

INTER-AMERICAN COMMITTEE ON PORTS NEWSLETTER



Organization of
American States

N. 28

February 2010

Published under the mandate of the Inter-American Committee on Ports (CIP)
of the Organization of American States (OAS)

INDEX

1. **Container terminal in La Plata for 2011 in Argentina**
2. **Ports receiving Argentinean loads**
3. **Bahamas reports a more than 28 % growth in cruise tourism**
4. **The Caribbean remained the most sold destination by cruise operators**
5. **Central America seeks to position itself within the top ranking in the training of sailors**
6. **The bidding process of Site N° 9 of EPSA in San Antonio, Chile started**
7. **The successful logistic model of Puerto Valparaiso, Chile**
8. **An integrated system study on maritime transportation will begin in the first quarter**
9. **A tender for a new port opens in January in Costa Rica**
10. **More funds for the recovery of Louisiana ports in the U.S.**
11. **The IDB alerts on the high transportation costs in Latin America**
12. **Maritime industry examines strategies regarding climate change**
13. **Engineer Maria Isabel Fernandez retires from CPN in Guatemala**
14. **ICTS wins concession in Manzanillo –the port of Lázaro Cárdenas calls for tender (Mexico)**
15. **A new law on ports is being rushed in Nicaragua**
16. **Countries should not worry about the future of the ports operated by DP World**
17. **Panama is reelected in the IMO “A” Category**
18. **Peruvian government makes decisions about port concessions**
19. **U.S. \$60 million credit is approved for construction works in the port of Callao**
20. **Saint Lucia: cruise tourism grows in the Caribbean amid economic downturn**
21. **St. Kitts could be one of the docking ports of the Oasis of the Seas**
22. **Tender of the second container terminal has an official date in Montevideo, Uruguay**
23. **Port Activities**



1. Container terminal in La Plata for 2011 in Argentina

During the second half of 2011 the most modern container terminal of Argentina will be inaugurated. The work will take place in Puerto de la Plata through TECPLATA S.A., a consortium formed by the Argentinean businessman Mr. Ricardo Roman and the Philippine group International Container Terminal Services Inc. (ICTSI).

“Next month we will call a tender for the main works that comprise the construction of docks, pavement and the electric work. The first stage is very important, as it is roughly 70% of the whole work. We will start with 600 meters of dock, although the granting contract establishes 500. There will be more than 20 acres between beaches and buildings”, Mr. Eduardo Zabala, representative of TECPLATA said.

The Director anticipated that there was a pre-classification of the companies. “We have selected the ones with a greater experience in port constructions, from which there are Argentinean and foreign companies; there is a wide variety of options. We want to have everything ready by August-September 2011. So we will need to build a specific plan to bring together the civil work, the arrival of gantry cranes and dredging works, all at the same time,” he stated.

This new port, located 8 hours less of sailing than Buenos Aires, aims to capture the cargo of its own hinterland, plus those that detour to the Uruguayan terminals. At the same time, it is another option for the Buenos Aires port, which has a high activity level.

To guarantee the success of the terminal, a direct two-way course waterway will be built to connect it to the backbone of the waterway near the common area of anchorage, at 34 feet with one extra foot. Simultaneously, a dock in the port, 550 meters of mirror-still water, will be built, which will help the entry of ships with a guaranteed draft of 36 feet.

The goal is to build a terminal with a totally new and continuous dock over the canal's entrance and 50 meters inland to facilitate maneuvers, even of Post Panamax Ships. The mooring capacity was planned anticipating the future. The design's depth is 45 feet.

Source: The Chronicler, Argentina.

2. Ports receiving Argentinean loads

The Dutch Port of Rotterdam continues consolidated as the gateway to Europe for the Argentinean loads; it concentrates 7.3% of the exported merchandise in containers. It is also the main port receiving Argentinean goods, according to the report “Ports receiving Argentinean exports in containers”, presented by the Foundation ExpoAr.

In second and third place are the South American Ports of Montevideo (6.73%) and Santos (6.16%). They are followed by Hamburg (5.97%) and recently in fifth place is the first Asian port of Singapore, with 5.64%.

“From the main receptor ports, seven belong to the European Union”, the report explains. The distribution of Argentinean loads clearly benefits Northern Europe (69.12%), since the Mediterranean terminals receive 30.88% of the local shipments.

Moreover, with 95.019 tons received in the first half of 2009, the Mexican port of Veracruz is, by a wide margin, the main Latin-American port receptor (excluding the ones in Montevideo and Santos), followed by the Peruvian port, Callao (39.993 tons).

