



# PORTS & HARBORS

Official Journal of the International Association of Ports and Harbors

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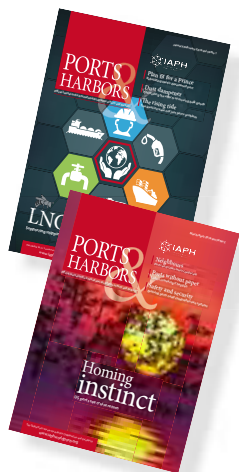
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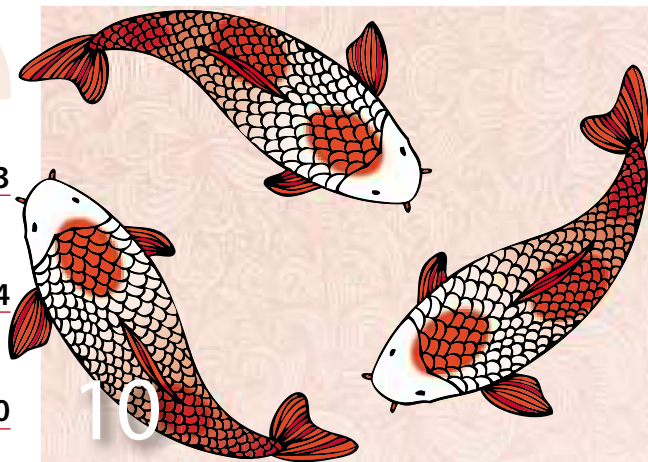
US ports are benefiting from energy's import/export reversal and are less impacted by emission regulations than expected

Photo: Shutterstock/Hannah Kidd

March/April 2014  
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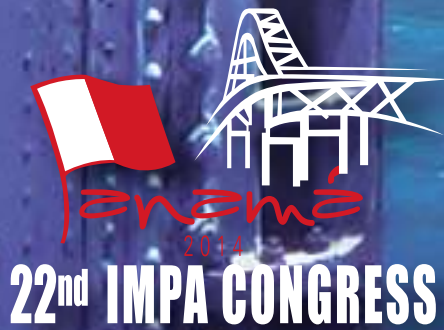


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Ninoska Fong  
Director  
Email: [info@impa2014.com](mailto:info@impa2014.com)  
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## EDITORIAL & PRODUCTION

**IHS Maritime**  
Sentinel House, 163 Brighton Road,  
Coulson, Surrey CR5 2YH, UK  
Tel +44 (0)203 253 2100

## PUBLICATIONS

**Head of Publications:** Nick Blackmore  
Email: nick.blackmore@ihs.com

**Publications Editors:**  
Mike Brock, Richard Halfhide, Lisa Maher

## CONTENT

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## CHIEF MARITIME ANALYST

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**Senior Designer:** Hannah Kidd

## PRODUCTION

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David Ward  
**Production Controller:** Sarah Treacy  
**Image Services Manager:** Jo Agius

## GENERAL

**Sr Director, IHS Maritime Insight  
& Research:** Louisa Swaden Director, EMEA  
**Editing & Design:** Sara Morgan

## ADVERTISING SALES

**Advertising and Subscription Sales:**  
Adam Foster  
Tel: +44 (0) 20 3253 2290  
Email: adam.foster@ihs.com

## SUBSCRIPTIONS

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1-16-1 Kaigan, Minato-ku  
Tokyo 105-0022, Japan  
Tel: +81-3-5403-2770  
Fax: +81-3-5403-7651  
Email: phi@iaphworldports.org  
Web: www.iaphworldports.org

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## Timely discussions

Secretary General Naruse looks forward to warm weather and discussing key issues in Sydney



**Susumu Naruse**

Secretary General – The International Association of Ports and Harbors



The year 2014 seems to have started calmly but it may involve a lot of uncertainties, in particular for the economies of emerging countries. During the last few years, an increase in port cargo has been largely dependent on trade to/from developed countries with sluggish economies; but recently, fast-growing countries such as India, Indonesia, and Turkey, whose economies were thought to be robust at least for the foreseeable future, have experienced a slowdown, mainly due to currency devaluations. I trust those emerging economies will get back on the right development track soon and stimulate global trade.

Since its inception, IAPH has provided a scholarship programme to ports in developing countries to enhance their technical expertise. Unfortunately, no-one applied last year. By awarding the scholarship, IAPH bears part of the tuition cost (up to \$2,500) at one of the IAPH-designated port educational institutions a trainee enrolls for. To get more people interested, there should be discussions on fundamental parts of the scheme, such as the

application process, the maximum amount of subsidy, and the designation of additional training institutions.

The Sydney Mid-term Conference is just around the corner. It will surely be another excellent conference, with great presentations and with beautiful Sydney weather. As I mentioned in the last issue, in addition to the ordinary programmes, we'll discuss a new

organisational structure and an effective decision-making process for the association. In a sense, we'll depart from the traditional 'regional principle', by which I mean where the association's major decisions are made by the Board of Directors (at the moment, almost 90 of them, selected by each country). We will delegate almost the same powers to a small group (20-30 people) comprised of more active and professional people, such as chairs of technical committees and others nominated by the regional vice presidents. I believe the change will enable the association to take quick and timely actions in this time of uncertainty though, to be frank, I'm not 100% sure the new structure is much better than the old one. So I hope as many members as possible will join us in Sydney for vigorous discussions on this critical matter.

I guess some people are still enduring in a hard winter at this time of the year. I expect you all to come to Sydney and join the important discussions, enjoying warm weather, great meals, and Australian hospitality. See you in Sydney. PH

“I hope as many members as possible will join us in Sydney”





## Port updates

### ► WIND ENERGY TRAINING

The Port of Mostyn is the chosen location for a new wind energy safety training centre in south Wales, UK. The site was chosen by training provider, Safety Technology. The port has hosted some offshore windfarm construction projects in the past and is currently the operations and maintenance base for RWE Npower's North Hoyle, Rhyl Flats and Gwynt-y-Mor windfarms.

### ► CORK SEES EU FUNDING

The Port of Cork has been awarded funding by the Trans-European Transport Network (TEN-T). The port, which is a key player in the movement of goods between the UK and the rest of Europe, intends to put forward a planning application in 1Q2014 to develop the port facilities at Ringaskiddy. These developments include the provision of a multi-purpose berth, another 200m berth for container traffic, a new container yard, a 180m extension to the deepwater berth and dredging works.

### ► BPA AND KR CO-OPERATE

Busan Port Authority (BPA) and the Korean Register of Shipping (KR) have signed a MoU to co-operate on environmental initiatives and other maritime activities. Areas in which the two will work together will include the development of an evaluation index for eco-friendly ships and green ship verification services, renewable energy and assisting local businesses.

### ► GOLDEN APPLICATION

The Montreal Port Authority (MPA) has launched its first mobile application, which "will allow users to board a ship and sail the oceans of time in order to explore, through archival photos, the rich history of the Port of Montreal and the Gold-Headed Cane," (awarded to the captain of the first non-stop ocean-going vessel to enter the Port of Montreal each year).



Berbera Port's biggest importer is the World Food Programme (WFP)

# Hopes for development of Somali ports sector

Developers of Berbera Port have an eye on wider economic and security developments.

Berbera Port in Somaliland is being developed as a pilot project for other ports in the region. An assessment of the port last year by non-governmental organization Oceans Beyond Piracy (OBP) concluded that Berbera has "significant opportunity for growth".

Located in the north, logistical advantages include being close to Berbera airport and a state-owned fuel farm capable of handling gasoline, diesel, and aircraft fuel, though it has only a single pipe for transferring fuel from ship to shore. Jens Madsen, associate director of OBP, told *Ports & Harbors*. In addition, there are plans to set up a Free Trade Zone southwest of the port, which would be supported by developing the basic road links to hinterland locations such as

Ethiopia, South Sudan, and Mogadishu in Somalia.

The port is widely used by humanitarian agencies – Somali Fair Fishing, Save the Children, and OBP have centres in Berbera – and OBP hopes that if the project is successful, other port developments could follow, a plan which has been on the table since 2010 when a conference on Somalia in Istanbul identified ports at Mogadishu, Bosaso and Kismayo alongside Berbera as having potential. OBP is speaking to potential investors and has highlighted immediate "quick win projects", including the provision of tugs and pilot boats, navigation aids, and shore side equipment such as a reach stacker, terminal tractors, and warehouse forklifts.

Madsen conceded that security may be in need of review. He said that while the port's "entrances are guarded and access monitored",

there is "no CCTV or other security measures in place". However, he added that "relatively speaking, the port is one of the more secure areas that we identified on the ground". He said that job creation would also help, by keeping "young Somalis from choosing to become pirates".

The port's website states that the port is owned and operated by the Republic of Somaliland, and outlines trade statistics from 1996-2011. There has been a steady growth in box and a variety of other imports, while the port's main livestock export remains largely flat. Box imports were 14,000 teu in 2011, with 800,000 tons of other imports noted for 2011; in that year, 3,000,000 heads (sheep, goats, camel) were exported to locations in the Middle East and North Africa. Port calls have decreased, from almost 900 in 1996 to just over 700 in 2011.



# Top education bodies form global port alliance

Seven leading educational institutions have joined forces to form a global body dedicated to research, education and training, with the aim of co-operating on global issues facing ports.

The Global Port Research Alliance needs to address the global issues facing the port industry and related maritime and logistics sectors, according to its initiator, ports consultant Dr Khalid Bichou. Its seven founding members are:

- Imperial College London (Port Operations Research and Technology Centre)
- the Malaysia Institute for Supply Chain Innovation (MIT Global SCALE Network)
- the Massachusetts Institute of Technology (Centre for Transportation and Logistics)
- the National University of Singapore (Department of Industrial and Systems Engineering)
- the Hong Kong Polytechnic University (Shipping Research Centre)
- Universität Hamburg (Institute of Information Systems), and

■ the University of Sydney (Institute of Transport and Logistics Studies).

Its main objective is to establish "a global research, education and teaching platform in port operations, maritime and transport logistics by building collaborative arrangements among Alliance members, as well as between the alliance and industry".

Bichou told *Ports & Harbors* that the alliance has already established or is in the process of establishing links with such bodies as UNCTAD, the World Bank and the International Cargo-Handling Co-ordination Association (ICHCA), as well as with equipment and systems providers such as Cargotec and its subsidiary Navis.

Subsequently, he said, it would be looking to create links with international terminal operators, shipping companies and third party logistics providers.

The Alliance will hold its first meeting on 10-11 April in Sydney, Australia, after the 2014 conference of the IAPH in the same city.

"A GPRA blueprint strategy will

be prepared and agreed on by then," said Bichou, "but I can already confirm that areas of collaborative work will include collaborative research projects, contract research, executive programmes and professional training, and student exchange programmes".

Each Alliance member has been chosen on the basis of its international status, quality of research and expertise in the ports and logistics fields, global and regional coverage and the opportunity for synergies it offers.

Bichou indicated that the Alliance had no immediate plans to increase its membership but that it was ready to hear proposals from other bodies: "At this stage, we would like to grow organically but we are open to co-operation with other organisations," he said.

The GPRA secretariat is being maintained by Ruth Steel at the Institute of Transport and Logistics Studies at the University of Sydney. Email address: [business.gpra@sydney.edu.au](mailto:business.gpra@sydney.edu.au)

## Port updates

### ► CLIA PORTS COMMITTEE

Cruise Lines International Association (CLIA) has set up a Global Ports Committee chaired by Giora Israel, Vice-President at Carnival Corporation. The aim is to further the mutual aims of cruise lines and their destinations.

### ► TEESPORT FEEDS LG

PD Ports' Teesport has become the first feeder port to be served by London Gateway (LG). BG Freight Line's *Cetus J*, berthed at DP World's London Gateway before making her scheduled visit to Teesport on 28 December. She was the first feeder vessel to berth at the LG making Teesport the first port to receive a vessel of this type from the London-based port.

### ► NEW TOS AT LE HAVRE

GMP Le Havre went live with its new Navis N4 Terminal Operating System (TOS) in mid-January at its Terminal North. It is built to handle the largest carriers and manage 1,225,000 teu annually. A second facility, Terminal De France, is due to go live with the Navis terminal operating system in 2Q/2014, the company said.



### ► JÄTKÄSAARI EXTENSION

Finland's Port of Helsinki is extending its port of Jätkäsaari by some 6ha and adding 480m to the Valtamerilaituri quay there. The project started in May 2013 with the water permit for the extension; dredging finished in October last year and the quay is expected to be fully complete in 2015.

## Port safety summit successful says Tampa

Held in early February, the first Port Safety & Risk Management Summit, hosted by Port Tampa Bay and cosponsored by Savage and the Mosaic Company, gathered local and national agencies along with key members of the Tampa port community.

"This inaugural safety summit was an innovative way to bring together our area safety and security community and port community to discuss relevant issues and connect on a very real level. This forum provides the perfect venue to share ideas and information that will make our



port stronger and our community safer for everyone," said Paul Anderson, port president and CEO. "We are tremendously

thankful to our sponsors and to everyone who attended, making this event a rousing and meaningful success."

Port Tampa Bay



## Cash & Cargo

### ▶ PSA LOOKS UP

PSA International handled 61.81M teu at its facilities around the world for the year ending 31 December 2013. The group's overall volume increased by 2.9% over 2012's figures with its flagship PSA Singapore Terminals contributing 32.24 million teu to this figure, an increase of 3.1%.

### ▶ LA's TEU UP

The Port of LA's December 2013 cargo volumes increased by 11.09% compared to figures for the same month in 2012. The increase is due in part to shippers moving cargo in advance of the Chinese New Year, which this year fell on 31 January, the port noted in a statement. Imports increased by 8.63%, from 296,874 teu in December 2012 to 322,500 teu in December 2013.

### ▶ NINGBO NUMBERS' UP

China's Ningbo port handled 496M tonnes in 2013, a new high in its throughput levels, up by 9.5% year-on-year. The port handled a total of 16.77M teu in containerised cargo in 2013, marking growth of 7% year-on-year. It handled 53.32M tonnes of iron ore in 2013, an increase of 9.4% on 2012.

### ▶ NEWCASTLE HIGHS

Newcastle, Australia's largest coal port, set a new record 150.5M tonnes of coal exports in 2013, the state minister for ports, Duncan Gay said in January. "Newcastle shipped almost 17M tonnes more coal last year than in 2012, when 133.8M tonnes were exported," said Mr Gay. "The annual growth rate of 12.5% represents the fourth consecutive year of above 10% annual growth for coal exports from the port," he added.



PD Ports CEO David Robinson welcomes the first group of High Tide Cadets

## UK schoolchildren learn about ports first-hand

A new scheme hopes to enthuse school children to consider a ports career.

A charity run by port businesses in northeast England, UK, has launched a scheme to raise awareness of port activities among young people, in the hope that some will later find a career in a port or logistics-related industry.

The pilot project allowed a dozen 12-14-year-olds to visit a number of businesses around Teesport, outside school hours. As well as gaining an insight into such business activities such as commercial shipping, shipbroking, engineering and dockside operations, the 12 also visited a transport firm and Asda supermarket's local distribution centre to learn about logistics and onward transport. The group saw port businesses from the river,

from the vantage point of the Harbour Master's launch.

The programme is sponsored by the High Tide Foundation, a charity run by port-related businesses to offer opportunities to young people on Teesside.

The pilot scheme was possible thanks to a grant from the Institute of Chartered Shipbrokers (ICS), which is taking a keen interest in the project.

"We are very grateful to the ICS for their generosity in enabling us to get this new programme underway," said Kevin Shakesheff, chairman both of High Tide and of Casper Shipping, which is based on Teesside. "We are hoping the 12 High Tide Cadets will be the first of many, helping us achieve our long-term aim of bringing greater opportunities to young people on Teesside."

David Wilson, HR manager of PD Ports, which owns Teesport, explained the educational aspects in more detail: "We're using the example of a mobile phone to show the students how everyday goods they take for granted are transported across the globe and into their homes, illustrating the important roles that businesses on Teesport play in the global supply chain."

Each week, the students see a different aspect of the journey, and learn about some of the many job opportunities.

The new programme runs alongside a number of other schemes, including a summer scheme that offers school leavers a two-week work experience placement in companies which are members of the High Tide Foundation.

## €1.5M for Riga Freeport studies

Latvia's port of Riga is to get more than €1.5M from the Innovation and Networks Executive Agency (INEA) which took over from TEN-T in January this year. The EU's former 2012 TEN-T annual programme will fund a series of studies looking to connect the Freeport of Riga with the rest of the TEN-T network. This will be via

the 30km Riga Northern Transport Corridor – an east-west motorway due to be built in 2016. The studies – which should be finished by December 2015 – will be monitored by INEA whose directive is "to increase the efficiency of the technical and financial management of the programmes it manages".



# Heat disrupts port routines

Searing heat across Australia recently disrupted terminal operations at Melbourne, Adelaide and Fremantle ports.

In Melbourne the mercury topped 40°C, causing power outages and suspending Australian Open tennis tournament matches. Inland, 40 bushfires burnt out of control. At one point, Adelaide was the hottest city on the planet, clocking 43.7°C, according to the Bureau of Meteorology. And in Fremantle the mercury also reached the forties. Temperatures in the Pilbara soared to 48.7°C.

A spokesperson for Patrick Stevedores told *Ports&Harbors* that operations stop in non-air conditioned environments when it gets to 38°C. DP World has the same policy: "We are working with

our landside customers to manage receipt and delivery, around the peaks in the extreme temperatures," a spokesperson told the IAPH.

