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## 1. ARGENTINA PRESENTS PLAN TO IMPROVE THE PORTS OF BUENOS AIRES

The national government of Argentina and the government of Buenos Aires signed an agreement to begin an investment program for the port of Buenos Aires, with an estimated cost of 60 million dollars, with 47 million coming from the Financial Fund of Cuenca (FONPLATA) and the rest from the coffers of Buenos Aires. The programs involve the ports of La Plata, San Pedro, San Nicolas and Dock Sud.

The national government will be the guarantor of the credit granted by the FONPLATA, which will have an amortization term of 20 years, with a grace period of four years.

The FONPLATA is an integrated organism of Argentina, Bolivia, Brazil, Paraguay and Uruguay that looks to support technical and financial initiatives of overtone and interregional development within the member states of Cuenca del Plata.

The signing took place during a meeting headed by the President Cristina Fernandez de Kirchner in the Government house, and including the governor Daniel Scioli; the Economic Minister, Carlos Fernandez and the Executive Secretary of the Financial Fund of Cuenca del Plata, Juan Picasso.

“This is a plan to completely recover the port’s infrastructure and to adapt to the major demands that exist today,” Scioli explained. He also added that “whenever an investment is decided upon, the logistics of transport are taken into consideration”.

The Ministry of Agriculture and Production considers the combination of the ports of Buenos Aires is “like a port area with interest and necessity”. The work is being realized with the vision that the port of the Province be constructed on strategic platforms to the service of development of commerce and local production; adding value in a frame of respect to the environment and social inclusion through genuine employment.

More than 92% of the programs total is designated to works, many of which are in the process of being executed with the funds of the ministry’s “Provincial Port Funds” which in due course will be reimbursed by the FONPLATA against the presentation of the works certificates.

Sources: “Abierta TV” and “El Día”

## 2. ENGLISH INVESTOR INSISTS ON THEIR PROPOSAL TO BUY THE PORT OF FREEPORT IN THE BAHAMAS

Fleming, a group of English investors, headed by the banker Roddie Fleming, insists on their proposal to buy stocks of the Grand Bahamas Port Authority (GBPA) owned by the St. George family. However, the St. George’s family lawyer signaled that the proposed 100 million dollars was not enough. Mr. Fleming has shown that he continues to search for a way to leave the entire family satisfied.

Mr. Fleming has indicated that he is willing to acquire only fifty percent of the stocks that the St. George family poses, even while acknowledging that it would be of little convenience for the family to remain with the other 50%. This signals that they are convinced of the future of Freeport and the Grand Bahamas.

Mr. Fleming has ordered an evaluation on economic impact named “Bahamas 2020 and beyond”. According to the evaluation, this will consist in an extensive development plan to stimulate and sustain the islands economy. It indicates that Mr. Fleming counts on an important number of interested partners for the development of the island. With numerous proposals to the St. George’s; hoping to



leave the members of the family satisfied, elongating the negotiations would not be favorable for any party, the island or the company.

He referred to the problem raised by the GBPA property by one of the shareholders, Sir Jack Hayward, whom insisted in being the owner of 75% of the companies stocks. The Fleming group, however, has come to an agreement with Sir Hayward over the acquisition of his participation.

The negotiations have been going on since September 2007 and according to reports, the offer is on the negotiation table awaiting specification. The Fleming group has confirmed that Sir Howard understands that the extension of this operation has stopped Freeport and is continuing as corresponds.

Judicial authorities have recommended putting an end to the disputes between shareholders while a deal is finalized with the judicial authorities. However a deal that would end the large loses in Freeport and the Bahamas has not been possible.

On the other hand, the St. George family has signaled their intention to end the litigation and have thought about associating themselves with the government of the Bahamas for the administration of the ports. The Prime Minster Hubert Ingraham has shown that his government is willing to acquire the GBPA, to minimize the negative impact generated by the controversy.

Source: The Bahama Journal

### **3. INICIATIVE INTRODUCED TO JOIN BOLIVIA AND CHILE THROUGH PORTS**

Each time the inland isolation of Bolivia does not allow direct access to the oceans, a large percentage of the Bolivian export and import utilizes the Pacific ports of Peru and Chile .

The three Chilean ports where Bolivian cargo is transported are Arica, Iquique and Antofagasta. These terminals attend to different niches as important for Bolivian demand and compliment the offering to this country. Arica concentrates on exports, Iquique is the entrance way for imports, especially vehicles, and Antofagasta is the exit door for production of Bolivian minerals. The transit of Bolivian goods, in the ports of northern Chile, is as important to the port cities as they are to Bolivia.

