

Inter-American Committee on Ports Newsletter

Published by the Inter-American Committee on Ports



Organization of American States (OAS)
Inter-American Committee on Ports (CIP)

May 2007

No. 11

INDEX

- 1. First Hemispheric Conference on Environmental Port Protection.**
- 2. Meeting of the Sub-Committee on Policy and Coordination of the Executive Board of the CIP.**
- 3. Memorandum of Understanding between the General Secretariat of the OAS through the CIP and the AIPPYC.**
- 4. Latin American Port Forum: Seminar on Port Planning in Uruguay.**
- 5. Argentina: For this year important investments in the public ports of Buenos Aires.**
- 6. Ecuador: The concession of the Port of Guayaquil.**
- 7. Nicaragua: Port investments.**
- 8. Peru: A study of the environmental impact from the transportation of minerals.**
- 9. Uruguay: The ANP begins work to facilitate the commerce of Paraguay.**
- 10. The Latin American Association of Port Quality is formed.**
- 11. Recently named port authorities.**
- 12. Port activities.**

1. First Hemispheric Conference on Environmental Port Protection.

With the attendance of nearly 200 participants from more than 20 countries, the First Hemispheric Conference on Environmental Port Protection was held with great success in Panama City, Panama, April 11-14, 2007. The event, organized by the Inter-American Committee on Ports (CIP) and the Panama Maritime Authority (PMA), also counted on the assistance of the private sector, especially from Ocean Pollution Control (OPC) and other private businesses from the environmental and maritime port sector.

The following speakers assisted in the Conference:

- Klaus Essig (INEA, Venezuela) "International norms and standards on environmental protection impacting the port industry: the IMO MARPOL Convention and other international conventions."
- Leandro García (Puerto de Valencia, España) "ECOPORT Project."
- Macario Fernández (Puerto La Coruña, España) "Environmental impact in the coastal zone of the great exterior Port of La Coruña."
- Hernán Pardo (INCOSTAS, Venezuela) "The port industry and its environmental Impact."
- Joel Méndez R. (Puerto Lázaro Cárdenas, México) "The port industry and its environmental impact."
- Janiece Gilbreath (Environmental Protection Agency, United States) "EPA Cleaner Ports Initiative."

- Jorge Jimenez (Puerto de Guayaquil, Ecuador) "The port industry and its environmental impact. The experience of Guayaquil."
- Carlos Sagrera (OPC, Panama) "Hydrocarbon spills in port zones: a case study of tropical waters."
- Jorge Rebelo (Costa Rica) "Accidental and operational contamination in ports by hydrocarbon and dangerous materials: contingency plans."
- Luis Vila (Argentina) "Accidental and operational contamination in ports by hydrocarbon and dangerous materials: contingency plans."
- Thomas Kornegay (IAPH) "Fundamental principles in port development."
- Andrés Guerra (ESPO) "ESPO Environmental Code of Practice."
- Mario Cordero (Port of Long Beach, United States) "Clean Air Action Plan."
- Leandro García (Puerto de Valencia, Spain) "Improvement of Environmental Management in the Ports of the Gulf of Honduras."
- Pedro Fuentes and Noelle Saborido Administration of Paranagua and Antonina, Brazil) "Experience of the port of Paranagua."
- Stanley White (Coastal Ports and Rivers Institute, United States) "Policies and management on the impact of the port environment."
- Rodrigo Cruz (ENSOL, Panama) "Management of oily waste."
- Curtis Roach (IMO) "Port Reception Facilities."
- Daniel Muschett (Autoridad del Canal de Panamá, Panama) "Environmental Impact of the construction of the third phase of locks of the Panama Canal."
- Andrés Guerra (Puerto de La Coruña, Spain) "Environmental Analysis of the development of the grand exterior port of La Coruña."
- Ana Brunet (IIDM) "Regional code of conduct of the port environment."
- Juan Manelia (COCATRAM) "Environmental Code: a proposal for ports."
- Santiago Montmany (Puertos del Estado, Spain) "Environmental Cooperation plans of the Spanish system for Ibero-America."
- Benjamin Couzigou (IMO) "Capacity building and training for port authorities on the Cartagena Convention, land based sources and oil spills protocols."

In addition, presentations were made on the situation of environmental port protection in: Argentina, Brazil, Chile, Costa Rica, El Salvador, Guatemala, Mexico, Panama, Surinam, United States, Uruguay, and Venezuela.

