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## **1. FIRST HEMISPHERIC CONVENTION ON ENVIRONMENTAL PORT PROTECTION**

The First Hemispheric Convention on Environmental Port Protection, which was organized by the Administration of the Ports of Paranaguá and Antonina (APPA) and sponsored by the Inter-American Committee on Ports (CIP) of the OAS, took place in Foz de Iguazu, Paraná, Brasil, from 23 - 25 of July, 2009.

The Convention touched upon topics of great importance for the port sector, among others: environmental port authorizations, management and environmental port certification systems; waste, port effluents, zoonosis, atmospheric, sound, and visual pollution management; contingency and emergency plans for environmental disasters; Environment: sustainable development and port development; Ports and communities: integration plans; Dredging: impact, costs and suitability of port zones; innovative environmental port experiences; international cooperation for environmental port protection; and the challenges posed by the climate change to the global economy and its impact on the port industry.

Representatives of the following countries attended the event: Argentina, Brazil, Chile, Colombia, United States, Mexico, Panama, Paraguay, Uruguay, Venezuela, Germany, Angola, France and Italy. Other important figures who were present include: The French Oceanologist Jean-Michel Cousteau, who offered a brilliant conference on the environment: sustainable development and port development; Mr. Roberto Requião, Governor of Parana; Mr. Carlos M. Gallegos, Executive Secretary of the CIP; Mr. Daniel Lucio Oliveira de Souza, APPA Supervisor, among others.

Source: CIP Secretariat

## **2. SEMINAR: CHALLENGES OF THE WOMEN IN PORTS IN THE XXI CENTURY**

The Hemispheric Seminar: Challenges of Women in Ports in the XXI Century was recently held in Santo Domingo, the Dominican Republic, from the 17- 21 of August of the present year. The Seminar was an initiative of the Subcommittee on the Participation of Women in Port Affairs of the Hemisphere from the Inter-American Committee on Ports (CIP) with the active collaboration of the Dominican Port Authority (APORDOM).

The Seminar touched on important topics for the port sector, emphasizing the relevance of the participation of women in ports, among them: the financial crisis and the maritime-port women; Women facing technological advances and automation in ports; Climate change: a view from the perspective of women in ports; Women training in the port sector: new opportunities; Safety and occupational hygiene and its impact on women in ports; Gender Quote: an alternative to increase women's participation in the port-maritime sector; Opportunities for new jobs (tourism companies and cruise ports, port logistics support areas); and Proposal for a hemispheric network of international cooperation for women in ports. The high participation, which was more than 80, included individuals from the different ports of the hemisphere.

Source: CIP Secretariat

## **3. BAHAMAS WILL TAKE MEASURES TO STRENGTHEN THE CRUISE INDUSTRY**

The Government of the Bahamas will modify the "Cruise Ship Incentive Act" with the intent of strengthening the nation's competitive position in the cruise industry.

Prime Minister Hubert Ingraham stated that the amendments to this Act will facilitate new agreements with the main cruise lines and will encourage them to maintain and increase the arrival of passenger cruises to the nation's ports.



“My government is also carrying out negotiations with an important cruise line, as a strategic partner, regarding the development of the new cruise port in Grand Bahama,” stated Mr. Ingraham to the Parliament.

The legislation on cruises was enacted in 1995. At that moment, the number of visitors on cruises to the Bahamas was suffering a decrease of 60,000 people. In 1992, Bahamas had 2,1 million visitors on cruises as opposed to only 1,5 million visitors in 1995. During that period, hardly any cruise remained in the port after 5:00 pm, which had a severe impact on the country’s small companies.

“The impact of the enactment of the Cruise Ship Incentive Act meant an increase in the arrival of cruises to the Bahamas, which became the main destination in the region for the arrival of cruises, as well as the amount of hours accumulated in the national ports,” claimed Mr. Ingraham. Bahamas’ Prime Minister stated that the current goal is to reach new agreements.

The companies Royal Caribbean Cruises International (RCCL) and Carnival Corporation (CC), with which agreements were signed regarding the above legislation, are still operating while negotiations continue with the Ministry of Tourism on new agreements on incentives.