The numbers are eloquent, informed Mr. Mario Moya Montenegro; General Manager of Empresa Portuaria Arica (EPA), the Bolivian trade represents 65% of the ports total movement annually. Of the one million and a half tons that were moved in 2007 through the terminal, at least a million of those tons were products destined to or originated from Bolivia.

Meanwhile, Mr. Jose Ribero; General Manager of National Export Chamber of Bolivia (CANEB), said that Iquique had begun to gain an interesting role as an alternative exit, even though the exports from that port are minor. Mr. Alfredo Leiton; General Manager of Empresa Portuaria Iquique (EPI) needs the total of the Bolivian cargo, imports and exports, that move through that terminal to ascend to 85,000 tons. Mr. Hector Mardones; Assistant Direct to Business of EPI, explained that Bolivia is the principal destination for 40% of the sales completed in Free zone of Iquique (Zofri). He emphasizes the importing of automobiles and machines to be used in mining. Today this port is working hard to promote itself in Bolivia as a gateway to the Asian market.

Antofagasta is the third important Bolivian port. "At this moment, a good percentage of the mineral exports uses the port of Antofagasta; almost becoming a port specializing in this production", said Ribero. Mr. Ribero adds that a redistribution of Bolivian load has been generated between the three ports, with a positive impact on the exports for this country. "By generating competition for attracting Bolivian products in these ports, the prices begin to be more competitive."



In December, the Presidents Michelle Bachelet (Chile), Evo Morales (Bolivia) y Luis Inácio Lula da Silva (Brazil) signed the Peace Declaration, to accelerate the oceanic works that will connect the three countries. The governments of Chile and Bolivia, along with businessmen from both countries, have emphasized the importance of the corridor, which will not only unify the ports but also allow the construction of additional economic activities along the highway.

Source: LA RAZON (Bolivia)

#### **4. BRAZIL LOOKS FOR INTERNATIONAL PROPOSALS TO DREDGE ITS PORTS**

The Government of Brazil is looking for a project proposal from international companies to dredge 12 ports, said the leader of the Cabinet, Dilma Rousseff. The official explained that Brazil will auction-off the five year contracts between July and January. Companies from Korea, Japan, Belgium and Holland could participate in the auction, which will be open to foreign offers for the first time. The project seeks to increase the depth of maritime terminals to allow for the docking of modern ships with greater bearing.

Brazil (the largest exporter worldwide of iron, ethanol, sugar, and coffee) is expanding its ports as the demand for raw materials expands. The Minister of ports, Pedro Brito, signaled that the country could invest 5,400 billion dollars to double the size of the largest port to 230 millions tons per year until 2014. The dredging project will augment the depth of the ports to allow capacity for boats with larger bearing that transport container.

Source: INFOBAE Profesional.com

#### **5. BRAZIL ENCOURAGES FOREIGN PRIVATE INVESTMENTS IN ITS PORTS**

Mr. Pedro Brito do Nascimento; Chief Minister of the Special Secretariat of Brazilian Ports, Ambassador Marco Cesar Meira; General Consular of Brazil in Barcelona and Mr. Fernando Antonio Brito; General Director of ANTAQ, the National Agency of Aquatic Transport, explained the opportunities that Brazil offers and the characteristics of the new Brazilian port models in the context of XI International Symposium of SIL, of which the central focus of this symposium was Brazil..

The Minister of Transport, who came accompanied by a delegation of Brazilian businessmen, presented the principle ideas of the Brazilian government for ports. In this manner, he remembered that President Lula constituted a year ago a ministry exclusively dedicated to ports, which gives an idea of the importance that ports have in the countries infrastructure. "There is a new plan, not only referring to a structural and managerial reform but also in investment, with a very modern new law" explained Mr. Brito do Nascimento.

He stated that in Brazil, 40 public ports coexists with another 148 private ports and he explained that the Brazilian model is very similar to the Spanish, where the floor and the management are public property while the operations are run by private companies through renting and concessions. According to the Special Secretariat of Brazilian Ports, this new law will prepare the ports for the flow of the ever growing international trade. In Brazil's case the growth of exports is estimated at 13.5% and 43.8% in imports. In addition, Brazil has turned into the larger exporter of food, which is one of the reasons for the improvement in logistics and transports and has become a large investment in ports. "We have agreed expectations with our results, with 15 billion dollars in commercial balance and 36 billion in foreign investment".



