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1. DEVELOPMENT OF BUENOS AIRES PORTS.

The Defense Minister of Argentina, Nilda Garre and the Governor of the province of Buenos Aires, Daniel Scioli, subscribed an agreement that allows the province to complete different port projects in areas that are currently under the jurisdiction of the minister through the Argentine army.

During the meeting that was held in Sala Belgrano, an announcement was made by the Defense Minister in which the leaders agreed that the province should develop projects in areas that are currently under the jurisdiction of Port Belgrano, Mar del Plata, and Rio Santiago.

The agreement will allow the provincial government to extend its port operations around the perimeters of Port Coronel Rosales (Near Bahia Blanca) to facilitate the exit of the increasing production of grains. At the same time, an area to increase port operations will be transferred to Mar del Plata. In addition, the utilization of the Escollera Norte will be contemplated as becoming a Cruise ship terminal and a recreational area.

The governor Daniel Scioli exclaimed that the agreement “will allow optimizing the utilization of the infrastructure of the ports of Bahia Blanca, Mar del Plata, and La Plata which are strategic for all type of productive development and foreign investment.”

The land will be incorporated to the provincial port jurisdiction so that the limits of the Ports of Mar del Plata, La Plata, and Coronel Rosales can be expanded as well as to promote the development of production/logistics/tourism. The investment process at the port terminals is still growing; in fact, in an announcement made only by private companies the numbers exceeded by USD \$750 millions. Among official statements, Louis Dreyfuss in Bahia Blanca exceeded USD \$127 millions and the Project of Potasio Rio Colorado also in Bahia Blanca for USD 170 millions.

In the case of Port La Plata, the lands belong to the Navy Academy. Their incorporation to the port jurisdiction is relevant in order to move ahead with the Middle Port development (Island Zones) as well as the Exterior so that the promotion and establishment of terminals for the operations of general cargo transport, and containers can be accomplished. These actions will be done by the Management Consortium of the Port and the Minister of Agrarian Affairs and Production.

For the port of Mar del Plata, the initiative is based on the mutual objective for the Province and the Municipality to promote sports and touristic activities to acquire a solid integration between the Port and the City. The agreement involves the Escollera Norte since its development obtains relevance within the Bicentenary framework whose celebration includes an International Regatta. The competition will have a stopover at provincial port and approximately 3,5 Hectares in the area of Martinez de Hoz and Juan B. Justo avenues inside the Navy Base of Mar del Plata. In this agreement it is foreseen that the province obtains the land.

Finally, the agreement of Nacion-Provincia also predicts the transfer of lands of the Puerto Belgrano Base and its incorporation to the provincial port activity within the framework of the integral development of la Ria de la Bahia Blanca. It is approximately 250 Hectares and 3500 meters off the coast in the area of Baterias in the base of the port of Belgrano in front of the 45 feet draught access canal to the port of Bahia Blanca which is ideal for the development of industrial, port, and logistic activities. The incorporation of land is realized by a concession of use for 30 years for good and valuable consideration.

Source: Zonanortediario.com



Comment [j1]:

2. PORT OF BAHIA BLANCA WILL CONTINUE TO GROW.

To strengthen the relationship between the Port and the city of Bahia Blanca through a coastal reserve or maritime front to capture the presence of the neighbors so this can once more feel like he/she lives in a city-port, is one of the multiple challenges of the actual president of the Management Consortium of the port of Bahia Blanca (CGPBB) Dr. Jorge Otharán. "I truly believe to have the conviction to contribute with political decisions," exclaimed the president of the CGPBB.

"This is one of the several projects to be completed. We have to realize that because of its geographic characteristics, the port of Bahia Blanca has its continental capacity limited in terms of growth; for that reason, it is necessary that every player generates agreements to take advantage of space the best possible way," said Dr. Otharan who set a balance of its management months. Other issues that were addressed were the expansion of a 50 feet draught access for the local pier.

"The Port of Bahia Blanca will continue to increase. We must try not to generate a collision between the benefits obtained by the commercial development and the ordinary mechanism of the city; it forces us to strongly intervene before the port in logistics matters such as means of communication and railway."

"I have no doubts that we are facing the best maritime port of the country and that a great deal of its importance is due to the proximity to the inferior Parana with the Rosario-Santa Fe system and the ports of the waterway, where the 37 feet draught need to be turned into 45 feet." "The idea is to expand the Hinterland. Bahía is a cereal producing port that has included fruits and other products. These, are managed now through the containers. We have gone through the south of Mendoza, San Juan, and La Pampa and we have realized that these are provinces in need of exporting its products.

"After the completion of the territorial expansion and the compliments for the port's qualities, we need to think on the optimization of or characteristics such as analyzing harbor dues for each pier, generating a bigger activity of technological exchange from the terminals with its means of elevation and stocking to increase velocity (reduced waiting time for ships). Also, to excel in maritime connectivity in order to generate a draught of 50 feet deep so there is no problems with tides and to have more free time to take the ships out of the big draught.

"We are working with professionals of the Management Consortium along with the Argentinean Oceanographic Institute (IADO) and other hired organizations. When 50 feet dredged and draught is performed, an internal motion of tides is produced; this has to be taken care of and move on deeper as long as it does not affect the definite course."

Source: La Nueva Provincia (Bahía Blanca, Argentina)

3. NEW CONTAINERS' TERMINAL FOR LA PLATA.

The governor of the Argentine province of Buenos Aires, Daniel Scioli, recognized an agreement for the construction of a containers' terminal in La Plata's port, informed the provincial government. The Project will be in charge of the company Tecplata, lead by the Argentine Ricardo Román and the Philippine group International Container Terminal Services (ICTSI) "It will be a risky private investment, 100%," explained Roman. The main investor of Tecplata is ICTSI with the 75%, and Loginter – company whose bearer is Mr. Roman. Also, he is the minority partner and invited the Philippine company to be part of the initiative.