Source: Ahorainfo.com.ar

3. Bahamas reports a more than 28 % growth in cruise tourism

The cruise business has changed favorably in this Caribbean island over the years, and now it shows very encouraging figures, assured the Minister of Tourism and Aviation Senator Vincent Vanderpool-Wallace, during the reception act of the Oasis of the Seas, of Royal Caribbean, the biggest ship in the world.

“We do not talk that much about our business in terms of passenger figures, but I can assure that during the first three months of the year in Port of Nassau we received more than 120.000 travelers, in comparison to last year”, he stated. “These figures have increased by 28 per cent,” Mr. Vanderpool-Wallace added. He assured that this is the result of a collaborative effort between Government Ministries and agencies to improve port facilities and its services.

Mr. Vanderpool-Wallace stated that he was encouraged by the new attraction of the port, and was optimistic about the potential it has to attend many people in the tourism sector. “Many people depending on the cruise business – taxi drivers, store owners and sellers - are extremely glad for the implemented policies to introduce substantial differences in this segment”, concluded the Minister.

Source: Caribbean News Digital.

4. The Caribbean remained the most sold destination by cruise operators

The Caribbean will continue to bet on cruises, because even in midst of the crisis, this sector continues performing positively in the region. This was revealed by a survey given to almost a thousand franchises and agent owners for the report on trends in the third quarter of CruiseOne and Cruises Inc.

More than three quarters of those surveyed affirmed that the destination most sold in the third quarter was the Caribbean, and 58% said it was the preferred destination for those who are planning cruises in 2010. 46% answered that reservations in the third quarter rose significantly in comparison to the same period last year. 28% said it had decreased slightly or significantly. Other reservations reported were the same to the ones last year.

Cruise prices have fallen slightly or significantly, according to 58% of those surveyed; 25% said they increased and 16% assured that they remained the same.

And, given the rumors about the new megaships that will be coming soon, such as the Norwegian Epic, which belongs to the Norwegian cruise line, with a total capacity for 4.200 passengers, which will be making its debut next summer, the survey concluded that the enthusiasm about the new cruise ships at the end of this year would increase reservations. Most agents, 67%, stated that the level of reservations has remained the same for the new ships this year.

Cruise agents were asked also about profitability, particularly if the promotion of cruise lines has hit bottom. 40% said that the promotions have had no influence on profitability, and 35% stated that it decreased profitability.

CruiseOne, with 552 cruise franchises independently managed, and Cruise Inc. with more than 500 agents in the whole country, are branches of the World Travel Holdings. Both have their headquarters in Fort Lauderdale, United States.

Source: Caribbean News Digital.



5. Central America seeks to position itself within the top ranking in the training of sailors

Central American countries are seeking to enter the top world's rankings in the training of sailors to fill out the high demand that the International Maritime Organization (IMO) has anticipated within five years, informed sources of this sector.

"The formation of sailors is key because the IMO, in its recent documents, states that there will be a large demand of sailors within five years", explained Ms. Darling Rojas, Training Director of the Central American Commission for Maritime Transportation (COCATRAM).

According to Ms. Rojas, the maritime industry is "in rampant growth because many ships are being built and "the Asians", which are qualified high worldwide and are the most interested in enlisting in the ships, are being discouraged and prefer to stay on land. Central America can fill up this demand."

Ms. Rojas gave a speech during the celebration of the First Central American Forum on Training and Guidelines for the Placement of Seafarers, which took place in Panama and was attended by maritime authorities from Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama, as well as universities and maritime training schools.

The purpose of this forum is to achieve the signing of the "International Convention on Standards of Training, Certification and Watchkeeping for Seafarers (STCW)" by all Central America, which allows granting certificates to sailors, and at the moment has only been ratified by Panama, Honduras and Nicaragua. Another objective of the forum is to "help the centers and educational entities interested in the training of sailors in Central America with the necessary capacities and knowledge to train qualified sailors," added Ms. Rojas.

The General Secretary of the Panama Maritime Authority (AMP) Ms. Maria Isabel Spiegel stated that governments of Central American countries do not want to be limited to watching the ships sail near their coasts, and instead they want to be part of the crew and manage these ships and receive good wages.

In turn, the General Director for Seafarers of the Panama Maritime Authority (AMP), Mr. Roberto Vallarino assured that this type of training can contribute to Central America's economy. "The Philippines is a poor country, but 25% of their workforce is in Panamanian ships. They do not pay taxes and send back their income to their country. If we can guarantee that Panamanians and other brother countries assign their workforce to the ship industry, the economy will grow, and this could be one of the ways to help each country", he added.