One of the immediate objectives of the Brazilian government on the topic of ports is the growth of container traffic. The principle Brazilian port in regards to containers is Santos, it occupies the 39<sup>th</sup> post in world ranking which is lead by Singapore and the object is to shorten this distance. For this to occur, the Brazilian government intends to invest 1.5 billion dollars annually until 2010 in the public ports with the objective to improve the infrastructure and add to the loading volumes which in 2007 was 240 million tons. "In the upcoming year we want to reach 900 million tons," signaled the Minister of Transport. Translated into container traffic, Brazil attempts to pass from the 6,600,000 TEU to 10 million TEU in 2010.

Minister Brito classified the new law as "modern", since it opens the door to private participation in the public sectors while maintaining governmental control. "We have established a regulated market that warrantees private investment in Brazil by foreign companies. For this, we need to contract a consulting firm to develop a study on the situation and potentiality of Brazilian ports for the next 30 years. We want to know what ports are going to concentrate on exports and all necessary information that is going to allow us to define the future of our ports." The convocation of this study will be open to international participation and will be complimented by a decree from the President that will be published at the end of June.

Source: Veintepies.com

## **6. CENTRAL AMERICAN PORT AUTHORITIES TO ANALYZE THE SITUATION OF THE SUB-REGIONS PORTS**

Port authorities from Belize, Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, Nicaragua and Panama analyzed the possibility of reducing the costs of logistic management in loads in the context of the XXIX Conference on Port Companies from Istmo of Central America (REPICA) celebrated in Nicaragua.

Central America has proposed unifying criteria, standards and regulations in the maintenance of ports that would allow large ships into the region and reduce the costs of docking in any country; advancing the competitiveness of Istmo.

The president of the Central American Commission of Maritime Transport (COCATRAM), Carlos Gonzalez De la Lastra, said that "one of the greatest problem that our countries faces is the cost of logistic movement of a loads against the cost of the entire load itself. "According to Gonzalez, European countries have a cost that represents no more than 8% of the loads value, mean while Central American countries are reaching "40 % of the loads value."

According to the manifests of the officer, the management of load logistics in Istmo is expensive because of distance factor, including port and efficiency costs in the management of a load and the need to develop navigation means that consolidate loads. Gonzalez mentions that because of these deficiencies, the cost of transporting a container, for example from the port of Cortes (Honduras) to the port of Rotterdam (Holland) costs close to \$6,000 while vise-versa it only costs \$2,500. "This is makes our products unable to be competitive when it reaches the place of consumption. This is not because our products has a high cost or are of low quality, but because the cost of transportation absorbs a large part of the possible earnings the product might have.

Source: EFE



## **7. CONCESSIONS IN COLUMBIAN PORTS EXTENDED UNTIL 2033**

After two years of negotiations, the representatives of the Port Society and the Colombian Executive signed an agreement to extend the concession to the ports of Buenaventura, Santa Marta and Barranquilla, which would have ended in 2013 and now will be ending in the year 2033. Until 2033 there will be investments of three billion dollars.

The extension of these contracts has as objectives the advancing of the exporting and importing operations and the optimization of infrastructure of the country with an outlook towards free trade agreements of which Colombia is currently in negotiation and has pledged with other countries.

The distribution of investment that should be implemented will be based on the "Investment Plan" proposed in the Master Plan of Development of each terminal, which the societies will present to the government for approval. The new port investments are principally to be extensions of the warehouses, additions to the docks, deepening of the bay for facilitating the entrance of large boats and the extension of the functional capacity of each port.

The investment of the Port Society of Buenaventura will be 450 million dollars, adding the investment into attached ports, the total number will elevate to 800 million dollars. In September of this year, dock 1 should be completed, so that the container waiting period on the port can be reduced to zero. The work will begin on the deepening of the bay initially to 12.5 meters more and at the end of the concessions it will be amplified to 14.5 meters. The expansion will add the capacity to move 43 million tons in the operation of the ports of Aguadulce, Industrial Port Complex, among others. The improvement will be conducted in two phases; the first will focus on the improvement of equipment.

The total investment in Santa Marta reaches 128 million dollars. It will be centralized principally in the incrementing the load capacity and adding docks along with managing containers. The port in the capital city of Magdalena will have the first container terminal in the country that adheres to international standards, with its warehouse capabilities doubled. Last year, Santa Marta moved million tons and this year it hopes to reach 8 million. In the first phase, there will be an investment of 55 million dollars, principally destined for the purchase of a crane, which will facilitate the unloading of containers, and various scanners to speed the revision of merchandize.

In Barranquilla the investment will be 178 million dollars. The channel will be deepened with a focus on the corridor of Boca de Ceniza-Calamar, considering the peak of development. The depth will be increased by 40 feet with already 24 million dollars invested. In 2008, 20 million more will be invested.

