out in Christmas cards sent by the children.

Children living nearest to the sea were able to observe first hand the diverse life attracted to the new beds – an ideal environmental education.

Universities and research organisations have participated in the eelgrass bed reproduction activities, adding to the present store of knowledge and contributing to future research.

Fishing unions were not attracted to the project at first. It soon became clear, however, that thanks to the replanting of eelgrass beds, seafood stocks were increasing. With the re-emergence of popular species, such as black rockfish, sea perch and big fin reef squid, fishermen were much more enthusiasic.

Now all those who have been involved in the project in its initial stages in eight sites around Japan, hope that it will be imitated in coastal communities and ports around the country. **PH** 

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# Building a platform for China's advance

The gateway for China's dynamic economic growth – currently over 10% a year – is its ports. Here, **Lu Haihu** explains the background to the massive developments at Shanghai and details how the phenomenal expansion is being undertaken

hanghai International Port Group (SIPG) is a common-user terminal operator, that has gone through dramatic reforms over the past few years.

The chain of events which has lead up to this transformation is this:

**2003** At the beginning of the year SIPG was reorganized from the former Shanghai Port Authority, a government and enterprise combination, to a market-oriented company.

**2005** Half way though the year SIPG became a shareholding company with new shareholders both domestic and foreign.

**2006** in October SIPG was listed on the Shanghai Stock Exchange.

All these reforms enabled SIPG to efficiently deal with market demands for its mission of growing into a premium multinational terminal operator. Three strategies were devised to fulfil the development.

First of these was the Yangtze River Strategy. The Yangtze River valley is the direct hinterland of the Port of Shanghai, and it is the foothold for SIPG to develop its homeport.

In order to maintain a healthy and sustainable growth, SIPG set up over 10 joint-venture and co-operation projects with the main ports along the Yangtze River, ensuring the flow of cargo to the Port of Shanghai.

SIPG also developed the container market

by disseminating management, capital, and technical skills along Yangtze River. Services were extended and resources reallocated to ensure cargo reaches Shanghai for exports. All these co-operative efforts deliver 'win-win' results through cooperation.

The northeast Asia strategy was developed because of the critical role the region has played in building port of Shanghai into an international shipping centre and the opportunities it provides to SIPG for further expansion.

Based on Yangshan Deep Water Port, this strategy focuses on developing international container transhipment in the North East Asia region. Constructing ahead of demand: the port at Yangshan is planned to accommodate cargoes of the future



Finally, there is Shanghai's internationalisation strategy. In addition to making profits for shareholders, going international will help SIPG improve its management capability and develop a professional talent pool with international expertise.

The first steps towards this will be very cautious, as we accumulate experience of overseas investment. As this strategy matures, SIPG will increase its presence in international port and port-related business.

In order to play a bigger role in the supply chain, SIPG is involved in four core businesses – container terminals, dry bulk terminals, port logistics and port services.

SIPG has built up large-scale container terminals characterised by advanced facilities, modern management, efficient operation and all-round services.

All of the top 50 shipping lines have opened container services in the Port of Shanghai.



Their 2173 sailings per month in 2006, 180 more than that of 2005, made the Port one of the world's busiest.

Containerization is the most important way of transporting goods in the shipping industry for which ports have to be prepared and the Port of Shanghai has been building container terminals ahead of demand from early 1990s.

Now the Port has eight container terminals with 37 berths, 119 quay cranes, and the total quay length of 11,100m in the Waigaoqiao area and Yangshan Deep Water Port.

Dry bulk plays an important role in building a multi-purpose port. SIPG will further upgrade its functions and services to make the Port of Shanghai the regional dry bulk distribution hub while shifting these operations away from the Huangpu River to the Luojing area.

Port logistics and port services are efficient supplements and supports to the development of the container and dry bulk businesses. SIPG owns and operates a short-sea shipping line to Japan and Hong Kong and a feeder shipping line along the Yangtze River.

It has a fleet of 1,000 trucks, 1.49M m<sup>2</sup> of warehouses in the Waigaoqiao and Yangshan port areas and several shipping agencies and freight forwarders to better position itself into a well-functioned supply chain service provider, rather than just a port operator.

SIPG also attaches great importance to technology innovation for operational productivity and efficiency. Its achievements include the introduction of a container e-tag system, intelligent terminal management and an automated container yard.

The reforms and strategies undertaken by SIPG are beginning to work. Almost a quarter of China's foreign trade volume is through the Port of Shanghai. Through these efforts it is now the world's largest port in terms of total tonnage and the third largest in terms of container throughput. In 2006, SIPG handled over 21.7M teu a – 20% increase compared with 2005.

Lu Haihu is chairman of Shanghai International Port Group <mark>PH</mark>

Shanghai is now the world's largest port in terms of total tonnage and the third largest in terms of containers

Lu: SIPG will increase its presence in international port-related businesses

# Aiming for the pure and simple

TITLI

Everywhere you look in a port there are environmental considerations to take into account. **Bridget Hogan** reports on some of the latest moves

Ports are increasingly showing leadership nationally and regionally to secure the environment for future generations. There is a long way to go but more and more they are at the forefront of moves to bring together other ports and even other industries to target the various forms of pollution that are blighting their areas.

There are avenues within IAPH to discuss these

issues, of course, but more ports are shouldering the burden of driving through reforms outside their own gates. Increasingly it is becoming clear that without help from governments these initiatives will have limited effect.

TIE

The Port of Rotterdam is part of a group of some 80 enterprises round the port area, lead by Shell's Dutch CEO Rein Willems, that is lobbying the country's new cabinet calling on it to pay more attention to environmental issues, especially global warming.

The group has asked that  $\notin$ 400M (\$517M) be set aside from the country's economic structure reinforcement fund for a pioneering plan to store CO<sub>2</sub> in exhausted natural gas fields in the North Sea, some 55km from shore. IMO only last month gave its approval for the operation of such schemes.

Under the plan, containment plants and pipelines would be constructed at the port. Other initiatives involve the recyling of  $CO_2$  as fuel – some greenhouses are already using the gas to heat their produce.

Although industry is enthusiastic about the scheme and prepared to invest, it wants the backing of government so it is not put at a competitive disadvantage with foreign companies.

Port CEO Hans Smits commented: "The very fact that huge amounts of  $CO_2$  are produced in Rotterdam offers possibilities for a large-scale reduction in carbon emissions. The port authority wants to play a pioneering role in the coming years, working with government and business to set up a relevant programme.

"But that will not succeed without an initial contribution from the state. If the new cabinet wants to take serious action on combating the greenhouse effect, it has a wonderful opportunity here."

He said the scheme would run in the medium term – probably until about 2020. By that time it expects advances in the treatment of emissions and their use. The scheme is expected to be used for new power and industrial plans as retrofitting is technically and economically difficult.

With construction of some some 3,400mW of power plants over the next six years, the hope is for swift intervention from the government so the scheme can go ahead.

At the same time, on a local level, Rotterdam's Economic Development Board (EDBR) announced plans to drastically reduce CO<sub>2</sub> emissions. Ruud Lubbers, former MP and head of the UN Refugee Organisation, is co-operating on this.

Smits said that what is needed to drive the initiative forward is "commitment to the cause." He believes the port can provide a lead and a neutral forum to bring supporters together and convince others to join in an innovative scheme such as this.

Another role for ports is to meet to ensure the industry works together so that one port is not out of step with others in its region. One such effort is that being undertaken in the Pacific by the Port of Los Angeles (PoLA) and the Port of Shanghai.

"Similar environmental challenges are facing ports worldwide, particularly the air quality impact of portrelated operations," says Geraldine Knatz, PoLA executive director. She was a prime mover behind an initiative to tackle common issues collectively rather than individually. Late last year, the two ports held the Pacific Ports Clean Air Collaborative Conference in Los Angeles.

Vuosaari, Helsinki's new port, (above) has special plans for lighting

"One of the main objectives of the conference was to provide an opportunity for face-to-face interaction between environmental professionals from ports around the Pacific Rim," she said. Discussion topics included:

# **Case history light pollution**

The Port of Helsinki is building a new port at Vuosaari with lighting designed to have minimal impact on the environment. According to the development's environmental permit lighting will be directed so that diffuse radiation in the environment can be avoided.

Some 70 light masts, most of which will be 40m high will be installed, inside glare protection cylinders to provide good glare protection and restricted diffused light. The white general lighting improves security and increases working comfort.

## Case history management

Poole is one of the outstanding natural features of southern England and one of the largest natural harbors in the world. It is of exceptional ecological value with national, European and international nature conservation designations and supports significant commercial and recreational activities. Poole Harbour Commissioners (PHC) have just issued a revised harbor aquatic management plan after a year's work to co-ordinate management of the harbor. PHC finds the main area of conflict with the local community is not the port's commercial operations, but the infrastructure needed to support them. Objections have been raised for plans to improve road access to the port, on the grounds of noise and vibration. This is likely to continue to be a point of contention for some time as residential areas are being developed closer to the main links.

### **Case history ship emissions**

Japanese owner Kawasaki Kisen Kaisha ("K" LINE) has been given a green flag award by the Long Beach Board of Harbor Commissioners for its contribution to environmental conservation in 2006. The Port has a voluntary ship speed limit to curb air pollution from exhaust gas which asks ships calling at the port to observe a 12kt speed limit within 20 miles (32km) of the pot. Last year there were 5,648 movements in and out the Port with some 82% voluntarily complying with the limit. Ships operated by the "K" LINE group made 345 callings at the Port with a 99.13% compliance rate during 2006 – the highest amongst carriers with more than 200 calls last year.

 the political and/or regulatory forces that shape environmental policies;

strategies to control air emissions;

technical discussions on best practices;

 emissions inventories to implement port air quality policies and strategies;

topics and goals for the collaborative participants to pursue.