Source: Caribbean360.com

#### **4. THE CARIBBEAN AND CLIMATE CHANGE**

The Caribbean islands could suffer irreversible damages that would have an impact on its biodiversity, fishing, tourism, and coastal protection if the appropriate measures are not taken from now on against the effects of climate change, warns the World Banks’ most recent regional study, presented in Santo Domingo, the Dominican Republic.

“It is highly probable that the Caribbean will continue experiencing an increase in the risks of natural disasters, the effect of tropical diseases and the whitening of the corals, bringing along high human and economic costs,” stated Dr. Augusto de la Torre, Economic Manager at the World Bank for the Latin American and Caribbean region.

The report “Development with less carbon: Latin American response to the challenges of climate change” presented in Santo Domingo by the World Bank and sponsored by the National Council on Climate Change and the Clean Development Mechanism, declares that climate change is unmistakable and can be observed, among other things, in the rise in temperatures by one degree centigrade and a higher frequency of extreme climates through hurricanes and intense rains, which have been occurring especially in Central America and the Caribbean.

“Due to the significant vulnerability of the Dominican Republic to the anticipated effects of climate change and the very modest contribution of the country in the emission of greenhouse gases, the priority should be to adapt to the climate change, especially those sectors that are considered more vulnerable (water, tourism, agriculture, energy and infrastructure),” added Dr. Pablo Fajnzylber, Senior Economist of the World Bank and one of the authors of the study.

In the case of the Dominican Republic, according to Mr. Walter Vergara, World Bank Specialist on Climate Change in the Caribbean, the country, together with its Caribbean neighbors, is exposed to extreme climate events and the effects induced by the rise in the sea temperature, which has an impact on fishing and coastal protection. Furthermore, the Caribbean corals will whiten and eventually die. 80% of the Caribbean corals have been recently affected by discoloration, many of them dying, which can lead to their disappearance by 2060.

According to the report, in the Caribbean, the losses associated with natural disasters could multiply by four in the next 20 years. Simultaneously, the coastal areas of Mexico, Central America and the



Caribbean will suffer negative impacts on their agriculture, infrastructure, and ecosystems, especially in the mangrove swamps. Simultaneously, the Caribbean islands could suffer multiple effects, including those associated to natural disasters, the rise in sea levels, the loss of corals and a decrease in agricultural productivity, as well as the benefits from fishing and tourism. The total losses for 2080 are estimated to be between 8 and 18% of the GDP.

The study recommends that the countries of this region adapt their own growth and poverty reduction strategies to minimize the negative effects on the population. This implies adapting the social protection systems and the management of natural resources to the new challenges caused by climate change. On the other hand, it is important to improve the support mechanisms for development with less carbon and a more efficient generation and use of energy. The report proposes improving energy efficiency for both the supply and demand of energy; reducing and directing subsidies for consumption and improving the efficiency of energy generation, as well as reducing the losses during its distribution.

Source: World Bank

### **5. COLOMBIA EXPECTS 470,000 TRAVELERS FROM CRUISES**

Colombia awaits the arrival of 470,000 travelers during the new cruise season that starts this month of August and will be prolonged until June of 2010, informed spokespeople from the Vice-presidency of Tourism of the Promotion of Exportations Fund (Proexport). Simultaneously, they stated that the cruise season started on the 7<sup>th</sup> of August with the arrival of the Dawn Princess ship, from the Princess Cruises line, to the Port of Cartagena.

The same sources highlighted that “the season’s novelty” was the arrival in October, and for the first time, of Pullmantur, the Spanish Shipping company with more than 10 years of experience in cruise tourism in the Mediterranean, northern Europe and the Caribbean. 25 shipping companies, together with the European company, will be arriving to the Colombian ports, among them, Royal Caribbean, Celebrity Cruises, See Tours, Holland America, Silver Cruises, Azamara Cruises, MTC Hamburg and Seabourn. The ships will dock, aside from Cartagena, in the ports of Santa Marta and San Andres island.