Along with the extension of the concessions, the development has intensified in the port of Palermo which will begin to operate at the end of July and will initially move 50 million tons. In the first stage, there will be 135 million dollars invested with a total of 400 million dollars invested in the end.

Source: EL ESPECTADOR

## **8. THE GOVERNMENT OF COSTA RICA IS ASKED TO DECLARE ITS PORTS AS NATIONAL EMERGENCY**

Due to the situation of the docks, representatives from different private entities and other users of the ports of Moin and Limon solicited the government to declare an immediate national emergency in the aforementioned ports.



In early June, the Port Administrative and Economic Development Board of the *Vertiente Atlantica* (JAPDEVA) began implementing the 6 hour work day due to new dispositions by the General Auditoria of the Republic (CGR).

“If the employees worked 6 hour days, the loading and unloading commitments would not be completed on time. This signifies a tremendous period of time, commitment and even contracts whose consequences are absorbed by the users of the port and the Costa Rican citizen,” said Jack Liberman; President of the Costa Rican House of Industry.

“The yields of operation have fallen to 80%. The workers of JAPDEVA do not allow the users of the ports of Limon and Moin to enter the proper equipments to complete the operations, as has been common practice along the years. The program operation for the boats have been out of phase for 14 hours and this constantly augments with the increase in costs for all of the operations participates, indicated in a letter sent to President Aria.

In their justifications, they added that “in these days, there is a high cost due to delays, loss of itinerary and fruits. If the situation does not improve in the next hours, there is a lot of fruit that has already been cut that will not be able to be loaded. Operational chaos in companies operations establishes an abnormally low yield, which obliges the workers to stay longer hours and “stand by” to earn the same salary since there are a lower number of crates exported.”

The Executive President of JAPDEVE, Alvaro Rodriguez Gutierrez, admitted that the fundamental problem of the company he heads is the lack of personnel. He maintained that together with the authorities of the central Government (in this case of the Ministry of Public Works and Transportation {MOPT}) and the Inter-Institutional and of the Presidency they will work to find “a formula with private contracts” when the negotiations have been completed to bring more personnel to the docks and the work is being done as ought to be.

Source: Prensa Libre (Costa Rica)

### **9. STUDIES PROTEST THE IMPACT DREDGING HAS ON THE ENVIORMENT IN THE PORT OF GUAYAQUIL**

The mayor of Guayaquil, Jaime Nebot, in a letter sent on Monday to the Commander of the Marina and to the Minister of Employment and Environment, criticized the government for attempting to dredge without the necessary permission from the Municipality (which assumed this responsibility in 2002). According to Mr. Nebot, if businesses are to work as of now they will harm the shrimp industry.

The mayor indicated that “the dredging of the channel is essential to the competitiveness of the port of Guayaquil and the development of the city, but it should be executed adhering to the requirements of the law and respect to the environment in order to avoid a second incident of “Gull Syndrome”, which virtually ended the shrimp production of Guayas and Guayaquil, causing serious economic and financial problems and aggravating the unemployment due to the inappropriate use of dredging”.

The Port Authority of Guayaquil (PAG) waits for the Ministry of Environment to take a stand for the request of an environmental license and initiate an impact study on dredging the canal that conduces to the seaport of the largest city. In the National Chamber of Aquaculture (NCA); entity that is concern with the effects of the removal of sediments, the PAG explained that dredging works will be accomplished by a longitude of 22 kilometers within the navigation buoys of 37 and 66. Mr. Alex Villacrés, The President of PAG, sustained that they would support any decision taken by the Ministry, even though he believes that an impact study is not necessary in order to initiate the removal of sediments.



During the encounter with the fishery sector and the APG, it was raised that the APG possess a 2006 study that covers the trajectory of navigation buoys of 58 to 66, but unfortunately would not have the same impact has among the buoys 37 and 58. "Dredge is not the problem because this is vital for the sector. The concern is that if this process is not executed from a technical point of view with all the proper measures taken, eventually this could harm the shrimp sector", signaled the President of NCA.

The President of PAG signaled that the jurisprudence of a state does not extend to the sea and during dredging "land from Guayaquil will not be touched". The Official informed that the Oceanic Institute of the Navy drafted an impact study in which it denies the need for an endorsement by the Municipality.