Opened by Los Angeles Mayor Antonio Villaraigosa, the inaugural conference attracted 18 port authorities from around the region and representatives of over 30 other companies and organisations.

The meeting provided a forum for ports from around the Pacific Rim to meet shipping industry representatives and engine manufacturers for three days of presentations and information sharing on common issues.

"Conference topics focused not only the various air quality challenges facing ports, but also potential solutions to these problems," said Knatz. Industry presentations included Det Norske Veritas, Lloyd's Register, Germanischer Lloyd, Chemoil, Metropolitan Stevedore Company, APM Terminals, and MAN B&W Diesel



PoLA has started a hybrid vehicle project for movements around the port

Group. Other presentations were made by Shanghai Environmental Monitoring Center; the University of California, Riverside; Guy Fox Inc; Hong Kong Environmental Protection Department; and California. "The conference wrapped up with a ceremonial 'commitment statement' by participants, signalling their willingness to attend future conferences and to continue the dialogue on common challenges, emerging technologies, and viable initiatives for reducing air emissions," she added.

"The question now is how to maintain the momentum developed during the conference. Participants were overall very pleased with it and the information exchanged," reported Knatz. "PoLA will take the lead in polling participants for their input on how this exciting collaborative opportunity should be continued and enhanced. The collaborative could remain informal and continue annual meetings, or adopt a more formal development approach."

The team at the Port is in the process of transforming the website for the conference into a website for the collaborative. The website has presentations from the conference, the final joint statement by participants and a list of participants so far.

In Knatz's California, ports are hoping to get a share of the \$3.2Bn governor Arnold Schwarzenegger has pledged for projects to improve the movement of goods through the state's ports, on the road and rail systems, and between California and Mexico and for projects to improve air quality by reducing emissions related to goods movement.

The San Pedro Bay Ports of PoLA and Long Beach (PoLB) have committed some \$417.9 Mofspending, over the next five years, for measures including: heavy-duty truck replacement or retrofit; provision of alternative maritime power at 25 - 30 berths; agreements with ship operators covering speed restrictions and the use of low-sulphur fuels; increased on-dock rail facilities; cargo handling equipment upgrades and technology advancement and source testing.

A month before the conference PoLA and the Port of Long Beach approved an unprecedented joint action to improve air quality in the local region, called the clean air action plan. The sweeping five-year plan is a blueprint for the ports to significantly reduce the health risks posed by air pollution from ships, trains, trucks, terminal equipment and harbor craft. Considered a "living document," the plan allows for updating as new technologies and processes become available. The plan was partly in response to limits set by the California regulatory body, the South Coast Air Quality Management District (AQMD) which put in place aggressive measures in its draft 2007 air quality management plan to help the region achieve federal clean air standards. It will allow the ports to play their part in meeting the targets to cut emissions of smog-forming nitrogen oxides and volatile organic compounds. PoLA and (AQMD) have partnered on a \$527,000 demonstration project to use electrically-powered tractors to tow containers around the berths and yards. This is the first project to be approved under the clean air action plan (CAAP) approved by PoLA and the Port of Long Beach in November 2006, which set aside \$15M for a technology advancement programme.

AQMD has committed \$48M to help replace older diesel-powered trucks in the region in addition to technology advancement projects such as the electric tractor. As part of the CAAP commitment, PoLA has committed at least \$85M over the next five years for truck replacement and retrofits. PH More info: www.ppcac.org

Poole harbor (below) has put efforts into its environmental planning

"In the future, we hope to use the website as a place to post information, presentations and dialogue of interest to all collaborative participants," said Knatz.





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# Turning up the volume control

Noise can spread beyond a port's boundaries but research is underway to ease the problem as **Christopher Woodridge** reports

Noise pollution, the excessive or annoying degree of unwanted sound in a particular area, has become an increasingly significant environmental issue for many port authorities. Ten years ago, in the 1996-7 survey on behalf of the European Sea Ports Organisation (ESPO), port managers themselves identified noise as a major item in the environmental agenda ranking it, on average, seventh out of 30 priority topics.

The contract of the contract o

Ports handling less than 20M tonnes a year for all commodities ranked noise  $13^{th}$  on their lists of issues, ports handling 50 – 20M tonnes ranked it equal second, and ports handling more than 50M ranked noise eighth.

At the same time, the European Commission was working towards its Environmental Noise Directive (END) covering the assessment and management of environmental noise, requiring member states to comply by July 2004.

From its inception, END was always going to be significant for port authorities because it was focussed on road, rail and air traffic industries and ports. The port sector's role as a critical transport node in the whole logistic chain meant that END was directly relevant to them.

In parallel with the development of END, port authorities have had to steadily adapt to environmental management of the port area rather than just that of the immediate cargo-handling space, as had been customary. This holistic form of environmental management recognises the advantages of an integrated, systems approach to organising a port authority's liabilities and responsibilities. It reflects the increased pressures applied by a widening group of stakeholders where port authorities, as landlords, may reasonably be expected to bring influence to bear on the environmental performance of tenants and operators.

The concept of area management is pertinent because noise is arguably one of the most transboundary phenomena requiring operational control, is an issue throughout the logistic chain and a major consideration in the often sensitive relationship between port and city. Port authorities have become increasingly aware of the significance of noise in terms of complaints from local communities, and its importance in planning applications for port developments in the whole debate on sustainability.

END therefore has direct significance for port environmental management in terms of port sector policy and port authority implementation, where appropriate. The objectives of END are:

■ Production of strategic maps to determine exposure to environmental noise using a method of assessment common to member states;

Development of action plans based on noise maps to prevent and reduce environmental noise particularly where exposure levels are harmful to human health, and to preserve existing noise quality where it is good;

Provision of information on environmental noise and its effects to the public

Data submission to the Commission;

Six annexes and their associated articles detail the methodologies and requirements related to noise indicators, strategic noise mapping and action plans. It is important to note that throughout the END, harmonisation of approach and methodology by member states is a major objective. In order to



Helsinkis' new Vousaari port features a huge barrier to protect against noise

achieve this, fundamental criteria are specified for the assessment methodologies.

Noise levels are measured in decibels (dB), based on a logarithmic scale correction for ear sensitivity at lower levels is expressed by the A-weighting dB(A). Typical values are quoted as: conversation 60 dB(A), living areas 70 dB(A), industrial areas 80 dB(A) and the threshold of pain 140 dB(A), (Witte, 2005).

Because noise level changes all the time, averaging is termed equivalent noise level (Leq).

As the same noise is judged differently between day time and night time, the EU proposed time periods for calculations are:

Lday is the A-weighted long-term average sound level 0700-1900 (12 hours)

Levening is the A-weighted long-term average sound level 1900-2300 (4 hours)

 Lnight is the A-weighted long-term average sound level 2300-0700 (8 hours)

Member states may shorten the evening period by one or two hours or lengthen the day and/or night period accordingly. The period chosen must be the same for all types of sources. Lden is the evaluation level for 24 hours

Sound power (as distinct from noise levels) is independent of surroundings, represents an energy spectrum of frequencies, is important for calculations, and the level received in dB(A) depends on such considerations as distance, screening, reflections, operating regimes and maintenance, for example.

Action plans, based on noise mapping results must include, amongst other supporting information, the estimated number of people exposed to noise, identification of problems and targets, noise

# • Port authorities are increasingly aware of the significance of noise complaints and their importance in planning applications

reduction measures (current and planned), proposals for preservation of quiet areas, and long term strategy.

In order to comply with the END objectives, the port sector has pursued its established concept where research and development is required to produce practicable methodologies for port-based implementation of new legislation by initiating a collaborative project. Managed by the EcoPorts Foundation, the project NoMEPorts has as its main objective the reduction of noise, noise-related annoyance and health problems of people living around port industrial areas through demonstrations of a noise mapping and management system.

The project is funded by the LIFE-Environmental Programme of the European Commission. Partner ports are: Amsterdam (Project Leader), Civitaveccia, Copenhagen/Malmo, Hamburg, Livorno, and Valencia. Observer ports are Bremen, Gothenburg, Oslo, Rotterdam and Tenerife.

The partners are assisted by EPF (project management and dissemination, DGMR, NL (noise specialists), and Cardiff University, UK (science co-ordination). NoMEPorts draws on noise calculation methods developed in previous EU Projects HARMONOISE and IMAGINE to produce a new EU methodology, evaluated and validated in the partner ports.

Fundamental to the project is the imperative to take a generic, harmonised approach to data collection and to produce a set of guidelines for response options to the challenges of noise management that are transferable to the wider port community. This latter point is the essence of the EPF approach where ports help ports for the mutual benefits of demonstrating compliance with legislation, and the reduction of costs and risks through the application of practicable tools and methodologies.

Port noise maps (2-D and 3-D) are set to become increasingly valuable resources for effective, environmental management decision making in the complex that is the port-city area. EPF and NoMEPorts partners are currently evaluating methodologies and developing guidelines for consideration by the Commission – and transfer of experience throughout the port sector. **PH** 

Dr Christopher Wooldridge is senior lecturer in marine geography, School of Earth, Ocean and Planetary Sciences, Cardiff University, and science co-ordinator, EcoPorts Foundation

http://nomeports.ecoports.com

# Out of the shadows

Vietnam is emerging from the gloom of its ruined past and after decades of man-made calamities efforts are now directed at growth, particularly in the ports sector as **P&H** reports

### Vietnam at a glance

Area:	
Population:	
Labour force:	
Capital:	Hanoi (3m)
	Ho Chi Minh (population 6M), Dong Nai (2M) Haiphong (1.8M), Danang (0.7M)
GDP growth rate: .	8.2%
GDP:	\$57.5bn
GDP per capita:	\$724
Exchange rate :	Vietnam Dong VND16,100 = \$1 (February 2007)
Inflation rate:	8.4%
Exports:	\$39.6Bn(Growth rate: 22.1%)
Imports:	\$44.4Bn (Growth rate: 20.1% )
Foreign investmen	t:\$10.2Bn
Member WTO since	a:



Southeast Asia's second most populous country attracted foreign direct investment of more than \$9Bn last year. Under PM Nguyen Tan Dung the communist regime has established trade relations with more than 200 countries and territories and driven exports to 60% of GDP with an economic growth rate of 7–8% annually.