Subsequently, the document, "Conclusions and Recommendations presented by the Panama Maritime Authority," was approved highlighting the need to protect the ocean and coastal zones of the continent and strengthen inter-American cooperation in matters of environmental port protection, support international conventions on environmental port protection, and promote the protection of the environment in port activities.

Also, the port of Paranagua has offered to be the host of the second Conference and is currently in a process of consultation with the Government for its confirmation.

On the CIP website, http://www.oas.org/cip/esp/CTC/Protección_Ambiental/Conferencias.htm you can find the presentations made during the Conference.

2. Meeting of the Sub-Committee on Policy and Coordination of the Executive Board of the CIP.

The Sub-Committee on Policy and Coordination of the Executive Board of the CIP held a meeting in Panama City on April 10, 2007, with the presence of 4 out of the 5 members: Mexico, Chair of the CECIP, El Salvador, United States, and Uruguay. In addition, delegates from other CIP member States were present including the delegation from Panama, as host country. The meeting analyzed,

among other topics, the advancements made in the preliminary draft of the CIP Action Plan 2008-2011, the state of CIP Magazine, specifically the terms of publication for 2007, the institutional context of the CIP in the OAS, possible actions to improve the work of the Secretary in CIP meetings, analysis of agenda and schedule of the First Hemispheric Conference on Environmental Port Protection.

In the afternoon a meeting was held to discuss diverse options to permit the improvement of the Technical Advisory Groups (TAG) and motivate a greater participation of Associate Members in these forums. The Secretary will prepare a proposal in order to improve its functioning, and as such, all member States of a TAG and Associate Members are encouraged to submit its suggestions to the Secretary of the CIP via email: cip@oas.org

3. Memorandum of Understanding between the General Secretariat of the OAS through the CIP and the AIPPYC.

On April 30, 2007 in Punta del Este, Uruguay, a Memorandum of Understanding (MOU) was signed between the General Secretariat of the Organization of American States (OAS) through the Inter-American Committee on Ports (CIP) and the "Asociacion Internacional de Profesionales de Puertos y Costas (AIPPYC)."

Carlos M. Gallegos, Secretary of the CIP/OAS and the President of the AIPPYC, Gustavo Anschutz, signed the MOU which establishes a basis for knowledge and cooperation between both parties to promote the exchange of technical information, practices, and work together to achieve integral development in the ports of the Americas.

The memorandum has three areas of interest: (i) the development of a network of port professionals, in order to disseminate information and best practices and the integration of different areas related to port development, such as planning, port management, environmental management, transportation and logistics and port city relations; (ii) cooperation with governmental institutions and private initiatives in the execution of programs, projects, and activities that drive integral port development, and (iii) the development of human capital including technical training through courses, seminars, and workshops in order to reach a common objective among the parties.

In this regard, within the joint cooperation, the CIP and AIPPYC recognized the importance to coordinate efforts in international issues, technical cooperation, cooperation in events, and exchanges in points of view and information. For the development of these activities, the parties will establish an annual Work Plan, which will be revised and evaluated periodically.

If you require more information, please visit the CIP website (www.oas.org/cip) or contact the CIP office cip@oas.org.

4. Latin American Port Forum: Seminar on Port Planning in Uruguay.

The Latin American Port Forum, an initiative of Puertos del Estado of Spain, held the seminar, "Port planning drives development," From March 14-16, 2007, in the city of Montevideo, Uruguay. Approximately 150 participants attended the seminar, including officials and specialists of the sector and experts from Spain and Latin America.

This event, the first of three to be held this year, was organized by the Administracion Nacional de Puertos of Uruguay, the Inter-Committee on Ports (CIP) of the OAS and Puertos del Estado of Spain, the promoters of the Forum.

The following were among the topics discussed: Ports focused on strategy, corporate social responsibility in port planning, the economic impact of ports, methodologies for the economic financial evaluation of investments, the role of Puertos del Estado in establishing investments in the Spanish port system, reflections on the role of port authorities, the role of logistics in international commerce, port technology strategies, and the management of port services. The quality of the speakers was indicated from the participants.

The forum, whose fundamental objective is to contribute to the creation of technological heritage of port materials common among all countries of Ibero-America and facilitates technological and commercial exchanges, will hold a seminar in July in Veracruz, Mexico, and another in Lima, Peru, in December.

The presentations made during this seminar can be found in the following link of the CIP website: http://www.oas.org/cip/esp/Cursos_Seminarios.htm.

5. Argentina: For this year important investments in the public ports of Buenos Aires.

The Government of Buenos Aires declared that it is working to remodel the public ports of the province of Buenos Aires which will receive investments of more than USD \$ 90 million during 2007 to strengthen commerce and drive local production.