Source: EFE

6. The bidding process of Site N° 9 of EPSA in San Antonio, Chile started

Since Wednesday, December 9th, 2009 the bidding terms of Site N° 9 at the San Antonio Port are available, which will be sold off as a port terminal mainly specialized in the transfer of large solids for a period of 30 years.

The Front will be auctioned under a scheme operator, so that the mobilization of cargo, the storage and deposit will be performed by the dealer. It is important to stress that the concessionaire will implement a development project at the terminal and it will be entitled to carry out all the works and improvements necessary for the proper fulfillment of its goal.

The bid includes the entire coastline of the northern sector from Site 9 to the Bodegas ex Camanchaca sector and only a portion of the sector named Quarry Panul.

EPSA hired IM Trust as an exclusive financial advisor in the tendering process for the concession of Site 9, so any contacts concerning the process should be conducted exclusively through IM Trust.

Source: EPSA.

7. The successful logistic model of Puerto Valparaiso, Chile

At the end of 2009, Valparaíso Port Company (EPV) publishes figures on the significant achievements obtained in the logistic field in the Valparaiso port, during this year and the past period. Thanks to its current logistic model, efficiency processes have increased, enhancing its operational capacity and reducing by 50% the average time spent on all logistic lines at the port.

According to EPV Logistics Manager, Mr. Gonzalo Davagnino, this system allowed them to mobilize nearly 11 million tons in 2008 and a significant amount of cargo during 2009, despite the crisis that hit the port sector, as well as reducing the time by half of the logistical lines operating at Valparaiso port. "The average time of logistical lines has declined by 50%; today's trucks only take 48 minutes in the whole port system, that is, since the moment they enter ZEAL until they leave the port and about 19 minutes at the TPS Terminal 1, which is less time in comparison to other port systems of the region."

The company expects to grow between 5 and 6 percent in annual freight movement, after the numerous problems the firm faced, which was a result of the international crisis. Mr. Davagino assured that the months of November and December have been important for the recovery of trade and cargo transportation, "and that has us quite hopeful and we wish to have a 5 to 6 percent growth, in terms of load movement this year."

The manager also explained that these results are due to the existence of integrated port services covering not only EPV but also its dealers *Terminal Pacífico Sur* (TPS), *ZEAL Sociedad Concesionaria* (ZSC) and the Passenger Terminal VTP, as well as the work they have been carrying out since 2008 with the numerous logistical lines and port users, such as shipping lines, carriers, custom agents and shippers, among others.

Regarding the upcoming year, he stresses that even though the crisis has affected the port's figures, he hopes that they will be recovering. From 2010 they will begin working on the development of a PCS or a single informational platform for all ports, which will allow coordinating the operation of all agents involved in the activities and production of documentation, but "this is a long process where we must work with each one of the actors," said Mr. Davagnino.

Source: Marine World; www.terra.com.cl

8. An integrated system study on maritime transportation will begin in the first quarter

A feasibility study about an integrated maritime transport system between Member States of the Mesoamerica Project will begin in the first quarter of 2010, said the Director of the initiative, Ms. Maria Teresa de Rendón.

The Mesoamerica Project was designed to accelerate integration and to promote sustainable development in several Latin American countries. The current Member States are Belize, Colombia, Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, and Panama.

The aim of this study is to determine which ports are ready to receive large amounts of cargo in order to simplify the process of transportation of cargo between the different countries.

The system would allow ports of Member States that cannot receive large vessels to mobilize large amounts of cargo through the operation of smaller transportation systems, such as ferries for short distances, said Ms. Rendón.

The study should be ready by the third quarter of 2010 and is being funded by the IDB with U.S. \$ 1 million, in accordance to the executive report of the Mesoamerica Project for the 2008-2009 period.

Source: www.BNAmericas.com

9. A tender for a new port opens in January in Costa Rica

The *Junta de Administración Portuaria y Desarrollo Económico de la Vertiente Atlántica* (JAPDEVA) and the National Concession Council predict that during the second half of January, the tender to let a private firm build and operate a new port for container ships in Moín will commence.

The objective of the project is to build a new port 1.500 meters long, that will allow the loading and unloading of large Panamax-type ships, which carry up to 65,000 tons.

The project would be built at the northwestern side of the existing port of Moín and is valued in \$812 million. The first phase is 900 meters long and would have three berths. The second will have a length of 600 meters and two berths. Both should be in operation by 2016.