Now the country is on a drive to improve infrastructure, including ports, by 2010. Once this programme is completed, it will help the economy to an even better outlook by 2015. With the backup of such investments, prospects are high that Vietnam's economy will surpass that of Thailand and Indonesia by 2020, according to the private LG Economic Research Institute of South Korea.

Vietnam has set its industry an export target of \$48Bn for this year, an increase over last year's \$39.6Bn, itself an 18% increase over 2005. Aided by a new generation of young consumers, the home market is growing too – by some 20% last year.

Despite the blips from an inflation rate of 8.4% and inadequate infrastructure, the nation seems undeterred when seeking potential economic spinoffs from WTO membership.

Tan Hua Joo of the Vietnam Business Forum's infrastructure group/ports told the IAPH Asia/Oceanic Regional Meeting that the government faced challenges in coping with the trade growth enjoyed by the country.

He said inefficiencies had resulted from road congestion, shallow draughts restricting vessel access, slow midsteam bouy cargo handling and the mixing of container and break bulk cargoes at terminals.

Ho Chi Minh City's (HCMC) five city ports, which handle some 2.3M teu now, would be expected to handle over 11M teu by 2014. So the government plans to relocate them to two new locations – Hiep Phuoc and Cai Mep/Thi Vai due for completion in 2008 and 2010 respectively.

Cai Mep/Thi Vai will be able to accommodate 6,000teu vessels with a draught of up to 14m. At Hiep Phuoc Investors P&O Ports (now DP World) and local firm Joo Thuan are developing the 40ha site with a quay length of 950m under a \$249M investment programme. DP World is investing 80%.

Up to nine local and foreign investors, including Hutchison Port Holdings (HPH), APM Terminals and PSA Terminals are investing in a variety of facilities at Cai Mep/Thi Vai. Ground breaking on the 300ha project was in January, with the first phase, consisting of 3,000m of berth and up to 16m of depth expected to be ready in 2010.

The nine new terminals will offer up to 26 new berths by 2015 – up from 10 now, Joo explained.

Cai Mep is 90km from HCMC, to which it will be linked via a two-lane road. Journey time is expected to be two hours added Joo. This is part of a series of road and bridge building exercises across the many waterways in the Mekong Delta which will link the ports to HCMC at a cost of some \$1.6Bn.

"There is a strong preference for dedicated container ports and not mixed use/multi user ports, in Vietnam," he said. "Midstream operations are declining and the older ports are to be phased out."

Plans are being made as the government faces the real possibility of congestion between now and 2010 as trade grows, he added. "New deepwater ports are urgently needed and significant landside infrastructure investment is required."

Vietnam also has apirations to become a transhipment hub and several port sites are being promoted for foreign involvement towards this aim. The most likely is Van Phong Bay at the mouth of the delta, which, at 22m, is thought to be one of the deepest bays in South East Asia and is protected against seasonal winds, typhoons and storms.

Its potential has been recognised by Sumitomo Corp, whose VP, Shuji Hirose, has said Van Phong is an "ideal" site for transhipment, with its close proximity to international shipping lanes. If lower port fees were added to these advantages then it has the potential to compete with other ports in the region and maybe even on the world stage, argued Shuji.

And, if raising the \$3.5Bn capital needed for Van Phong's development is accomplished by private investment rather than by state resources, the possibilities for participating in transhipment trades will, in all probability, come sooner than later.

So, how is WTO membership being viewed in Vietnam?"In principle, it is a good move," said an official from HCMC-based Falcon Shipping, the Vinalines subsidiary that owns and operates a diversified fleet of about 11 vessels.

He told *P&H* that membership will open greater market access for Vietnamese light industries and their products and particularly the Vietnamese garment industry. "Containerised movements are certainly going to increase as a result of wider trade."

Frantic development of infrastructure includes work on inland links too. The Saigon Fuel Transportation Company has been licensed to build an inland port complex and container depot in the northern coastal Vietnamese province of Quang Ninh.

The 17.5ha complex will be built in the Cai Lan Industrial Zone at an estimated cost of VND165Bn (\$10M), with construction due to begin in the first quarter of this year for opening in late 2008.

Quang Ninh province attracted five projects worth more than \$30M in January alone, four of which involved investments from foreign companies.

WTO entry with the resultant relaxation in trade restrictions has already boosted Vietnam's economy and the trend is upwards.

Vietnam – needs to cope with its own trade and has ambitions to handle transhipment in the future

Photo:

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# **INFORM NOW TO PROTECT PEOPLE, SHIPS, AND PORTS**

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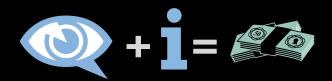
The maritime industry is asked to be alert to both suspicious activities that could be linked to maritime terrorism and the related activities that increasingly support it. These include the smuggling, concealment and shipment of guns, armaments, explosives, contraband, illegal drugs, hazardous substances and people, as well as money laundering, bribery, counterfeit products, controlled documents (e.g., passports). Anyone who suspects anything is urged to report the information by email via the www.inform-now.org website.

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Visit the Inform Now website to find out more about how you can help to prevent maritime terrorism.





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# Building a hub network

Mexico's ambitious plans to cater for US trade and its own growing needs are outlined by *Will Watson* 

New transport links to the US are on track The momentum for a \$1Bn container port at Punta Colonet seems unstoppable. The Secretariat of Communications and Transport (SCT), is expected to invite proposals for the project on Mexico's agricultural Baja Peninsula soon. Among the contenders will be California-based terminal operator MTC Holdings, whose EVP, Steve Lautsch, calls Punta Colonet "a project of national importance".

He believes that the new port will not just be a transhipment terminal, but a destination port. The Punta Colonet project would be one of the largest public works programmes ever undertaken in Mexico. In addition to port facilities, the plans envisage construction of roads, railway links connecting with both the Mexican and US systems, and housing. Driving the project is the need to cater for growing Asian imports –Mexico's trade from China rose by about 15% last year.

The huge site is a natural deepwater harbor, but

Lautsch believes that an efficient rail link will be crucial to the success of the planned port. The approach would mimic expansion of the port at Lázaro Cárdenas, where trade has been boosted by rail links to Mexican and US hinterlands provided by Kansas City Southern Railway's Mexican subsidiary.

Communities close to the US section of the link are reported to be unenthusiastic about proposals by Union Pacific (UP) to serve Punta Colonet in a similar way. The rail carrier recently held meetings with groups in Arizona, where it met with resistance.

At a meeting sponsored by the local farm bureau, concerns were voiced about noise, visual intrusion, air pollution – and crime. A senior US border patrol agent attending the meeting said: "Crime follows the railroad. It's happened in Texas and California and Nogales and it could happen here."

UP may not be the only option, according to Lautsch, who notes that "other rail services" are also in

discussions, although he declined to name names.

Until the final approvals have been gained, existing facilities are also being expanded at the country's two dominant West Coast gateways of Manzanillo (Mexico's largest port) and Lázaro Cárdenas, which are struggling to cope with the increasing volumes. Pacific ports handle 61% of the country's containerised trade.

At Manzanillo, "space is a serious problem and we have had to compromise our productivity of 42-plus moves per hour due to congestion", reported operator Gene Smith, MD of SSA Mexico. "We do not anticipate growing at the same rate in 2007, as we are maxed out with our current volume," he added.

Lázaro Cárdenas will take delivery over the coming decade of three super post-Panamax cranes and three new berths as part of its \$350M expansion plan over the next 10 years. While most of the port talk in Mexico is focused on the Pacific, similarly favourable trends are emerging on the Gulf Coast.

In Tuxpan, logistics and transportation company Grupo TMM told *P&H* that it plans to expand following the opening of a new highway linking the port to Mexico City, 270km away. "Tuxpan is the nearest port to Mexico City," Silverio Di Costanzo, senior MD of Grupo TMM's specialised maritime division, pointed out.

He added that that Tuxpan is perfect for commercial development and the company sees it as both a container terminal and a petroleum port. The Mexican government has already earmarked the port for LPG imports and intends it to serve as a support base for oil exploration in the Gulf.

Business is also building at Puerto de Altamira. The Gulf port, operated by Group Mexgal since 1995, expects to see a throughput gain of about 10% this year, Mexgal MD Arturo López Riestra told *P&H*.

New tenants have taken up residence in Altamira's 5ha off-dock and intermodal yard, including a company that builds oil platforms. In addition, container lines are using Altamira as an additional stop along the Gulf of Mexico.

MSC began calling in to Altamira since starting its West Mediterranean–US Gulf/Florida service more than a year ago, while CMA CGM, China Shipping and Hatsu Marine began calling in mid-2006 as part of their Europe–US East Coast–Gulf of Mexico services.