"All terminal machines have air conditioning," a Port Botany source told us, "But at 38°C all ships stop as deck foremen (and dock workers lashing) seek shelter. It hasn't happened this summer yet".

DP World Melbourne's director and general manager Andrew Jena told *Ports & Harbors* the extreme temperatures increased the risk of damage to the pavement and equipment, thereby increasing the risk of injury.

"The safety and health of our people is our number one priority, together with our commitment to deliver exceptional levels of service to our customers," said Jena. "We

assess each situation on its merit and take appropriate action if and when required," he added.

During a week of extreme conditions in Melbourne, DP World made the decision to cease work intermittently right across the terminal at the height of the heat: "Pavement temperatures were in excess of 65°C and some people were showing signs of heat stress," Jena said. "Prior to resuming operations, we brought in water tankers to cool the pavement down to acceptable levels," he said.

DP World also notified truck operators they would not be penalised if they chose not to use their timeslots "in light of the extreme heat forecast of 44°C today and with the safety and welfare of your drivers in mind."

## Cash&Cargo

### ► FRENCH HIGHS/LOWS

Containers, steel bulk, LNG and cruise traffic were the major growth drivers at Marseilles Fos, its 2013 figures show. The port noted that it has seen a decline in crude oil and petroleum volumes. Overall, cargo handled throughout the year totalled 80M tonnes, down 7% on 2012.

### ► LIQUIDS UP AT ANTWERP

The port of Antwerp handled 190,849,079 tonnes of freight in 2013. This represents an increase of 3.6% on the previous year. The main driving force behind this growth was liquid bulk cargo, with container volume being slightly down as a result of the recession, the port said.



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## Cash&Cargo

### ► GOOD 2013 RESULTS

The Port of Algeiras Bay has reported positive 2013 results: rail traffic tripled in volume to 18,228 TEUs (up 192.1%); throughput was up 2.3%; liquid bulk rose 5.7%, to 24M tonnes and general cargo was 60M tonnes (up 2.3%). Container throughput was up 5.5% to 4.34M TEU while ro-ro/heavy goods vehicle throughput reached 252,354 vehicles (up 9.04%). In addition, the port handled some 5.17M passengers.

### ► TRANSSHIPMENT GROWTH

Sri Lanka Ports Authority (SPLA) recorded a 12.3% growth in teu transshipment operations and a 1.8% growth in domestic operations in 2013 compared to the same period in 2012. Total container throughput reached 2,501,863 teu in 2013 showing an 8.0% rise in total container throughput for the year. All of which supports SPLA's plans to construct a 233ha Colombo Port City development close to the port.

### ► TACOMA'S TRIUMPHS

The Port of Tacoma has reported positive results for 2013: it handled 1.89M teu; 16% more vessel calls drove both imports (up 14%) and exports (almost 16%) to a 10.5% gain year-on-year. Intermodal lifts gained nearly 11%, automotive imports were up 8% and log exports rose 17%. However, breakbulk cargo volumes finished the year down 21% and grain exports declined 43%.

### GOTHENBURG FIGURES

► Ro-ro traffic through Sweden's Port of Gothenburg rose in 2013 for the first time in three years. The number of containers shipped through the port, however, fell by 5%.



CCCC Tianjin Dredging

China's largest TSHD *Tong Tu* working on the new channel

## First for Tianjin – and China

Working with a fleet of eight smaller dredgers, China's biggest trailing suction hopper dredger, *Tong Tu*, has given the country its first man-made compound channel.

As of January this year, the Port of Tianjin has a 390m-wide, 21m-deep main channel capable of handling vessels of up to 300,000dwt, plus two smaller channels on either side capable of accommodating 10,000dwt vessels.

To create them, the 20,000m<sup>3</sup> *Tong Tu* and sister trailing suction hopper dredgers *Tong*

*Cheng*, *Tong Xu* and *Tong Li* from CCCC Tianjing Dredging Co removed 448M m<sup>3</sup> – material deposited via pipeline into a disposal area behind berths 16-31 that will later be used for land reclamation.

According to a port spokesman, the dredged material had minimal contamination: "Any contaminants are temporary and reversible – and with this channel, the port's shipping efficiency has been improved by 47%".

The largest port in northern China, Tianjin has 159 berths and has just achieved its highest annual cargo throughput – over 500M tonnes – with the port handling a total of 13M teu. As a result, Tianjin remains the world's fourth largest port in terms of cargo volumes.

"Better infrastructure and increasing cargo flows from inland have contributed to this growth," the spokesman told *Ports&Harbors*, "with coal, oil products, ores and steel as the major cargoes shipped".

## New stakeholder for Lekki box terminal

Philippines-based International Container Terminal Services (ICTSI), which holds the 21-year concession to operate the container terminal at the future port of Lekki, near Lagos in Nigeria, has sold a 25% stake in the facility's operating company to box line operator CMA CGM.

In a stock exchange announcement, ICTSI said that CMA CGM subsidiary CMA Terminals would pay \$25,000 for its stake in the terminal operating company and take a 25% share of its debts and accrued expenses.

"The deal with CMA CGM would accelerate

throughput growth during the early years of operation of the new terminal" according to ICTSI treasury director Arthur Tabuena.

ICTSI won the terminal concession in August 2012; it was awarded by the Singapore-based Tolaram Group which is developing the new port in partnership with the Nigerian Port Authority and the Lagos State Government.

It will invest more than \$225M in the terminal – which is due to come into service in 2016 – and which is expected to have an annual handling capacity of 2.5M teu.



# World's largest semi-auto container terminal

The inauguration of DP World's Jebel Ali container Terminal 3 (T3) takes total capacity to 19M teu.

Inaugurated by Dubai ruler and UAE premier Sheikh Mohammed Bin Rashid Al Maktoum, the facility "is set to be the world's largest semi-automated facility" said the company.

"Jebel Ali is the model for our global portfolio of more than 65 marine terminals across six continents including the new developments we have underway in Europe, Africa, India and the Middle East," said DP World vice-chairman Jamal Majid.

"The unrivalled efficiency and connectivity of Jebel Ali, plus the adjacent free zone, home to around 7,000 companies, has been and continues to be a driver of growth for the economy not just of

Dubai and the UAE but for the wider region of some 2Bn people from the subcontinent to East Africa," he added.

T3 will have 19 automated quay cranes, 50 automated rail mounted gantry (RMG) yard cranes, and should be at least 30% more carbon efficient than a conventional terminal operation. It could add 4M teu in 2014 to the port's existing 15M teu capacity.

DP World CEO Mohammed Sharaf said the improved Jebel Ali would enable Dubai to gear up for Expo 2020: "Automation and new technology are the way of the future and will help our customers and the wider supply chain realise the efficiencies on land that the new mega-ships generate at sea. They are a giant leap forward in terms of customer service."

Kalmar, part of Cargotec Corporation has won an order for seven empty container handlers which are to be delivered by April 2014 to T3 at Jebel Ali. The new machines are "equipped with several options to enhance operator safety", says Kalmar, "such as a twistlock monitoring camera, rear warning system and vehicle data output, among others." The company has previously supplied equipment to Terminals 1 and 2 at the port.

Similarly, Cavotec has won three orders for the provision of motorised cable reel technologies for installation on 19 ship-to-shore (STS) cranes and 50 rail-mounted gantry (RMG) cranes; they were ordered by ZPMC and TGPC for the new Terminal 3 container handling facility.

## Port updates

### ► NYK BUILDS LNG TUG

Japan's carrier NYK announced in December that it will build a tug with a dual fuel engine that will be able to run on either LNG or Heavy Fuel Oil (HFO). NYK said that it chose LNG as an alternative fuel as it will reduce the tug's CO<sub>2</sub> emissions by about 30%, NO<sub>x</sub> emissions by about 80% and SO<sub>x</sub> emissions by 100%, compared to HFO.

### ► LNG POWER FERRY

French English Channel ferry operator Brittany Ferries has placed a €270M (\$365.77M) order with STX France for the construction of a new vessel powered by LNG, which it says will be one of the three biggest LNG powered vessels in the world.

# Doubled container capacity

India has approved five projects worth \$2.8Bn in the port sector to augment the capacity of major ports by about 151M tonnes per annum (MTPA). This includes four container terminals which, once operational, will double the container handling capacity of major ports to 23M teu from the present 11.57M teu.

The approved projects are: the fourth container terminal at Jawaharlal Nehru Port Trust (JNPT) on a DBFOT- Design, Build, Finance, Operate and Transfer basis; a terminal at Ennore Port on a DBFOT; a mega container terminal at Tuna Tekra at Kandla Port on a BOT; and the development of a box terminal at Diamond Harbour at Kolkata Port Trust on a BOT. The fifth project is a multi-purpose cargo berth project at Mumbai Port.

The container terminals will increase the capacity at Kandla (with fresh capacity of 4.2M teu), Jawaharlal Nehru Port Trust (by 4.8M teu), Kolkata (by 1.2M teu) and Ennore (by 1.4 M teu).

# Private firms input for ports

The Indonesian government is giving private parties the opportunity to manage Indonesian ports, in order to meet a key target of reducing ships' waiting time. According to the Minister of Transportation EE Mangindaan, private participation should increase competition and enhance existing port activities.

Waiting times can be up to nine days at Tanjung Priok and containers can take 15-17 days to exit the port completely. PT Pelindo II CEO RJ Lino has estimated that up to 25% of commodities – around 35,000 containers – enter the import zone at that port and experience shipment delays.

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**F. Laurence (Ex)**  
Consulting Director  
TIFM International Consultants Limited  
79 York Street, London W1H 1DP, United Kingdom  
Telephone: + 44 (0) 208 900 8825  
Fax: + 44 (0) 203 6332162  
Email: [f.laurence@tifminternational.co.uk](mailto:f.laurence@tifminternational.co.uk)  
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2.	International Shipping and Supply Chain Management	2500.00 (GBP)	London D3	24 Feb, 2014
3.	Port Congestion & Strategic Container Traffic Management	2000.00 (GBP)	London D7	27 Mar, 2014
4.	Port Logistics & Maritime Business Management	2500.00 (GBP)	London D7	25 Apr, 2014
5.	Strategic Port Governance Policy Management	2500.00 (GBP)	London D5	23 May, 2014
6.	Port Policy, Governance & Stakeholders Management	2500.00 (GBP)	London D2	23 Jun, 2014
7.	Strategic Customer Relationship Management in Maritime Trade	2500.00 (GBP)	London D7	23 Jul, 2014
8.	Port Efficiency Management	2500.00 (GBP)	London D4	22 Aug, 2014
9.	Strategic Maritime Policy Management	2500.00 (GBP)	London D1	19 Sep, 2014
10.	Strategic Port Pricing & Commercial (Bills) Management	2500.00 (GBP)	London D5	24 Oct, 2014
11.	Port Operations Demand Sensing, Deployment & Management	2500.00 (GBP)	London D3	21 Nov, 2014
12.	Port Transit Corridor Policy, Operations & Transshipment Logistics Management	2500.00 (GBP)	London D8	19 Dec, 2014

TIFM International Consultants is an affiliate training institute of The International Association of Ports and Harbors (IAPH). Participants from ports of developing countries on IAPH Scholarship are welcome to participate in TIFM International Courses in London 2014.



# The power of three

Logistics and finance consultant  
**Dr Jonathan Beard** tells *P&H* why  
certain ports may lose business  
through P3



In the still tough economic climate, shipping lines are deploying ever larger container vessels in a continued pursuit of economies of scale. In the past four years alone, the total number of containerships rose by only 8% while aggregate capacity jumped by 35%, according to Alphaliner. This relentless chase for scale economies is, in theory, to achieve cost savings. However, it is also important to note that even within the smaller vessel size categories, newer ships offer better fuel efficiency and bunkers represent as much as 50-60% of total ship operating costs.

Nonetheless, in true 'Groundhog Day' fashion, as new vessels are introduced, older capacity has not been removed at a concomitant rate. Against a backdrop of subdued demand following the global

financial crisis a re-emergence of substantial surplus capacity looks inevitable. This appears very similar to the perfect storm straight after the crisis and may herald a return to the red for liner shipping.

In other markets, such a collapse might lead to market exits, rationalisation and a greater level of imposed financial discipline. However, recent experience indicates that the market will not clear. During the previous collapse several major carriers appeared to be supported directly or indirectly by their respective governments – and they continue in business today, often with little change in management or behaviour.

The latest 18,000teu vessels are being deployed on the Far East-Europe (FE-EU) trades, where the necessary port infrastructure,

productivity and cargo volume is in place to realise the hoped-for economies of scale. But if ship operators do not have enough cargo to fill these huge vessels, the best port productivity and infrastructure in the world would not make a great deal of difference.

Maersk has led the way in pushing the vessel size envelope with its Triple-E-class vessels, but even the largest carriers are realising they cannot fully utilise their capacity on their own account. And so new operating alliances are being introduced to defray the risk of introducing larger vessels in the current depressed demand conditions and to secure enough vessels of the same magnitude of size to offer fixed or weekly schedules.

The recently announced P3 alliance is a possible game changer. It consists of Maersk,





MSC and CMA CGM: the three largest carriers, 255 ships and a combined capacity of 2.6 million teu to deploy on the trunk east-west trade routes.

The alliance marks a major departure for all three member carriers, who have historically eschewed formal alliance arrangements. The P3 carriers should be able to offer the lowest unit costs and the widest east-west trade coverage. They will also co-ordinate future capacity introduction on the three main trade lanes. Despite the benefits – and the limitation of the alliance to discussing capacity and not price – the formation of this ‘mega alliance’ will restrict the carriers’ ability to differentiate their service offerings, which will, therefore, be increasingly commoditised.

The P3 carriers will be particularly dominant on FE-EU (with 45% of market share) and Europe-North America trades (with 41%), where they will offer the largest number of loops among the existing alliance offerings. However, on FE-North America trade, P3 coverage and capacity share at 22% will still be smaller than those offered by the two other major alliances: CKYH, made up of COSCO, ‘K’ Line, Yang Ming and Hanjin, with 25% of market share; and G6 carriers, made up of APL, Hyundai Merchant Marine, MOL, Hapag-Lloyd, NYK and OOCL, with 32%.

The establishment of P3 is still subject to approval by relevant regulatory authorities, but these industry heavyweights believe they have laid the necessary groundwork with the

regulators to meet any competition concerns. This includes a clear separation of sales, customer service and marketing functions. At time of writing, operations were planned to start around now – Q2 this year.

Nonetheless, it is perhaps ironic that although the European Union has been very active in limiting the scope of liner agreements, most notably via the 2008 measures on conferences, the FE-EU trade lane is where P3 could have most impact. Cynics might wonder if the authorities’ views will be swayed by economic nationalism – the P3 members happen to be EU-based. Conversely, some have suggested that approval from Beijing would depend on whether a Chinese carrier – COSCO or China Shipping – is added to the alliance.

In terms of port choice and carrier switching, the P3 is of prime concern. There is a risk that P3 carriers will seek to consolidate services and cargo at major hubs and gateways within specific port clusters or ranges. What are the implications for regional port competition, especially regarding ports and terminals where P3 members have no equity or long-term commitments via their terminal services agreements (TSAs)?

The recently announced plans for P3 port calls highlight the risk for certain ports and terminals. The low-revenue transshipment battleground around the Strait of Malacca, where the three ports of Tanjung Pelepas (PTP), Klang and Singapore are key players, provides a clear illustration of this risk.

Maersk hubs at the Malaysian port of PTP, where its sister company APM Terminals has an equity stake. CMA CGM, on the other hand, has pushed much of its volume through Westports’ terminals, at Port Klang, Malaysia.

At least two thirds of Westports’ 6.9 million teu throughput is transshipment and CMA CGM

‘In terms of port choice and carrier switching, the P3 alliance is of prime concern’

**Dr Jonathan Beard**

MD, GHK (Hong Kong) Ltd



Jonathan Beard

has been a major part of the terminals’ growth, with 35% of containers handled by the French line in 2012.

The dominant transshipment hub in the region is operated by PSA at Singapore, where much of MSC’s volumes are handled. MSC has a 50% stake in three berths at Singapore. Furthermore, despite the higher-cost location, PSA’s Singapore operations remain very competitive, with the government backing the port to the hilt. Aggressive plans for expansion have been announced, sending a signal to regional competitors that Singapore intends to maintain its position, regardless of cost. Which of the hubs, if any, will be winners when the new P3 call rotations are implemented?

The drive to larger vessels and the aggregating of customer power in bigger alliances has raised the stakes for ports and terminal operators. To compete requires increased investment in larger infrastructure allied to high levels of productivity, customer services and keen pricing. But these pre-requisites are no guarantee of success without the security of large volumes of cargo and customer lock-in.

Will the winners establish a virtuous circle, tying in more services and connectivity? Will the losers have to content themselves with playing second fiddle to these mega-hubs and gateways, or can they re-position and exploit other markets while maintaining profitability? Only time will tell. **PH**

**AUTHOR:** Dr Jonathan Beard is managing director of GHK (Hong Kong) Ltd and vice-president of ICF International Limited. He heads the group’s global ports and logistics consultancy team and advises terminal operators, investors, financial advisors and port authorities

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# Cruise relief for US, Caribbean ports

Market threats fade for cruise terminals in the Americas, reports **Greg Miller**

**C**ruise revenue is proving much healthier and more robust than expected at US and Caribbean ports. Two regional risks are turning out to be less onerous than once feared.