The USD \$ 90 million surpasses the USD \$ 33 million provided by the province and the port consortium for 2007, and the USD \$ 59 million from credit of the Fondo de Financiación de la Cuenca del Plata (Fonplata) provided from the countries of Brazil, Bolivia, Paraguay, Uruguay, and Argentina, and will be paid out during the middle of the year.

The Minister of Production of Buenos Aires, Debora Giorgi, indicated that commerce will be strengthened and local production increased. The investment of USD \$ 33 million will be paid by the Ministry of Production in three ports managed directly – Dock Sud, San Nicolas and Coronel Rosales-, and the Management consortium administered by the ports of Quequen, Mar de Plata, Bahia Blanca, La Plata and San Pedro. The ports of the province account for one third of the cargo of Argentina.

In the ports of Argentina, the main problem identified is dredging, specifically that dredging work is expensive and require support that, in general, the ports can not provide with their own budgets. Port operators affirm that the little depth of the access of canals to the port terminals will impede in the near future incoming large ships. Those that carry grain for example can not use their full capacity without maneuvering risks that can also violate rules stipulated from Port laws.

On another note, in Bahia Blanca located southwest of the province, the company *Terminal de Servicios Portuarios Patagonia Norte* awarded a contract of concessions for 20 years to *Muelle Multiproposito Andoni Irazusta*, at site 21 of Puerto de Ingeniero White, along the main canal 45 feet deep. During this period, USD \$ 9.5 million will be invested of which 2 million will correspond to infrastructure and the rest for equipment.

The dock is 270 meters long and 40 meters wide, adding a mooring that extends its longitude to 320 meters permitting an entry of ships large in size and specifically containers of up to 3800 TEU. The agreement signed plans for 80% of the investment to be executed in the first year of the concession.

According to plans, from the port Ingeniero White, meat, conserved meat, leather, fish, dairy products, honey, paper, onions, garlic and other vegetables, apples, pears, wheat, chemicals and plastics and the yarn produced by Rio Negro, Neuquen, La Pampa, and the west of the province of Buenos Aires will be exported.

6. Ecuador: The concession of the Port of Guayaquil.

Following some disagreements from different political personalities, national, regional, and local, after a wait of more than 10 years, the concession of the Port of Guayaquil concluded granting it to the Philippine consortium International Container Terminal Services Inc. (ICTSI), the only bidder staying for this long process.

After receiving the support of President Rafael Correa, the Director of the Port Authority of Guayaquil approved the technical and economical proposal presented by ICTSI. The concession given for 20 years also will create the business, "Terminal Consortium of Guayaquil S.A. Containers" (Conecton) in order to execute the concession of the Maritime Port of Guayaquil, which will be 100% property of ICTSI. The contract is expected to be signed next May and will begin its terms in July. Fifteen million U.S. dollars will be the minimum established to set up the local business.

The port of Guayaquil is the main port of Ecuador with approximately 5 million tons of transported annual merchandise, equivalent to 70% of the total cargo that Ecuador mobilizes by way of maritime ports.

The offer accepted by the director of the *Autoridad Portuaria de Guayaquil (APG)* is considering to pay \$30 million in an installment of a 5 years premium, USD \$ 8.4 million fixed annually, in addition to USD \$.50 for each ton and USD \$ 10.40 for each container transported.

The investment needed for the initial reconstruction work of the Terminal will represent an initial amount of USD \$ 168 million which will be achieved in the first two years. In total and during the 20 years of the concession, work will be done for USD \$ 800 million. Sources from the enterprise indicated that the first work to be done will be the reinforcement of the docks in general and the reconstruction of the port.

The concessionary has agreed to exceed one million containers of 20 feet per year. For this, an increase in the cargo of the port is predicted for an average of 5% annually.

7. Nicaragua: Port investments.

The executive president of the *Empresa Nacional Portuaria (ENP)*, Virgilio Silva, announced that the government of Nicaragua will invest USD \$ 50 million during the next five years to improve maritime, river, and lake ports of the country. The official indicated that this year USD \$ 12 million is being invested to buy

equipment and in the remodeling work of the ports. In addition, in the short term USD \$ 2.5 million will be invested to expand cargo capacity in the port of Corinto, 150 km northwest of Managua at the edge of the Pacific Ocean.