According to the Minister of Public Works and Transport of Costa Rica, Mr. Marco Vargas, once the offers have been received, the Concession Council will have 60 days to grant the project. But first, it is necessary for the Council to address some observations made by the Comptroller of the Republic, the same ones that according to Mr. Francisco Jimenez, Executive Chief of JAPDEVA, will be addressed and submitted to the Comptroller during the first week of January.

Source: The Nation (Costa Rica)

10. More funds for the recovery of Louisiana ports in the U.S.

The Federal Emergency Management Agency (FEMA) and the Louisiana Recovery Authority (LRA) announced granting subsidies of more that US \$7.3 million in public assistance to finance projects needed to help restore three ports affected by Katrina in southeast Louisiana.

"These funds will help the various types of permanent projects required to restore crucial structures of Louisiana's canals" said the Director of the Louisiana Transitional Recovery Office for FEMA Mr. Tony Russell. "The waterways and its facilities are essential to the lifestyle of these areas - economical, industrial and recreationally.

"Providing access to Louisiana's rivers and lakes, while protecting structures against future storm damages, is vital for the lives and long-term recovery of our citizens," Mr. Paul Rainwater, Executive Director of the Louisiana Recovery Authority said. "These investments will have a positive impact on the economy and culture for years to come."

Source: FEMA

11. The IDB alerts on the high transportation costs in Latin America

High transport costs in Latin America are "blocking" the growth of industries in the region, according to a report by the Inter-American Development Bank (IDB), which advices governments to pursue policies in this area. The document published by the IDB states that Latin American import costs are almost double compared to the United States'.

According to the report, the "high costs" of transportation in Latin America and the Caribbean "undermine" trade and have a "damaging" effect over the entire economy's productivity, in addition to "protecting" "inefficient" businesses and "preventing" the expansion of more competitive products.

The region as a whole spends nearly twice as much as U.S. in freight charges to import goods. Most Latin American countries face higher freight costs to export to the U.S. than Asian and European countries. These facts are alarming, especially for countries that are very close to the U.S., as the ones in the Caribbean.

Meanwhile, in a ranking of 22 countries in the region, Paraguay and Argentina are among the countries with higher costs of transportation for their exports to the United States. However, China and Australia, which are further away from the U.S., have lower rates in the transport of goods.

The agency warns in their research that high transport costs distort the allocation of resources, "preventing" the region to "harvest" all the productivity benefits obtained from greater trade liberalization.

The lack of efficiency in ports and airports' infrastructure accounts for about 40 percent of the difference in shipping between Latin America and the United States and Europe. The low degree of competition between transport companies and inefficient transportation systems nationwide, including increased traffic congestion in major metropolitan areas also contribute to high costs.

The ports of the region have the lowest levels of productivity compared with ports in North America, Western Europe, the Middle East and Asia. Port efficiency is not only related to the quality of its physical facilities, but also to the supportive activities such as sailing, towing and tug assistance and unloading of cargo.

According to the IDB's publication, the continent's governments should encourage "greater competition" between shipping companies and decentralize port operations.

The results will appear in a book that will be published by the IDB, "The Age of Productivity: Transforming Economies from the Bottom Up". The IDB will present this book during the annual meeting which will take place from March 20-23 in Cancun, Mexico.

Source: IDB

12. Maritime industry examines strategies regarding climate change

The fight against climate change will affect shipping. Therefore, from the International Maritime Organization (IMO) policies are being analyzed to combine transportation efficiency while ensuring the competitiveness of exports from developing countries. It is important to recall that both the maritime and air transportation are the only industries that do not follow the commitments established by the Kyoto Protocol.

Between 1970 and 2004, the total emissions of the six main greenhouse gases (GHGs) increased by 70%. Transport was the second responsible for this increase. According to the IMO, in 2050 the emissions from shipping could increase by 3%. Data from the international Energy Agency show that, within the transportation sector, 73% of emissions comes from road, 12% from air, 10% from sea, 3% from pipelines, and 2% from the train sector.

In relative terms, the maritime mode is more efficient and less aggressive in terms of tons transported per kilometer travelled. "It is estimated that a container ship (3700 TEUs) consumes on average 77 times less energy than a Boeing 747-400, about 7 times less than a heavy truck and 3 times less than a train," states the report "Maritime Transport and the Climate Change Challenge", prepared by UNCTAD.

Mitigation policies already exist in maritime transportation. Among them is the super slow navigation (slowing it by 10% decreases consumption by 25%), modern engines consuming less fuel, special paints that reduce friction with water, and even prototypes with solar panels and sails on board to complement some of the energetic operational requirements.