Source: El Universo; El Telegrafo

#### **10. EL SALVADOR WILL GIVE CONCESSIONS TO ITS PORTS SYSTEM.**

The Government submitted for review and approval of the Legislative Assembly the bases for the concession of the ports of Acajutla and La Union (still under construction) and in which discloses the need for the operators to invest 95 million dollars during the first 5 years "in order to guarantee its operability" of the marine terminals. The project reflects that the initial payment met by the concession operator for the signing of the act should not be inferior then 40 million plus tax.

The project has generated a broad reaction by those political groups involved. The chief of ARENA, Guillermo Gallegos, supported the initiative and assured that this would "contribute to the nation's growth". The chief of PCN, Robert Angulo signaled that the project needs to be studied and does not assure his vote; meanwhile the deputy of FMLN, Salvador Arias rejected and denounced that this is simple a "disguise of privatization".

Once the bases have been approved by the Independent Executive Commission of Ports (IECP), this entity will be in charged to open the international public licitation to obtain the strategic concession. The concession is for duration of 25 years, but can be extended for an anticipated period of 10 additional years.

The government of El Salvador has initiated the search for investors that would like to obtain the concession. Those transnational's that have shown interests in these ports are Moller-Maersk, Danish; Marubeni Corporation, Japanese; and International Container Terminal Service, Filipino.

Source: La Prensa Gráfica y Veintepies.com

#### **11. ACCORDING TO THE WCO, A NEW PORT LAW IN THE UNITED STATES COULD BE "CATASTROPHIC" TO THE EUROPEAN UNION.**

The World Custom Organization (WCO) warned that the new port law of the United States on port security; the revision of all containers arriving to the US as of 2012, could be "catastrophic" for the European economy. The law, which was approved by the US government in 2007 and which will affect more then 600 port operations in the world will provoke "an environment of winners and losers", declared the Secretary General of WCO, Mr. Michel Danet.

The cited law establishes that starting 2012 all containers with US destination will be x-rayed in its country of origin in order to detect the presence of radioactive materials.





Mr. Danet declared that “port commerce between the EU and the United States has fallen in the last few years, therefore if additional costs for the required adaptation to the European ports are incorporated; this could result into a catastrophe”. According to a study by the WCO at the University of Le Havre, the percentage of European merchandise entering the US dropped from 1997 and 2007 from a high of 20.9% to low of 13.4%, meanwhile the percentage of merchandise originating from Asia increased from 61.8% to 74.4%.

Mr. Danet signaled that the EU “is taking a huge risk of competitive inferiority in regards to its American homolog who are implementing these measures”. However, based on the previously mentioned study, it is “unlikely” that all countries will be able to comply with these requirements by 2012.

According to the study, one of the challenges that the port authorities will have to face once scanning the containers in the expected time frame is the absence of qualified personnel aside from those involving technical and logistical matters. The director of the WCO considered “legitimate” the US intention to increase its port security, even though he expressed that his is a “unilateral measure with multilateral consequences which needs to be reformulated”. Danet added that the scanning of the containers “is a small part of the huge information collector system based on risk control and exchange of information which can be enhanced through other means”.

Source: EFE

## **12. CHILEAN SHIPPING COMPANY CINC WILL NOT TRANSPORT CONTAINERS GREATER THAN 24 MT TO MEXICO**

The Chilean Inter-Oceanic Navigation Company (CINC) will not transport containers greater than 24 MT including the tare of the container. This decision is in adherence to the new federal law that the Mexican government has introduced in regards to the new weight limitation of containers that transit through the countries highways.

According to the new law, all fines (depending on the merchandise weights this can range from 1500 to 8000 dollars) will be directed to the shipper and the shipping company. Furthermore, the law stipulates that the container will be confiscated till the fine has been paid and the excess weight has been transferred to another vehicle.

Meanwhile, the navy has decided to increase the fuel surcharges. In the Caribbean-Latin America Conference Agreement, shipments with destination to the rivers Haina, Cartagena, Puerto Cabello, Puerto Cortes, Santo Tomás de Castilla y Manzanillo will have a surcharge of 540 Euros for containers of 20’ and 1.080 for containers of 40’. Furthermore, the Mediterranean / South Pacific and Magellan Conference, stipulates that a surcharge of 660 Euros for containers of 20’ and 1.320 Euros for containers of 40’ which destination are the following ports: Guayaquil, Manta, Callao, Ilo, Iquique, Arica, Antofagasta, San Antonio, Puerto Montt y Punta Arenas.

Source: Veintepies.com

## **13. NICARAGUAN PORTS ARE IN THE NEED OF MORE THAN \$400 MILLION DOLLARS.**

The port sector of Nicaragua urged the government 400 million dollars to initiating the modernization process of the countries ports before the commercial treaty and cooperation with the European Union enters into effect, which currently is being negotiated. With this investment, the principle Nicaraguan ports will improve and a new Caribbean port will be build.