Containers stack up: soon Mexico's ports will be handling more Also on the Gulf coast, Vera Cruz has increased its capacity through an \$80M investment programme over the past five years, which has involved construction of new piers and dredging to 12.8m to support its role



### Mexico's main trading partners

				Share of trade			
Country	\$M	Share	\$M	2006	2005		
US	92.3	70	108.4	69%	18%		
Canada	2.9	2	3.6	2%	21%		
Germany	3.2	2	3.6	3	22		
Spain	1.7	1	2.0	1	18		
China	5.0	4	6.9	3	23		
Japan	4.0	3	4.9	3	23		
Others	21.7	17	26.2	17	21		
Total	131	100	156.2	100	19		
Source: Hutchison Port Holdings							

as the country's principal port for vehicle exports and imports. Exports amounted to 190,757 vehicles between January and August 2006 (mostly to the US and Europe), an increase of 38%, while imports decreased 16% to 154,274 vehicles. Overall trade through Vera Cruz grew by 7.1%, to 345,031 vehicles.

Despite all the positive trends in Mexico, some players continue to voice caution. As one port operator observed: "Things are improving in Mexico, though very slowly. Highways across the country are slowly being developed and the railways are investing in equipment, but there is still a lack of technology."

Mexican ports handled 283.6M tonnes in 2005, up 6.6% on the previous year. During the first six months of 2006, throughput totalled 170.3M tonnes, up 5.1% from the corresponding period in 2005. In the same period, the country's container movements grew by 25.3%, to 1.48M teu. Of these, Manzanillo was responsible for 689,913teu, representing 46% of the total, followed by Vera Cruz with 374,337teu (25%), Altamira 193,480teu (13%) and Lázaro Cárdenas 85,396teu (6%). This trade built on an increase of 57% in container movements between 2001 and 2005, while both public- and private-sector port investments grew by 125% over the same period in all the major ports.

César Patricio Reyes Roel, recently reappointed as co-ordinator general of ports and merchant marine within Mexico's Ministry of Communications and Transport (SCT), looked back with pride at his work to date. Before privatisation, Mexican ports "were competing without co-ordination", whereas now, he told *P&H*, the "scorecard is balanced, allowing us to forge a vision for the future".

Reyes Roel has promoted studies by the Inter-American Development Bank (IDB) on the creation of a 'dry canal' across the country's Tehuantepec isthmus that would compete with the Panama waterway. The studies, which are expected to be completed soon, look at expanding the ports at each end of the isthmus – Salinas Cruz on the Pacific and Coatzacoalcos on the Atlantic – and regenerating the existing infrastructure between the terminals.

If the plan does move forward as expected, the first-phase investment is estimated to cost \$80M and is anticipated to increase container capacity to 250,000teu in both ports. **PH** 

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## \$236Bn to unclog the arteries

A new public-private partnership scheme signals the end of underinvestment in Brazil 's infrastructure as **Christoval Silva do Amaral** reports

ajor investment in Brazilian ports infrastructure is long overdue and the lack of urgently needed improvements has seen the country's transport arteries clog up on numerous occasions, adding hugely to transport costs.

Two instances paint a vivid picture: vessels waiting up to a week for a berth, and truck queues totalling more than 70km at one port (Paranagua during the soya season); another 30km truck queue at Santos (during any season). These hold-ups are commonplace for those seeking to trade with Brazil.

At least, this has been the case in recent years; but now the re-elected President of Brazil, Luis Inacio Lula da Silva (usually affectionately known as Lula) has signed on for another four years, things look set to change. For Lula has just launched his BRL504Bn (\$236Bn) PAC scheme (the programme de acceleracao do crescimento, or programme for accelerating economic growth) aimed at improving the country's infrastructure though public-private partnerships (PPPs), which he has modelled on those pioneered by Tony Blair in the UK.

Lula publicly launched PAC at the Port of Suape, in the impoverished northeast of the country, close to where the President was born, at a signing ceremony for 10 Suezmax oil tankers, worth \$1.22Bn and for construction of a new \$250M shipyard.

He promised the whole of Brazil, as well as the transport industry: "The time has come to break barriers and overcome limits."



Cutting the cost of transport: plans to improve the country's ports should boost trade One shipping agent based in Santos, representing a Chinese carrier, said: "If it is carried out to the letter, this PAC initiative should drag Brazil kicking and screaming into the 21st century." But Wilen Manteli, the president of the Brazilian Association of Private Port Terminals (ABTP), who also gave the PAC initiative his support, albeit lukewarm, warned: "The broad sweep of the plan looks good but the actions must follow the words or it is worthless."

Of the \$236Bn total investment, the government is proposing to put in \$43Bn, with about \$14Bn earmarked directly for the ports sector. The rest of the cash must be found from private sector sources, who will be cajoled into funding the infrastructure schemes via a variety of soft loans (from the Brazilian National Development Bank, or BNDES) and tax concessions and exemptions.

Ten ports in particular will receive the bulk of the money (see box below) to fund a variety of projects, from ring roads and better rail links, to dredging. Dredging is particularly important.

The response from the Santos Port Authority (Codesp) has been tentively positive, particularly in terms of the intention in the PAC outline plan to speed up dredging. It also approved the immediate offer of PAC funds to start construction of the much-needed rodoanel (ring road) for the Port.

Fabrizio Pierdomenico, Codesp commercial director, said that with Santos handling around 80M tonnes in 2006 and rapidly heading towards its theoretical capacity – of 120M tonnes a year – he expected key expansion plans, such as the \$200M Embraport development and the \$500M Barnabe Bagres (BB) project, to be set in motion soon. Santos handles around 30% of all Brazil's imports and exports and is the key to maintenance of any export-led growth programme.

BB and Embraport will effectively double the size of Santos, enabling it to handle about 250m tonnes a year. There was some disappointment among Codesp officials that these two headline expansion projects were not earmarked for PAC investment funding but both greenfield sites will still benefit if the government speeds up environmental procedures.

Pierdomenico told *P&H*: "From Codesp's perspective PAC looks good and we must invest quickly to guarantee the future of the port and of the country. BB is the future and if PAC can speed up this process then that will be even better news for us."

The private sector in Santos has also welcomed the PAC initiative, "as far as it goes". Mauro Santos Salgado, the president of Libra Terminais, which operates T-37, Santos's second biggest box terminal, handling about 900,000teu last year, said that PAC was "heading in the right direction" but some of the projects on the president's list are continuations from last year.

Salgado, who is also the president of the Santos Port Operators Association (Sopesp), said the second part of the PAC initiative – with measures planned to cut out red tape and bureaucracy – are possibly even more important than the infrastructure projects.

He told P&H: "The big problems Brazil has are infrastructure and bureaucracy and PAC aims to

overcome both of them. One example of the red tape is staring at me right now through my window.

"We imported 19 Kalmar reach-stackers and they arrived two months ago, but owing to red tape they have been stuck idle on the dock. Also, with regard to dredging, Codesp has the money now and the dredging companies are ready too, but environmental bodies have become a long-term bureaucratic obstacle to the urgently needed deepening that we now need."

Machado explained that Santos has lost around 0.8m of depth, some put this at 1m, in the past year – and now has a draught of only 12m. He attributed this to restrictions placed by environmental authorities which limit the removal of silt to only 300,000m<sup>3</sup> every month, following the discovery of contaminated material.

"This is crazy and it is barely maintaining the already depleted depth we have now," said Machado. "We really need to dredge out around 800,000 m<sup>3</sup> a month and that might lead us towards the 14m that was the original project and target for the access channel two years ago."

Interestingly, Codesp – which comes under the auspices of the government in Brasilia – has changed the rules describing draughts in ports. The published draught for Santos is 12.8m, which is thought to be the depth at high tide. Observers attribute this to a desire for administrators "not to lose face".

One line manager at a European carrier that uses Santos observed: "They are the only port authority in Brazil, possibly in the world, that declares an official depth based on high, rather than low tide."

Salgado said the delay in delivery of the reach stackers and dredging problems in Santos – combined with very slow and cumbersome customs procedures and the complicated politics of the port authorities – are "perfect examples" of how Brazil's infrastructure has failed to keep up with the country's growth.

But, under PAC, president Lula and his ministry of transport, promise to speed up environmental procedures, open up dredging to international operators (who have bigger, more efficient dredgers than the small, Brazilian flag operators currently working in Brazil) and cut import taxes.

These measures should reduce what is known as o custo Brasil – or the Brazil cost – the extra transport and logistic costs exporters and importers face. PAC might not be the final solution but observers agree it may create jobs and boost Brazil's growth if all the projects take off. **PH** 

### The 12 ports in PAC

Santos, Sao Francisco do Sul, Itaqui, Rio Grande, Paranagua, Vila da Conde, Sepetiba (Itaquiai), Rio de Janeiro, Vitoria, Suape, Itajai and Salvador

#### **Santos and PAC**

Project	Cost
Ring road	\$570M
Rail ring road (ferroanel)	\$457M
Dredging	Share of \$460M allocation
5 5	

### Ratify for legal protection

Countries must ratify new rules that are complementary to the international ship and port facility security (ISPS) code and would help ports if they suffered terrorist attacks, said IMO secretarygeneral Efthimios Mitropoulos.

If states ratify the 2005 protocols to the convention for the suppression of unlawful acts against the safety of maritime navigation (SUA), 1988, ports will have a regulatory structure covering legal matters if there is an attack. So far 18 states have signed the 2005 SUA protocols.

SUA is aimed at putting in place practical measures to make international shipping and port facilities safe from terrorist activity.

The 2005 Protocols revise the original SUA treaties of 1988, to ensure that the legal framework developed by IMO is kept up to date and continues to provide an adequate basis for the arrest, detention and extradition of terrorists acting against shipping or ports or when using ships to perpetrate acts of terrorism.

They substantially extend the list of criminal offences actionable under the treaties and include new rules on consensual boarding, which are of prime importance as they provide states with the necessary legal basis to intercept terrorist activities at sea that are planned or already in progress.