Ms. Nubia Stella Martínez, Vice-president of Tourism of Proexport, recalled the four consecutive and successful seasons in terms of the arrival of ships and passengers to the country’s ports, mainly to Cartagena. The latter aspires to receive this season a total of 470,168 visitors, from which 332,594 are tourists and 137,574 are crew members, on board of 183 ships. 100,000 tourists on cruises are expected to arrive to Santa Marta and San Andres.

Source: EFE

### **6. JAPAN COLLABORATES WITH EL SALVADOR ON PUERTO DE LA UNION**

Japan has decided to support the Government of El Salvador in accelerating the Puerto de la Union operation, a project which costs 183 million dollars and has not started operating. The unconditional support of the Japanese government in the reactivation of the port project started before laying the foundation stone, as it had participated in the elaboration of the master plan of the maritime terminal, in the design of the project, and finally, its financing.

To start on the construction of this ambitious project, in 2001 the Japan Bank for International Cooperation (JBIC) granted a 101 million dollar credit. “Japan has waited for the quick and successful beginning of the port operations as a logistics center and the epicenter of socioeconomic development for El Salvador and the region,” affirmed the ambassador of the Asian country, Mr. Shisei Kaku. The study, which will commence next October and finish in June of 2010, will be conducted by a Japanese



investigation team, “but from a technical, scientifically neutral and professional point of view,” emphasized the diplomat.

The project is an estimated 100 thousand dollars, and will be provided by Japan. The Executive and Legislative Organs will be the only ones responsible for the commencement of the operations, the time, and all the processes involved in the port operation, he clarified.

Last April, 2008, the former government sent to the Legislative Assembly two executive orders for the concession of the port system, which stemmed a lot of heated debate, and never produced the results that the country had expected. The first executive order proposed the concession of the Union and the extra port areas - the Port of Acajutla also- to one operator for a period of 25 years, and with an initial payment no lower than 40 million dollars, as well as carrying out investments for a total of 95 million dollars during the first five years.

The second was presented on January 21st, 2009, and suggested creating a dealership between CEPA and an international operator, with a shareholding of 10 and 90 percent, respectively.

Mr. Guillermo López Suárez, President of the Autonomous Port Executive Committee (CEPA), claims that these orders had stopped being persuasive for international investors. The updating of this last project, in the hands of the Assembly, has numerous components, among them: 50 million dollars that the interested party has to hand in at the moment of signing. “The international operators were unequivocal when they said that they would not agree or be interested in participating if the executive order was a law,” stated Mr. López Suárez.

The Autonomous Port Executive Committee informed that parallel to the Japanese study, another one would be carried out by the International Finance Corporation (IFC) and the World Bank (WB). The investigation will take into consideration the current financial conditions of the international market for the elaboration of a concession project that will interest the major world operators. The initiative will include local workshops with deputies and the private-public sector of the nation and the Union, which will elaborate the most convenient concession model for the country.

Lopez Suarez announced that the port will start to operate during the first trimester of the following year, under the Autonomous Port Executive Committee’s responsibility. The Committee informed that it loses 11 million dollars annually due to the port’s inactivity, taking into consideration the 5 million dollars from depreciation and 2,4 million dollars in interests paid for the Japanese loan.

Source: elsalvador.com (El Diario de Hoy)

## **7. THE STATE OF LOUISIANA (U.S.A) AND THE TRADE FLOW WITH THE PORT OF VERACRUZ**

As part of a regional plan to strengthen commerce between Mexico and the United States, commercial representatives and authorities of the State of Louisiana visited the port of Veracruz to increase the trade flow with the ports of the Gulf of Mexico.

The latter was stated by Mr. Donal Pierson, Representative of the Louisiana Department of Economic Development (LED), who expressed that this was an opportunity for Veracruz to increase commerce and cargo movement with all the southeastern ports of this American State, including the port of New Orleans.

According to the information provided by the Port of Veracruz, Mr. Pierson stressed that among other projects, there is a group of businessmen that are interested in moving merchandise like agricultural, carbon, oil, and chemical products through trainships, between the ports of the Gulf of Mexico.