Mr. Virgilio Silva, the executive president of the National Port Enterprise (NPE), assured that due to the absence of investment in the port service system in the last 16 years, “95% of the port equipments are in inadequate conditions”, which leads to the increment in the costs of the shipment tariff. The official of NPE signaled that last year, 6 million dollars were invested in the modernization process of the ports, especially in Corinto, located in Chinandega.

Mr. Silva pinpointed the importance of the construction of water deep port in the area of Monkey Point, 40 kilometers south of Bluefields in the independent region of South Atlantic (IRSA). The Sandinista government aspires that this Caribbean Sea port be concluded by 2011, but the country requires funds of approximately 350 million dollars to accomplish this project.

Mr. Silva announces that 40 million dollars is needed for the amplification and modernization of the port of Corinto. As well, 30 million dollars is needed for the purchase of equipments and machineries to equip all the ports of the country.

Due to the nonexistence of a Caribbean Sea port, Nicaragua exports 3000 million tons of shipment per year through Puerto Cortes (Honduras) and Puerto Limon (Costa Rica) at an average cost of 560 dollars per container. The Caribbean port located in Monkey Point would be the countries main port and would reduce the cost of exports. Mr. Silvia assured that several countries, among them Brazil, Korea, Spain, Libya, Iran and Italy has shown interest in investing in this project.

Source: LA PRENSA de Nicaragua

**14 THE NEWEST CONCESSION IN THE PORTS OF PANAMA WILL LAST TWENTY YEARS.**

According to the Executive Board of the Panamanian Naval Authority (PNV), who currently has under its administration the ports of Aguadulce, Isla Colon y Almirante, will be transferring these port to the private sector as concession for 20 years.

In the case of Aguadulce, the licitation details states that the concession will need to minimally invest 6 million dollars during the time of the concession. This amount is intended for restoration, rehabilitation, expansion and any other improvement that is needed in the harbor area. In the first year of the concession, a minimum of 500 thousand dollars needs to be invested aside from the investment needed for dredging.

The main goal for the ports Isla Colon y Almirante is to develop the infrastructure for tourism in the province of Bocas del Toro. The concession obliges the investor to invest 10 million dollars, from which 5 million must be invested in the first year.

Source: LA PRENSA de Panama

**15. PROTESTORS ASK THE NEW GOVERNMENT TO ASSURE THE NAVIGABILITY OF THE PARAGUAY RIVER.**

The engineer Julio Martinez, title-holder of Puertos y Estibajes S.A.; company that exploit the port of Fenix located in Mariano Roque Alonso (the largest container movement area of Paraguay), mentioned that the government needs to assure the navigability of the Paraguay river, complete the dredging process and resolve the established difficulties.

“Currently the waterway is the most important route of entry and departs of merchandizes; paradoxically it is the route with less investment. Between imports and exports and merchandise in transit, such is the case of Bolivian steel among others, about 13 million tons goes through Asuncion



every year, setting forth how harmful it is to the regional economy the non-navigability during time of low tide”.

Furthermore, representatives of private ports are periodically meeting with representatives of shipbuilders, producers of soy and other Exporters, as well as foreign companies who utilizes the aforementioned route and who are planning to establish a contribution of 0.50 cents per ton, with which would accumulate to 6 million dollars per year of which could be used to maintain the rivers navigability condition during 24 hours per day and 365 days of the year.

Source: ABC Digital

## **16. PERU TO GIVE CONCESSION TO ITS RIVER PORTS.**

The National Port Authority (NPA) informed that the master plans for the concession of the river ports of Iquitos and Pucallpa are waiting for the viability approval of the Department of Projects and Public Investment of the Ministry of Transportation and Communication.

The president of NPA, Admiral Frank Boyle, signaled that the module of concession will count with the partaking of the state and will be administered by a private operator. The initial investment for the modernization of the ports is estimated in 15 to 25 million dollars. Admiral Boyle uttered that by August the convocation can be launched.

In August, the NPA in conjunction with CIP are organizing a Seminar on River Ports in Iquitos, of which will count with the participation of different specialists and panelists of South America. For more information please consult the webpage of the CIP, <http://www.oas.org/cip/>

Source: La República Perú

## **17. EL CALLAO WILL BECOME A PORT WITH SEAL OF WARRANTY**

Admiral Frank Boyle, President of the National Port Authority (NPA) informed that the port of El Callao has initiated assessment period of which it must improve its logistical services in the six months in order to obtain a seal of warranty, which will warranty it utmost level of quality and will differentiate itself from its competitors.