"In the fight against terrorism, which, in these uncertain times, has tragically succeeded in shaping the political agenda worldwide, it is vital that the international community has in place a framework for legal action capable of ensuring that terrorists are apprehended and brought to trial wherever in the world they may seek to hide," Mitropoulos said.

"I would like to take this opportunity, given the importance of these instruments, to invite Member States to ratify or accede to the 2005 Protocols as soon as possible," he added. *More info: www.imo.org* 



# Appeal for more US port security funds

The shortfall in funds to meet requirements under the US SAFE Ports Act is being highlighted by the American Association of Port Authorities (AAPA).

It points out that Congress has said that \$400M is needed each year to meet obligations under the act, but legislators have only approved \$210M for FY2007.

Now, to add to port uncertainty over meeting security obligations, President George W. Bush has only proposed to allocated a similar level of funding in his budget for 2008. Since 2002, the AAPA estimates that only 20% of the requests for security measures at ports have received funding.

Ports face the need to install

radiation scanning devices at all US container ports and to comply with full implementation of the transportation worker identification credential (TWIC) card system without what they consider appropriate levels of funding.

New concerns are being raised over the need to provide card readers to scan the biometric TWIC cards for port workers. While the government has deferred mandating installation of the devices until a workable model is identified, port officials say it will cost millions of dollars to install the readers nationally.

AAPA gave examples of how much is needed to comply with TWIC – at Long Beach, the

#### Nagel: \$400M needed but only \$210M pledged each year

estimate is \$10M and for the Port of Los Angeles, full implementation is expected to cost \$12M.

In making the case for enhanced provision in the budget, the AAPA singled out vulnerabilities at Houston, where the US Coast Guard estimated that closure for a month due to a storm or other event would cost the nation \$60Bn. The Port of Houston is the second largest petrochemical complex in the world and handles over 64% of the US Gulf of Mexico container traffic.

AAPA says that unless the Department of Homeland Security fully funds those installations, ports will have to forego development and maintenance projects to fund the security measure. At AAPA chairman Warren McCrimmon's port in Toledo, he puts installation costs at \$1.2M and says that he will have to defer a fendering programme for his quay to pay for the initiative if DHS doesn't.

And that story is virtually the same at every US port, according to AAPA president Kurt Nagle who pointed to Mobile, Alabama where the port expects to spend \$500,000 on card readers, \$3M on closed circuit television systems and another \$500,000 on a mass notification system.

Nagle said ports' biggest problem in securing funding is that the US people have no appreciation of their importance. "Ports just aren't on people's radar," he said.

## New IMO division to deal with security

IMO secretary general Efthimios Mitropoulos has established a new sub-division within the agency's maritime safety division to reinforce the high priority it gives to maritime security.

The new sub-division will provide a stronger focus on security matters and will address the complimentary issue of facilitation of maritime traffic, under the leadership of Nicolaos Charalambous of Cyprus, who becomes deputy director.

Announcing the formation of the new subdivision, Mitropoulos said that it reflected the continuing need for IMO, and the maritime world as a whole, to sustain efforts to "enhance and improve" levels of security in all aspects of ship and port operations, while at the same time facilitating the innocent movement of people and goods by ships.

Meanwhile, Miguel Palomares of Spain has stepped up to become director of the secretariat's marine environment division following the retirement of Jean-Claude Sainlos. Stefan Micallef of Malta becomes deputy director of that division and head of its subdivision for pollution response and co-ordination of technical co-operation.

## CSI step nearer in Panama



The Port of Balboa is to get a scanner as part of the CSI initiative

Panama and the US have taken the first step towards Panama joining the container security initiative (CSI) and megaports programme with the signing of a 'declaration of principles'. Panamanian ports handled over 3M teu in 2006, mostly transhipment, with much of the cargo bound for the US.

"We really wanted Panama on board for these programmes," US Homeland Security officials explained to *P&H*.

The US is installing two scanners, one in Manzanillo International Terminal (MIT) and one in Balboa, on the Atlantic and Pacific entrances of the Panama Canal respectively, to be operational in June.

Under the customs and border protection co-ordinated CSI programme, the US will send customs agents to Panama to assist in targeting suspect cargoes. Containers will be scanned for the presence of nuclear materials or weapons under the Megaports scheme, led by the US Department of Energy's national nuclear security administration.

from different authorities and

industry organisations. The main

objective of the seminar was to

pass on information of the IMO

Facilitation Convention (FAL) to

senior and middle management

personnel with decision making

Other stakeholders from

enterprise also attended to hear

other areas of importance related

Participants were told of the

advantages and benefits derived

implementation of FAL and were

practical implementation of FAL.

given guidelines on follow-up

issues on maritime traffic and

government and private

to the ship/port interface.

institutional and economic

from the acceptance and

measures concerning the

responsibilities.

## FAL under the spotlight in Karachi



Learning about the ship and port relationship at Karachi

Karachi Port Trust hosted an IMO seminar on the facilitation of maritime traffic, aimed at improving the work between ships and ports. The event was organised jointly by IMO and Pakistan's Ministry of Ports and Shipping and attracted 36 participants

## World Maritime Day 2007 looks green

IMO has chosen to highlight environmental challenges as the theme for World Maritime Day on Thursday, 27 September. The agency says it wants to take the opportunity to focus on its environmental

work, both past and present, and intensify its efforts to contribute to efforts by the international community to protect and preserve the environment 'before it is too late'.

### Norway goes it alone on ballast water

Norway plans to implement strict controls on ballast water management this year, ahead of the IMO Convention covering this coming into force internationally, warned Wikborg Rein, Norway's leading maritime law firm.

"In December the Norwegian parliament authorised the government to accede to the International Convention for the Control and Management for Ships' Ballast Water and Sediments," explained Morten Lund Mathisen, a partner at Wikborg Rein.

"The Convention was adopted by the IMO in 2004 and introduces strict regulations on the control and management of ships' ballast water. Norway will be among the first countries to join the Convention, but it is not going to wait for the rest of the world to follow.

Draft regulations will be issued this year and will be followed by a three month discussion period. Subject to Norway's obligations under international law, the ministry intends to implement the convention rules for ships calling at Norwegian ports before the convention enters into force internationally.

Restrictions on ballast water uptake and discharge set out in the convention are expected to enter into force by the end of this year. "The ministry is now considering which areas along the Norwegian coastline shall be designated as ballast exchange areas," he added.

The move has considerable commercial and operational implications for vessels calling at Norwegian ports, which will now be required to adhere to a ballast water plan, keep a strict log of ballast water management, and will only be allowed to discharge clean ballast which has been exchanged at sea in accordance with the convention.

"Violation of the convention may result in the ship being detained, excluded from ports or offshore terminals or prevented from discharging ballast water," he said. *More info: www.wr.no* 

### CSA assists regional ports

The Caribbean Shipping Association (CSA) has contributed to the path of growth and development of regional ports in its 36 years of existence.

According to recently-elected CSA president, Fernando Rivera, the association has helped in the development of the region's facilities.

"If you visit the sea ports across the Caribbean today – whether they are great terminals or small facilities – you will see structures and modern systems," he said.

"More than this, you will see organisation and management strategies that were obviously learned and gathered from outside of those territories.

"We have brought to the Caribbean shipping industry information and advice about development. The conferences of the CSA have been a place of learning" Rivera said.

"By presenting experts in their fields to address our members and to make technical presentations on topics that are relevant for development, the CSA has helped the shipping industry of the region to grow and expand in a systematic and orderly way.

"This was not the case 36 years ago. At that time, each port struggled alone with its own problems; often making similar mistakes. Each port was struggling alone to find solutions. There was no forum in which to discuss the problems; there was no support network to search for solutions," he added.

He said the CSA had given regional shipping a voice. "Our governments now understand and appreciate that shipping is as much an industry as any manufacturing enterprise. They know that shipping is vital to their respective economies and, as such, requires their attention and support."

CSA membership includes 12 national shipping associations and over 100 individual member entities, including port authorities, terminal operators, shipping agents, shipping lines, tug and salvage companies, consultants and freight forwarders.



# Uniformity urged in emissions control

Shipowners have made a new appeal to ports to take a uniform approach to the control of emissions from ships.

Peter Hinchliffe, marine director for the International Chamber of Shipping is calling for a debate on the issue at the International Association of Ports & Harbors conference in Houston in May.

Speaking as ICS submitted its latest proposals to IMO on the review of Marpol Annex VI – which covers ships' air emissions – he told *P&H* that IAPH was the correct forum for such a discussion.

"The problem is getting uniformity of application," said Hincliffe. "There is one approach from Europe and another from the West Coast of the US. This is not helpful."

Remarking that he had just returned from a California conference to discuss the issue, he said he was "impressed" by the energy and innovation ports were showing on the issue. "There is lots of investment going into the provision of shore power, for instance," he pointed out. "But there is very little work going into standardisation."

He added: "Our message to ports is: Let's go for innovation, but let's make sure it is done on an international basis. We want to avoid the possibility of getting different systems between the ports."

There also needed to be an understanding from ports that shore power does not suit all ships, he continued. It is best suited to home ports, to vessels engaged in regular trades and to ferries, Hinchliffe explained.

"We also want to see ports taking a holistic approach to shore power. It is a complicated picture. There is a need for ports to do an environmental audit to get the cost of effective ships' emission control."

He pointed to the Port of Gothenburg, which provides shore-based power for ships, but generates the electricity from

### Shipowners want a holistic approach to reduce emissions

wind farms, something Hinchliffe approves of. "They are generating electricity in a totally sustainable way. But if the electricity is going to be generated from a coal powered source rather than something like nuclear or hydro-electricity that is not actually helping."

He gave full support to the efforts of the International Standardization Organization, which is conducting discussions between ports, shipowners and manufacturers on the issue. "I believe ISO and not IEC should be the forum for these discussions," he said. "ISO has a seat at IMO and so that is a logical forum."