Actually, port terminals are also working on it. In the U.S., for example, some ports already have outlets to feed with electric power those ships that remain tied, allowing them to turn off the engines.

Source: La Nación (Argentina).

13. Engineer Maria Isabel Fernandez retires from CPN in Guatemala

Through a letter received by several port officials of America and Spain, Engineer Maria Isabel Fernandez announced her voluntary retirement from the General Directorate of the National Port Commission, a position that she served for several years and from which she played an important role in port cooperation in the continent.

Engineer Fernandez represented her country at various meetings of the Inter-American Committee on Ports, where she stood out for her collaborative spirit and her vision on the sector's importance in the development of the continent.

From the CIP Secretariat, although we regret her departure, we wish her the best in her future endeavors, a fact that is assured by her personal and professional qualities.

Source: CIP Secretariat.

14. ICTS wins concession in Manzanillo –the port of Lázaro Cárdenas calls for tender (Mexico)

International Container Terminal Services (ICTS), a Philippine company, was the winner of the tender for the construction and operation of the new Specialized Container Terminal (TEC) II in Manzanillo, Colima, according to the General Coordination of *Puertos y Marina Mercante de la Secretaría* (Ministry) *de Comunicaciones y Transportes* (SCT).

In the construction and equipment of the port infrastructure, approximately U.S. \$ 563 million will be invested, and will benefit the area by generating more than six thousand direct and indirect jobs, according to a statement released by the agency.

TEC II of manzanillo will have the capacity to handle about two million containers per year, a land area of 72.42 acres and a sea area of 5.4 acres inside the north zone of the port, for construction, equipment, use, operation and exploitation. It will also have three berths 360 meters long, equivalent to 1.080 linear meters of docking, with a 16 meter depth. Currently, the Manzanillo port handles 46 percent of the containerized cargo from Mexico.

In turn, Mr. Ruben Medina González, General Director of the *Administración Portuaria Integral (API) de Lázaro Cárdenas*, said that his administration is ready to call for tender the construction of a new Specialized Container Terminal (TEC), after the feasibility study resulted not only positive but also favorable, so it is sustainable to bid a second facility such as this one at the local port. He assured that in early January, the API will be ready to receive from the General Coordination of *Puertos y Marina Mercante* of SCT the guidelines to launch said bid. "We are prepared", he said.

When asked how the bidding of the API Lázaro Cárdenas will end once the scene of the companies participating in the contest of the TEC of Manzanillo is defined, Mr. Gonzalez said that although there were only three companies bidding at the end for Manzanillo, the Port of Lázaro Cárdenas has received offers to build a TEC at the Michoacán port, both from those who participated in the Colima port and did not win, as well as a few more that did not compete in the bid.



Mr. Medina Gonzalez predicts that Lázaro Cárdenas can have up to a third and fourth TEC in the future, according to what the market demands. "Maybe in 15 years, although now we have the necessary infrastructure for that date, considering the new TEC, so up to 4 million TEU's in 2015 can be handled.

Source: The Port Indicator; T21 Directory; Millennium (México)

15. A new law on ports is being rushed in Nicaragua

The Executive Chairman of the National Port Enterprise (EPN), Mr. Virgilio Silva, predicted that during the first quarter of 2010 the National Assembly could approve the new Port Act, which would allow private investment in this sector, as recommended by the World Trade Organization (WTO) in 2006.

Mr. Silva said this legislation is important so they can attract foreign investment to carry out projects such as the construction of the port at Monkey Point in the Caribbean Sea, which will roughly need an investment of US \$ 250 million. "We've had discussions with investors and port operators in Dubai, Korea, China and Brazil. The only downside was that the Port Act (new) was not ready, but it is already at the National Assembly and we hope it will be adopted in the first quarter of 2010", Mr. Silva answered when asked about the delay in confirming potential investors to build the port of Monkey Point.

Mr. Silva said the new law "is what is delaying" the opening of the port sector to foreign investment, to implement joint projects, i.e. between private companies and the State, or only private.

EPN estimates that approximately \$ 134.1 million dollars for the construction of the port facilities at Monkey Point, and another U.S. \$ 53.8 million dollars to build a road that will connect the maritime terminal with the Center and Pacific of Nicaragua will be needed. To that amount, U.S. \$ 53.5 million dollars must be added for equipment purchases, such as cranes and forklifts, which will be needed to handle containers at the port. Finally \$ 8.7 million dollars will be needed for dredging maintenance of the terminal.