The seal of Warranty is offered by the Valencia Port Foundation and the users of this seal will obtain benefit simple by being integrants of this project of high quality which in the long-run nurtures the clientele trust.

Admiral Boyle indicated that in the month of October, as part of the process, once the port cranes of Harbor 5 are implemented, El Callao will increment its quality standards in regards to the time it takes to load and unload. “With the port cranes, it will take an hour to mobilize 25 containers superior to the 13 containers that is currently being mobilized per hour”. Due to this, the time dedicated to the ship will be quicker and this will increment the competitiveness of the port El Callao, which seeks to become the regional hub.

The implementation of the Access to Foreign Trade (ATF) (Ventanilla de Comercio Exterior) will also contribute to the Seal of Warranty. The WTF has merged with the Single Port Access (Ventanilla Única Portuaria), in order to achieve better results which its end results will be able to be admired by October.



The procedure to obtain the Seal of Warranty is through an internal auditing that is completed by the Manager of seals and those companies that desires to be part of the system. During the test period months, several rename exporting and importing companies participates with the follow through of their merchandizes transported in containers.

The Promotion for Andean Corporation (PAC) and the Valencia Port Foundation are participants for the test period of the Seal of Warranty program, which El Callao will become the second port in the region to participate. The Seal program of which the ports of Cartagena, Colombia and Guayaquil, Ecuador are also participating and eventually extending to the Port of Buenaventura-Colombia and Puerto Cabello, Venezuela are identified and selected based on their high regional container traffic.

On April 2007, PAC, the Seal of Warranty Foundation from the Autonomic Government of Valencia and the Valencia Port Foundation of the Port Authority of Valencia constitutes the Latin-American Association of Port Quality (LAPQ), non-profit entity that holds the Seal of Warranty for the region.

Source: ANDINA

#### **18. ENVIRONMENTAL AUTHORITIES IN DOMINICAN REPUBLIC PROHIBTS UNLOADING OF SHIPS WITH TOXIC WASTE.**

The Secretariat of Environment prohibited the unloading of wastes with “high volume of toxicity” of a ship docked at the port of Barahona and requested the Navy to exit the ship out of the territorial waters of Dominican Republic. Victor Garcia, Sub secretary of land and water, reveled that the ship docked in Barahona contains high level of motor oil and water, of which are usually used in the bilge of ships. This substance is typically known as sludge.

Mr. Garcia explained that the country does not posses the capacity to handle the high level of residue that the ship is transporting and these materials are not destined for Dominican Republic. The ship has not unloaded and as soon as the information regarding its presence this was prevented. It was assured that “the ship only entered the port and it was made sure that no intent to unload occurred on the national territory”. Mr. Garcia confessed that the destination in Panama of the toxic materials is unknown and assured that “an investigation will be made and once precise information is obtained this will be revealed”.

A note from the Navy signaled that the ship arrived to the Dominican Republic on May 31st proceeding from Freeport (Bahamas) with the intention to unload 1,100 tons of “oily material with petroleum mixed with brusquer, water waste and used oils”.

Article 82 of the General Environmental Law (64-00), “prohibits the pouring of substances and contaminating materials on land, rivers, lagoons, ditches, ocean and any other bodily fluid”.

Article 184 states that those officials that allowed the violation of the previous signaled law, due to their negligence or indifference, will be processed and can obtain sentences from 6 to 3 years in a correctional facility and a fine of  $\frac{1}{4}$  of minimum salary and not exceeding ten thousand minimum salaries added together.

The law states that the punishment will be applicable “independently from the administrative sanctions that these (concerned officials) may receive”.

The ship was towed and escorted by 104 navy officials till open sea and with its destination to the United Status.

Source: EFE; El Caribe



## 19. THE EUROPEAN UNION TRIBUNAL ENDORSES EUROPEAN LAW IN RELATION TO SHIP CONTAMINATION

The Judicial Tribunal of the EU confirmed its sentence in regards to the application of the communal laws against ship contamination and the protest from marine transportation organization that abatable disagreement of this law against the international rights.

The decision of the European judges is a reflection of an open demand presented to the British Tribunal by a group of marine sector representatives. The shipping sector alleges that several communal laws do not respect two international normative; the United Nation Convention on Ocean Rights (Montego Bay Convention) and the International Convention against Ship Contamination (Marpol Convention). The Shippers holds that the EU normative establishes rigorous responsibilities compared to that established by the international rights in regards to accidental unloading of wastes and due to this does not respect both international conventions.