A number of ports have already introduced regulations requiring vessels to reduce speed in the port environs. Hinchliffe had another warning on this.

"This has to be done in the context of what distance from the port the authority has jurisdiction over," he said. "They also have to be aware that this could cause a concentration of ships in the port area, which would increase emissions.

"There are ship safety issues, as vessels need to be at a certain speed for certain manoeuvres. It could also have implications for slowing the supply chain – more vessels may be needed on certain trade routes."

"We want to get together with the international port community so I will be attending the IAPH conference in May in the hope that I can work with you in Houston to discuss the issue.

"Our aim is to make the issue international so there is not a different system for every port." *More info: www.marisec.org* 

## India steps up fight against terrorism

The Indian government has decided to open 70 coastal police stations at an estimated cost of INR5Bn (\$113M) in all its maritime states as part of the battle against terrorist attacks on ports.

Leading the way is Tamilnadu, which is setting up 12 coastal police stations to deal with increased

arms and ammunition smuggling.

The government believes terrorist are switching to sea routes as land borders have closed to them.

As well as ports, terrorists are reported to be targeting oil refineries. The coastal police force will be equipped with armed high speed boats.

## Action on US dredging urged



Many ports in the US – mainly bulk and breakbulk – are seeing their channels get shallower and narrower and calls are being heard for Congress to dig into the burgeoning Harbor Maintenance Trust Fund (which now stands at \$3.5Bn) to pay for more dredging.

But the chairman of the American Association of Port Authorities (AAPA) said that the Corps of Engineers has so little resources, it could be years before added funding would make a meaningful difference.

In what has become an annual event in Washington, the AAPA responded to the President's proposed budget of \$2.9trillion for FY2008. AAPA President Kurt Nagle said that while funding for Corps of Engineers' maintenance dredging would increase by \$28M to \$735M, its proposals do not meet the \$1.1Bn that is needed.

Warren McCrimmon, AAPA chairman and president of the Ohio's Toledo-Lucas County Port Authority, said dredging at his port

#### More funds: one of the most powerful backhoe dredgers in the US the New York is seen at work in New York

has been so under-funded that the 150m-wide channel is now down to 30m, and he added that he seriously wondered if he might wake one day to find his port "completely closed".

Nagle pointed to Georgetown, South Carolina where industrialist International Paper sends its export cargoes 400km by rail to Wilmington, North Carolina because its hometown port's channel has silted and is too shallow for larger vessels.

In Brownsville, Texas the 28km long channel has reduced in depth from 13m to just over 10m. Port officials fear they'll lose business to nearby Mexican ports at a cost to the community of nearly \$20M a year.

AAPA has now turned its attention to Congress where it hopes members may be more inclined to appropriate money for ports for dredging.

More info: http://www.aapa-ports.org

## Americas discuss environment

The Inter-American Committee on Ports, Organization of American States (CIP-OAS) is to discuss environmental port protection across the region for the first time at a highlevel meeting in April.

Delegates from the 34 member states of the OAS, observer states, international organizations and representatives of industry, business, and academics from the public and private sector will gather in Panama City to debate the issue.

CIP-OAS says the aim of the meeting is to promote the exchange of information on issues related to environmental protection in ports in the American hemisphere and to create awareness in the port sector about the importance of environmental protection as value added to their activities.

Discussions will cover how to strengthen sustainable development in ports and how to help those engaged in environmental management use it as a tool to promote the port sector.

Ports will exchange experiences on how to mitigate any competitive differences and on training *More info: www.oas.ora/CIP/defaulte.asp* 

### PSC seminars for 20 EU countries

Port state control officers from 20 EU member states, including Bulgaria and Romania, have attended seminars organised by the European Maritime Safety Agency (EMSA)

The 48 officers had all been in their posts for less than three years.

The lectures are aimed at ensuring they carry out their inspections in a co-ordinated way under procedures developed over many years by the Paris MOU.

EMSA says feedback from both seminars will be used to develop and deliver four further seminars this year to ensure uniformity of inspections.

## Shipowners warn of costly port 'imbalances'

European shipowners warn that uncertainties over restrictive regulations on air emissions may have an economic impact on deep sea and intra-European short sea shipping.

According to the Brussels-based European Community Shipowners' Associations (ECSA) 'imbalances are costly, while too limited capacities of ports and hinterland connections risk congestion and high costs.'

Its annual report says that it should not be overlooked that it is 'unsustainable' for EU ships to be subject to differing levels of emission control in different ports around the world. It urges 'commercial realism' in dealing with the issue.

Credible long-term action should be based on sound environmental, technical as well as socioeconomic assessment; it added and called for all measures to reduce maritime emissions to be 'as practical and cost-effective as possible.'

ECSA prioritises fuel quality and availability and warned there must be vigilance to ensure that measures do not result in a modal shift to less environmentally credible modes of transport than shipping. In a joint initiative with the International Chamber of Shipping, ECSA has assessed the technical and policy options available to reduce air emissions; notably SOx, NOx, volatile organic compounds and particulate matter.

Its main conclusions are that there are 'promising developments' in technologies aimed at reducing these emissions, and urged these developments to be 'promoted and fully exploited.'

It highlighted 'promising developments' taking place in the EU and the IMO concerning new and cost-effective economic incentives. 'Such possibilities should be considered as alternatives to new regulations, especially regional regulations, as long as the same or better environmental results can be achieved,' it said.

The report added that there is no 'single option' available to the industry that will be suitable for all types of ship and the variety of trades they operate.

It urged flexibility so the industry can find the 'most cost effective solutions.' Air pollution in general is a 'complex issue' and reducing one pollutant may have a negative effect on other pollutants, it warned.



## A first for Vietnam

Saigon Port celebrated 10 years of membership of IAPH by hosting the eighth Asia/Oceania Regional Meeting and Port Forum in Ho Chi Minh City where some 80 delegates, including IAPH President Thomas Kornegay, were welcomed.

There to discuss international port developments, and specifically those of the region and Vietnam, 64 IAPH representatives from 16 countries gathered with 20 Vietnamese delegates for the sessions.

It was the first time an IAPH meeting was held in Vietnam. Delegates were welcomed by Le Cong Minh, DG of Saigon Port, representing the host.

The forum focused on trends in ship development, sea port construction, port management and plans to develop sea transportation between Cambodia, Laos and Vietnam.

"This is a time of dramatic change," said president of the Viet Nam Maritime Administration Vuong Dinh Lam on behalf of the Minister of Transportation.

He stressed the importance of international port development to create a sustainable economic environment for the region.

Referring to the fact that Saigon

Port has been a member of IAPH for 10 years, he said staging the meeting was "an honour and a challenge when we are undertaking major changes in master planning in preparation for the new port development and relocation."

He also emphasised the role of IAPH in consolidating plans for the development of world ports and resolving issues of common global interest.

Vietnam became a member of the World Trade Organisation (WTO) in January and its growth is expected to continue at a high rate as a result.

"Vietnam's economy has

developed remarkably," said first vice-president Datin Paduka O.C. Phang. "Its becoming a full member of the WTO is especially noteworthy. We are here today to confirm our positive relationship and our hopes for a closer relationship in the future."

The general secretary of the Vietnam Sea Port Association Ho Kim Lan said the meeting was a good opportunity to discuss the potential of Vietnamese sea ports and to maintain the close relationship the country has built with the 110 Asia-Pacific members of IAPH.

Over the past few years, the total cargo volume through Ho Chi Minh City ports accounted for more than 60% of the country's total. The volume is expected to grow 20% each year to 2010.

1: Delegates from 16





countries line up for the official team photograph 2: Vietnamese culture was to the fore 3: Vuong Dinh Lam, chairman of Vinamarine and Tom Kornegay 4: The conference presentations were thought-provoking 5: Datin Paduka O.C. Phang and Le Cong Minh 6: Tom Kornegay, Datin Paduka O.C. Phang and Capt Subramaniam Karuppiah B<sup>th</sup> IAPH ASIA OCEANIA REGIONNEETING & PORT FORUM 2007 offiliated Pepresentative Forty of Transport, Vietnam Nr. Vuong Peresentative Forty of Tran







## Ports to gain from HNS Convention

Frans van Zoelen, Chair Legal Committee writes: the HNS Convention offers protection for ports. Here, Malgorzata Anna Nesterowicz, an officer of European Maritime Safety Agency (EMSA) and outlines the challenges posed by its implementation

Ports and harbors should urge their respective governments to adopt a positive attitude towards ratifying the Hazardous and Noxious Substances Convention which provides compensation for damage, including pollution.

Compensation would be made for reinstatement of the environment and preventive measures as well as loss of profit due to the pollution, loss of life and personal injury on board or outside the ship and loss of, or damage to, property outside the ship. The damage might come from contamination of the environment damege from fires.

Until the HNS convention is in force, there is a risk of serious pollution for which very little compensation is available. Damage by chemicals can be even more persistent than that of oil.

If an accident resulting in HNS pollution happened now, compensation would be available only from shipowners, and only at a low level of compensation, up to 15 times less, than the potential level of compensation that the HNS system offers.

The HNS Convention is based on two-tier liability. Shipowners are strictly liable up to a certain amount, which is calculated on the basis of the tonnage of the ship (first tier). A compensation fund (the HNS Fund) is being set up to provide additional compensation up to 250M SDR (Special Drawing Rights) when the victims do not obtain full compensation from the shipowner or his insurer (second tier).

The HNS Fund will have four accounts: for oil, LNG and LPG and a general account for bulk solids and other HNS. Funds will come from those physically receiving cargo discharged in the ports and terminals of a ratifying state.