The consortium will invest US\$250 millions from which US\$180 millions will be destined to construction and dredging projects that will be executed during the first 18 months of the concession. During this period that will be prolonged for 30 years, the investments will add up



to US\$350 millions. "This investment will open up a development process for La Plata's port which will make the terminal be able to occupy the place its natural conditions offer," indicated governor Scioli.

The port of La Plata is located in a strategic position because it connects the river and sea navigation and also counts with good road access. The new terminal will begin to function in 2009 and it should be able to manage 400.000 TEU annually. This number is equivalent to 25% of the container's traffic moved across the country. The development of La Plata's port seeks to create a different competitive alternative for the Uruguayan port of Montevideo to take advantage of the global growth experienced of the containers industry.

"Direct granting is one modality known in the Rules of Use of Concessions and Licenses of the Management Consortium of La Plata's port, purposely approved by the organizations of the province and published in the official Bulletin. It has been six months since the investors and the Management Consortium started working on the project. Correspondingly, the approval of the Project is moving forward by the organizations of the Constitution and will conclude with the ratification of the contract by the Governor's order," stated the Minister of Agrarian Affairs and Production of the province of Buenos Aires.

"There is a necessity to expand the port services offered in Buenos Aires and Dock Sud, and the money is set for the overseas ships. It has exceptional access roads such as route 6, which will improve with the prolongation of the highway between La Plata, Berisso, and Ensenada. This will make the road to end up right at the port," explained Mr. Román.

Loginter counted with 14 hectares of their own, near lands of the Estado provincial which together almost add up to 42 hectares. "It is the port of the future because it will have increasing dredging options starting with 36 feet (now 28). Also, it will be able to received ships of 360 meters of length (now 70) with excellent navigation assurance with 150 meters sole and radar of 550 meters. It will be attached to the waterway," said Román.

Source: BNAmericas; WEBPICKING; La Nación (Argentina)

4. BY 2009 THE TERMINAL FOR CRUISE SHIPS IN MAR DEL PLATA WILL BE COMPLETED.

The government of Daniel Scioli, Governor of the province of Buenos Aires, plans to have the port terminal of Mar del Plata ready to operate by October 2009. This way, the provincial executive not only plans to recoup space that for years had remained abandoned but also, to count with the adequate infrastructure to deal with international vessels that will arrive to the city during the framework of the Bicentennial festivities of Argentina.

The government of Buenos Aires desires to have the ships that go to other ports such as port Madryn and Ushuaia to stop in Mar del Plata, because "is the natural middle stopover," and for that reason, "there has to be infrastructure," said the Governor. The provincial leader pointed out the benefits that the terminal would bring to Mar del Plata as well as to other locations of the region such as Tandil and Balcarce. He also calculated that close to two thousand passengers will come down per ship increasing economic activity. In fact, according to private estimates there will be 70 passenger ships and each person is expected to spend around US\$ 180.

Also, the province wants to build a recreational area although the physical space to construct has not yet been determined. In relation, the Sub-secretary of the Port Activities, Ricardo Del Valle expressed that "the Escollera Norte, which is an area almost abandoned with almost no investment, is an ideal place so the ships can dock and at the same time have a terminal." He also added "in that Escollera, the idea with the Army is to build the cruise terminal with the recreational area but we have to determine which area would be the safest.



The sub-secretary also referred to the amount of tourist that will visit the city during the bicentennial and pointed out "in two more years, Mar del Plata will be the host city for the world regatta as part of the bicentennial. He finished saying, "we have to be ready for the big vessels that will come."

Source: La Capital (Mar del Plata, Argentina)

5. NEW LEGISLATION FOR BRAZIL'S PRIVATE PORTS IS ALMOST COMPLETED.

The minister of the Special Secretariat of Ports (SEP), Pedro Brito, declared that the law that authorizes the creation and administration of private ports in Brazil is almost a reality. According to Brito, the minutes of the decree that highlights this issue is about to have the political approval of the President Luiz Ignacio Lula da Silva. With his signature, the Minister estimates to have ready all the conditions for the realization of the investments of up to US\$ 15 millions in 10 years for this sector.

The decree will permit the construction and administration of port terminals by private companies. "There will be no chance to have that structure without a bid. With this new legislation, we want to direct projects that were part of a discussion in which they would debate whether the project was for personal cargo or for a third party." "It does make sense to discuss where in Brazil ports are needed." According to Minister Brito, the decree will set a dateline of 180 days for the National Agency of Waterway Transportation (ANTAQ) so they can define a strategic plan for the new private ports in the country.

The latter will allow the construction of private ports to mobilize third party cargoes without percentage limitations through a concession contract. The projects should be adjudicated through a public bidding which opposes some entrepreneur's interests. However, the adjudicator should not prove that his/her cargo is sufficient to justify the investment. Those who are interested in investing in private terminals should meet two requisites; the construction should be part of concession plan to be defined, and then, it will be adjudicated through a public bidding.

Sources: WEBPICKING; Bussiness News Americas

6. NEW CODE OF PORT ENVIRONMENTAL CONDUCT IS PRESENTED FOR PROVINCE OF SANTA FE.

The Secretary of Environment of the province of Santa Fe, César Mackler, and the Director of the program of Public Ports Coordination, Dr. Ana Brunet, presented the main lineaments of the Code of Environmental Conduct of Ports' System of the province of Santa Fe to the representatives of companies and organizations of the sector. The code will be officially presented in October by the Governor of the province, Mr. Hermes Binner, celebrating the II Seminar of City-Ports.