The commercial team that visited the port was integrated by directors of the ports of Lake Charles and Port of South, together with companies from the food and energy sectors, who were introduced by the authorities of the port to the progress achieved by the **Centre for Applied *Logistics* and *Transport* (CALT)**, in charge of regulating the arrival of 650 trailers in the precincts; together with the development of the Logistics Activities Zone (ZAL), which has progressed 85%; and finally the expansion project in Veracruz towards the northern part of the city.

Source: APIVER

## **8. THE PORTS ALTAMIRA AND MANZANILLO ARE SUFFERING THE EFFECTS OF THE CRISIS**

As was anticipated, the global crisis has also had an impact on the port movement in Mexico, as is the case of the port of Altamira, where the loading and unloading of merchandise has been recorded with bearish tendencies, and they predict that it will continue decreasing throughout all of 2009.

Engineer Alejandro Gochicoa, Director of this port, commented that even though it is true that the economic deceleration is affecting the sector, it does not necessarily mean that there will be a complete stall in the cargo movement of the port; nonetheless, he warned of the need to take measures to reduce costs, improve the efficiency of the processes, and continue operating even though less cargo was involved.

On the other hand, the port of Manzanillo has registered a 27% decrease in volume, which affects the total cargo flow of the country. In the past month of January, the head of the Secretariat of Communications and Transportation (SCT) Mr. Luis Téllez announced a ten thousand million investment in pesos for the port's expansion, which will become one of the most important ports in Latin America. The strong winds that hit the ports of Mexico could be more harmful if you take into consideration that Manzanillo is a "hub" cargo port for Latin America and the West Coast of the United States, which receives a lot of ships heading to or coming from the Far East.

Source: INFOTRANSPORTES

## **9. CORTEZ TRANSFERT WINS CONCESSION FOR TERMINAL IN GUAYMAS, MEXICO**

The company Cortez Transfert, subsidiary of the American company Dune Company and specialized in the marketing of agrochemical products, won the 20 year concession to install a new terminal with liquid and granule fertilizers, according to information from the Integral Port Administration (API) of Guaymas, and provided to the Ports Coordination of the Secretariat of Communications and Transportation (SCT).

The SCT explained that the award was published in the Oficial Diary of the Federation, which specifies that the new terminal will comprise a surface of 21,356 square meters, with no waterfront inside the precincts of the port of Gauymas in the State of Sonora, north of the country. The new facility will have capacity to manage 500 thousand ton a year, will require an investment of 10 million pesos (more than 7.5 million dollars) and will generate more than 300 jobs for the region.

While this terminal is a fact, the bid for the port's mineral terminal was cancelled as the offer carried out by the Hindu company IRK did not reach the expectations and thus, will have to be auctioned again.

Source: INFOTRANSPORTES





## **10. CONCESION CONTRACT IS APPROVED FOR PORT OF PAITA, PERU**

The Ministry of Transport and Communications in Peru (MTC) approved the concession contract for the design, construction, financing, preservation and exploitation of the Port terminal of Paita, in the region of Piura; it will be endorsed by the Peruvian State, and the consortium EuroAndes Port Terminal (TPE) will be the dealer.

According to the executive order from MTC, the Peruvian government will be represented by the Ministry through the National Port Authority (APN).

The MTC explained that this contract included additional clauses in virtue of the Urgency Decree N° 047-2009 that establishes the obligation of creating a Social Fund in the concession contracts, with a subscription that will be pending with the publication of such mechanism (April 10<sup>th</sup>, 2009). These additional clauses were approved by the Board of Directors of ProInversion in its session the May 13th.

The consortium EuroAndes Port Terminal (TPE) is composed by the companies Tertir Terminais of Portugal, together with Cosmos and Transelej, both from Peru.