The first concern was that the US-to-Caribbean circuit, the industry's mainstay trade, would continually wane as deployments defected to Europe. Thankfully for American and Caribbean ports, the migration of itineraries to Europe is now reversing. In 2014, the deployment pendulum is

swinging back towards US-homeported cruises to the Caribbean islands.

Port executives' second concern centred on the potential loss of cruise business due to the strict fuel requirements of the North American Emission Control Area (ECA). The ECA will require the use of much more expensive 0.1% sulphur fuel within 370km of shore starting on 1 January 2015.

The fear was that cruise lines would be forced to change their deployments to minimise sailing time within the ECA and thus avert crippling fuel bills. This concern was so intense that the state government of Alaska filed suit against the Obama Administration in July 2012, alleging that the federal ECA rule was unconstitutional (a US district court judge ruled against Alaska and dismissed the case in September 2013).

Cruise executives had previously asserted that the 0.1% sulphur fuel rule that starts next year could indeed alter their deployments. This issue was specifically addressed at the November 2013 'Leadership Forum' of the Cruise Lines International Association (CLIA).



**Voyages to and from US ports to the Caribbean must adhere to ECA regulation**

As Royal Caribbean's commercial development vice president John Tercek told that forum: "This impact [from the ECA rule] has a material implication to fuel costs. Fuel is the greatest and most volatile variable cost associated with offering a cruise. Deployment of our fleet is optimised to balance between variable revenues and costs, and any material change to a variable component will alter the equation. The North America ECA will alter the equation."

Tercek presented analysis that revealed North American cruise itineraries would have greater than 50% of their voyage time inside the ECA zone. The most affected routes are cruises to New England and Eastern Canada, Florida and the Bahamas, the US West Coast and Alaska.

But in reality, the cruise industry has not made sweeping changes to its 2015 North American itineraries. Instead, ship owners are using other strategies to address rising costs, resulting in surprisingly few port-call casualties.

CLIA spokesperson David Peikin confirmed to P&H: "Cruise lines, the EPA [US Environmental Protection Agency] and Transport Canada have worked collaboratively as the industry has developed alternative approaches to comply with ECA regulations, which we anticipate will reduce impacts on itineraries and port communities."

The key to the cruising approach – and why port revenues are no longer in the crosshairs – is 'equivalence'. The ECA rules allow cruise lines to use higher than 0.1% sulphur fuel after 1 January 2015 if they can show they have reduced emissions by an equivalent amount via other means.

The primary means to reduce emissions under the equivalency clause is through the use of scrubbers. In September 2013, Carnival Corp announced that it would spend \$180M to install scrubbers on 32 ships in the Carnival Cruise Lines (CCL), Holland America, Princess and Cunard fleets. In return, US and Canadian regulators will exempt Carnival from the 0.1% sulphur rule on a trial basis through mid-2016.

A perfect example of how equivalence has rescued port business can be seen in Baltimore, Maryland and Norfolk, Virginia. Last year, CCL announced that it was pulling Carnival Pride from Baltimore and Carnival Glory from Norfolk in 2014-15 specifically because of the ECA fuel-cost impact. CCL has now reversed those decisions.

A spokesperson confirmed to P&H in mid-January that CCL will return to Norfolk in 2015. CCL announced on 30 January that it will resume year-round service out of Baltimore in March 2015 with Carnival Pride after scrubbers are installed in autumn 2014. "From what I've seen, there are not major itinerary shifts," said consultant Michael Crye, a former executive VP at CLIA. "The cruise companies have made moves towards exhaust gas scrubbers, more so than changing itineraries." **PH**

## Caribbean back in vogue

**A**s southern European economies continue to lag, cruise majors are pulling more ships from the Mediterranean and redeploying them to the Caribbean.

"Although the industry's overall capacity increase of 3-4% in 2014 is below average, changes in ship deployments mean that Caribbean market capacity overall will be up 12-13% in 2014," said UBS cruise analyst Robin Farley in a January research report.

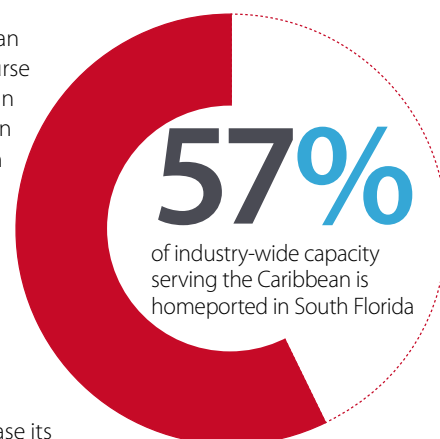
"The three major cruise operators are all growing capacity in the Caribbean this year – Royal Caribbean and NCL at a double-digit rate," Farley stated. She estimated that Royal Caribbean will have 49% of its deployments in the Caribbean this year versus 44% in 2013, while its share in Europe will fall from 26-22%.

Royal Caribbean has reversed course since its European capacity spiked in 2011, back when it placed half of its Royal Caribbean International fleet in Europe and upped its overall European capacity by 33%.

NCL will increase its Caribbean footprint from 41% of deployments last year to 48% this year, while its European share will fall from 25-20%, according to Farley. She projected that Carnival Corp will increase its Caribbean presence to 35% of deployments this year versus 33% last year, while the group's European itineraries will comprise 30% this year, down from 31% last year.

Wells Fargo cruise analyst Tim Conder described the Caribbean as "the key region for 2014 as each of the major players is increasing capacity", and the pro-Caribbean trend was confirmed by the Cruise Lines International Association in its annual outlook on 16 January, estimating that its members' deployments in the Caribbean will increase 12% versus 2013.

From a homeporting perspective, Florida is the main beneficiary of this year's deployment shift. Farley cited a Carnival Corp estimate that 57% of industry-wide capacity serving the Caribbean is homeported in South Florida. **PH**



**T**he United States is producing and exporting more energy than ever, and American ports are reaping the benefits.

Long considered one of the world's biggest energy importing countries, American imports are now at a 20-year low, and projected to fall below 5% of total consumption by 2025, according to a January report from the US Energy Information Agency.

For the country's public port authorities, a reversal that has turned into an energy export boom has caused a surge in private investment that goes beyond individual terminal expansion.

"They are a big part of why (American) port authorities are spending approximately \$9.2Bn annually," Aaron

Ellis, a spokesman for the American Association of Port Authorities, told *P&H*.

"Those (investments) in turn help jump-start additional crucial investment outside those authorities, which includes roads, rails bridges, and navigation improvements. Energy-related projects are just one facet of why they're spending, but it's a big portion."

Nowhere are energy exports booming bigger than at port areas on the Gulf of Mexico, and the petrochemical businesses along the 84km (52-mile) Houston Ship Channel are leading the charge

"We're the centre of gravity of the next great economic explosion because there's no other port in the US that has petrochemical manufacturing sitting

# Riding the energy wave

US Gulf port authorities are big winners in America's export renaissance, writes **John Gallagher**

Marathon Oil drilling in Texas' Eagle Ford shale formation. The reserve is fuelling Port of Houston's growth





John Gallagher



“Up until 2010 it was a one-way street here – it was all imported crude coming from Venezuela, Middle East, Nigeria”

**John LaRue**

*Executive director, Port of Corpus Christi*

on it,” Port of Houston Authority (PHA) Executive Director Leonard Waterworth told *P&H*.

The PHA, which is responsible for maintaining the channel at a federally authorised depth of 14m (45ft) and a width of 162m (530ft), is a roughly 600-person organisation that oversees the largest break-bulk facility in the United States. It is also the largest container port on the Gulf.

Fuelling its future growth, however, is the underground Eagle Ford shale reserve, which is running through the middle of Texas.

New drilling technology that allows energy producers to tap into areas that were formally inaccessible is bringing new sources of crude, which is turned into petroleum products – or into plastic resins shipped out in containers, to refineries along the channel. Either way, PHA wins.

Last year Waterworth surveyed 150 industries, which told him they planned to invest \$35Bn over a five-year period. He believes that number has climbed to more than \$50Bn over the past year.

“As a landlord port owning a significant amount of property on the ship channel, we have people knocking down the door of our real-estate department wanting to build things,” Waterworth said. “My job is to keep the marine highway open for all these businesses.”

A change in the import-export balance at the Port of Corpus Christi, Texas, located 280km (175 miles) to the south, mirrors even more closely that of America’s energy trade.

Considered predominantly an import gateway as recently as three years ago, Corpus Christi is moving as much product out as it is moving in, due largely to Eagle Ford shale oil. Crude exports went from virtually zero in 2010 to almost 40M tonnes in 2013.

“Up until 2010 it was a one-way street here – it was all imported crude coming from Venezuela, Middle East, Nigeria,” Port of Corpus Christi Executive Director John LaRue told *P&H*.

“That has dropped off fairly significantly, and has been replaced by domestic crude. Besides supplying local

refineries, it is being exported to other US locations.”

LaRue predicts that 2014 will probably be his port’s highest tonnage year, with most of the increase coming from domestic shipments of Eagle Ford crude.

“We probably will have 10 different new public or private oil docks that have either just started up in the last few months or will be online this year,” he estimated.

One of the port’s tenants retrofitted its facility in order to benefit from the shale oil boom in a different way: handling imports of ‘frac’ sand, which is used in the horizontal drilling process.

In addition, LaRue pointed out that his port’s proximity to new energy sources weighed heavily in the decision of two companies not involved directly with energy – Austrian steelmaker Voestalpine and Italian plastics manufacturer M&G Group – to locate facilities on the port’s ship channel in 2013.

“One of things that attracted them here initially was the steady supply of natural gas, versus some of other locations around the world that they looked at,” LaRue added.

The widening of the Panama Canal could further help the development of export facilities, particularly liquefied natural gas and liquefied petroleum gas – at port areas located along the US Gulf, as well as the US East Coast.

The larger locks would allow bigger gas-carrying vessels to transit the canal, reducing voyage lengths by 15 days (versus travelling around South America) and making US Gulf-Asia voyages more efficient than exports from Western Europe and Western Africa. **PH**



**\$50 billion**

estimated five-year investment along the Houston Ship Channel

## Mobile’s future leans on coal

Old sources of energy – namely coal from the US Midwest – are just as important for the Port of Mobile, Alabama, as are new energy sources for other Gulf Coast ports.

As domestic coal use in the United States has dropped during the past few years, American coal producers have turned to selling overseas.

While plans to transport coal by rail from Montana and Wyoming to proposed new export facilities in the Pacific Northwest have stalled due to environmental concerns, the Alabama State Port Authority’s (ASPA’s) McDuffie Coal Terminal has been able to continue to take advantage of the US coal export trend.

“We think we have a very bright future in exports, for both thermal and steam coal,” ASPA CEO Jimmy Lyons told *P&H*. Coal sent by rail or barged to the port from the Illinois Basin is attractive overseas, Lyons noted, due to its high heat value.

A new ship unloader came online at the terminal at the end of 2012, which allowed McDuffie to increase its export capacity by 75% to 16-17M tonnes/year. The port authority is completing work that will improve land-side operations, Lyons said, which will allow the port to further boost productivity.

“We had a particularly strong first quarter to start our fiscal year, so we could very comfortably top 10M tonnes of export coal in 2014.”



Shutterstock



BTP

# Brazil ports overhaul takes shape

Sweeping reform in Brazil is moving forward, albeit slowly, reports **R T Watson**

**November 2013  
inauguration  
ceremony at the  
new BTP terminal  
in Santos**

**A**fter six months of debate in a polarised Congress, Brazil's \$26bn port plan was finally signed into law in June 2013. More than half a year later, in early 2014, implementation remains slow. The fact that so many government agencies have a hand in governing Brazil's port activity has delayed some components of the law from truly going into effect.

But there is hope. "Without a doubt, the new regulatory framework has brought a lot of changes to the port sector, despite some setbacks," Wilen Manteli, president of the Brazilian Association of Port Terminals (ABTP) told *P&H*. The aim of the law is to lower costs, restructure ownership, reduce bureaucracy, and attract private investment and know-how. The most immediate changes Manteli has seen are directly related to terminals.

Brazil's private terminals can now freely handle both their own and third-party cargo, which was previously

restricted. Also, terminals leased after 1995 can now extend their leases for 20-25 more years, creating more security for leaseholders and paving the way for more investment.

However, the Special Secretariat of Ports (SEP) has authorised concessions for only eight new private terminals throughout Brazil since the bill was signed into law by President Dilma Rousseff. According to Manteli, there are at least another 60 concessions that could proceed if they obtain SEP authorisation.

"If state bureaucracy will be responsive in releasing projects, we will see investments of around \$18bn over 10 years," said Manteli, basing his figures on an ABTP consultation with 87 of its members. Port expansion is urgently needed to handle soybean and corn exports, with shippers struggling to move last year's crops through Brazil's ports. Much of the soya and corn harvested in central Brazil was transported 2,000km to the southeast ports most equipped to



Potential  
infrastructure  
upgrades and  
expansion in Brazil



handle such volumes: Santos and Paranaguá.

Santos requires channel dredging to accommodate larger ships. When the new law passed, it included a second National Dredging Programme, which awards 10-year, non-extendable service and maintenance contracts. Dredging for Santos was the first priority.

In December 2013, SEP announced plans to launch a \$227M tender covering three Santos projects: dredging for the navigational channel, berth access routes, and the harbour. Bids are likely to be considered in March 2014.

Hoping to take advantage of increased volumes, Brasil Terminal Portuario (BTP) recently opened a 1.2M teu/year terminal in Santos. A joint venture with APM Terminals, the new facility expects to welcome ships with capacity of up to 9,200 teu after channel dredging is complete.

Meanwhile, SEP launched a programme in December 2013 called Portolog that aims to better synchronise the arrival of trucks, trains, and ships at Santos.

Most of the commodities Santos doesn't handle are shipped out of the ports of Paranaguá and Antonina. Paranaguá, which operates together with neighbouring Antonina, announced a \$102M modernisation investment covering both ports in January 2014. Paranaguá has had a dredger on site since November last year, working on the first phase of moving 1.3M m<sup>3</sup> of sediment. Upgrading port infrastructure in Santos

and Paranaguá is one piece of Brazil's logistics puzzle. Another is to alleviate pressure on these ports by transporting crops from central and western regions to closer ports in the northeast.

"If this [soybean and corn] production of plus or minus 50M tonnes were to flow through the ports in the north and northeast, the ports of Santos and Paranaguá will become less congested with trucks, trains, and ships, thus benefiting the movement of containers," emphasised Manteli. So far, the Port of Belém, a northeastern port with excellent access points to both the Amazon River and the Atlantic, appears on course to making this a reality.

Archer Daniels Midland confirmed in December that it hopes to expand capacity at its Barcarena terminal in Belém to 6M tonnes/year. Also in the northeast, the Port of Ilheus in the state of Bahia has secured two of the eight private terminal concessions authorised by SEP: for a \$908M multiuse terminal to move more than 52M tonnes/year and a \$370M solid-bulk terminal to handle 20M tonnes/year. Also, the Port of Ilheus signed a dredging deal at the start of 2014 to deepen its access channel to 10m, which will allow it to handle significantly more soya from western Brazil.

Finally, there are also expansion plans under way to the south of Santos, at the ports of Imbituba, São Francisco do Sul, and Itajaí. This year, both the state and federal governments are lining up to invest at least \$206M in the three ports.

The Port of Imbituba will invest \$36M this year in expanded terminals, improved access channels, and better road access to the port. Its current project will deepen its access channel from 15 to 17m, the turning basin from 13 to 15.5m, and the berths from 12.5 to 15m.

São Francisco do Sul will invest \$16.5M to augment operational capacity, mainly by building a new berth. This phase is reportedly part of a larger seven-year \$82M plan. The Port of Itajaí expects to receive a total of \$172M in financing, with \$123M slated for widening access channels and a new turning basin.

According to Manteli, these improvements could be moving faster. "Part of the investments depends on the public bidding process, which is complex and time-consuming because of the various government agencies," he said.

Manteli explained the government announced bidding notices involved more than 100 terminals in the ports of Santos, Paranaguá, Salvador, and Para. Public hearings were held, resulting in more than 5,000 suggestions being submitted, igniting a back-and-forth between various agencies that stymied progress last year.

"Everyone should work together to accelerate the bidding process because they have an interest in the economic and social development of the country," said Manteli. "Our adversaries are not at home, they are our competitors in the international marketplace." **PH**

# Accessing Africa

Greater depth will be needed on the West Coast of Africa as the effect of large containerships filters through the trade routes, *P&H* learns

**C**argo flows into the African continent are set to increase according to a study released in November by PriceWaterHouseCoopers, due to consumer demand and investments being made in infrastructure projects. The consultant forecasts strong rises in trading and logistics activity, particularly in Nigeria, Kenya, Tanzania, Ghana, and South Africa.

Africa's west coast ports, however, are in the main restricted to receiving Panamax vessels. IHS Maritime data shows that the average depth at a port in West Africa is about 9.5m. A similar depth was revealed for approach channels.

Maersk's Triple E-class vessels represent some of the largest afloat with draught of 14.5m and a width of 59m. IHS Maritime has calculated that this class of vessel requires an alongside depth of 16m, preferably 17m, and turning circles basins of 600m in width. This is apart from landside infrastructure of cranes with a 23-row reach and quays of at least 500m long for the 400m-long vessel.