During the meeting that took place at the government's head office in the city of Rosario, Mr. Mackler expressed that "taken in consideration the diversity and variety of the jurisdictions and regulations that confront the activities performed by the ports, the idea of the code is to move ahead towards the environmental classification of the port activity. This will be accomplished with the code that will incorporate every sector involved in port activities through a voluntary adhesive system of rewards and punishments."

On the other hand, Dr. Brunet exclaimed that the importance of the code "deals with the necessity to boost environmental conscience to be able to rely on sustainable and competitive ports managing the code responsibly."

Furthermore, Dr. Brunet added, "in this sense, we should not think of this code as a penal code, instead, it should be treated as another member of the family of voluntary agreements to face the environmental problems. That is why the principals of auto-regulation are outlined



having the leaders of port activity participating voluntarily in this request to improve Environmental Port Management. “

Moreover, Dr. Brunet explained that “this will be the first Code of Environmental Conduct of Ports’ System within the scope of the MERCOSUR and we expect the adhesion of every port terminal since top international companies whose matrices are located in countries where the protection of the environment is a vital topic.”

The Environmental Port Conduct Code of the province of Santa Fe proposes an integral combination of all the port activities to move ahead towards the implementation of plans of sustainable and responsible action for the safety of the environment. It was elaborated by the technical teams of the Secretariat of the Environment and the Program of Port Coordination which falls under the Ministry of Water, Public Services, and Environment.

Source: Rosario.net

7. BRAZILIAN MINING COMPANY VALE INVESTS IN THE CONSTRUCTION OF TRANSPORT SHIPS.

The mining company Vale de Brasil, the major producer of iron mineral in the World, completed an order for US\$ 1.600 millions for the construction of 12 major ships to transport iron mineral. The construction will take place at the Chinese shipyards of Rongsheng. According to the company, these ships will be the biggest one of their type.

The company Vale do Rio Doce SA, informed through a declaration that the ships will be utilized to create a specific navigation route for transporting iron mineral from the Brazilian company to Asia, a key market in which the mineral is used to as input for the steel production.

The ships that Rongsheng Shipbuilding and Heavy Industries will build for Vale will each have a capacity of 400,000 TPB. The construction agreement is part of an investing program of US\$ 59,000 millions faced by Vale until 2013. The first of the ships will be ready by 2011, and the remaining ones in 2012 allowing Vale, according to their own declaration, “to reduce the costs of long distance maritime transport of iron minerals to the steel producers.”

The summary of all the cargo holds of the new ships and the current ones will provide Vale’s fleet with a transport capacity of 30.2 millions of annual tons between Brazil and Asia. The majority of the company’s exports are destined to China. Vale is the second largest mining company of the world, right behind the dual-listed (Australia-England) company BHP Billiton Ltd.

Sources: NUESTROMAR; AP

8. VALPARAISO’S PORT DELAYS BID.

The Valparaíso Port Company (EPV) has delayed till next year its bid for the expansion of the Valparaíso’s port and the concession of the frontal berth of Terminal 2, which had been announced for this past August.

Mr. Germán Correa, president of EPV, indicated that although the company met the expected dateline, he already gave a copy of the basis and the concession contract to the Public Enterprise System (SEP). It is necessary to wait for the Defense Tribunal of Free Competition (TDLC) to rule the request regarding intra-port horizontal integration. This will be effective only whether the current concessionaries are able or not to participate in the future expansions of the terminal.

The delayed made by EPV generated immediate reactions in the port. “This is serious because any delays means that the expansion process will take a longer time than the expected and it could hold Chile’s international business,” exclaimed Roberto Zilleruelo, General Manager of Terminal Pacífico Sur (TPS), controlled by the Ultramar group, linked to Von Appen.



The Von Appen group expects the TDLC to allow them to participate in the extension of Valparaiso's terminal as requested by the national port company responsible for the bid. "We are concern for the time that the tribunal has taken. We are waiting for a response."

The Von Appen Group is not hiding its adhesion with the privatization processes of the Chilean ports. Mr. Zilleruelo, affirms that the process of concessions that applies the 1999 has made the ports of this country to be "the most efficient at the lowest cost in Latin America." The comparison, he exclaims, is based on the speed of transporting the containers from the ship to the port, and vice versa. This, increases benefits while reducing the ship's waiting time at the port. "Shipping companies wants to be the least possible time at the port."

According to numbers compiled by the branch of Ultramar, of Von Appen, Valparaiso's mobilizes around 70 containers per ship within an hour, exceeding other terminals in the region such as Santos in Brasil with 52 and Eslogan of Buenos Aires with 50.

With this overdue, one of the crucial bids of the national port sector remains pending. In addition, it was previously said that this bid was going to be done along with the one of San Antonio.

Mr. Correa asserts that the call for the bid will probably take effect during the first quarter of 2009 and the contract and closing during the second quarter of the same year. On the other hand, Zilleruelo pointed out that "if this continues to be delayed, there is the risk of not being able to count with the ports during the required time. As a result, he said Ultramar will be alert to the consulting resolutions.

In order to expand the port of Valparaiso, the concession of terminal 2 and its supporting areas will observe the construction of new piers, a project expected to be 4 years long with an investment between US\$180 millions to US\$200 millions. According to a ruling made by the Central Preventive Committee, the private society that adjudicates themselves to the concession of a frontal berth will not participate in another one, unless, alter 5 years of the contract, the concessionary requires a modification.