In 2006, the WTO stated that Nicaragua "requires a substantial improvement of its infrastructure, particularly its roads and ports, "to improve the competitiveness of its exports, which last year totaled U.S. \$ 1.488 billion dollars, without including the free zones.

Moreover, this year the EPN plans to invest around U.S. \$ 3.5 billion in the purchase of new equipment for Puerto Corinto, including a gantry crane to increase the unloading and loading capacity of vessels.

Puerto Corinto, located in the Pacific Ocean, is the most important port in Nicaragua. But to send part of the exports to the U.S.' East Coast and Europe, Puerto Cortes in Honduras and Puerto Limon in Costa Rica, both located in the Caribbean Sea, have to be used.

Source: Press (Nicaragua)

16. Countries should not worry about the future of the ports operated by DP World

Executives of the international port operator DP World argued that Latin America should not worry about the future of the port terminals that it operates, after the restructuring of Dubai World and the unexpected request of an extension to pay off its debt. On November 25 Dubai, a state in the United Arab Emirates, announced that its main conglomerate, Dubai World, had requested its creditors a postponement of six months in debt payments by U.S. \$ 59.000 million.

On November 26, the company announced that DP World would not be affected by the restructuring. They stated that this arrangement should eliminate any concerns about the company's ports. In Latin America, DP World operates the ports of Caucedo (Dominican Republic), Cabello (Venezuela), Buenos Aires (Argentina), Callao (Peru) and Santos (Brazil).

DP World Caucedo began operating in December 2003. The terminal has the capacity of receiving 1 million TEU's and aims to become a strategic shipping point for the Caribbean.

In Venezuela, the port of Cabello became an important container terminal when it was granted to DP World under a concession contract.

The firm provides complete services for terminal operations, such as storage, cargo consolidation, maintenance and equipment repair.

In Buenos Aires, this company operates Puerto Nuevo Terminals' 1 and 2 through the company Rio de la Plata Terminal (TRP), which integrates a consortium with World Latin America Fund and several international partners.

DP World signed by mid-2006 a concession contract to build and operate the container terminal in *Muelle Sur de Callao*, the main port in Peru. The company is investing U.S. \$ 734 million to increase the terminal capacity, and also submitted a bid last year to invest an additional U.S. \$ 1.300 million in *Muelle Norte*, which is currently operated by the National Port Company (ENAPU).

In August 2009, it got into partnership with the Brazilian company Odebrecht to buy a majority stake in Embraport, next to the port of Santos, in the state of São Paulo. The first phase in the terminal will require an investment of \$ 500 million and should conclude by 2012 with a capacity of 1 million TEUs.

Source: Business News Americas.

17. Panama is reelected in the IMO "A" Category

"During the voting conducted within the framework of the XXVI General Assembly of the International Maritime Organization (IMO), Panama, with 124 votes in favor, out approximately 170 countries, obtained the re-election as a member in the "A" Category of the Council" reported from London, United Kingdom, the Administrator of the Panama Maritime Authority, Mr. Roberto Linares Tribaldos.

"Category A is composed of 10 countries that are considered maritime powers, event that all Panamanians should celebrate, and aside from being a privilege, it is an international recognition for all the effort carried out, demonstrating professionalism, fleet quality, seriousness, transparency and the attention given to customers; this is where we see the importance of Panama's performance as a record, we are Category A, we are the best," Mr. Linares said.

The Council is the Executive Organ of the IMO, responsible within the scope of the Assembly of supervising the work of the Organization, which is integrated by 40 countries divided into three categories. Categories "A" and "B" have 10 members each, which are more interested in maritime trade, and Category "C" is composed by 20 countries that are interested in maritime transportation. This Council also defines the maritime policies of the organization and among its most important function is the election of the IMO General Secretary.

Source: Study 1 (Panama)

18. Peruvian government makes decisions about port concessions

The Peruvian government rejected to bid in one package three port basins, recognizing the feasibility of granting the Yurimaguas terminal, located in the town of Loreto, informed official sources.

The Transport and Communications Minister, Economist Enrique Cornejo said the measure was taken because not all terminals have the same level of progress to be granted in a joint concession. The Minister explained that a possible joint bid of the three terminals had been analyzed, with the aim of ensuring the greatest interest for all, a proposal that was also submitted by the Agency for the Promotion of Private Investment (ProInversión). The idea had found the objection of the National Port Authority (APN) precisely because not all ports recorded the same degree of progress for concession.