APMT's Maasvlakte 2 will be one of a few terminals that can handle triple Es. The facility's MD Frank Tazelaar noted that the first quay is -20m and the length as part of the first phase of development, 1,000m, enabling it "to handle two ULCCs [ultra-large containerships] simultaneously". He added: "Our deepsea quay cranes are future proofed and capable of handling 25-[container] wide vessels".

Not every port needs to receive the likes of the *Maersk McKinney Moller* and it is generally acknowledged that

the largest vessels, such as the Triple-Es, MSC's 14,000 teu *Savona* and CMA CGM's 16,000 teu *Marco Polo* have been built for the Asia-Europe trade. It's worth noting that at the moment US ports are focussed on dredging to 15.2m to receive post-Panamax vessels, and nothing bigger.

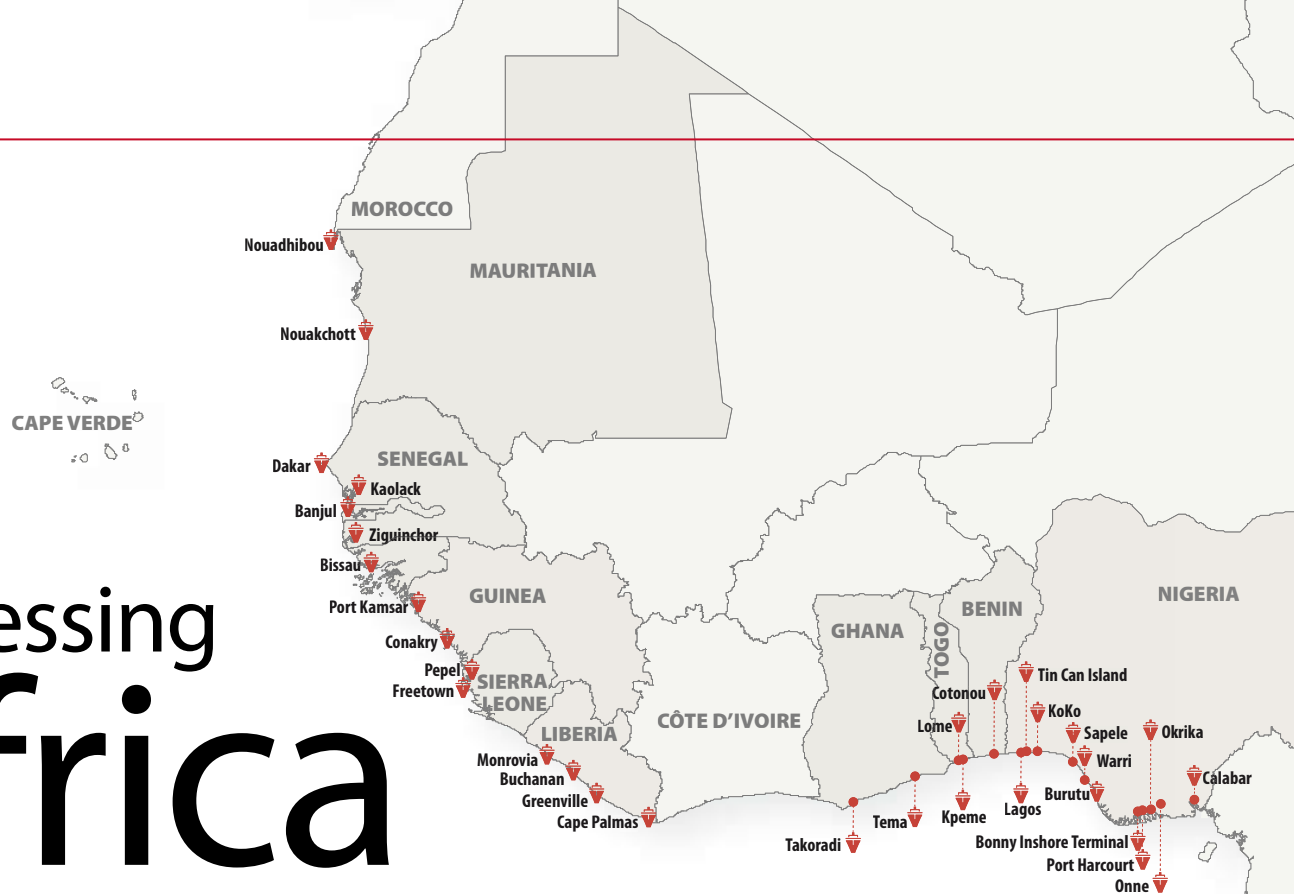
However the size of the Triple E class will influence the size of vessels overall in the future, was the message *P&H* got from two major players. APM Terminals' head of Africa-Middle East region Peder Sondergaard told *P&H* that from a port operator's perspective, he can see the effects of these vessels cascading down on the rest of the trades. The slightly smaller existing vessels on the Asia-Europe route are now being used on, for example, the Asia-US routes, and so on. "There is a general desire to increase the vessel sizes into Africa, which is partly triggered by the knock-on effect of ever larger vessels and partly because the trade is growing very solidly and it is, therefore, easier to fill the larger vessels".

Ports and container terminals concessions director, Olivier de Noray at France-based Bolloré Africa Logistics supports this statement. "Africa needs to be able to allow access to bigger ships," he told *P&H*, as the more containers there are the more exchange there is between African ports and other regions.

Noray pointed out that there are two constraints: first the depth and second the cranes for the ship and the yard.

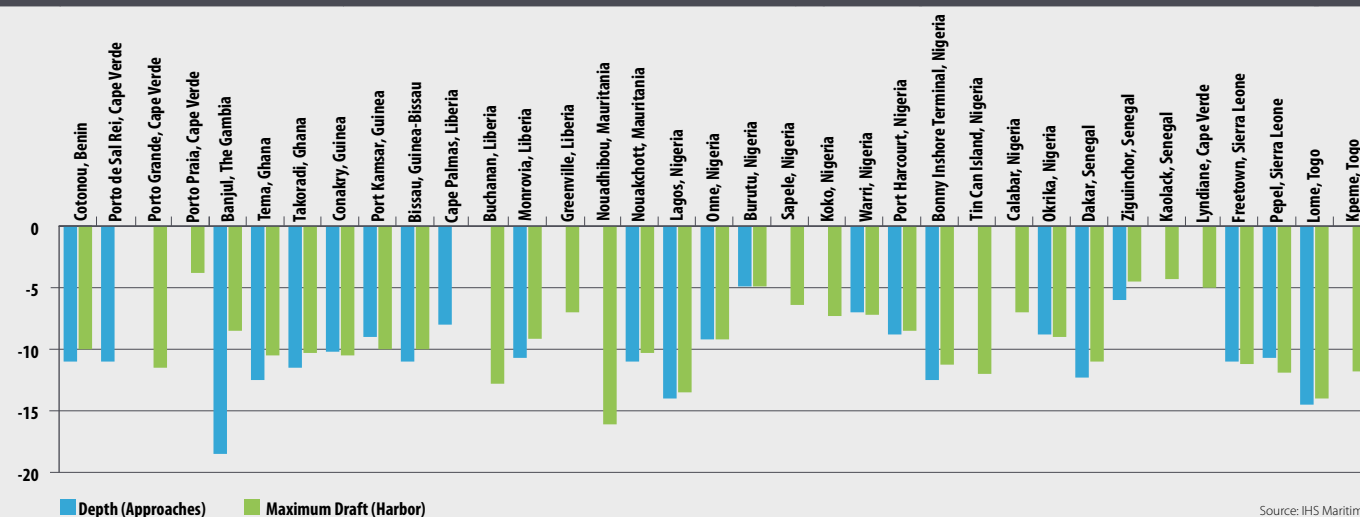
Water depth has been increased or is currently being increased in a number of ports from the more average 10-11m seen along this coastline to 13m in Lagos (Tin Can Island terminal) in Nigeria, or to 15m in Pointe-Noire in Congo, Togo, and Benin. Abidjan will have 18m depth in 2017. Also in Monrovia, Liberia, water depth is being increased from 9-10 to 12m.

APMT's Sondergaard commented that the company is building facilities within the constraints of the





## West African Countries' port depths



current ports. "That is not a hindrance to regional trade," he noted. "The hindrance to trade would be if we cannot handle the required annual volume, which is not a problem at present. But the shipping line could gain further efficiencies if it increases the size/depth of the vessels".

Noray believes that increasing ship size calling at West Africa's ports will result in a minimum of six or seven deeper ports in the region with only three or four retaining their original depth. Kribi in Cameroon, he pointed out, is more of a greenfield site. Though he added that greenfield sites are only really an option for transshipment as the current hinterland logistics would not link these sites up with cities. As Sondergaard noted: "Most of Africa's ports are located within the main cities. Similar to the developments in mature economies, we will see the need to [one day] move the ports outside the cities and reset the infrastructure to a new future including much deeper water. We

expect this trend to continue, and we are therefore involved in some of these developments in Africa, such as the Badagry project in Nigeria or a new deep water terminal in Abidjan."

Noray and Sondergaard agree that the outlook for West Africa is positive and cite the development of public private partnerships as a good framework for this region. The "region is in a good way", said Noray, "and we can see that in almost all countries there are projects".

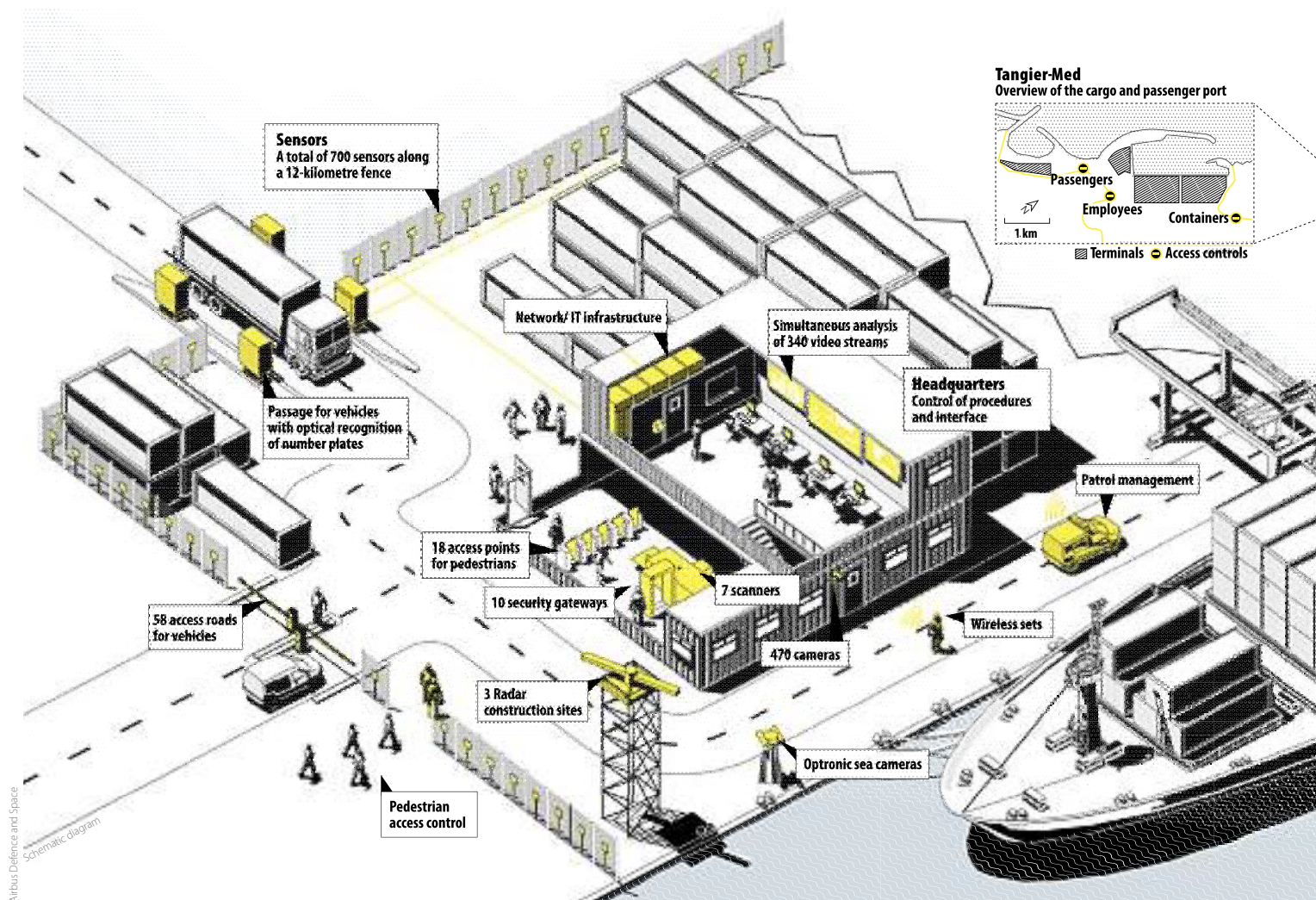
Sondergaard noted: "Private operators such as APM Terminals have invested significant amounts into upgrading the facilities, and have introduced international standards of operations, training, IT systems, and etcetera. This has often doubled the annual capacity and also doubled the speed with which we handle vessels." **PH**

**MORE INFO:** [www.apmterminals.com](http://www.apmterminals.com)  
[www.bolloré.com](http://www.bolloré.com)

## No such thing as normal

To get the required depth at a port you have to dredge and the West Coast of the African continent is as variable as its interior. You can't make generalisations about dredging requirements along the West African coastline, Bernard Malherbe project development director at Jan de Nul indicated to *P&H*. From a geological and geotechnical point of view it is extremely variable, he said. "You have stretches with relative soft tertiary formations, others with recent quaternary deposits with sand deposits" for example in Mauritania and Namibia. There are mangrove mud deposits in Angola, he continued, and others areas with secondary or primary rock formations such as those along the Moroccan coast. It is basaltic in Senegal or has intrusive igneous rocks. "The same variability exists with regards to the hydrometeorological conditions going from equatorial calms with long swells to strong wave-battered coasts in South Africa, Namibia, and north Morocco," he said.

However, he agrees that available nautical depths along the West Coast are limited to within 8-12m in general. He pointed to the ongoing improvements taking place and commented that Jan de Nul has just deepened the Port of Pointe Noire in Congo to 16m. It has also started a deepening programme in Dakar, Senegal, where in November 2013 Bolloré won a 25-year contract to operate its ro-ro terminal concession. There are also plans to deepen the Port of Walvis Bay and Jan de Nul is also building a new deepwater facility at Port of Takoradi, Ghana.



# A multifunctional tool for ports

VTS is an important tool for improving vessel co-ordination and safety in ports, but with the right knowledge and improvements it can also become a security tool for detecting threats such as pirates and smugglers, **Stephen Cousins** reports

Ports with heavy traffic will be familiar with the use of a vessel traffic service (VTS), which utilises a combination of close-circuit television (CCTV), VHF radio, and automatic identification system (AIS) to keep track of shipping movements and enhance navigational safety within a limited geographical area.

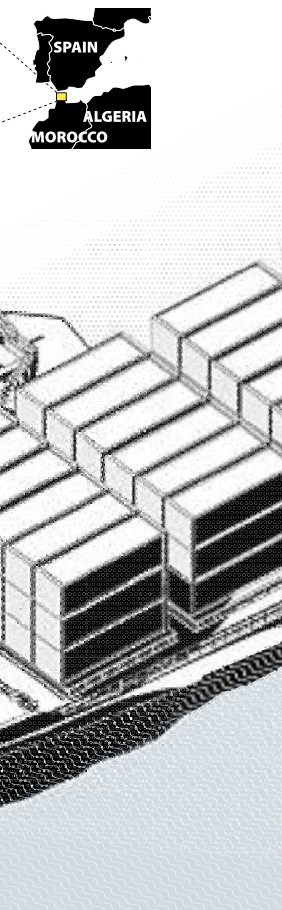
However, many will not realise that the same high-quality sensors and data collected by a VTS can be used to improve security, or as part of a wider security system, providing operators with valuable information on the precise location and movement of threats such as small

fishing boats used by smugglers, drugs traffickers, and pirates, vessels from unauthorised flag states, and even human divers carrying explosives.

In addition to detection, such systems can function as a proactive tool used to co-ordinate patrol boat operations or provide security teams with data needed to locate and intercept an intruder.

Most modern VTS systems, such as those supplied by Kongsberg, Transas, and Saab, should be equipped with an effective target tracking system able to create a verified traffic image and, when multiple sensors are





**An overview of  
the cargo and  
passenger port  
at Tanger-Med**

combined, the trustworthiness and accuracy of the information can be significantly enhanced.

"This information is input to various alerting functions, for example zone alerts for when vessels enter restricted areas, or when they knowingly or unknowingly report false position information, or exhibit hazardous behaviour, such as going too fast, following a collision course, or failing to adhere to their pre-determined route," said a spokesperson for HITT, a Saab Defence and Security company.

However, threat detection using a traditional VTS will to a large extent depend on the experience and knowledge of the VTS operators and the way the system is set up and used. A VTS is made even more powerful if it is integrated into a much more comprehensive security surveillance system, such as the one recently installed at the Port of Tanger-Med in North Africa.

The Tanger-Med system was designed to address the threat of illegal activities, considered a particular concern because of the port's status as a hub for cargoes passing from east to west and north to south. The port is also exploited by immigrants looking to board commercial ships illegally and cross the Strait of Gibraltar to Spain.

Systems integrator Airbus Defence and Space (formerly Cassidian) was called on to develop and implement the system which, in addition to VTS, includes a range of video surveillance cameras, access control, perimeter intrusion detection, sirens, and more.