Source: La Tercera (Chile), Chile Hoy

9. ARICA'S PORT TERMINAL ACTIVATES ITS PROTECTION SYSTEM.

The Terminal Puerto of Arica (TPA) puts in place the modality of Combined Practices according to the code PBIP, a drill of non-authorize infiltration by sea or land towards their facilities. The previous drill was done to verify and determine the effectiveness and applicability parameters of the Protection Plan of TPA. Also, to qualify the parameters of coordination and connection between the different organizations of extreme support involved in the plan with the participation of human input and technical from the Captaincy of Arica's port as the observer entity.

The planned drill was able to detect the level of real isolation and inter-related knowledge of the participants in terms of their capacities, vulnerabilities and limitations as well as the improvement levels of the Master Plan and the subsidizing procedures. That way, with the execution of this drill TPA verified the quality of performance and protection. These procedures have a real persuasive characteristic with mitigation ability that prevents and neutralizes a possible realization of an illicit act against its human, physical, and commercial interests.

In this manner, TPA is not only a port facility with expeditious and efficient formats; but also, it's a protected, secured, and reliable entity for its vast list of clients. This activity was implemented with the consultancy and execution of the OPR Germanischer Lloyd of Chile, which verified and controlled the project in every step.

Source: Mundo Marítimo



10. IMPORTANT INVESTMENT PROGRAMS IN THE POT OF BUENAVENTURA, COLOMBIA.

The Regional Port of Buenaventura Association (SPRBUN) has been operating since 1994, under a 20 year concession for the administration of the Maritime Terminal of Buenaventura for the period 1994-2014. SPRBUN is a company of mixed economy, managed by 83% of private rights. The 83% of private stockholders are private impresario in importation and exportation, port operation, naval lines, ex port employees and natural citizens. The 15% are in hands of the public sector that is composed by the Mayor of Buenaventura and the rest 2% in the Ministry of Transportation.

The modernization plan that is projected by SPRBUN, for the extension of the concession contract has foreseen an investment of an additional 450 million dollars, of which \$175 million will be destined to equipments, \$215 million for infrastructure and \$60 million in logistics. The main objective of the investment is to increase the installed capacity from 13.5 TMA to 22.8 TMA (Metric Tons by Meter Square); in order with the master plan the vision is to mobilize 27 million tons by 2032. All these increase will generate an approximately of 9000 direct employment in the next 26 years, not taken into account the several infrastructure investments that are projected.

Furthermore, SPRBUN has officially requested to the Ministry of Transportation the subletting of ancient free zone lands in order to improve its operative capacity. The offer is based on a rent of \$5 million dollars per year till 2014 the end of the ports concession and the start of a new one. At the beginning of the new concession, the rent would increase US\$8 million annually.

“As well, we will assure an investment of US\$62 million in infrastructure for these lands in order to make them become operative”, stated Mr. Domingo Chinaea, Manager of the Association.

The expectations are also centered by the infrastructure plan that is being developed by the government in the route Bogota-Buenaventura, which objective is to convert this in a faster and more efficient route. “All that is done to ensure efficiency standards as well as security entry-exit of merchandises, which goes hand in hand with the efforts that are being done by the Association; in search of foreign trade competition for Colombia”, confirmed Luis Miguel Grisales Berreiro, Commercial manager of the Company. He also mentioned that these are fundamental to guarantee the ports connectivity with the country as well as the marine world.

Source: Portafolio.com; SPRBUN; El País (Buenaventura, Colombia)

11. COMPETITIVENESS STUDY ON THE ECUADORIAN PORTS.

The Central Bank of Ecuador (BCE) under the supervision of Economist Luis Velasteguí Martínez of the Economic Research Office of the BCE, organized a workshop on the competitiveness of the Ecuadorian ports.

The Economist Velasteguí stated that in 2007, Ecuador exported 216.317 TEU of marine cargo of approximately 1260 exporters and 3587 importers. The highest port cargo that is exported by the country is through the Port of Guayaquil, with 205,043 TEU, Puerto Bolivar with 8.288 TEU, Manta with 2.206 TEU and Esmeraldas with 1780 TEU, respectively. Taken into account that there is a variation in the mobilization that the country handles, the destination of exports varies greatly. In the case of Guayaquil, the majority of its TEU is send to the USA (26%), Manta sends to Spain (26%), Esmeralda to Japan (50%) and Puerto Bolivar to Russia (29%).

CONTECÓN, the company that concession the port of Guayaquil, mobilizes the majority of its cargo at a domestic level through the main shipping company MAERSK, company that ascends to 20.55% in exportation ranking, followed by the South American Company Vapors (CSAV) with 14.62%, Hamburgo with 9.27%. The Shipping Company that mobilizes cargo in Manta is CCNI which is found in the 5.06% ranking of exportation. The lack of shipping companies has



reduced its dynamic and development. In regards to port efficiency, the highest time in ship stays in port is in Manta (131, 80 Hrs/Bug per hours of ship), in comparison with other ports that maintains an accelerated load and unload of containers. This established that there is an increase in time in the wharf and an average reduction of cargo mobilization which in the long run the time of operation. Other ports like Esmeralda is known for cargo mobilization which ascends to 224.83 TONS/Hr, meanwhile Guayaquil and Bolivar (El Oro) maintains stability in its efficiency and operability.

Mr. Jorge Medranda, member of the International Ecuadorian Terminal (TIDE), concessioner of the Port of Manta, signaled that there is a crises of marine cargo in the commercial dynamic in Ecuador towards other nations in the World due to the unloading of cargo in Callao (Peru). This is due to the German and European ship tendencies of great fretwork like the New Panamax (15.5 in depth) these can not enter ports like Guayaquil.