Last March 31st, the winning consortium was awarded the concession of Port of Paita after offering the implementation of a \$120 dollar tariff for the movement of a 20-foot container, and 151,43 dollars for a 40-foot container, such figures do not include taxes and are the minimum tariff established in the bidding's terms. The consortium also offered an additional 100,80 million dollars for this project, amount which is added to the 127 million demanded in the terms established by ProInversion, for a total of 227,80 million.

The Private Investment Promotion Agency established August, 24<sup>th</sup> for the signing of the concession contract between the Peruvian State and the consortium TPE.

Source: Agencia Oficial Andina (Perú)

## **11. URUGUAY: NEW CONTAINER TERMINAL**

On July 22<sup>nd</sup>, 2009, the Senate of Uruguay approved the law that authorizes auctioning Port of Montevideo's second terminal.

The initiative rests upon the Executive Power for its enactment, thus authorizing the National Ports Administration (ANP) to create a business corporation with the objective of building, administrating, preserving and exploiting the new container terminal.

The text authorizes the ANP to auction the corporation's total share issue between the 1<sup>st</sup> of March and the 1<sup>st</sup> of June, 2010.

Therefore, Uruguay will obtain a larger transit of maritime containers, which will be reflected in the nation's economy.

Source: National Ports Administration of Uruguay

## **12. STORAGE RECUPERATION IN THE PORTS OF VENEZUELA**

"The recuperation of the storage spaces in all the Venezuelan ports guarantees the population's food security and other supplies, "expressed by the Minister of the Popular Power for Public Works and Housing Mr. Diosdado Cabello.



During the reversion of the storage space in the Port of La Guaria, in the State of Vargas, Mr. Cabello highlighted that “these ports, in private hands, left the Venezuelan people adrift in 2002 by depriving them of the food they needed; now the National Government is recuperating these spaces, which should have always been in the hands of the Executive Branch because the operation of these storage spaces is strategic.” He explained that 80% of the activities that the State’s coastline’s maritime port carries out were recuperated on Friday.

Regarding the situation of the 1,900 workers, Mr. Cabello assured that “all the workers’ rights are guaranteed, and some of their demands will be achieved due to the collective bargaining agreement; those that had control over the storage space cannot leave with the worker’s funds.

The port’s storage spaces were in the hands of 32 families, “the so-called “Amos del Valle” and what is being done is an act of justice because the interests of 32 families cannot be above those of all Venezuelans,” claimed a civil servant.

“The workers have a new employer which is the State and the Venezuelan people, and are making sure that things work out in the end; the activities have not been stalled at any moment,” he reiterated.

The company Bolivariana de Puertos (Bolipuertos), attached to the Ministry of Popular Power for Public Works and Housing (MOPVI), will be the body in charge of the management, administration, use and operation of the port operations of the storage spaces, silos, and patios located in the primary areas of the public ports.

Source: Agencia Bolivariana de Noticias

### **13. THE VOLUMES PROCESSED BY DP WORLD FALLS BY 10%**

The volume of the containers processed by the operator DP World has dropped by 10% during the first half of this year. “In the first six months of 2009, we have witnessed one of the most challenging operative environments in the sector’s whole history,” stated Mr. Mohammed Sharaf, Executive Director of the company. “Simultaneously, the commercial tendencies will continue being quite unpredictable during the second half of the year.”

The operations of DP World in the United Arab Emirates (main area where it conducts its activities), including those of the port of Jebel Ali, were the least affected, with only a 7% descent in the volumes of 5,4 million TEUs. On a global scale, this decrease has been larger because DP World has processed 12,3 million TEUs, which is 10% less than what it processed during the first half of last year, 13,6 million of TEUs.

It is important to clarify that these facts only refer to the 26 ports managed by DP World; more than 20 million TEUs were processed in the 49 terminals that the company operates and runs. Nonetheless, these low results with a 10% decrease have been the best within the sector if we take into consideration that the volume of containers has diminished on average by 15% globally.

According to DP World, their results have been above average because they have focused on emerging markets in the Middle East and Africa, which have been less affected by the macroeconomic tendencies.