"Where VTS is typically used as a commercial service for co-ordinating traffic movements, in the wake of September 11 and the ISPS [International Ship and Port Facility Security] Code, most large ports are having to increase their security precautions and VTS can certainly play a part in that," said Johann Larue, sales director for Maritime Safety & Security Systems at Signalis, which provided much of the technology for the Tanger-Med project.

Airbus Defence and Space worked to increase the port's surveillance capability using radar and cameras designed to detect 100% of the surface movement in a wide area extending out from the port and to address the threat of small boats, swimmers, and individuals trying to enter the access channel. The system collects data from waterside sensors - such as radar and infrared cameras, as well as radar and AIS positioning data from the VTS - and collates it at a central security control room, where it is displayed on a dedicated security console. The information displayed there can also be displayed on a VTS console in a separate building if required. As part of the installed package, the traditional radar sensors used by the VTS to detect large commercial vessels were upgraded to allow them to locate smaller targets.

"The intention was to provide the Port Authority with enough surveillance data fast enough to give them time to jump into a patrol boat and intercept a small ship moving at high speed to attack the port," said Emmanuel Flory, Tanger-Med project leader at Airbus

Defence and Space. "The VTS is an important means of generating information for input into the maritime security system."

The International Association of Lighthouse Authorities (IALA) specifies three levels of VTS radar performance as part of its operational and technical performance requirements: basic, standard, and advanced. Advanced-level radar is most commonly used for security applications and should be able to detect small fibreglass, wood, or rubber boats to a distance of at least 5nm and in sea states up to level 4. However, some advanced radar installations have reportedly been able to detect swimmers in surface water.

In addition to radar, short-range sonar systems are more easily able to detect divers, although they are not currently very popular with ports because of their high cost. CCTV or thermal CCTV can also be used for short-range detection of up to a few miles.

VTS manufacturer Transas recently improved its radar processing system to focus on the detection of small targets and introduced a new flexible alarm system designed to allow the operator to identify targets based on the level of threat. "We also improved the software's graphical user interface (GUI) and added the ability to integrate with the most modern sensors required for VTS," said Dmitry Rostopshin, senior project manager for shore-based systems at Transas. However, no system is perfect and heavy rain or sea states can decrease the detection range of small targets. Rostopshin added: "Modern sensors are specially designed to reduce the effects of weather conditions for target detection, but the physics is still a serious problem that you can't ignore."

To improve the accuracy of its system, Signalis has developed a series of complex algorithms based on models of suspicious behaviour observed in existing vessels. If the security system observes a vessel matching a preset algorithm, an alarm is generated and displayed on the security console or VTS console screen. "For example, a fishing boat piloted by smugglers might suddenly change heading or speed, so the operator is alerted to the danger," said Larue from Signalis.

Ports considering installation of a security workstation that integrates with a VTS might be concerned about the possibility of it being hacked into and tampered with from outside. However, such technology is typically isolated from other civilian networks and not connected to the internet, so attacks by hackers are almost unheard of.

"Our system is completely isolated and based on a unique Linux-based operating system and bespoke non-Microsoft software, which means it is not affected by viruses and hacking is extremely difficult," Larue said. "However, if a specific threat is identified customers can purchase different layers of protection from us," he concluded. **PH**

**MORE INFO:** [www.airbusdefenceandspace.com](http://www.airbusdefenceandspace.com)

# Building a SafePort

Kongsberg Norcontrol IT, Marimatech, and BMT have developed a prototype enabling system

**A** research project funded by the European Union is driving development of innovative maritime communication technologies for VTS systems and portable pilot units.

The €14.5M (\$19.6M) D3CoS (Designing Dynamic Distributed Cooperative Human-Machine Systems) project is a three-year research initiative involving seven European countries and industries covering automotive, aviation, and maritime. The project concluded in February 2014 and is expected to lead to the development of new industry standard systems.

Maritime partners Kongsberg Norcontrol IT, Marimatech, and British Maritime Technology (BMT) have developed a prototype system designed to improve communication between an advanced shore-based VTS, known as an active Vessel Traffic Management and Information System (VTMIS), and portable pilot units (PPU) on board vessels. The initiative builds on work previously carried out under the SafePort research programme that pioneered the VTMIS concept.

Unlike a conventional VTS, which relies on relatively imprecise AIS input and VHF radio communication with vessels, the D3CoS-developed system can transfer digital information direct from shore to ship and vice versa in real time, potentially resulting in major safety and efficiency benefits.

"Using our system a VTMIS operator can draw a route for the pilot to follow, which would automatically appear on the ship's PPU," said Todd Schuett, training manager at Kongsberg Norcontrol IT. "At certain way points along the route, accurate weather data will also be automatically available on the PPU, sent from the VTS."

In addition, any conflict information with routes of other vessels along the ship's path, such as a potential collision, would be sent to the PPU. The accuracy of vessel positioning data has also been improved using satellite and differential GPS data gathered from shore-based antennas, while the PPU constantly updates its position.

BMT developed the software module that plots the vessel's safe sailing corridor, which is displayed on Kongsberg's VTMIS console. This information is then transmitted to Marimatech's SafePilot software, which was launched in October and runs on the PPU, or as an app on an iPad downloaded free from Apple's AppStore.

"The system has much more intelligence built in than a conventional VTS," said Tommy Mikkelsen, chief technology officer at Marimatech. "The safe corridor concept means that, as soon as a vessel has passed a specific point, the VTMIS knows the area of sea is cleared for other vessels to use and can alert them to the fact via their PPUs or iPad."

As part of the project, the partners carried out psychological evaluations of end-users, gauging how they responded when exposed to different levels of stress in different sailing situations. The findings were used to optimise the GUI.

"We found that in many cases people had information overload," said Mikkelsen. "So we tried to take a more context-based approach and display only relevant data, for example a pilot navigating a river will need a different set of information to that required during a transatlantic navigation. Adapting the GUI to the specific user context had the impact of tremendously reducing screen clutter," he said.

D3CoS is currently a prototype but Kongsberg Norcontrol IT plans to incorporate it into its standard baseline VTS system in the near future. Meanwhile, ports eager to get ahead of the game can commission a bespoke VTMIS system right now. **PH**

**i MORE INFO:** [www.marimatech.com](http://www.marimatech.com);  
[www.kongsberg.com](http://www.kongsberg.com); [www.bmt.org](http://www.bmt.org)



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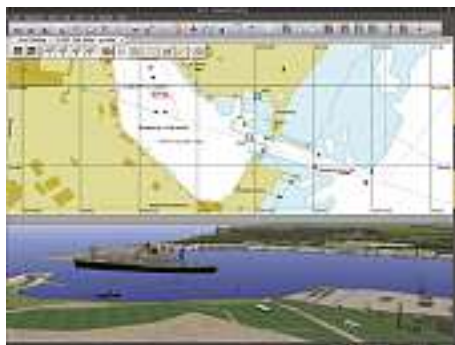
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Ports of Stockholm

# Growth decision: to stay or go?

To keep growing, urban ports must move to a new site or expand within existing constraints, but either option can be challenging, reports **Scott Berman**

## How Värta could look when expanded

**F**or ports looking for growth, infrastructure is crucial. But other factors include financing, services, hinterland connections, urban planning, and port-city relationships. Global trade, ever-larger ships, and urban encroachment add to the mix.

Ports are responding in diverse ways, including:

■ Sydney's Port Botany expansion, the \$880M (A\$1Bn) dredging, reclamation and construction project to create container and liquid bulk terminals, and the construction of a cruise terminal at White Bay.

■ Helsinki's West Harbour and Stockholm's Värta, where new passenger terminals are bolstering service at urban land opened up when container and cargo services moved out. Värta's terminal is also to be placed on a concrete slab supported by steel piles. Both projects involve major considerations of urban traffic connections.

■ Hong Kong, where a €12.2Bn (HK\$130Bn) project is underway to build a new passenger terminal on the site of a replaced airport runway amid bustling city districts.

To place these complex undertakings in perspective, *Ports&Harbors* gathered some expert insights.

Kieran Ring, CEO of the Global Institute of Logistics, underscored the underlying trend in shipping. "Apart

from the day-to-day challenges of coexisting with cities, most ports are growing in response to the steadily increasing rise in internationally traded goods – currently an additional \$700Bn is added annually, and this will inevitably lead to a demand for more infrastructure," he said.

"Gigantism is here to stay – vessels require greater draughts, and existing berths are most likely rapidly becoming obsolete," he said. Furthermore, "there is no point in dredging existing facilities if an alternative new site can be found," argued Ring. He cited Busan, Sydney, and Singapore – where a new container terminal that will double capacity is being constructed west of the current container facility near the business core – as examples of how ports are "giving the old port back to the city in phases."

The nuts and bolts of making that happen are another matter. As Royal Haskoning's director of projects, maritime & waterways, Ronald JH Stive, pointed out, there are many factors to consider in deciding whether to stay or to move out. Land reclamation may be the 'go-to solution'. But it can be costly, particularly if the land is to be reclaimed from fairly deep water – depths of at least 15-20m are needed for today's larger ships –





■ Värtahamnen harbor (below) will be expanded (as outlined in yellow)

■ Other port land (outlined in pink) could be freed up for continued urban development.

or if extensive dredging would be needed to create that depth, he said.

Floating developments offer another option: large terminals on concrete and/or steel platforms as big as a few square kilometres surrounded by breakwaters. Examples can be found at Dubai, Budapest, and Liverpool. It can be an economical approach but, due to a variety of factors, there is more willingness to go that way in Europe and the Middle East than in Asia and China, said Stive.

Another consideration is the environment. Urban ports undertaking expansion projects are increasingly demonstrating their good stewardship with green facilities, said Stive. Often, such projects are inherently friendly to the environment, by reducing waiting times and emissions, and by moving traffic from road to water. This is coupled with efficiency: port systems are increasingly automated, helping to boost the bottom line.

But Stive points out that, no matter how many other factors come into play, two aspects are fundamental: strong infrastructure connections and modal splits.

Ports must assess whether the existing or proposed location provides better infrastructure for strong hinterland connections. Do the road and rail networks, and service regulations, outweigh such advantages as the cheaper land and easier connections gained from leaving the city? Tunnels, interchanges, and causeways can help solve such logistical problems for urban ports, but they are costly.

Infrastructure should be geared toward a modal split. "Optimising the balance between road, rail, and water is very important," said Stive. Rotterdam exemplifies that idea, he added. Its Rhine River connection with Germany carries at least 40-50% of cargo, while trucks handle 30-40%, and the rest of the port's rising volumes are conveyed by rail.

Then there's flexibility. For Marco Pluijm, senior port specialist for Bechtel: "The key in all planning and design

is flexibility, both in the short and longer term." Planners and designers "need to be able to draw plans in such a way that allow further expansion and growth as well as the opportunity for different usage in the future", he said. Creating such options requires far-sighted, cooperative planning of infrastructure, utilities, zoning, and more.

The need for such planning has intensified. Urban encroachment and industry changes – such as larger ships – have spurred changes at, for example, Amsterdam, Hamburg, Le Havre, and the second Maasvlakte extension at Rotterdam.

Western Europe is certainly not alone in this trend. Pluijm points to the Khalifa Port and Industrial Zone in Abu Dhabi, a deep-water, offshore container and general cargo terminal project delivered by Bechtel. As Pluijm describes it, the giant project arose when it became clear "the old Mina Zayed port, in the old city of Abu Dhabi, had become too small". So the old port "needed to be replaced by new facilities that could... provide sufficient space for further growth".

Another leading example is Busan, Korea, where cargo functions have been moved from the city's North Port to a new facility some 25km to the west. The move has simultaneously opened up coveted land for an international passenger terminal (now under construction), as well as parkland and other development, all near a busy commercial district.

Jan von Feilitzen, chairman of the Association of Foreign Shipowners Representatives in Korea (AFSRK), pointed out in a speech at the Busan International Port Conference in November 2013 that there is a healthy mix of transshipment at Busan and throughout Korea, underpinned by a robust consumer demand and economic outlook driving imports and exports.

But challenges remain, and it is important to bear in mind that making infrastructural and other changes require a multi-pronged effort that should include many points of view. As von Feilitzen added, it takes "... commitment amongst all stakeholders".

That leads to a related dynamic: the need to adroitly manage relationships between ports and cities. As Ring puts it, demands for more space bring "inevitable tussles with local authorities and communities. City managers are asking, 'Is the land you already have optimised?'"

To be heard in consultations about infrastructure changes, ports must show they are operating as efficiently as possible with what they already have, that logistics, automation, collaboration among stakeholders, and benchmarking are all leading edge, he said. Ports also need to present themselves as economic engines for their city. "All those factors are important in the eyes of external authorities," added Ring.

Clearly, there are no easy solutions for urban port expansion and relocation projects. Each situation has its unique aspects. Yet, in each case, it is a given that the opportunities will be as significant as the challenges are complex. And those opportunities are enough to drive forward such projects everywhere around the globe. **PH**





Busan Port Authority

# The battle for land

Ports and cities may have different priorities for land, but the OECD's **Olaf Merk** believes that synergies can be found

**T**he process of relocating a port away from a city can be complicated by previous investments and long-term contracts with private operators. So the process can take place either gradually, with port activity progressively shifting towards newer facilities, or radically, if announced long enough in advance, as with Singapore's plans to consolidate its container operations at Tuas over the next 10-20 years.

Many ports have created new port sites that operate in addition to the existing city port, for example Yangshan near Shanghai, Sepetiba in the same neighbourhood as Rio de Janeiro, and Fos near Marseille. Many new port sites further from city centres have managed to capture a lot of the traffic from the original port-city site – Busan is a good example.

It's easy to make radical decisions about relocation if the old port is no longer very active or if terminal equipment has been written off, as was the case in Helsinki. However, it's often more complicated. Relocation could be facilitated by land swaps, with a port giving up some of its land in core urban areas in exchange for new

land for port development. However, this might become a source of conflict if urban and port interests are not aligned, and if the port fears that industries might move elsewhere than the new port sites.

To ensure cohesive and mutually beneficial paths for growth, some port cities have adopted visions, strategies, and plans that are jointly drawn up by the port authorities and local government. Common masterplans can cover various scales, ranging from the project level, to the city, to strategies for much larger regions. The main advantage of such plans is that they provide a set of parameters for long-term decision-making that are visible and clear for all parties concerned.

Two main forces are at play here: those rooting for the city and those for the port. One coalition of protagonists and decision-makers seeks to provide and plan for the city, including the provision of quality public services, such as housing and transport, as well as support for inclusive economic growth and job creation. On the other hand, those acting on behalf of the port want to see infrastructure development with sizeable land-use demands, the facilitation of expanding international trade through commercial incentives, and the port's increased global competitiveness through large capital investments in efficiency.

These two broad agendas are pursued within the same jurisdiction and space, competing for the same resources – land, transport networks, tax revenues, and environment – and so can lead to tensions. These are likely to arise when the institutional distance between the port governance and city governance is large, as





**How the Busan development could look when completed**

where a port authority is fully national or private. In these cases, joint masterplanning efforts help to avoid problematic tensions further down the road.

Masterplans provide a joint vision of the development of the port and the city so problematic areas can be identified and dealt with much further upstream. The process often sets a new precedent for collaboration, creating the conditions for future joint efforts. Chile's Port of Valparaíso, for example, developed a masterplan that has been incorporated into the UNESCO nomination document for the historical city centre of Valparaíso, which became a World Heritage Site in 2003.

Port-city masterplans often coincide with a window of opportunity when a port's and city's interests are suddenly aligned. Such masterplanning efforts should be distinguished from classic port-city interface trade-offs, in which the port agrees to cede some of its land to the city for waterfronts or docklands, often in exchange for the acquisition of new land from the city. Such waterfront trade-offs constitute a momentary deal, in which land is exchanged but the interests of the port and city are ultimately kept separate. By contrast, in joint masterplanning efforts, the city and the port engage in a more serious and lasting collaboration, often in recognition of their interdependence, and often with the city deliberately helping to facilitate the port operations, rather than simply reclaiming land for its own commercial or electoral uses.

With many of the world's major ports under pressure from intense urban growth, land is a vital resource in port cities. Port authorities endeavour to keep a tight watch over the land resources at their disposal, including assessments of real estate value, the potential for land exchanges with the city, and – of course – possible acquisitions.

Furthermore, land-use plans allow the port authorities to steer development: re-zoning can be used to rationalise port use by grouping like activities; certain strategic sectors can be granted privileged locations or advantageous lease structures; environmental compliance can be outlined and integrated into land use; and sectors that do not fit into the port authority's

strategy can be gradually zoned out.

Land-use plans can also constitute an important consultation mechanism to ensure that stakeholders are aligned with the direction of future port developments. This can be particularly important for the city's urban planning department, which must plan land use in the zones directly adjacent to the port perimeter. When used in this manner, land-use plans are often integrated into port-development frameworks detailing capital-expenditure projects. Although they are not always positioned as such, land-use plans are thus highly strategic instruments at the disposal of port authorities, and are reflective of a particular port's strategy.

The interaction between ports and their cities is underpinned by a set of policy dilemmas, because port authorities and city governments do not necessarily have the same interests, goals, or perception of the challenges and policies that are needed. For example, a port authority's typical perspective is on cargo handling and how to grow it. So its priority for transport investments is in networks for freight transport, efficiency of port labour, and land use dedicated to cargo handling and port-related industries.