Due to this, Mr. Medranda, make a call to take advantage of the nature of the port of Manta. "Ecuador receives ships Port Panamax at the main ports such as Guayaquil, which dimension and draft (11-13meters), allows its entry".

During the presentation, it was mentioned that the politicization of the ports, the lack of technology and the competition with other South American ports (Peru and Chile) has caused restrains in the port development of Ecuador.

Source: El Mercurio de Manta

12. THE CRANES FOR THE PORT OF GUAYAQUIL ARE BEING BUILT IN CHINA.

Eleven of the cranes that will be installed in the Marine Port of Guayaquil are being built in China and will be arriving to the terminal by December. The equipment is composed by three port cranes (to mobilize containers) and eight RTG's or patio. The Eng. Gustavo Cercos, Director of Infrastructure and Operation of Contecon Guayaquil S.A. (CGSA), concessioners of the Port, stated that the equipments will arrive already assembled from Asia on a platform of a special ship.

Even though the contract stipulates that any infrastructure will arrive to the country by 2009, the concessioner estimated that this could arrive by the end of the year, which will allow advancement in the construction and the strengthening of the wharf in work.

The projection of the company that will operate the terminal for 20 years, stipulates that once the installation of the cranes occurs, this will improve the velocity of cargo mobilization which will allow a better handling of bigger ships.

CGSA stated that since the start of operation in July, it has been able to handle 2.047,730 tons of cargo in the local terminal. At the same time, the company has initiated the construction of wharfs, has strengthened pavements, electrical substation, towing, patios, warehouse and other areas of the Port.

Source AFP; WEBPICKING

13. LONG WAIT FOR THE PORT OF EL SALVADOR.

The Salvadorian government has urged the Parliament to approve the law of concession for the ports by November, when the construction of the port of La Union is scheduled to be concluded under a millionaire investment. Until now the administration of the ports have been under state control of the Port Autonomous Executive Board (CEPA) and presently the government pretends that the port of Acajutla in the West Department of Sonsonate and that of La Union, in the East of the country be operated under foreign companies.



CEPA has proponed a modality of master concessions that will allow a company be in charge of the operation aspect of the port of Acajutla and La Union. However, this Project did not count with the support of the Legislative Assembly, especially due to the opposition PCN.

The Member of Parliament Julio Gamero, of the Nationalist Republican Alliance (ARENA) stated that in accordance to a study made by the Economic Commission for Latin American and the Caribbean (ECLAC) in several ports in the region, the port of Acajutla is in the 51 position in operability, equipments and other competitive aspects. "Acajutla is an inefficient port", confirmed the delegate Gamero, when defending the government's posture on Grant the administration to of the ports to private hands.

The construction of the port of La Union has started 30 months ago counting with the participation of two Japanese companies and a Belgium of which 161 million dollars have been invested; greatly given by the Japanese government based on a long term credit concept and a low interest.

The delegate Humberto Centeno, of the Frente Farabundo Martí para la Liberación Nacional (FMLN), mentioned that his party proposes the creation of a company of mixed economy for the development of the port of La Union, in which the state could conserve the 51% of the capital and "with a transparent contract, grants 49% of the stocks to a "strategic partner with international experience". According to official information there has been a great interest by foreign companies in investing in La Union.

Dagoberto Marroquín, from the Partido de Conciliación Nacional (PNC), assured that his formation hasn't completely denied the Project proponed by the Executive body, but insisted that there exist certain conditions to the omission and ambiguity of certain aspects of the administration. He insisted that the delegates should meet with the officials of those ministries that are evolved in the Project in order to be completely informed don the details of the impact and the perspective of this project.

On the other hand, Rodolfo Parker, from the del Partido Demócrata Cristiano (PDC, right wing), defended the posture of the Mayor of La Union which is supporter of PDC in relation to the charge CEPA a grand sum of taxes in order for the construction of the port. To be able to do this, the country needs to have a strong concession law to be able to guarantee an investment refund in the short run.

The Opposition that the Project confronts in the Assembly is much more then was expected by the Executive. What are in stack are not only the technical aspects of the concession, but the right of allowing a private concession for the ports. Neither the PCN nor the FMLN approves the idea of two Salvadorian ports be placed under foreign companies.

"There has been good experiences with Arab, Dutch and Chinese operators in relations to a mix economy Enterprise", signaled delegate Humberto Centeno, which proposed an association in which the States would hold 51% of the administration and the capital meanwhile to strategic partner the 49%.

According to the Government, if the States opts to allow the concession of one of the nations ports or decides to administer the port system with a strategic partner, the benefits will be limited, none in the short run and it will not obtain not even half of the income that it would obtain if both ports where given concessions to World Class operators. There are two reasons that have been brought forward. The first is based on the rentability of the port of Acajutla depends on 27% of its traffic, of which consists of container and which contribute to 41% of the profits. Once the port of La Union starts its operations, the container traffic of Acajutla will be drastically reduced until its disappearance.

The second reason is base don the port of La Union is exclusively a physical platform, a basic installation that is insufficient for the start of operation. This would be a dead end. If the State wants to administer this port with a strategic partner with a mixed Enterprise and there would



be a need to invest 500 million dollars in the next 25 years. If it decides to administer the port by itself there would be a need for a minimum investment of 999.7 million dollars.

With the expression "Nothing is written on stone", the Vice-president Ana Vilma de Escobar made it clear that the Inter-Institutional Committee seeks to accelerate the concession process of the port system of El Salvador, especially of the port of La Union; taken into consideration that there it has been approved to modify the Project plans of the concession decree on the two main marine terminals of the country.