In the case of Iquitos and Pucallpa, the project involves the design, construction, financing, operation, administration and maintenance of the fluvial terminal. In the meantime, at Yurimaguas, the initiative seeks to improve the offer of a new port terminal for the increase of intermodal chain generation with the enlargement of the IIRSA north road.

"But now we want to complete the multimodal hub port of Paita (Piura), the IIRSA North road and the Yurimaguas port, as they will help the economic growth of the northern region of the country," he said.

Moreover, the National Port Authority (APN) said they were reviewing the conditions and characteristics of the granting process for the port of San Martin General in Pisco (Ica), so this new project will be tendered in the first quarter of 2010.

APN's Chairman Frank Boyle stated that the established investment will be readjusted as the State will repair the damage caused by the earthquake in some berths, as the insurance company has decided to return the money that is necessary for said repairs.

"They returned \$ 14 million and with this amount we can make the improvements necessary to restore the damages caused by the August 15, 2007 earthquake," he told an Andean agency. He also stated that new studies are being conducted on the demand in the port of San Martin because the latest one dates back to 2005 and conditions have definitely changed.

There are 12 domestic and foreign companies interested in obtaining the concession on the port of General San Martin of Pisco and have paid the bidding terms for this grant. According to the terms approved to date, the execution of the minimum initial works represents a benchmark of U.S. \$ 60.8 million and \$ 47 million for the minimum work according to the demand.

Source: Andean Agency (Peru) www.americaeconomia.com

19. U.S. \$60 million credit is approved for construction works in the port of Callao

The Ministry of Economy and Finance (MEF) approved the domestic debt operation with the National Bank in the amount of \$ 185 million soles (roughly \$63 million) to partially finance the project "Improvement and Expansion of the inlet to the Callao Port Terminal ". The executing unit of this project will be the Ministry of Transportation and Communications (MTC) through the National Port Authority (APN).

This operation will be finished in seven years, including the two year grace period, repaid through eleven semiannual shares, consecutive and equally from the first pay out of the loan, earning an interest rate of 4.8% per year.

Source Andean (Peru)

20. Saint Lucia: cruise tourism grows in the Caribbean amid economic downturn

The regional cruise tourism in 2008-2009 generated over \$ 2.200 million in direct spending, 56,000 jobs and \$ 720 million in employees' salaries in 29 locations studied in an investigation made by the Florida-Caribbean Cruise Association (FCCA), which comprises 15 companies and in late October celebrated its 16 th annual fair in St. Lucia.

"Cruise spending is going up in a downfall economy," conclude the Business Research and economic Advisors (BREA), the entity conducting the study presented in Castries, St. Lucia, which analyzed passenger costs, crew and cruise line destinations like the Caribbean Islands, Mexico, Central and South America, said Mr. Andrew Moody, President of the research group located in Exton, Pennsylvania.



The destinations studied by BREA were Antigua and Barbuda; Aruba; Bahamas; Barbados; the Cayman Islands; Curacao; Dominica; Dominican Republic; Grenada; Jamaica; San Juan, Puerto Rico; St. Kitts and Nevis; Saint Lucia; St. Maarten; St. Vincent and the Grenadines; Trinidad and Tobago; Turks and Caicos Islands, and the U.S. Virgin in the Caribbean; Acapulco, Cabo San Lucas, Cozumel, Ensenada and Huatulco in Mexico; Belize, Costa Rica, Honduras, and Nicaragua in Central America and Cartagena, Colombia, in South America.

The FCCA is a trade association composed by 15 member lines: AIDA Cruises, Azamara Cruises, Carnival Cruise Lines, Celebrity Cruises, Costa Cruise Lines, Cunard Line, Disney Cruise Line, Holland America Line, MSC Cruises (USA) Inc., Norwegian Cruise Line, Ocean Village, P & O Cruises, Princess Cruises and Royal Caribbean International.

Finally, the President of the Board of Directors of FCCA and CEO of Carnival Corporation & Plc., Mr. Micky Arison, said that "no industry is immune to the recession, but the cruise industry has traditionally been resistant to it".

Source: Caribbean News Digital

21. St. Kitts could be one of the docking ports of the Oasis of the Seas

Port Zante, in this Caribbean island, can and is capable of receiving the Oasis of the Seas, the world's largest cruise ship owned by Royal Caribbean International, confirmed Mr. Ricky Skerritt, Minister of Tourism of that nation, after visiting last weekend the giant 225 thousand ton ship, docked at Cruise Terminal 18 of the new Everglades Port in Florida.