The typical perspective of an urban government is different. It is not necessarily interested in port volumes, but rather in the added value generated for the city. Nor is it interested in the efficiency of port labour, but in the number of – preferably high value-added – jobs it generates. The authority will generally have a wider set of challenges to solve, including housing and urban transport, both of which are important to the electorate, so it will tend to prioritise urban passenger transport and have an interest in redeveloping urban waterfronts into housing areas.

An urban government's environmental policies might go further than limiting impacts, as it may want to market good quality of life as one of the city's competitive advantages. For example, Copenhagen markets its harbour swimming facilities.

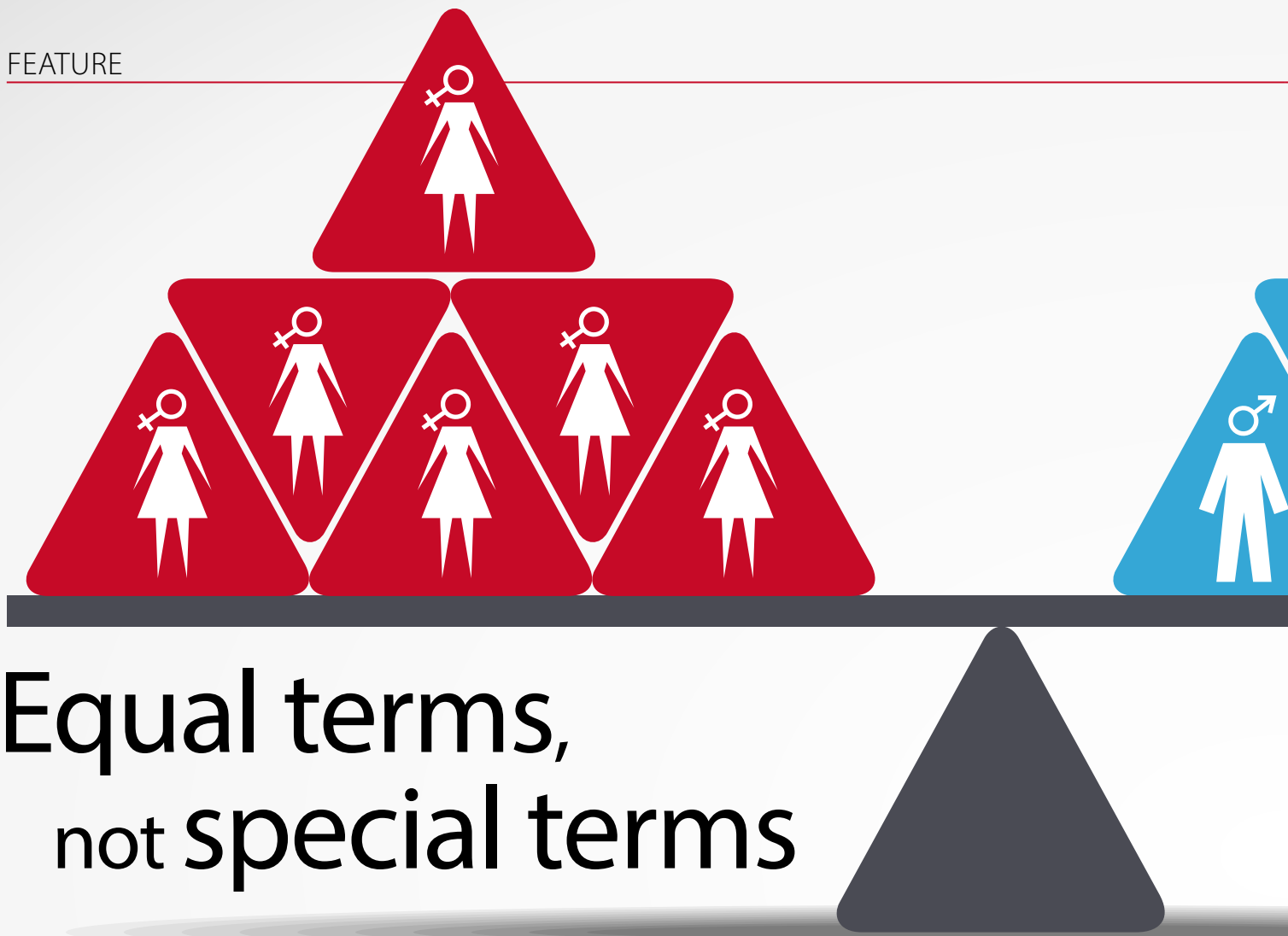
The policy challenge for port cities is to find synergies between the two perspectives. Examples include smart and selective port-growth perspectives; high value-added port employment; using the port as a site for green businesses; and developing mixed urban waterfronts with room for port functions. Land use is at the core of these strategies but the most successful port cities have moved beyond traditional battles and found space for a durable entente and co-existence. **PH**

**AUTHOR:** *Olaf Merk* is administrator for the OECD (Organisation for Economic Co-operation and Development) Port-Cities Programme. This programme produced a series of studies on specific port cities, including Rotterdam, Hamburg, and Marseille. The OECD Port-Cities Synthesis Report with main findings was launched 9 September 2013 in Rotterdam during the OECD Port-Cities Conference.

**MORE INFO:** [www.oecd.org/regional/portcities](http://www.oecd.org/regional/portcities)



Stéphane Bonfanti



# Equal terms, not special terms

In her third article in the series, **Diane Edwards**, general manager of People and Processes at Ports of Auckland and chair of the IAPH Women's Forum, considers the traps and challenges of positive discrimination towards women in the workplace

**A**s it becomes more recognised that women have a valuable contribution to play in business, organisations can be tempted to implement positive discrimination to increase their public profile as supportive of women in the workplace. However, such initiatives can backfire so that women become further targets of discrimination while disenfranchising many of their male colleagues.

Positive discrimination is when actions are taken to favour the prospects of women by giving them preference over men, often through the use of quotas or targeted opportunities that men cannot access. This means reserving a certain percentage of places for women when designing selection criteria. This might be applied during recruitment drives, where women are favoured over male applicants, when selecting who should attend training, determining who should be

promoted, or who is eligible for bonuses.

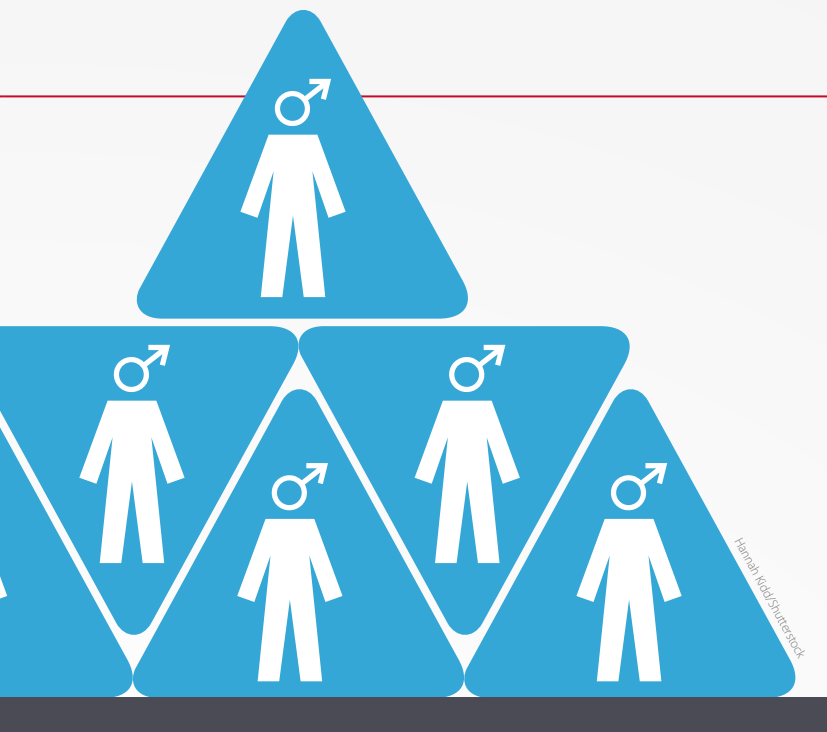
The problem with positive discrimination is that it merely replaces one unfair practice for another. Historically, women have had to accept that men will always get preferential treatment. Positive discrimination merely replaces this by forcing men to experience the same unfairness. Philosophically, two wrongs do not make it right.

Positive discrimination is also a naïve practice at an operational level as it creates a stereotype that implies that women will be better than a man just by being female. But is a woman always better? Clearly not. The reality is that while some women are certainly worthy of being recognised ahead of many men, others may not meet the standard to justify this. The result is that someone could be promoted or otherwise treated in a special way when it is undeserved.

Of course, it is also not fair on successful and talented women to have their competence cast into doubt by those who think she was only appointed because of her gender.

To ensure that the right person is chosen, it is important to focus on the objective criteria that will differentiate between who is selected and who is not. At Ports of Auckland we have spent a great deal of time looking at the specific criteria needed to do a specific job well. Whether it is driving a straddle carrier, operating a





crane, programming a system or assuming a leadership position, the focus has been on understanding the skills and attributes needed to do the job and then assessing people on their potential and ability to perform.

There are further steps that can be taken. We are considering removing names and pictures from CVs and job applications when they are going through recruitment selection. That way bias against one or the other sex will not influence the decision, at least at the initial stage. If women are truly equal, on average,

“Positive discrimination merely replaces one unfair practice for another.”

**Diane Edwards** General Manager, People and Processes, Ports of Auckland and Chair of the IAPH Women's Forum



they will take their share of positions.

This additional step is an attempt to quell the concerns of some of the men who fear that they are being squeezed out. We have had some men complaining that they are being discriminated against. Although this is not the case, this perception is really strong among some and needs to be taken seriously. We do not want to disengage our male workers or transfer the wrongs of history to a different group.

Another worrying side effect that we have seen and believe we need to manage is something we had not at first anticipated. Many of our staff have a very long association with the port. Some are second or third generation 'wharfies'. Being a port worker is tied very closely to their personal identity. Part of this identity has been their ability to work and prosper in a male dominated specialist industry. Seeing new faces, and especially female faces, enter into this very traditional environment has not only challenged their ability to change, but is chipping away at their self-esteem. We need to ensure that they receive the support they need by recognising the value they have given in the past, and can still give to our future.

In expressing my dislike of positive discrimination I should also mention that this does not mean that women need to be treated exactly the same as men in all areas. In targeting rewards for special achievements, for example, we try to select little incentive gifts for staff that they would value. In doing this, we have found that what a women would consider a great reward may differ from what a man might value. The reward will, therefore, be different. However, what we try to do is ensure that the standard to meet to qualify for the reward is the same for men and women and the reward is driven by individual preferences rather than gender stereotypes.

Also, we have introduced a support group for our female stevedoring staff. Still an overwhelmingly, albeit growing, minority group, the ability to compete on equal terms is difficult, despite some very supportive male colleagues and management. Allowing them to discuss the challenges they face and work together to find solutions to the institutional barriers is key to supporting them to find their place in our company. We will know when we have achieved our aim of equality when that support is no longer needed.

Ultimately, my dislike of positive discrimination does not mean letting women fight for their rights in isolation nor does it mean living with the *status quo*. Rather it is key to our ports' equal opportunity strategy that women are seen to be able to compete on equal, not special, terms. We want people selected for true potential, rewarded on merit, and supported so that they can contribute positively to our company's future as well as develop at a personal level. We aim to achieve this without alienating our male staff. **PH**

**MORE INFO:** see Women's Forum on page 38



Shutterstock

# Paperless ports come closer

IHS Maritime senior specialist **Veronika Farkas** reports on Portugal's advanced solution to creating a paperless 'Port of Europe'

**F**ollowing our report in the January/February issue of *Ports & Harbors* on the IAPH's Trade Facilitation & Port Community System Committee and its port community system (PCS) benchmark study, comes news of an important development for Portuguese ports.

Work is being completed to make the information from its national single window (NSW) available to other member states.

This is especially significant as Lisbon Port Administration hosted the 2013 EU Maritime Single Window summit to facilitate discussion within the industry. There it gave a presentation on what this challenging trade facilitation concept had accomplished so far.

All European ports are working hard to implement NSW systems by June 2015 under the EU directive 2010/65, whereby all ship reporting formalities must be done electronically via a unique platform.

A paperless environment is designed to simplify

and harmonise administrative procedures in maritime transport, reduce costs, remove unnecessary obstacles that hinder the development of international trade and, most importantly, significantly increase the speed at which goods can move. In a truly global supply chain, it is vital to create a smooth flow of information between government and business with the help of advanced information and communication technologies.

Marina Ferreira, chairman of the Port of Lisbon's board of directors said: "We are working for the global world we are now living in and are prepared to face the challenge and develop new ways to work" to create efficiency and enhance the country's overall performance.

Portugal can be proud of its achievements to date. Lisbon's successfully implemented its JUP – the Portuguese acronym for port single window (PSW) – since 2008 and this electronic platform has been used by all authorities in the port since 2009, acting both as a business-to-administrator (B2A) PSW and as a business-to-business (B2B) port community system.





“We are prepared to face the challenge”

**Marina Ferreira**  
chairman of the Port of Lisbon

Port of Lisbon

single place, accessible to the entire community, and comprehensible for stakeholders. For example, JUP presents ships in four categories: announced; ready to arrive; in the port; and ready to leave.

Furthermore, said Almeida, the way the port groups the information “allows us to look at other details the parties have provided”, keeping it relevant to users. “All this is performed only once and this information then circulates among all the other systems such as e-Customs and SafeSeanet.”

This allows users to plan and track hinterland movements as well. Creating an effective logistics chain is vital, by gathering information from logistics platforms and other transport modes such as road and rail. Being able to track trains and cargo allows users to determine what is about to be unloaded from the trains into the terminal; it also lets customs authorities monitor all containers being loaded or unloaded and provide circulation authorisation days before the container arrives at the port.

While NSWs are being most visibly promulgated in Europe through groups and projects such as AnNa (Advanced National Networks for Administrations), Miele (Multimodal Interoperability E-services for Logistic and Environment Sustainability); B2MoS (Business to Motorways of the Sea), WIDERMoS (Wide Interoperability and New Governance Models for Freight Exchange Linking Regions through Multimodal Maritime-based Corridors), and Trans European Networks (TEN-T), it is inevitable that those outside the EU will follow developments closely.

As coverage is extended to include EU cross-border electronic data exchange of document-based information, other regions will be watching as EU countries, each with unique requirements and conditions, adapt and find commonalities.

While a 2015 implementation date is perhaps over-optimistic, the possible productivity gains from a pan-European system should ensure member states continue to strive to reach this common goal. **PH**

**i MORE INFO:** [www.portodelisboa.pt](http://www.portodelisboa.pt)

It does this by serving as a common platform, connecting business entities (shipowners, shipping agents, shipper, service providers, and customs brokers) with public authorities (customs, port authority, maritime authority, health authorities). It also links them to central systems (e-customs, the National Maritime Navigation database, and SafeSeaNet), while making data exchange available between the parties.

It delivers immediate benefits to all members of the trading community as all processes associated with ships and cargo clearance became easier, faster, more efficient and transparent.

It is vital that the platform is flexible, reliable, simple to work with and, most importantly, secure, according to Ferreira. “The information that goes into the system is completely confidential. No unauthorised persons have access to it”. Should the central reporting facility become technically compromised, “there are contingency plans in place”, she added.

All users are identified and authenticated before being assigned an electronic credential that is attached to all subsequent JUP transactions.

The interface is designed to be user-friendly said Fernando Almeida, the port’s IT and communications director: “We cannot forget that the system is used by people.” All information is therefore gathered in a

**Lisbon (top left and below): all authorities have implemented the port single window since 2009**



Port of Lisbon



# Baltic States lag behind

Around the Baltic Sea, integration into the European transport network is a clear reflection of how long states have been EU members. Sweden and Finland joined in 1995 and are now well-placed to absorb the stricter emission controls due to be imposed on Baltic vessels from 2015. Poland and the Baltic States, who joined a decade later, still have some way to go.

According to a study by the Port of Helsinki, up to 30% of Baltic cargo currently moved by sea is likely to undergo a modal shift during the rest of this decade because of the extra costs incurred by using cleaner, but more expensive, marine fuels.

Secretary-general of the Baltic Ports Organization, Bogdan Oldakowski, said, since January 2013, the LNG-powered ro-ro ferry *Viking Grace* employed on the Stockholm-Turku shuttle service has offered a low-sulphur option that will prosper when the stricter emission controls come into force.

The short sea route between Finland and Sweden links up with the main Swedish rail corridor



across the Øresund Bridge to Denmark and mainland Europe to offer a clear, low-sulphur alternative to the current uncertainties surrounding Baltic cargo ships.

Oldakowski said BPO was supporting LNG development in the Baltic, with a particular project to develop LNG bunkering facilities in the ports of Tallinn, Helsinki, Turku, Stockholm, Helsingborg, Copenhagen-Malmö, and Aarhus. With help from the EC Transport Directorate, there is an estimated €4M (\$5.4M) available for investment and participating ports plan to have LNG bunkering facilities installed by the end of 2014.

"We hope that the project will result in jointly developed LNG bunkering installations that can serve as objects of reference to other ports in the Baltic and other EU regions," he told *P&H*.

Meanwhile, the Baltic States have embarked jointly on an ambitious project called Rail Baltic, a corridor that would connect them to North Sea ports such as Rotterdam and Hamburg by 2024. However, this extended lead time reflects both the practical and political difficulties facing the EU-funded project aimed at reducing road congestion and harmful emissions.