The judges ruling were based on several arguments. They can not enter into a precise examination of the validity of the case in regards to the conventions. Based on the normative, it must be considered by communality.

First and foremost, the tribunal recalls that the EU is not part of the Marpol Convention. Furthermore, the Montego Bay Convention which was signed by the EU, but this does not establish rules destined to be applied directly and immediately to the individuals that confers to these rights and liberties that can be invoked in front of the States, regardless of the conduct of the State the ship is from.

The spokesman of the Executive Transport Community, Mr. Mark English states that even though the ruling does not take into consideration in the EU normative is or not compatible with the international conventions, the community executive's certain believes that there is certainly compatibility.

Source: EFE

## 20. GONZALEZ-RUL TO LEAVE THE POST OF GENERAL DIRECTOR TO THE PORTS OF MEXICO.

Mr. Angel González-Rul, General Director of Ports of the Secretariat of Transport and Communication (STC) of Mexico and President of the Inter-American Committee on Ports (CIP), presented his resignation to the post at STC after an exhausted assessment of the realization of his objectives. Mr. Gonzalez-Rul assumed his position in 2003 and has a great trajectory in the port industry and is one of the main contributors to the modernization of the ports of his country.

Mr. Gonzalez-Rul assumed the Presidency of the Executive Body of the CIP, once Mexico was elected to precede this Committee with the objective to obtain hemispheric port cooperation. During his management, the CIP reached significant objectives.

The Secretariat of the CIP wishes Mr. Gonzalez-Rul all the best in the continuance of his professional career.



### 23. THE OAS THROUGH THE CIP SIGNS COOPERATION AGREEMENT WITH PMAC.

The Organization of American States (OAS) through the Inter-American Committee on Ports (CIP) signed a Cooperation Agreement with the Port Management Association of the Caribbean (PMAC) the past June 19<sup>th</sup> in Antigua.

The purpose of the agreement is to establish a rigid framework regarding the development of a Program of Technical Cooperation for the execution of programs and activities to strengthen the exchange of experience, knowledge and practices as well as initiate common work for the promotion, development and unification of port development.

The implementation of the Program of Technical Cooperation includes commerce, maritime, port security, port administration, and port development areas along with the application of agreements. At the same time it promotes the establishment of studies, investigations and surveys that can assist both organizations, among other things.

The organizations were represented by Dr. Carlos M. Gallegos; Executive Secretary of the CIP of the OAS and Mr. Everton G. Walters, President of the PMCA.

### 24. PORTS ACTIVITIES.

- The course on "Ports and Cities between two continents. Urban spaces of the strait of Gibraltar", organized by the University of Cadiz in collaboration with RETE and will take place on July 17-19, 2008 in San Roque, Cadiz, Spain.

<http://www.uca.es/web/actividades/estacionales/2008/200829cursodeveranodeSRQ/?searchterm=xxix%20curso%20de%20san%20roque>

- The International Seminar on "Gestión de Terminales Portuarios Agroalimentarios: Tecnologías e Impact Economic", will take place on July 2-23, 2008 in Panama City, Panama and is organized by the Panama Maritime Authority (PMA), Ports of Spain and the Inter-American Committee of Ports (CIP) of the Organization of American States (OAS).
- The International Seminar on River and Lake Port Development organized by the National Port Authority of Peru and the CIP/OAS will take place on August 12-15, 2008 in Iquitos, Peru.
- The Masters in Port Management and Inter-module Transport, organized by the Valencia Port Foundation and CIP/OAS will take place on October 2, 2008 to June 26, 2009 in Valencia, Spain.
- The XIII Iberia-American Course on Port Management, organized by the Ports of Spain and CIP/OAS will take place on October 5-November 1, 2008 in Madrid, Spain.
- The Master in Customs and Logistics is organized by the World Custom Organization (WCO) and the University of Le Havre and will take place on October 13 till June 6, 2008 at the Service Formation Continue de l'Université du Havre, France.

[www.univlehavre.fr/enseign/form\\_cont/douanelog.htm](http://www.univlehavre.fr/enseign/form_cont/douanelog.htm)  
[www.campus-logistique-normandie.fr](http://www.campus-logistique-normandie.fr)



- The Latin-PPM Certificate Program is organized by the American Association of Port Authorities (AAPA), Trainmar America and CIP/OAS. Open Registration.
- The X Meeting of the Executive Body of CIP/OAS (CECIP) will take place on December 5, 2008 in Buenos Aires, Argentina.