The Vice-president, made an urgent call for the approval of the decree that will allow the administration of the ports of the country, realizing that those companies that has shown interest could eventually withdrawal their interest and take it elsewhere. "The companies have not given a deadline, but when they get tired they will leave. There are countries in the region with similar projects and they can take the bet away from us", stated the dignitary, after mentioning the huge construction of the port of Punta Colonet - Pacific Coast of Mexico.

Representatives of four financial institutions of El Salvador will be evaluating the port of La Union. Part of the evaluation is due to the uncertainty by the loaners in regards to the future of the ports operation. "If there is a concession that is not assured, this will create an atmosphere of uncertainty based on the future of the ports operation", indicated Neil Wallington, Director of AES Fonseca. The financial institutions that led the analysis are HSBC, ABN and West LB, as well as KEIC (Insurance Corporation of Korean exports); POSCO, which is also a Korean capital, will be emerged in the construction process of the plan. The investment is calculated at approximately \$ 600 millions; 25% of this will be obtained from the AES fund.

Source: EFE; elsalvador.com; La Prensa (El Salvador)

14. PORTS OF GUATEMALA ASSURED PROTECTION AGAINST TERRORISM.

Promote adequate port security to prevent terrorist attacks is the main objective of the delegation of the Coast Guard Department of the United States that visited different ports in Guatemala during the month of august, informed Eng. Maria Isabel Fernandez, Executive Director of the National Port Commission (CPN).

The American Coast Guards gave several recommendations, of which was mentioned the need to create a marine security committee integrated by the governmental entities related to this topics, as well as improve the mechanisms of response towards the security forces at the moment of an attempt, explained Eng. Fernandez.

The chief of the American delegation, Mr. Steven Boyle, affirmed that port security's indispensable for trade between both nations. "We want to seed a sense of a secure culture in order to defend the ports of any terrorist attacks", emphasized Mr. Boyle after eulogizing the present security system found in Guatemala.

Mr. Mario Mérida, member of the Strategic Study Center on Central American Security, coincided with these declarations and added that even though progress has been made in the area of port security, there is still a lot more to be done. It was indicated that, "the security system has advanced in the physical manner, but needs to improve its technology and the implementation mechanisms of the gathering of Permanent information".

Since September 2007, the Port of Barrios counted with scanning equipments of X-rays that verifies that all products that are reported to enter the country are effectively entered, stated Eng. Fernandez. It is expected that this technology will be introduced throughout the country.

Mr. Tulio Garcia, President of the Guatemalan Exporter Association (AGESPORT), showed satisfaction with the security measurements that has been implemented in the ports. According to the President of AGESPORT, this is a signal of competitiveness of the country; "port security sends a positive and necessary message to the investors".



Source: El Periódico (Guatemala)

15. JAPANESE SHIPPING COMPANY NYK WILL DOCK AGAIN IN HONDURAN PORTS.

After 4 years the shipping company Nippon Yusen Kaisha (NYK) abandoned the country because of problems that were considered to have no solution, NYK announced their return to dock at the Puerto de San Lorenzo, located in the South of the country and in Puerto Cortés, informed the National Port Enterprise (ENP) of Honduras.

The executives of NYK visited the facilities of the ENP located in Puerto Cortés to identify the improvements made in the shipping terminals located in the Atlantic and Pacific. Also, they identified the advances made in the modernization process of Cortés informed the General Manager of ENP, Mr. Roberto Babún.

After focusing its operations in Manzanillo, México through the terminal specialized in containers, the executives of NYK lead by the Regional Director, Mr. José Enrique Fabela and his assistant Mr. Hiroki Taira, confirmed their decision to return to Honduras alters seeing the improvements in the operative areas of the port. The Japanese company totally focused its operations in the beginning of the year in Mexico through the specialized containers terminal operated by SSA Mexico.

“Fundamentally, we now appreciate the superior administration of the ENP for making sustainable efforts to renew its equipment and now after the dragged was made, it has an adequate dredge in the piers while in San Lorenzo the canal access appears in optimal conditions” said the foreign executives. Under this sketch, the shipping company promised the formulation of a bid to the Honduran port authorities to re-initiate its operations in the port of San Lorenzo and for the first time, utilize the facilities of Puerto Cortés for its Mega Port conditions.

The company NYK is the main shipping company in Japan with two different import services from Asia to Manzanillo in Mexico: the Margarita Express (Marex) where the following ports are included; Shangai and Hong Kong in China; Yokohama, Japan; Keelung, Taiwan; and Pusan, South Korea. The other service is the Asia Latin-America Express (Alex), for the ports of Tokyo and Nagoya in Japan; Shangai, Hong Kong and Ningbo in China; Keelung, Taiwan and Pusan, South Korea.

Source: El Heraldo (Honduras)

16. MEXICAN PORT LAWS WILL BE REFORMED TO ATTRACT INVESTMENTS.

The Communications and Transport Secretary (CTS) has announced a Ports laws reform and a deputation to administrative requirements, in order to attract interested parties in investing 106,000 million pesos to develop and modernized 11 port projects. The General Coordinator on Ports and Merchant Marine Mr. Alejandro Chacón said the measures answer to the increasing investor's demand of having juridical certainty and transparency conditions in the ports operations.

To Mr. Chacón it is necessary clarified the concessions renovation that are in process in the Integral Port Administrations (IPA) in order to attract new investments and to have more time to planning. In addition, it is necessary to check the different alternatives to achieve a balance in the areas that the private investors have concessions and to follow their own investment.

Also, when he explained that there is an increasing in the private sector participation, he has said there are some ports which the public sector must have to continue investing because there is no economic- financial profitability but there is social benefit profitability. “The service has to be given to small communities or to medium ports which we as Government will continue investing what is necessary to be able to attend to them”. “We will be promoting more investments, employment and economic growth and sustainable human development”.