While on the cruise, Mr. Skerritt walked through it, attended the orientation workshops and held discussions with its hosts, including the Director and CEO of Royal Caribbean, Mr. Richard Fain and Mr. Skerritt walked through it, attended the orientation workshops and held discussions with its hosts, including the Director and CEO of Royal Caribbean, Mr. Richard Fain and Mr. Craig Milan, Vice President for ground operations.

Royal Caribbean and its sister company Celebrity Cruises transported 76,772 passengers to St. Kitts last season and will nearly double that number to 130,368, during this season. Mr. Skerritt predicts that the figures of Royal Caribbean will increase by 30% in the 2010-2011 season.

On the other hand, for the first time in December two twin ships, with a total of 5,100 passengers and 1,958 crew members were visiting St Kitts. The 2,680 Carnival Miracle's passengers and 3473 Carnival Victory's passengers docked in the port Zante.

Cruise tourism has contributed \$44 million dollars to St. Kitts and Nevis' economy during the 2008/2009 cruise year.

Source: Digital Caribbean News.

22. Tender of the second container terminal has an official date in Montevideo, Uruguay

The General Manager of the National Port Administration (ANP) of Uruguay Eng. Alberto Diaz confirmed that the tender for the second container terminal in Montevideo will be held on March 17, 2010.

"The new terminal should have a minimum investment of 4 cranes, 600 meters of dredging docks at 14.5 meters depth and at least 20 hectares saved for the bay. Everything should be ready for the seventh year," he explained and then said the project envisages the possibility of extending the piers to 1200 meters. The starting price of the auction will be \$ 1.2 million. "The new concessionaire cannot have specialized operator with a certified movement of a least 100,000 TEU per year, "he said.

Mr. Diaz said the ANP seeks to give greater importance to the waterway: "As a country, we are trying to get closer to Bolivia, whose cargo is disputed by several countries, and now leaves from Chile," he said.

He addressed the "importance" the the logistics community has in Uruguay. In fact, two months ago, the National Logistics Committee was created. "We see ourselves as a transit country. We do not see our ports just serving the country but the region," he said. Uruguay may be small in MERCOSUR in terms of both population and GDP, which represents only 1% of the region. However, it concentrates 8% of the TEUs movement. "Uruguay should be among the highest in the region, in proportion, by the amount of TEUs per capita," said Mr. Diaz.

Currently, Montevideo's port moves around 9 million tons, and in 2008 it operated 693,000 TEUs. "The year will end with an operating loss of 13%," the official forecasted. In Buenos Aires, some terminals are talking of 29% in losses in 2009.

Source: The Nation (Argentina).

23. Port Activities

- *Programa de Perfeccionamiento Directivo. Curso sobre Estrategia en los Procesos de Concesión y Explotación de Nuevas Terminales de Contenedores.* Organized by the Fundación Valenciaport and the National Port Authority (APN). To be held in Lima, Peru, February 15-19, 2010.

http://www.oas.org/CIP/docs/cursos/perfec_directivo_perufeb2010.pdf

- Fourth Course on Management of Port Terminals. Organized by the Inter-American Committee on Ports (CIP), the Dominican Port Authority (APORDOM), and the *Comisión Presidencial para la Modernización y Seguridad Portuaria*. To be held March 1-12, 2010 in Santo Domingo, Dominican Republic. For more information: cip@oas.org

- Seminar on Strategic Port Tariffs. Organized by the Inter-American Committee on Ports (CIP) and the National Port Authority (APN) of Peru. To be held in Lima, Peru, March 3-5, 2010. For more information: cip@oas.org

- Sixth Meeting of the Inter-American Committee on Ports and the Eleventh Meeting of the Executive Board. Organized by the Inter-American Committee on Ports (CIP) of the Organization of American States (OAS) and the Panama Maritime Authority (AMP), to be held March 21-26, 2010.

www.oas.org/cip.

- Scholarship MAEC-AECID - 2011 Transportation Course. Organized by the Ministry of Foreign Affairs and Cooperation of Spain. Place and Date: Madrid, Spain, April 1 to June 30, 2010.

http://www.oas.org/CIP/docs/cursos/detalles_convocatoria_espanabecas10.doc

- VI Argentine Congress of Port Engineering- Latin American Seminar PIANC "Sustainable Development of Maritime and River Port Infrastructure in Latin America." Organized by AADIP and PIANC Argentina. To be held in Buenos Aires, Argentina, April 5-7, 2010.

<http://aadipcongresos.com.ar/>