Receivers can pass their liability for contributions along if they act as agents for another party which is subject to the jurisdiction of any ratifying state. Liability can be passed in this way only once and states can develop their own definition of a receiver in their national laws.

The IOPC Fund has developed a HNS Convention Contributing Cargo Calculator. Potential contributors can input data relating to receipts of individual substances, identify total receipts for each account and report those receipts to the competent authority in their state.

It is envisaged that this system will be the basis for invoicing by the fund.

The convention will enter into force 18 months after 12 States have accepted it, provided four of these have not less than 2M gt. In addition, those paying contributions must have received a total of at least 40M tonnes of cargo contributing to the general account in the preceding calendar year. So far, only a few states have ratified the convention: Cyprus, Slovenia, Angola, Morocco, the Russian Federation, St Kitts and Nevis, Samoa and Tonga.



## Commitment and unity in Houston



Host: Tom Kornegay

Critical issues ranging from port security to the globalisation of the world economy will be at the forefront of discussions at the 25th IAPH World Ports Conference from April 27 to May 4 in Houston.

The theme of the conference, **Anchored by Commitment - Buoyed by Unity**, will celebrate the reunion of world port leaders and provide an arena for addressing the challenges and opportunities that confront both ports and the wider global maritime industries.

The Port of Houston Authority team, under the direction of Argentina M. James, conference VP is working hard to finalise the arrangements for the conference.

Under the banner *Simply the Best* the team says the 2007 world conference will unite world port leaders to discuss issues of immediate and long-term interest and concern of the industry.

State-of-the-art maritime technology will be showcased at



**Organiser: Argentina James** 

the conference exhibitions, and many social activities are planned to showcase the best in entertainment and cultural activities Houston has to offer!

"Your visit to Houston is shaping up to be most spectacular as we provide a conference programme that includes prestigious speakers representing the worldwide maritime community, state of the art networking facilities, and the best in genuine Texas hospitality," says James.

"Participants will be given an indepth technical tour of the Port of Houston Authority's marine terminal. In addition, attendees and their guests will take part in activities designed to make your stay in Houston enjoyable and simply the best!"

It is anticipated that more than 1,200 delegates will register and attend the conference.

The heart of the conference programming is the working sessions which will give conference



Speaker: Paula Kahumbu

participants the opportunity to hear formal presentations from nearly 30 leaders of the worldwide maritime community.

The six core working sessions encompass the industry's most important trends and issues: the globalisation of the world economy and its impact on ports; port security and risk management; challenges to the port environment; ports adapting to future business opportunities; logistics infrastructure and port strategies and new technological innovations for port operations.

The diverse presenters who are confirmed to address the conference include:

Tom Kornegay, president, IAPH and executive director, Port of Houston Authority; Neil Davidson, research director, Drewry Shipping Consultants ; Li Zouming, director, China Shipping Regional Holdings; Gichiri Ndua, IAPH second vicepresident and corporate service manager, Kenya Port Authority;

Peter Mollema, director of strategy, port infrastructure & maritime affairs, Port of Rotterdam Authority; Jeff Siewert, director, international logistics, The Home Depot; Shigeo Takahashi, executive researcher and director of the tsunami research center, Port and Airport Research Institute; Pieter Struijs, IAPH immediate past president and senior executive vice-president Port of Rotterdam Authority; Geraldine Knatz, executive director, Port of Los Angeles; Peter Hinchliffe, GM, International Chamber of Shipping; Charlie Sheldon, MD, seaport, Port of Seattle; Dr. Paula Kahumbu, GM, LAFARGE Eco Systems; Bernard Groseclose, IAPH third vicepresident and president and CEO South Carolina State Ports Authority; Philip Crannell, executive vice-president, CH2M Hill; Giovanni Novi, president, Port of Genoa; O.C. Phang, IAPH first vice-president and GM Port Klang Authority, Malaysia; Alberto Aleman Zubieta, administrator, Panama Canal Authority; Robert West, MD, global, trade, & transportation, Global Insight, Inc; Siyabonga Gama, CEO, Spoornet International; Capt William Schubert, former US maritime administrator; Jose Luis (J. L.) Estrada, planning and development director, Puertos del Estado; Michael Walton, Ernest H. Cockrell centennial chair in engineering, University of Texas at Austin and Wolfgang Hurtienne, director and head of port planning division, Hamburg Port Authority.

## Hotel

Hilton Americas – Houston 1600 Lamar Houston, Texas 77010 US Phone:+ 1 713 739 8000 Book online at www.iaph2007.com under hotel and travel.

The Hilton Americas Hotel is the official

headquarters for the 25th IAPH World Ports Conference. This is Houston's largest hotel, featuring 1,200 oversized guestrooms and suites. Each is equipped with marble baths, granite desks, ergonomic leather chairs, both wireless and wired high-speed Internet access,

and in-room safes large enough to house a laptop.

The Skyline Spa and Health Club has a fitness centre with cardio equipment, free weights and personal trainers. The Hilton's 23m infinity lap pool and whirlpool offer magnificent skyline views. The hotel has three restaurants a lobby bar and the Java Coast coffee emporium.

A block of rooms has been reserved for delegates for April 26 – May 4, 2007. The special room rate will be available until March 23rd or until the group block is sold-out. Guests wishing to arrive early may do so starting April 22nd and depart as late as May 8th, based on availability.

#### **Room Rate**

One king ortwo double beds \$169.00 plus 17% tax

One night's deposit is required at the time of making the reservation. Deposits are refundable up to seven days in advance of the arrival date.

## Social programme

Saturday, April 28 – Early Cocktail Reception, Downtown Aquarium

Please join us at the Downtown Aquarium (top left), which is home to hundreds of species of aquatic life from around the world in 200,000 gallons of fresh and seawater. Network with guests from around the world as you take in spectacular views of Houston's skyline and the winding expanse of the Buffalo Bayou.

**Sunday, April 29** – Official Welcoming Dinner the Hilton Americas Ballroom.

A cultural adventure awaits you at the 25th IAPH World Ports Conference Official Opening Ceremony. Tonight we will showcase the people, places, music and art that make Houston Simply the Best.

**Monday, April 30** – Outta this World! Space Center Houston (main picture). Get ready for an out of this world experience. Space Center Houston is the venue for an evening of entertainment you will have to see to believe. Please join us as we embark on an adventure ride through space that will leave you breathless. **Tuesday, May 1** – Country

Western Wild! Pasadena Rodeo (top right). Put on your boots, grab your cowboy hat and get ready to boot-scoot at this Texas-sized event. Our event will begin with a full scale rodeo – bucking bulls and all – followed by an energetic display of country and western dancing. Then its over to the camp-fire for a western feast.

Wednesday, May 2 – A Feast with the Beast! Houston Zoo

Enjoy a memorable and exclusive evening of animal viewing and encounters with the remarkable creatures that call the Houston Zoo home. The evening will begin with visits to the zoo's exhibitions and carousel rides. Animals will be on hand for up close and personal encounters followed by an elegant dinner at the reflection pool.

**Thursday, May 3** – Italy Night Hilton Americas

Please join our next conference host, the Port Authority of Genoa, as they entertain you with a



magnificent Italian Gala at the Hilton Americas Hotel. All that awaits you in this spectacular Mediterranean city will be shown in a visual journey toward the 26th IAPH World Ports Conference. **Friday, May 4** – Farewell Gala Museum of Fine Arts, Houston

The Port of Houston Authority invites you to an exciting evening

of dinner, dancing and entertainment as we bid farewell to IAPH 2007.

Enjoy a private cocktail reception and a tour, of *The Masterpieces of French Painting*, *1800–1920*, an exclusive exhibition on loan from the New York Metropolitan Museum of Art's treasured collection.



## Accompanying persons programme

Its not just the conference participants who will be in for a treat when the event comes around. Try out the Galleria (left) for shopping.

The programme, includes:

Sunday April 29 and Monday, April 3 Houston city tour

Monday, April 30, Tuesday, May 1, Thursday,

May 3 and Friday, May 4 Let's go shopping tours Monday, April 30 Cooking class Tuesday, May 1 Moody Gardens and Galveston Tour Tuesday, May 1 and Thursday, May 3 Horse riding Thursday, May 3 Wine tasting Friday, May 4 Museum District Tour Friday, May 4 San Jacinto Battleship Tour

## Airports

George Bush Intercontinental Airport (IAH), located 40km north of the city, is a major international and domestic facility providing non-stop services to 152 cities around the world. More info: +1 281 230 3100 or www.houstonairportsystem.org.

William P. Hobby Airport (HOU)is located 20km south of down-town and principally serves majorU.S. cities. More info: +1 713 640 3000 or www.houstonairportsystem.org

#### **Transportation to and from Houston airports**

The Hilton Americas-Houston is approximately 15 minutes from Hobby Airport and 30 minutes from George Bush Intercontinental Airport. The taxi fare is approximately \$35 from Hobby and \$45 from Intercontinental.

## **Contact Information**

The 25th IAPH World Ports Conference will be the most important gathering of the year for the world's port community.