Sources: La Jornada (México); Notimex

17. 5 MILLION DOLLARS WILL BE INVESTED IN PUNTA COLONET.

After the international bid to construct and operate the cargo mega port in Punta Colonet, Baja California got postponed three times, the federal Government finally convoked it. This project is considered the most important for the administration in terms of infrastructure. The ceremony was held in Ensenada and directed by the Mexican President Felipe Calderon.

It is about the construction and operation of a containers and train terminal with a communications frequency for the train's route, which will have more than 300 kilometers to transport the containers. Punta Colonet will receive Cargo that can not be unload in the already congested ports of Long Beach and Los Angeles that get merchandise coming from Asia. In addition, 20 thousand million dollars have already been put on roads for their improvement.

Punta Colonet is located in one of the most inhabited areas in Mexico, more than 3 thousand kilometers away from the Mexican capital and around 300 hundred kilometers away from San Diego, California in the United States is one of the many Bays that are part of Baja California's Bay next to the North Pacific.

Currently, this delegation focuses a minimum population center where according to the last census, there are around 5 thousand people living in the area. Colonet's Bay shape forms a gigantic curve of more than 30 kilometers long next to the San Rafael stream where one can view the whole bay from an impressive farallon, which instead of having a rocky site, it ends up in a white sand beaches.

According to the specialists, the future project to develop Punta Colonet will have different berths for cargo mega ships with coastal shipping piers and a train system connecting Colonet with the rest of the country and the United States. The Bay of Punta Colonet was chosen for its deep waters with more than 25 meters and its proximity to the coast. In addition, this allows the construction of piers made for the mega ships to dock. Presently, this type of ships can only dock at Lázaro Cárdenas Michoacán and at Manzanillo in the Mexican Pacific.

The construction will require a private investment estimated in 11.2 thousand million pesos and it's expected to start during the last quarter of 2012. The amount of the investment could increase due to the increment of the steel and cement prices. The navigation canal has a natural depth of 17 meters and a farallon of 4.5 kilometers for the port's protection. Both characteristics will permit dock ships like Post Panamax with a capacity of 10 thousand containers. The potential movement of containers would be of 10 thousand million at the end its construction.

Punta Colonet is expected to be the most important project for the administration in terms of infrastructure considering the construction of an airport and a train route that will communicate them with Arizona State, United States. It would be a mega port that would begin to operate in 2012 and after 5 years would have a capacity to move more than 6 million containers annually. It would even have more capacity that the Los Angeles and Long Island ports. Consequently, Punta Colonet would turn into the third largest port in the world after Singapore and Hong Kong.

Firms such as Impulsora del Desarrollo y el Empleo en América Latina (IDEAL), MTC Holdings Hutchison Port, Dubai Ports World, Ports America Inc., APM Terminals, Kansas City Southern, and Ferromex have manifested to the authorities their interests to participate in the bid. The concession of Colonet would be given for 45 years.

The Sub-Secretary of Communications, Mr. Humberto Treviño Landois affirmed that the legal certainty of the Multimodal Project of Punta Colonet is guaranteed and there is no obstacles to impede the realization of what will be the largest port of Latin America. The official ruled out the fact that the concession given to the Lobos Group in 2005 could create a problem for the



project that involves investments similar to the ones required for the construction of the Panama Canal. The controversy about the legal certainty of the project rose after the mining Group Lobos formed by 3 people, argued about pending lawsuits of the project's concession give to them in 2005. However, these were revoked in 2007 by the Economy Secretariat.

The value of the nearby land to the project Punta Colonet, south of Ensenada, Baja California is rising up to 75%, according to estimates made by the Real State Company Home Future.

Sources: El Mexicano, Ensenada.net; América Económica; Crónica (México)

18. NEW PORT TO VERACRUZ, MÉXICO.

The President Felipe Calderón Hinojosa, has announced the building of a new one and bigger port in Veracruz which it will share the cargoes activities and goods discharge with the current port.

The Federal Government authorized to Veracruz resources for around 33,000 million pesos to developing port infrastructure by the 12 strategic works in the entity. "It is the biggest investment of the Veracruz history and the state integration to the region, country and to the continent", said by Governor Fidel Herrera Beltrán.

The new Veracruz Port is going to be developed in Bahía de Vergara, north of the current port, in 532 hectares area in order to have 32 berths and one containers terminal with capacity to 5 millions TEU.

The geographic situation of Veracruz Port is the key because the good location, which allows the communications with different cities from center and south east of Mexico. The port capacity was insufficient because the economic growth of the country.

Sources: Diario de Xalapa (México); Puertos y Marinas de México

19. MEXICAN PORT OF MANZANILLO AIMS TO BE ONE OF THE BIGGEST NORTH AMERICAN PORTS.

The Communications and Transport Secretary (CTS) Mr. Luis Tellez Kuenzler, said the Manzanillo Port will be one of the most important ports in North America because the important investments that the Federal Government will do in 2009. "Manzanillo is a port which is strategically located that has the railway connections that are needed, also it has the roads conditions required. The conditions that the port doesn't have we will do it".

The Manzanillo Port which is located in Colima State is the most important port in Mexico in containers cargoes as general cargoes. This year the Port approximately will move around 1,5 million containers what it means this is the first Port in the country.

The declarations were done in the working group context at the head of the Colima State Governor Mr. Silverio Cavazos Ceballos. Mr. Tellez received other projects which have been developed to improve the port competitiveness as to move the train from the center of Manzanillo city, as well as the Pemex installation, the creation of a distributor, the installation of a gas company and the extension of Tonila-Sayula road.