“The unpredictable tendencies that we have seen in the global commerce during the first half of the year will continue in the second half. We will continue focusing on reducing the costs and improving our performance to ease the impact that the decrease in the volumes are going to have for the cost-effectiveness’,” explained Mr. Sharaf, stating that the sector still has to work through numerous difficulties to come.

Source: [puertodealgeciras.org](http://puertodealgeciras.org)





#### **14. THE SHIPPING COMPANY MAERSK LINE ANNOUNCES A NEW INCREASE IN TARRIFS**

The Danish shipping company Maersk Line, integrated by the group A.P. Moller-Maersk, has continued with its strategy of increasing the prices of the global maritime transport.

The new measures started on the 15th of August for the routes between: Asia and Mexico and the western coast of Central America, ascribing \$300 US dollars for each 20-foot container and \$600 for every 40-foot container; for the route between Asia and Panama, it will be a \$200 dollar increase for a 20-foot container and \$400 dollars for every 40-foot container; and for the route between Asia and the Northern coast of Colombia, the augmentation is \$500 per 20-foot container and \$1000 for a 40-foot and a 40 HC container.

On September, 1<sup>st</sup> a surcharge for services between Asia and the western coast of Southern America will be implemented, with a \$350 fee per 20-foot container and \$700 per 40-foot container.

Regarding the merchandise heading east and west between the United States, Canada and Northern Europe, a \$400 increase per 20-foot container, a \$500 augmentation per 40-foot high container and 45-foot container are programmed. "This tariff augmentation is necessary to continue operating our services with the highest level of reliability that our clients expect from Maersk Line," claimed the shipping company in a press release to justify that the current tariffs are at an "unsustainable level."

Source: Mundo Marítimo

#### **15. PORT ACTIVITIES**

- "Fourth International Congress of Smart Rivers'21," organized by PIANC. It will take place from the 6<sup>th</sup> to the 9<sup>th</sup> of September, 2009 in Viena, Austria.  
<http://smartrivers.org/>.
- International Conference on "Coasts, Marine Structures and Breakwaters 2009," organized by the ICE Institution of Civil Engineers. It will take place in Edinburgh, Scotland, from the 16<sup>th</sup> to the 18<sup>th</sup> of September, 2009.  
<http://ice-breakwaters.com/>
- "XIV Curso Iberoamericano de Gestión Portuaria," organized by Puertos del Estado de España and the Inter-American Committee on Ports (CIP), from the 5<sup>th</sup> to the 30<sup>th</sup> of October, 2009.  
[http://www.oas.org/cip/docs/cursos/31\\_xiv\\_iberogestion\\_espana\\_oct09/convocatoria.pdf](http://www.oas.org/cip/docs/cursos/31_xiv_iberogestion_espana_oct09/convocatoria.pdf)
- "Technical Seminar on Navigation and the Environment," organized by PIANC USA, and will be held in New Orleans, Louisiana, United States, on the 28<sup>th</sup> of October, 2009.  
<http://www.pianc.iwr.usace.army.mil/con2009nav.cfm>
- "Sea Cargo Americas & Air Cargo Americas," organized by the World Trade Center Miami and the Port of Miami, from the 4<sup>th</sup> to the 6<sup>th</sup> of November, 2009 in Miami, Florida.  
<http://www.seacargoamericas.com/>
- "Fourteenth IIDM Congress," organized by the Ibero-American Institute of Maritime Law (IIDM). It will take place from the 8<sup>th</sup> to the 11<sup>th</sup> of November, 2009, in Punta del Este, Uruguay.  
<http://www.iidmaritimo.org/#/congresos/>



- Seminar on “Port Cities: Globalization and Sustainable Development,” organized by the Spanish International Cooperation Agency, in Cartagena de Indias, Colombia, from the 17<sup>th</sup> to the 20<sup>th</sup> of November, 2009.

[http://www.cifaeci.org.co/aeci\\_cartagena/on\\_line/web.seminario?action=VerInfoActividad&id=171109-2&activa=1](http://www.cifaeci.org.co/aeci_cartagena/on_line/web.seminario?action=VerInfoActividad&id=171109-2&activa=1).