The private company also showed its interest in investing in Nicaraguan ports, more specifically the Port of Corinto in order to reduce the congestion of containers in the port. The ENP signed a contract with Robert Westh, Vicepresident of North American company Global Insight, in order to improve infrastructure and modernize the Port of Corinto. The company will be in charge of executing the project Improving Competition in the Port of Corinto.

The President of ENP also affirmed that within the five year term of the President of Nicaragua, Daniel Ortega, the river port of El Rama, 300 km northeast of Managua near the Nicaraguan Caribbean, will also be improved.

8. Peru: A study of the environmental impact from the transportation of minerals.

The *Autoridad Portuaria Nacional* of Peru (APN) has conducted a study in the environmental impact for the installation of a belt transporting the minerals to dock 5 of the port of Callao, for the company Geoconsult S.A. Consultores Generales. The work is expected to be concluded at the end of July.

The objective of the study is to determine the environmental impact of the above mentioned belt which is expected to be installed for the cargo of minerals towards the port, and specifically contaminants like lead, copper and others. Callao is the main Peruvian port and the minerals hold the largest commercial movement.

Currently, the concentrated volume produced by mines situated in the central region of Peru and exported by the port of Callao is approximately 1,600,000 metric tons per year. Of this volume, approximately 70% is transported by land and the rest, 28%, via railway towards 7 stores located in different zones of Callao.

For many years, different institutions have reported on the high levels of contamination affecting communities situated closely to the routes where the cargo of minerals is discharged. The Director of the APN has considered that the installation, of this airtight belt, can be an alternative to decrease contamination from the port. The belt will transport minerals from shops located approximately 1,500 metres to warehouses of the vessels.

Nevertheless, food export groups object that the minerals continue to be transported through Callao. The docks, especially dock 5, are used for a wide range of products, especially fish products. They contend that the existing contamination will not be decreased with the belt as it severely damages products that require rigorous conditions for its placement in foreign markets. These export groups offer more radical solutions like the displacement of minerals towards zones that are farther away.

For its part, the *Sociedad Nacional de Minería, Petróleo y Energía* (SNMPE) has objected to the temporary project, since its intention is to construct a permanent belt towards docks 1 or 3. They have signaled that it would be very inconvenient to displace away from the actual port towards any other location.

The association of port workers, who may support the temporary construction of the belt, maintain that future minerals should be transported by Chancay, located more than 60 km of Callao.

9. Uruguay: The ANP begins work to facilitate the commerce of Paraguay

The *Administracion Nacional de Puertos of Uruguay (ANP)* has planned to undertake, by way of a Port Coordinator, a group of diverse entities of the port sector of Uruguay the work linked to facilitate the commerce of Paraguay.

The program which originated from an UNCTAD resolution in 2003, will count on the participation of ECLAC, an organization which considers Uruguay to have the necessary capacity to carry out actions of technical assistance for Paraguay, within the project, "Capacity development in materials facilitating commerce and transportation for developing countries without a coast and countries in transit." The project looks to take into account the understanding and experience reached by the region and the Uruguay port sector and transfer it to the Paraguayan port sector. This will be a challenge for both port communities as both will combine their capacities with institutional development and human resources development, as well as supplying networks of cooperation.

The project will be done for a period of 10 months, where the parties will develop meetings to promote dialogue and use potential informational and communication technologies (TIC) for the exchange of knowledge. The objective is to strengthen transportation in order to make them as efficient as possible. For this the CEPAL has considered that authorities of both countries exchange dialogue and create different forms of cooperation and transmit the experiences of Uruguay.

10. The Latin American Association of Port Quality is formed.

In Caracas, Venezuela, headquarters of the Andean Development Corporation (CAF) the Latin American Association of Port Quality (ALCP in Spanish) was formed, a non-profit organization, with 50% participation of the CAF, the Fundacion Marca de Garantía del Puerto de Valencia, with 25% and the Fundacion Valenciaport comprising another 25%.

The Association is a product of diverse studies which illustrates that in order to improve the efficiency of ports in the region, it is necessary to not only invest in infrastructure, but also undertake programs that improve the quality of services provided to port users.

The ALCP looks to improve the quality of port services, supported with the model of Marca de Garantia, applied successfully since 1995 in the Spanish port of Valencia. There will be a results manager in each of the five ports selected: Puerto Cabello, in Venezuela, Cartagena and Buenaventura in Colombia, Guayaquil in Ecuador and Callao in Peru. The creation of the ALCP was conducted within the institutional framework supporting the function of quality management.

In subsequent phases, the program will be continued in other countries of Latin America looking to advance quality standards in ports of the region, in agreement with the promotion of integration and sustainable development.