The basic practical one is that the

high-speed corridor needs to be built from scratch since the former East-bloc states currently have a Russian-built, wider gauge track than the standard European one.

The Baltic States are also experiencing a tug of war, Ukraine-style. Their governments receive EU funding to improve transport links with western Europe, while facing intense pressure from their domestic companies and industry groups to improve rail links to Russia to transport its oil and minerals to the Baltic Sea. The EU funds are earmarked for standard-gauge rail construction only and cannot be used to upgrade the Russian-gauge network.

The project is likely to be further delayed because Baltic State governments are unable to agree on the route of the high-speed rail corridor. While Nordic countries stand to benefit from sulphur emissions control, in the short term at least their southern neighbours are unlikely to be so fortunate.



## PAL enters into force in April

From 23 April this year, the 2002 Protocol for the Athens Convention relating to the Carriage of Passengers and their Luggage by Sea (PAL) will come into force. *P&H* will have more in-depth coverage of what this could mean for member ports in a future issue but, in brief, its main impact is on the limits of liability.

For the death of, or personal injury to, a passenger carried on a seagoing vessel, the previous limit of liability will rise to 250,000 special drawing rights per carriage.

## OPV to fight fish bandits

As Indian Ocean countries aim to develop fisheries and seabed resources – which are likely to stimulate development of the region's ports and offer employment as an alternative to piracy – Kenya's government has reportedly bought a new offshore patrol vessel to counter drug smuggling and deter the \$6.2M of illegal, unreported, and unregulated (IUU) fishing in its exclusive economic zone. It has not revealed the vessel's cost, nor announced a completion or delivery date.

## Notable numbers



# 264

piracy attacks worldwide in 2013



# 7

number of educational bodies forming global port alliance



# Securing safe anchorages for shipping

The publication of the final total number of piracy attacks in 2013 by the International Maritime Bureau (IMB) is a point at which to take stock of any emerging trends and patterns of behaviour and to look out into the next year.

With Somali piracy having declined dramatically, the focus of this year's IMB report is on the gradual increase of attacks in the Gulf of Guinea, around half of which occur at anchorages. This is a pattern that is manifestly worse in other locations around the world which have shown themselves vulnerable to this form of piracy – in Bangladesh, Columbia, India, and Peru, nearly all attacks occur at anchorage.

The vast majority of attacks across the world also occur between 23.00 and 05.00. At Indonesian anchorages, that narrows to a window between 02.00 and 05.00; attacks in the daytime are almost unheard of – only 10% occur in daylight hours. This split between day and night time attacks is not, however, unique to Indonesia.

Countering such behaviour requires those responsible for providing secure anchorages to study these patterns of behaviour and arrange for high profile police and coastguard presence during the most vulnerable hours. A new standard of best practise for the creation of safe anchorages needs to be developed, with better co-ordination between the vessels at anchor and the ports, harbour authorities, and other agencies charged with providing security.



Patrol craft have halved incidents at Chittagong

What is required? High speed patrol craft should be on station in the anchorage during these hours, equipped with infra-red cameras and spotlights capable of picking out the small boats carrying those involved as they move through the anchorage in search of a possible

target. Additional land-based radar resources would also make an important contribution to coverage of potential launch sites.

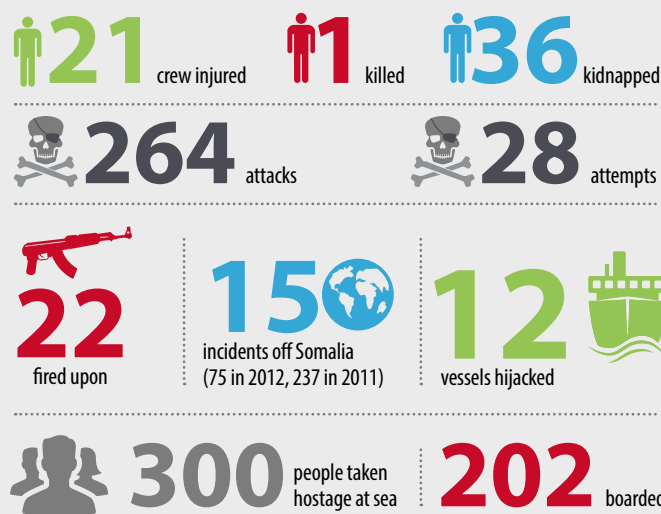
For those criminals who get to sea undetected, the deployment of a small moored platform – with radar, visible, and infra-red cameras

– located near the centre of the anchorage would provide an umbrella over the vessels moored in the area. Information derived from the platform could be relayed in real-time to port control rooms and to navy and coastguard centres using a secure WiFi network. This would allow a recognised maritime picture to be developed for each anchorage.

When threats are detected, fast response vessels, such as those deployed at Chittagong in Bangladesh can be dispatched to intercept the criminals before they board a target vessel. Attacks at this anchorage have all occurred between dusk and dawn with a slight bias towards times after midnight. Responding to an increasing threat that became evident from 2008 to 2010, the local authorities invested significant resources in the deployment of 16 new patrol craft that started coming into service in 2010. That year, Chittagong's criminal attacks peaked at 23. Since then, the level of attacks has halved but remains at a stubborn, albeit low, level of 10 or 11 a year. In an effort to further reduce that – and avoid attacks moving further out to sea – two Dornier 228 maritime patrol craft have been purchased and went into operation in June 2013.

The measures taken at Chittagong could form the basis of a new standard of best practice – authorities in other vulnerable locations around the world would do well to monitor closely what happens there over the next year.

## 2013 IMB report



\$900,000

the cost of converting *Horizon Spirit* to take LNG bunkers



2015

stricter emission controls for Baltic vessels

# Shore-side power takes hold

Ten years after the first containership plugged into shore-side power at one of its terminals, the Port of Los Angeles now claims to have more berths for ships to plug into shore-side electricity than any port in the world.

That status, Port of LA officials assert, means the port's terminal operators and ocean carriers are fully ready to meet new California clean air requirements that went into force on 1 January.

Under the regulation, which applies to container and refrigerated vessels as well as cruise ships calling at California ports, at least 50% of fleet vessel calls must shut down their auxiliary engines and run their vital onboard systems by plugging into shore-side power.

The regulation also requires that each fleet reduce its total at-berth emissions generation by at least 50%, increasing to 80% by 2020.

Plugging into electric power



Port of Los Angeles

**Shore power systems at Port of Los Angeles**

reduces ship engine emissions by up to 95% per call.

At the Port of LA, ships equipped to connect to shore-side

power can now do so at all eight marine container terminals and the port's World Cruise Center, the port noted. Approximately \$180M

has been invested over the last decade to equip shore-power capability at 25 container and cruise berths at the port.

Shipping lines also have made substantial investments to ensure the regulatory program succeeds, the port pointed out. The Pacific Merchant Shipping Association (PMSA), representing terminal operators and ocean carriers that move cargo through West Coast ports, estimates the cost of retrofitting a ship to plug into shore-side power can range from \$500,000 to \$1.5M.

"This is an extraordinary tale of an industry that has literally turned itself around in less than a decade," said PMSA Vice President TL Garrett. "No industry has adopted real reforms as quickly as this one to promote a healthier environment."



## Bulgaria upgrades VTS

The Bulgarian Ports Infrastructure Company has made a significant commitment to its vessel traffic management system when in February it signed a contract with Transas for two vessel traffic systems (VTS). The two systems will support both the country's inland and coastal navigation systems.

The first project is the completion of the second phase of the Bulgarian River Information Services project (BulRIS II). Under this contract Transas will supply and install a vessel traffic management information system (VTMIS), which Transas said is

compliant with European standards.

"The system will ensure real-time data exchange between the river information sites (RIS) located along the Danube River and the main RIS centre in Ruse," said Transas in a statement. "It will facilitate management of inland waterway transport and streamline related logistics processes, thereby contributing to a more efficient utilisation of the inland waterways," it said. The project will take 18 months to complete, finishing in 2015.

The second project includes implementation of the third phase of

Bulgaria's national VTMIS. Transas has been contracted to upgrade the existing system and extend its coverage area and functionality. Transas said it will install, "Radar, AIS, CCTV, RDF, VHF, and GMDSS subsystems which will be integrated in a single maritime information system". Phase three of the national VTMIS project is included in annex IV of its operational programme 'Transport – Improvement of the maritime and inland-waterways navigation'. Phases one and two of the programme are already functional, noted Transas.

## Notable numbers



**\$6.2M**

Kenyan government's estimate of IUU fishing



**18**

Number of months to complete Bulgarian VTS project



# Changes to SOLAS, MARPOL

A reminder for members that a number of amendments to the International Convention for the Safety of Life at Sea (SOLAS), the International Convention for the Prevention of Pollution from Ships (MARPOL) and the 1988 Load Lines Protocol entered into force, or took effect, from 1 January 2014.

The amendments cover:

- Passenger ship safety – amendment to SOLAS regulation II-1/8-1, to introduce a mandatory requirement for new passenger ships for either onboard stability computers or shore-based support, to provide

operational information to the Master for safe return to port after a flooding casualty;

- The testing of free-fall lifeboats – amendment to SOLAS regulation III/20.11.2 to require that the operational testing of free-fall lifeboat release systems shall be performed either by free-fall launch with only the operating crew on board, or by a simulated launching;

- Minimum safe manning levels – amendment to SOLAS chapter V to add a new regulation V/14 on ships' manning, to require Administrations, for every ship, to establish appropriate minimum

safe manning levels following a transparent procedure, taking into account the guidance adopted by IMO (Assembly resolution A.1047(27) on Principles of minimum safe manning); and issue an appropriate minimum safe manning document or equivalent as evidence of the minimum safe manning considered necessary;

- Prohibition of blending onboard – amendment to SOLAS chapter VI to add a new regulation VI/5-2, to prohibit the blending of bulk liquid cargoes during the sea voyage and to prohibit production processes on board ships;

- Plus amendment to SOLAS chapter VII to replace regulation 4 on documents, covering transport information relating to the carriage of dangerous goods in packaged form and the container/vehicle packing certificate;

- Amendment to SOLAS regulation XI-1/2 on enhanced surveys; the revised MARPOL Annex III Regulations for the prevention of pollution by harmful substances carried by sea in packaged form; the United States Caribbean Sea Emission Control Area (for sulphur oxide, nitrogen oxide and particulate matter);

- The Winter Seasonal Zone has been shifted southward by 50 miles off the southern tip of Africa.

## Indian Ocean ports: problems and solutions

Speakers at a recent conference – Transport Events' Indian Ports and Logistics Conference, held in Mauritius – highlighted both problems and solutions for Indian and African ports.

Mauritius Ports Authority director-general Shekur Sunthah warned, "Indian Ocean ports' performance level is still inadequate and congestion is still significant." Huge efficiency improvements are needed if ports in east Africa and the Indian Ocean are to serve the region's rapidly growing economies.

Port expansion and upgrading projects are planned or under way at Maputo, Mozambique; Toamasina, Madagascar; Port Louis, Mauritius; and Durban, South Africa. The key, many speakers agreed, is to improve the efficiency of existing assets,

particularly by increasing crane moves per hour and reducing box dwell times in ports.

Cleopatra Shiceka, general manager of the CEO's office at Transnet noted that connectivity between ports and their hinterlands remain poor: "One of the biggest problems in Africa is [lack of] infrastructure investment. There are many missing links in rail." Also stressed were the need for regional integration, streamlined processes at borders and better training of port, logistics and shipping agency staff.

Furthermore, "Shipping lines operating in the region are not able to respond to the growing needs of shippers from the Indian Ocean island states. Maritime connectivity between the islands and east Africa is poor and freight

rates are exorbitant," said Sunthah, director general of Mauritius Ports Authority. The cost of shipping a container from Singapore to Mauritius (4,234nm) is \$700-900/teu, but from Mauritius to Mombasa (1,853nm) it can reach \$4,800/teu, he added.

Richard Anamoo, DG of Ghana Ports & Harbours Authority, added that high demurrage charges, release fees and "other Africa-specific charges" increase the cost of trade in Africa.

In response, the EU-supported Indian Ocean Commission (IOC) is proposing a "floating infrastructure project" – a regional shipping company to carry freight at preferential tariffs. IOC secretary-general Jean-Claude de l'Estrac says this will cut freight rates, improve connectivity and boost regional integration.

## Call for Polar Code

In his New Year speech, IMO Secretary-General Koji Sekimizu called for "the speedy adoption of a mandatory polar code" and "implementation of the Ballast Water Convention".

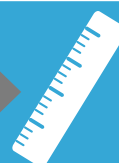
Sekimizu highlighted the recent difficulties encountered by the Russian research ship *Akademik Shokalsky*, which was trapped by ice in the Antarctic, as showing some of the hazards associated with the operation of ships in polar waters.

The increase in navigation via the Arctic Northern Sea Route (NSR), has "reinforced the need for the IMO to finalise its code for ships operating in polar waters so that it could be adopted before the end of this year," he said.



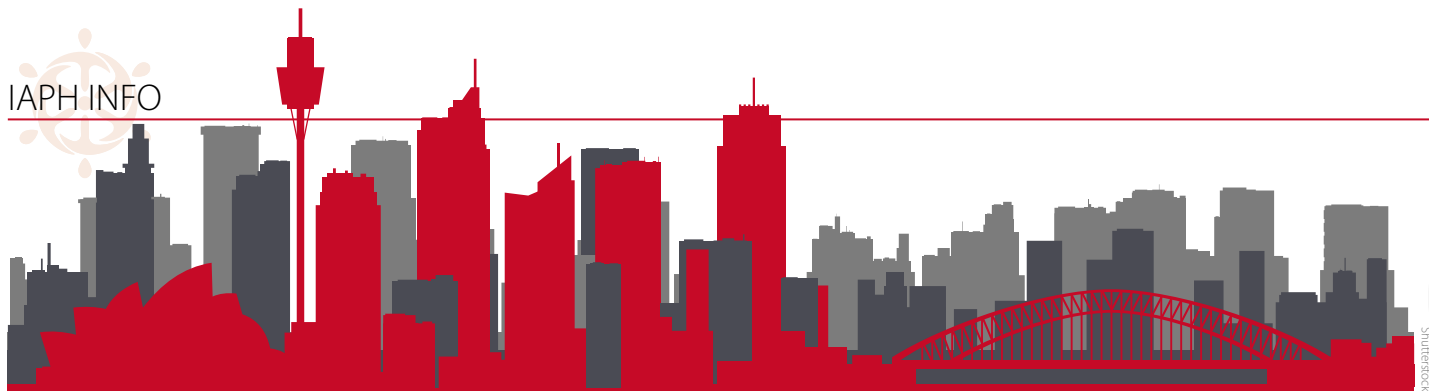
\$180M

amount invested to equip 25 berths at the Port of Los Angeles



200m

length of proposed container berth at Cork's Ringaskiddy site



# G'Day and Welcome!



The IAPH mid-term conference hosted by Sydney Ports Corporation will take place from 6-10 April at the Four Seasons Hotel, Sydney, NSW, Australia

CEO Grant Gilfillan (see Last Word, page 40) says: "We believe you'll love Sydney and our unique 'Aussie' culture. We're organising a social programme that I'm confident you and your partners will never forget, so please let us know by clicking the link on our website ([www.iaphsydney2014.com/home](http://www.iaphsydney2014.com/home)) if we can expect to welcome you in April 2014.

## Proceedings

The proceedings brochure of the 28th IAPH World Ports Conference is available online, thanks to the conference host, **Port of Los Angeles**. This 64-page report contains what happened at the 28th World Ports conference, including photos taken there, the list of participants and more.