Over 1,000 delegrates are expected in Houston for the event – one of the largest events in the maritime calendar. For more detailed information about the conference and registration, see www.IAPH2007.com

For inquiries about the conference programme contact: conference meeting and event manager Shellie Stocks, shellie@iaph2007.com

For exhibition inquiries contact: exhibition@iaph2007.com

For pre- and post-tour activities inquiries contact: Cindy Brunner, cindy.brunner@ tq3navigant.com

## Dates for your diary

A selection of forthcoming maritime courses and conferences

#### March

13-15:	TOC2007 Asia – Hong Kong, China More info: www.toc-events.com
18–20:	Port 2007 – Alex – Alexandria, Egypt <i>More info: www.pti-egypt.org</i>
25–28:	Ports 2007 – San Diego, US More info: www.asce.org/conferences
29-30:	5th Intermodal Africa – Durban, South Africa More info: www.transportevents.com
April	
2-4:	Sea Asia – Singapore More info: www.sea-asia.com
10-13:	First Hemispheric Conference on Environmental Port Protection, CIP-OAS Panama City, Panama. More info: www.oas.org/CIP/defaulte.asp
12:	Yangtze Business Network 2007 Shanghai, China More info: www.alaincharles.com
<b>24-26</b> :	Cruise+Ferry – London, UK More info: www.cruiseferryex.com
27-4:	May IAPH World Ports Conference – Houston, USA More info: www.iaphworldports.org
May	
8-10:	Global Border Security Conference and Exposition, San Antonio, USA
	More info: www.globalbordersecurity.com
10-11:	4th Trans Asia 2007 – Ningbo, China More info: www.transportevents.com
31-1:	ESPO Conference – Algeciras, Spain More info: www.espo.be
June	
14-15:	5th Asean Ports and Shipping 2007 – More info: www.transportevents.com
19-20:	Indian Ports Forum Mumbai, India More info: www.indianportsforum.com
Augu	st
<b>25 - 30</b> :	Association of Canadian Port Authorities AGM and conference – Montreal. More info: www.acpa-ports.net
Nove	mber
29-30:	4th Thai Ports and Shipping 2007

More info: www.transportevents.com



Razamataz: Houston will welcome delegates to Bayport

## Houston – we have a time capsule

This year's IAPH conference is going to be special one for association president Tom Kornegay. When the last conference was held in Houston in 1977, he was working as design engineer on one of the world's most modern container terminals - Barbours Cut.

Now he is executive director of the Port of Houston Authority (PHA) and has overseen construction of one of the world's most modern container terminals - at the Bayport Container and Cruise Terminal.

The déjèa vù continues. During the 1977 conference, a time capsule was buried to commemorate the event at Barbours Cut.



1977: Barbours Cut was new

Part of the 2007 conference programme will involve opening the capsule and burying a new one at Bayport.

Staff at PHA are working hard to give members the red carpet treatment at this year's conference, which has the theme, Anchored by Commitment, Buoyed by Unity.

Supporting the event are dignitaries from the Texan city, including Mayor Bill White and Harris County Judge Robert Eckels.

Alongside PHA as conference host are the City of Houston, Harris County, the Houston Convention and Visitors' Bureau and Continental Airlines, all lead sponsors of the event.

Kornegay said: "I am delighted that we will be able to assemble the world's leading experts in the maritime industry to address an agenda focused on building the strategic framework that is critical to the on-going success of our global port operations."

PHA director of public affairs Argentina James, conference vicepresident, added: "The IAPH conference in Houston will be simply the best opportunity for the world's maritime industry leaders to address enormous challenges and opportunities."

#### Contributions to P&H are welcome. Email: ports-harbors@lrfairplay.com

## **Membership Notes**

The IAPH is pleased to welcome the following new members to the association

#### **Associate Member**

#### **International Association of Maritime Universities**

Address:	Kaiyo Senpaku Bu	uilding, 1-15-16 Toranomon, Minato-ku,
		Tokyo 105-0001, JAPAN
Telephone:		+81-3-5251-4131
Fax:		+81-3-5251-7134
E-mail:		iamusec@attglobal.net
Website:		http://iamu-edu.org
Representati	ve:	Dr. Hisashi Yamamoto, Secretary
Nature of Bu	usiness Activities:	An association of 46 institutions of
the world	d's maritime educat	ion and training universities/faculties
		in 24 countries

#### Lloyd's Maritime Academy

Address:	69-77 Paul Street, London, EC2A 4LQ, U.K.
Telephone:	+44 (0)20 7017 5510
Fax:	+44 (0)20 7017 4981
E-mail:	Gemma.noyce@informa.com
Website:	http://www.lloydsmaritimeacademy.com
Representative:	Gemma Noyce, Course Organiser
Nature of BusinessActivities:	Shipping, logistics and ports
	training academy

#### Global Port Management Co., Ltd.

Address:	No.1, I-1 Road, Maptaphut Industrial Port, Maptaphut
	Subdistrict, Rayong Province 21150, THAILAND
Telephone:	+66-38-687807-10
Fax:	+66-38-687809
E-mail:	gpm_portmaster@yahoo.com
Website:	http://www.gpm.co.th
Representative:	M.L. Kaneth Worawut, Managing Director
Nature of Busines	Activities: Outsourcing consultant in
	marine businesses

## Busan bids for 2011 conference



Plans for 2011 are outlined at the Vietnam meeting

The IAPH World Ports Conference is held bi-annually in each region – Africa/Europe, Americas and Asia/Oceania – in turn. This year the 25th Conference will be held in Houston, (Americas) and at the 24th Shanghai Conference, it was decided that the 26th Conference will be held in Genoa, (Africa/Europe). Then it will be Asia/Oceania's turn again.

Three years ago the fifth IAPH Asia/Oceania Regional Meeting was held in Busan. At the successful meeting, Mr Kim Young Nam, former vice-president of the Korean Ministry of Maritime Affairs and Fisheries declared Busan's interest in becoming the host for the 2011 IAPH World Ports Conference. Delegates at the IAPH Asia/Oceania Regional Meeting in Ho Chi Minh City last month gave full support for Busan Port Authority to run the 27th Conference.



Administration portuaire de Montréal

The Montreal Port Authority, an autonomous federal agency, provides a superior infrastructure to shipping lines, terminal operators, inland carriers and importers and exporters. The mandate of the organization is to facilitate domestic and international trade and thereby contribute to the attainment of local, regional and national socioeconomic objectives. Through its activities, the Port of Montreal generates over \$2 billion in annual economic spin-offs and 18,000 direct and indirect jobs depend on its activities.

Montreal

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The **Montreal Port Authority** enjoys a position of leadership on the North Atlantic between Europe and North America and is recognized as a world-class organization. The Port of Montreal is a premier trade gateway providing a fully integrated and seamless intermodal system. It currently handles over 25 million tonnes of all types of cargo and services the world's leading shipping lines.

#### PRESIDENT AND CHIEF EXECUTIVE OFFICER

The President and CEO reports to the Board of Directors and has full responsibility for the overall management of the organization, including its financial performance. The CEO also drives the strategic development of the Port as well as representing and promoting the organization with all external constituencies, both domestically and internationally.

The ideal candidate must be a fluently bilingual executive whose general management credentials have been gained in large asset-based organizations dealing in international markets. You bring in-depth knowledge of the maritime sector and/or related segments of transportation and logistics.

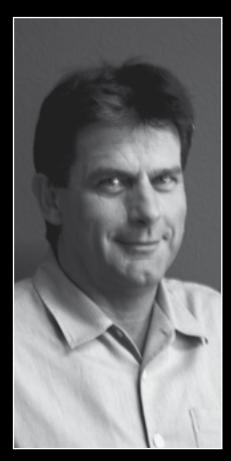
Candidates must demonstrate a solid track record in having managed all operational facets of a sizeable entity. You bring a people-oriented management style with outstanding interpersonal and communications skills. You are recognized for your ability to collaborate and build consensus with multiple stakeholders, including all levels of government, and you provide the transparency and profile required for the leadership of such a focal organization in the ongoing development of Greater Montreal.

If you possess the right balance of leadership and vision from an appropriate industry sector, please submit your resume in complete confidence to:

Egon Zehnder International Inc. 1 Place Ville Marie Suite 3310 Montreal, Quebec H3B 3N2 Tel. : 514-866-0853 Fax : 514-866-0853 E-mail : ezimontreal@ezi.net

Egon Zehnder International

Canadä



▲ The issues facing the Finance Committee can be challenging and diverse but never mundane or uninteresting

## A day in the life of the Finance Committee

The Finance Committee works to help the smooth operation of the association and strives to ensure fair treatment for large and small ports as its chairman, Garth Cowie, the chief executive of Port of Napier explains

Bean counting is the art of social engineering at the highest level. Accountants have long been regarded and portrayed as the staid and boring individuals working tirelessly in darkened back offices with only the hint of light and a social life.

Well, the Finance Committee activities can never be portrayed as mundane or uninteresting! It functions closely with the secretariat to provide a vital link to the wider IAPH membership by ensuring confidence and trust in overseeing its financial affairs.

The Committee monitors the financial status of the association on a regular basis, to ensure the smooth and undisrupted operation of the activities of the secretary general and to further ensure the long-range prospects for financial self-sufficiency of the Association. The Committee also examines the financial reports and conducts reviews as appropriate.

With IAPH membership covering diverse countries from across the globe. The issues facing the Finance Committee can be challenging and diverse.

Of late, the nature and level of membership dues has been queried. Quite simply, as a non profit, non partisan membership driven organisation, if larger ports are to pay less, then small ports would need to pay more, and vice versa, to ensure the same level of income and services are provided.

Alternatively, outside funding sources would need to be found to reduce the

obligations of members but this also risks compromising our independent status. There is a delicate balance and one that the secretariat strives to achieve.

Likewise, the life blood of IAPH is the membership activities through the committee structures. It has been a disappointment over more recent years, that although budgetary funding has been set aside to support and extend the committee activities, the bulk of the funding has remained unused.

Since my attendance at my first IAPH Conference in Seattle in 1995 and my appointment as Finance Committee chairman in London in 1997, the experience has been very rewarding whilst I have had the privilege and enjoyment of working with an extremely committed and professional team at the Secretariat. Roll on Houston!

Rowi





19-21 June 2007 TUYAP Fair and Congress Centre Istanbul, Turkey

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> Kiran Jethwa, Director, Product Management, Navis

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