11. Recently named port authorities.

Panama: Zoila Yaniselli, General Director of Ports and Ancillary Maritime Industries (PMA); E-mail: zyaniselli@amp.gob.pa

Paraguay: Omar A. Pico I. President of the Directorate; Administracion Nacional de Navegacion y Puertos (ANNP); E-mail: presidencia@annp.gov.py

Peru: Gerardo Perez D., General Manager, Autoridad Portuaria Nacional (APN); E-mail: gperez@apn.gob.pe

12. Port Activities

- **Executive Management Conference.** May 7 – 11, 2007. Tampa, FL, USA. <http://www.aapa-ports.org/Espanol/content.cfm?ItemNumber=1220>
- **National Maritime Salvage Conference and Expo.** May 8-11, 2007. Arlington, Virginia, United States. <http://www.marinelog.com>
- **Meeting of Port Companies of the Central American Isthmus (REPICA).** May 10 and 11, 2007. <http://www.cpn.gob.gt/repica.htm>
- **Coastal Sediments 2007.** May 13-17, 2007. New Orleans, LA, USA. <http://www.asce.org/conferences/cs07/index.cfm>
- **World Environmental & Water Resources Congress 2007.** May 15-19, 2007. Tampa, FL, USA <http://content.asce.org/conferences/ewri2007/>
- **10th Annual ATFA Conference.** May 23-25, 2007. Miami, FL, USA. <http://www.atfa-forfating.org/>
- **Special Seminar for General Managers of Public Port Authorities.** Junio 1, 2007. San Francisco, CA, USA. <http://www.aapa.ports>
- **International Port Training Conference,** Rotterdam, Holland. June 3-6, 2007. <http://www.iptc-online.net/> (2005) and please contact Bartolomé de Boer. chasqui@wxs.nl
- **Third Annual Chinatrade & Logistics Conference.** June 4 and 5, 2007. Savannah, Georgia, USA. <http://www.joc.com/conferences>
- **Public Relations Seminar.** June 13-15, 2007. Cañaveral, FL, USA. <http://www.aapa-ports.org/Espanol/content.cfm?ItemNumber=1222>
- **Seminar on the Hemispheric Strategy to Promote the Participation of Women in Port Affairs.** Boca Chica, Santo Domingo, Dominican Republic. June 19-22, 2007. <http://www.oas.org/cip>
- **Special Seminar for Members of Port Authority Governing Boards and Commissions.** June 20-22, 2007. Palm Beach, FL, USA. <http://www.aapa-ports.org/Espanol/content.cfm?ItemNumber=1223>
- **Logistics Expo 2007.** July 4-6, 2007. Mexico City, Mexico. <http://www.expologistica.com>
- **Port Security & Safety Seminar.** July 18-20, 2007. Boston, MA, USA. <http://www.aapa-ports.org>
- **Iberoamerican Port Forum on Port Planning.** Veracruz, Mexico. July 25-27, 2007. <http://www.oas.org/cip>
- **Seminar for countries of the Caribbean on Statistics, Costs and Port Tariffs,** Kingstown, Saint Vincent and the Grenadines. August 27-31, 2007. <http://www.oas.org/cip>
- **Fifth Meeting of the Inter-American Committee on Ports.** Salvador, Bahía, Brazil, from September 11-14, 2007. <http://www.oas.org/cip>
- **Eighth Ibero-American Course on Technology, Operations, and Environmental Management in Ports.** Santander, Spain. September 16 to October 13, 2007. <http://www.puertosantander.es/AULA> / <http://www.oas.org/cip>

- **Twelfth Ibero-American Course on Port Management.** Madrid, Spain. September 30 to October 27, 2007. <http://www.puertos.es> / <http://www.oas.org/cip>
- **Masters in Port Management and Intermodule Transportation.** Valencia, Spain. October 4, 2007, to June 27, 2008. <http://www.fundacion.valenciaport.com> / <http://www.oas.org/cip>
- **Ninth Meeting of the Executive Board of the CIP.** Lima, Peru, December 2-5, 2007. <http://www.oas.org/cip>
- **Ibero-American Port Forum on Logistic Activity Zones.** Lima, Peru. December 2-5, 2007. <http://www.oas.org/cip>

Visit Us At:

<http://www.oas.org/cip/>

Secretary

Inter-American Committee on Ports (CIP)

1889 F St., NW, Washington D.C. 20006, USA

Telephone: (202) 458-3871, Fax: (202) 458-3517

E-mail: cip@oas.org