The report is available at:

-  [www.iaph2013.org](http://www.iaph2013.org) and
-  [www.iaphworldports.org](http://www.iaphworldports.org)

## IAPH Mid-term Ports Conference Programme

### Sunday 6 April 2014

1300 – 1800:	Registration desk open
1300 – 1600:	Special Strategy meeting No 2
1600 – 1800:	Welcome reception at the Four Seasons Hotel

### Monday 7 April 2014

0800 – 1700:	Registration desk open
0800 – 1000:	Board meeting
1000 – 1030:	Technical Committee Chairs meeting
1030 – 1300:	Joint Committee meetings:

#### Joint meeting one

Port Safety and Security Committee Vice Chair (Acting Chair): K Subramaniam

Port Environment Committee Chair:  
David Padman

Legal Committee Chair: Frans van Zoelen

#### Joint meeting two

Port Planning and Development Committee Chair:  
Wolfgang Hurtienne

Port Operations and Logistics  
Committee Chair: Yoseph Bassan

Trade Facilitation and Port Community Systems  
Committee Chair: Frederic Dagnet

#### Joint meeting three

Communication and Community Relations  
Committee Chair: Arley Baker

Port Finance and Economics Committee Chair:  
Dov Frohlinger

Cruise Committee Chair: Monica Bonvalet

1300 – 1400:	Lunch
1400 – 1700:	Committee meetings continued

1900 – 2230: The Big Aussie BBQ

### Tuesday 8 April 2014

0800 – 1700:	Registration desk open
1000 – 1115:	<b>Conference opening:</b> The Honourable Warren Truss, Deputy Prime Minister of Australia and Minister for Infrastructure The Honourable Duncan Gay, NSW Minister for Ports Susumu Naruse, Secretary General IAPH Grant Gilfillan, President IAPH, CEO Sydney Ports, CEO Port of Newcastle

1115 – 1145: Morning tea

1145 – 1315: Session 1: Keynote address:  
"Game Changer" – Expansion of the Panama Canal –  
Luis Ferreira, the Panama Canal Authority

Port automation: A global perspective –  
Yvo Saanen, TBA (Netherlands)

The Australian Challenge – Alistair Field, Patrick Terminals and Logistics (Asciano Diamond Sponsor)

Automation process solutions – Chuck Schneider, Cargotec Corporation (Cal-USA) and Tero Kokko, Kalmar Finland

1315 – 1415: Lunch

1415 – 1600: Session 2: Port planning and investment  
Asciano's Australian vision – John Mullen, Asciano (Diamond Sponsor)

Global impacts of ship size development and liner alliances on port planning and productivity –  
Neil Davidson, Drewry Maritime Research (London)

1800: Free evening to explore Sydney

### Wednesday 9 April 2014

0900 – 0930: Keynote Address: Raising the Costa Concordia – the salvage challenge – Todd Busch, Crowley Maritime

Corporation (Florida)

0930 – 1100: Session 3: Big - bigger - biggest  
Biggest bulk minerals export port in the world –  
Roger Johnson, Port Hedland Port Authority

Biggest coal port in the world – the supply chain challenge –  
tbc, Newcastle Port

Preparing for the world's biggest box ship –  
Lim Ki-tack, Busan Port Authority

1100 – 1130 Morning tea

1130 – 1300 Session 4: Port infrastructure  
Boosting Port Effectiveness – Lutz Birke, Hamburg Port Authority

Port infrastructure – the overweight containers issue –  
Shane Hobday, NSW Ports; Steve Gunn, Sydney Ports

Port infrastructure – The LNG challenge –  
Victor Schoenmakers, Port of Rotterdam

1300 – 1400: Lunch

1400 – 1530: Session 5: Cruise industry forum  
Speakers to be advised

1830 – 23.30: The Opera House Gala Dinner  
with fireworks spectacular

### Thursday 10 April 2014

0930: Port Site Tour:  
depart hotel by coach for Port visit, hosted NSW Ports

Please note this is a draft programme and is subject to change.

 **MORE INFO:** [www.iaphsydney2014.com/home](http://www.iaphsydney2014.com/home)



# Not a battlefield...

## ► Women's forum

...but a level playing field – that is what women want and need, says **Monica Bonvalet**, the new chair of the IAPH's Cruise Committee

After some 15 years in the shipping industry and an additional 15 years in the port industry, I am still frustrated now and again to see that women are scarcely represented in this world and moreover, when looking at higher level positions in the business, where gender equality is even farther away from that. I wonder whether this is merely a reflection of what is happening in politics and in all other businesses in general...

In my case, I was attracted to the shipping industry in the mid 1970s, when VLCCs were yet to exist as an acronym; rather, multipurpose ships were the standard at that time. It so happened that supply and demand stopped at my door; I was looking for a job and a brand new shipping line was looking for a brave person to take care of the business – brave in the sense that the male boss had never been close to a ship himself and that a bill of lading was for him an almost unheard-of expression. 'Brave' too for me; coming from a family involved mainly in fishing, that was my sole experience of the maritime business!

So I 'bravely' applied for the position and the only parameter that made a difference – and allowed me to get the job – was that I could speak and write English fluently, in addition to French! Therefore, the first lesson I learned in this business was that English was a 'must'; that has not changed since.

I spent several years working for that company and, along the way, learned every aspect of the business – from accounts to administration, and from sales to after-sales issues. My education in the tourism industry never really helped me in this very specific field; I had to learn the business through hard work. This meant climbing the steps, one by one, demonstrating the results as many times as necessary, and proving that the job was done in the best possible way.

The difficulties I met as a woman were usually linked to credibility; whether it was when discussing the business with a customer or an institution, it always came down to practically proving that what I was saying was correct the

very first time. In other words, the only way to convince is to use the same language as your interlocutor! Which, in this specific field, as you can imagine, means hard work and education, education, education...

It was for this reason that, during my forties, I decided to change the course of my career. I wanted to use my knowledge of the shipping industry to shift to another environment: to work for an internationally oriented business, or for a port that is the final interface between the ship and the cargo.

In addition to taking care of my family, I thus decided to enrol in a post-graduate programme in international trade, which later led me to apply for a position at the Port of Marseille Fos, for which I have been working since 1997.

“ I am still frustrated ... to see that women are scarcely represented in this world ”

The port industry in France, as in other places in the world, is male-dominated. The Port of Marseille Fos has progressed considerably in this respect and I'll admit that the situation is generally changing for the better.

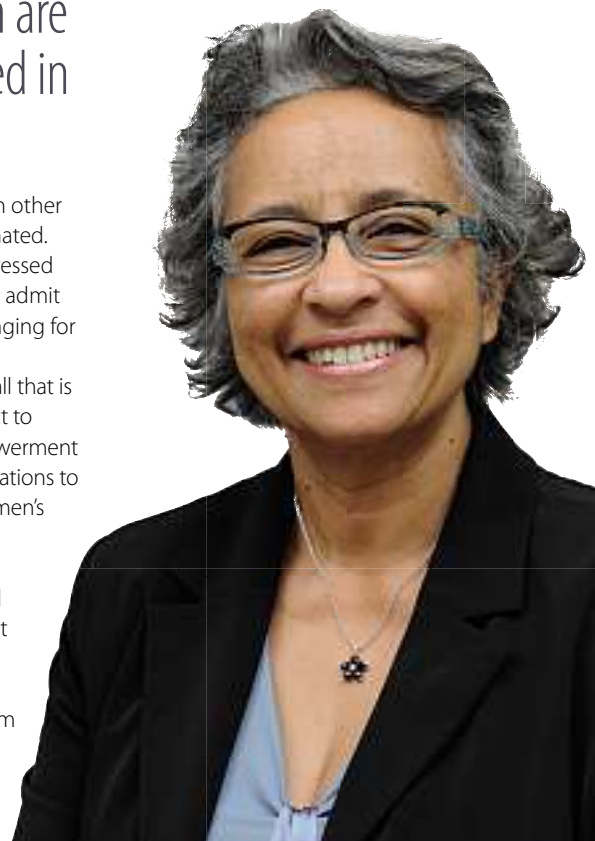
I am confident that the echo of all that is being done worldwide with respect to women's advancement and empowerment will also resonate in ports for generations to come. With the creation of the Women's Forum, IAPH is creating a fabulous opportunity for women to make themselves heard in the port world where gender equality is a goal that we need to reach by all means.

I sincerely hope that the newly created Cruise Committee that I am honoured to chair will attract women from ports worldwide. Through the committee's works,

they will assist us in better understanding their work situations, while on the other hand, the committee may help them to acquire the expertise in this specific field that will assist them to better position themselves in their daily jobs.

In my view, it is not a question of organising a battlefield with men versus women, but rather of striving to create an environment where women will naturally be regarded as equal to men and hence pave the way for women's empowerment in this industry.

**Monica Bonvalet** is Director-Head of Shipping Dept Grand Port Maritime de Marseille (GPMM), France and the recently elected chair of the IAPH Cruise Committee, which monitors, collects, analyses and disseminates information on the latest trends of port management and operations for the benefit of the entire membership.



Marseille Fos

# IAPH's Training Scholarship 2014 is now available

IAPH is offering you and your port increased knowledge, expertise and networking, through this programme

The *IAPH Training Scholarship* is a financial assistance scheme aimed at giving staff of developing ports the opportunity to attend advanced port training programmes overseas in order to gain the latest knowledge on port management and operation, and expand their personal network of contacts.

Personnel from member ports can enrol on advanced and short-duration (a week or so) port training courses/seminars at IAPH-affiliated training institutes overseas (see box). For each calendar year, a maximum of four scholarships of \$2,500 may be granted, which should be used only to cover the tuition/course fee.

Distance learning programmes are also offered for members who cannot travel.

## The Scholarship Six

Currently the following organisations are recognised as IAPH-affiliated training institutes:

- 1 **APEC** (Antwerp, Belgium) – [www.portofantwerp.com/apec/html\\_en/en\\_fotogalerij.php](http://www.portofantwerp.com/apec/html_en/en_fotogalerij.php)
- 2 **IBC Global Academy** (distance learning) – [www.ibc-academy.com](http://www.ibc-academy.com)
- 3 **IPER** (Le Havre, France) – [www.ecole-management-normandie.fr/home.php](http://www.ecole-management-normandie.fr/home.php)
- 4 **PSA Institute** (Singapore) – [www.psa-institute.com](http://www.psa-institute.com)
- 5 **TTPM International Consultants Limited** (London, UK) – [www.ttpminternational.co.uk](http://www.ttpminternational.co.uk)
- 6 **UNESCO-IHE** (Delft, Netherlands) – [www.unesco-ihe.org/short-courses](http://www.unesco-ihe.org/short-courses)

The scholarship scheme does not extend to staff employed by a central government. Applicants for training scholarships should submit a form to the IAPH secretariat.

"Since its inception, IAPH has provided a scholarship

programme to ports in developing countries in order to enhance the technical expertise of those ports," said Secretary General Naruse.

"Unfortunately, no one applied to the programme last year, although the application

procedure is very simple. By awarding the scholarship, IAPH bears part of the tuition cost (up to \$2,500) at one of the IAPH-designated port educational institutions [see box] that a trainee enrolls with," he added. "I still believe that this is one of the most useful tools for the association to contribute to members. To see more people get interested in the programme, there should be discussions on fundamental parts of the programme – such as the application process, the maximum amount of subsidy and the designation of additional training institutions."


As a background history, the programme was initiated in 1976 as the *IAPH Bursary Scheme* before changing its name to the *IAPH Training Scholarship* in 2007. Since its inception, it has enabled more than 120 individuals from IAPH developing ports across the world to learn at port training institutes in developed countries and to bring back to their home ports some advanced knowledge and techniques on port management and operations. Originally it was designed to fill a gap between developing ports and developed


## Membership notes


The IAPH Secretariat is pleased to announce the following new members of the Association:


### Associate Members


#### AMEC Environment & Infrastructure, Inc.


 Address: 6001 Rickenbacker Road, Los Angeles, California 90040-3031, USA


 Telephone: +1-323-889-5300

 Fax: +1-323-721-6700

 E-mail: [john.webb@amec.com](mailto:john.webb@amec.com)

 Website: [www.amec.com](http://www.amec.com)

 Representative: John Webb, Global Director of Marine Transportation

 Nature of Business: Engineering design, environment, and construction servicing consulting

#### TTPM International Consultants Ltd.

 Address: 78 York Street London, W1H 1DP, U.K.

 Telephone: +44-208-906-6825

 Fax: +44-203-633-2142

 E-mail: [f.laurence@ttpminternational.co.uk](mailto:f.laurence@ttpminternational.co.uk)

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

 Representative: Dr Fortune U Laurence, CEO

 Nature of Business: Consulting in port management, maritime economics, logistics and supply chain management and more



ports in a noble spirit of international port development.

The programme is administered by the *IAPH Communications and Community Relations Committee* chaired by Mr Arley Baker, Port of Los Angeles, USA, who says: "So much of the value of IAPH is that it gives port professionals at every level a sounding board for their ideas, and IAPH helps port professionals learn best practices and philosophies from colleagues at other ports. This scholarship programme promotes that sharing of ideas and it is a great channel for the organisation to help the career advancement of port professionals who best demonstrate their perspectives about operations, marketing or other aspects of ports."


The committee also organises a biennial essay contest known as the *Akiyama Award*, in which contestants from IAPH developing member ports compete to propose ways and means of improving their port's efficiency and productivity by writing an essay on the topic.

The committee will meet on 7 April in Sydney, in tandem with the IAPH Mid-term Conference/

Board Meeting, to discuss the current status of the IAPH Training Scholarship and to finalise terms and conditions for entry to the *Akiyama Prize 2015*.

IAPH can accept applications throughout the year and there is no deadline; it simply depends upon the availability of funds. It can only grant four scholarships in a year so it is run on a first come, first served basis. When the funds allocated for a year are depleted, it announces that further applications will be halted or put on hold until the following year's programme.

Unfortunately, while IAPH received lots of queries from IAPH members last year, not a single scholarship was awarded in 2013. It also received a lot of queries and applications from non-members, but they were invariably turned down.

 Visit [www.iaphworldports.org](http://www.iaphworldports.org) and click on IAPH Training and Scholarship for full information and to ensure that you qualify. Then look at the various courses available from the six approved training institutes.

 **MORE INFO:**  
[www.iaphworldports.org](http://www.iaphworldports.org)

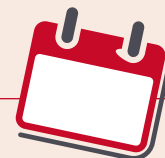
2014

2015

2016

## Dates for your diary

A selection of forthcoming maritime courses and conferences



### March







- 24-25:** AAPA Spring Conference, Washington DC, USA  
[www.aapa-ports.org](http://www.aapa-ports.org)
- 24-04:** Legal Aspects in Port Operations and Trade, Antwerp, Belgium  
[www.portofantwerp.com/apec/](http://www.portofantwerp.com/apec/)
- 27-28:** 12th Intermodal Africa North 2014, Lagos, Nigeria  
[www.transportevents.com](http://www.transportevents.com)
- 31-01:** Maritime Women: Global Leadership, Malmö, Sweden  
[www.wmu.se](http://www.wmu.se)
- 31-04:** Seminar on Dredging and Reclamation, Brisbane, Australia  
[www.iadc-dredging.com](http://www.iadc-dredging.com)
- 31-17:** UNESCO-IHE Short course: Environmental Planning and Implementation, Delft, Netherlands  
[www.unesco-ihe.org/short-courses](http://www.unesco-ihe.org/short-courses)

### April

- 06-10:** IAPH Mid-term Ports Conference/Board Meeting, Sydney, Australia  
[www.iaphsydney2014.com](http://www.iaphsydney2014.com)
- 06-11:** Singapore Maritime Week, Singapore  
[www.smw.sg](http://www.smw.sg)
- 08-09:** TOC Container Supply Chain Asia, Singapore  
[www.tocevents-asia.com](http://www.tocevents-asia.com)
- 22-25:** Transrussia 2014, Moscow, Russia  
[www.transrussia.ru/en-GB](http://www.transrussia.ru/en-GB)
- 22-02:** UNESCO-IHE Short course: International Port Seminar, Delft, Netherlands  
[www.unesco-ihe.org/short-courses](http://www.unesco-ihe.org/short-courses)
- 22-02:** UNESCO-IHE Short course: Integrated Coastal Zone Management, Delft, Netherlands  
[www.unesco-ihe.org/short-courses](http://www.unesco-ihe.org/short-courses)
- 23-24:** 2nd Med Ports, Marrakech, Morocco  
[www.transportevents.com](http://www.transportevents.com)
- 28-04:** Seminar on Inland Waterways Transport, Antwerp, Belgium  
[www.portofantwerp.com/apec/](http://www.portofantwerp.com/apec/)
- 29-30:** BIMCO: The Perspectives in Shipping, Dubai, UAE  
[www.bimco.org](http://www.bimco.org)

## Regular Member

### Philippine Ports Authority (PPA)

-  Address: PPA Corporate Building, Bonifacio Drive, Port Area, Manila 1018, Philippines
-  Telephone: +63-2-527-4436
-  Fax: +63-2-527-4853
-  E-mail: [gm@ppa.com.ph](mailto:gm@ppa.com.ph)
-  Website: [www.ppa.com.ph](http://www.ppa.com.ph)
-  Representative: Atty Juan C Sta Ana, General Manager



Sydney Ports

# Evolution, not revolution

**Grant Gilfillan**, IAPH President, CEO of Sydney Ports, and CEO of the Port of Newcastle, explains why you should be at the IAPH Mid-term Ports Conference

“It promises to be one that delivers on several fronts”

“Hello from Sydney, Australia, where in just a few weeks’ time we will be hosting the 2014 IAPH Mid-term Conference and Board Meeting.

As the newly-elected president, this conference has special meaning to me and, indeed, the entire IAPH membership, as it will provide us all with the opportunity to make some important decisions affecting the future structure and direction of this great organisation.

It is healthy in business to occasionally look within and make an objective and detailed review of the way things are done – and that is what we will be doing during this event in April.


This is more about evolution, not revolution, but we have now recognised the need to lift our global profile and focus on issues of greater relevance to our membership as well as streamlining our decision-making process.

If you have not as yet registered for this event then please do so now as it promises to be one that delivers on several fronts; your chance to be part of the evolution and your chance to benefit from the high programme focus on port automation, port planning and investment, and the effect of the ever-increasing size of ships.

We all attend international shipping- and ports-related conferences around the globe and we all take away something relevant to our business, but what we are offering at this conference is a focus on issues and investment highly relevant to most of what we do operationally and strategically at our various ports; there will be many takeaways that will help us better understand where we are globally and, by comparison, better understand how we are performing against other ports.

The port automation forum will begin with a ‘big picture’ presentation by one of the most respected automation strategists in the world, TBA’s Dr Yvo Saanen, and we will then quickly drill down to case studies from various ports now undergoing major investment in automation and associated infrastructure.

We will also hear from the Panama Canal Authority on its \$6 billion expansion project and the impact on global trade, as well as a keynote address from Titan Salvage that, with its Italian partner, successfully raised the *Costa Concordia*.

I look forward to meeting you all from 6-10 April and, if you haven’t already done so, take a look at the fantastic programme we have to offer you on our website: [www.iaphsydney2014.com](http://www.iaphsydney2014.com). 

*Grant Gilfillan*

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