The meeting was done at Integral Port Administration Offices (IPA) where the three government levels, civil associations, private initiative and federal legislators participated as well the API director Mr. Julian Dip Leos. Mr. Tellez said that with these activities it will seek to relate the port with the city by covering the principal population demands, to preserving the environment and to avoiding the population risk.

Sources: Notimex; Colima Noticias; Ecos de la Costa (México)

20. PANAMÁ SEEKS TO TURN INTO THE WORLD LOGISTIC CENTER.



Panama seeks to be the world logistic center with the extension of the canal which will allow the transit of big dimensions ships. An estimate of the Panama Canal Authority (PCA) projects that the cargoes in containers which transit along the Canal, will grow to an annual average rate of 5.6%, from 98 million tons in 2005 to 296 million tons in 2025.

Recently, the PCA informed that on June 30th, 60 services, consultancies and work contracts of \$296 million were adjudicated for the extension, which cost around \$5.250 million. Four pre-qualified group of enterprises currently are preparing technical and financial offers for the design contracts and sluices building, which will concentrate 55 % of the total cost.

The PCA prognostic is based on the expectation of world trade growth and with it, the containers cargo, the replacement of factories for goods to the North-East of Asia (especially China) and a major regional demand of maritime transport. With major capacity, the Canal will strengthen its competitive position and country as a point of hemispherical link between transport, transfer and logistics.

With the new sluices, Panama will fortify itself as principal center of network where presently routes converge among the north and south of America and transcontinental routes, between east and the west of the planet. In consequence, the PCA affirms that the canal will stimulate the other services offer that will give added value to the route.

This economic conglomerate includes vessel services on ports, railroad, shipping agencies, sale of fuel to vessels, tourism, terrestrial and intermodal transport, airports, legal and financial services, insurance services, telecommunications and others.

Panama estimates 40% of increase in creation of infrastructure with the canals operation, which will represent \$1100 millions of investment per year until 2025.

The Panamanian authorities believe that the current extension will be able to respond to the transport demand of cargo further than 2025; nevertheless, the country is ready to extend the facilities if it is necessary. If the demand on cargo transport reaches 689 million tons by the year 2035, the canal might be extended again with a fourth more sluices, as the recent reports stated.

Mr. Rodolfo Sabonge, Vice-president of investigation and market analysis of the ACP, declared that the market "is growing faster than it has grown in the last 80 years", so, if in five or ten years there is a need for a fourth sluices, the topic will be studied.

Source: La Nación (Costa Rica)

21. ON JANUARY 2009, MINERAL TRANSPORTING CONVEYER BELTS WILL BEGIN TO OPERATE IN THE PORT OF CALLAO.

January 31, 2009 is the deadline for the start of the operation for the transportation conveyer belts of minerals in the port of Callao. The belts will allow reducing the pollution level that is originated by the movement of the above mentioned cargo, said by the president of the National Port Authority (NPA), Vice admiral(r) Frank Boyle. "In fulfillment of Supreme Decree N ° 015 (published on April 4th) by the Transport and Communications Department (TCD), the mobile transport bands must be ready to start operating at the end of January 2009 because the deadline is on January 31st", expressed.

He also indicated that the National Enterprise on Ports (ENAPU) has already invited the private operators in order to function by freedom of access to the port; these belts could be placed in the Wharf 5 of Callao, in a temporary manner. "These belts would install momentarily in the Wharf 5 until the reinforced of the wharf 3 is ready".

Finally, he added that on January of next year it might be operating on two or three minerals belts, which would have a capacity to mobilize between 1,000 and 1,200 tons per hour and an investment of up to three million dollars.



Source: Andina (Perú)

22. TRAFFIC OF CONTAINERS GREW IN THE PORTS OF CALLAO, PAITA, ILO AND SALAVERRY.

Between January and June of this year, 666,719 TEU were mobilized, principally in the port terminals of Callao, Paita, Ilo and Salaverry, expressed the Management of ADEX's Services, detailing that between 2003 and 2007, the total movement of containers in the Peruvian port terminals administered by the National Enterprise of Ports (ENAPU) increased by 88%.

ADEX revealed that last year, that the Peruvian foreign trade mobilized 556,288 TEU, a lower volume in comparison with a similar period of this year (666,719 TEU). The principal port terminals are Callao, which mobilized 84.7%; following by Paita which mobilized 10.8%, Ilo (2.4%), Salaverry (1.6%) and Chimbote (0.3%), among others.

The terminal port of Callao mobilized 564,389 TEU, 17.2 % more than the similar period of last year when the traffic was 481,692 TEU. Paita is the second port terminal with the most traffic of containers in Peru. These added 71,818 TEU, 32 % more in comparison to a similar period of last year. The port terminals of St Martin and of Ilo were those that registered the most evolution, of 190% and of 118 %, respectively.

On the other hand, ENAPU's sources informed that the Callao port has mobilized between January and July 2008, 11 million 727,974 metric tons (MT) of foreign trade cargo, and it estimates that by the end of this year, it will increase to 20 million 486,418 MT. The President of ENAPU, Mr. Mario Arbulú, indicated that in 2007 more than 16 million MT of cargo there were mobilized in the port of Callao, which indicates that the mobilizations would increase almost 30%, and it is expected that in 2011 about 29 million MT could be mobilized. Whereas, the National Port Authority (NPA) is more optimistic and estimates that in 2011 the Callao would mobilize more than 2.2 million TEU.

Source: Aeronoticias (Perú)

23. INFRASTRUCTURE WORK IN PERUVIAN PORT OF SALAVERRY WILL ENHANCE EFFICIENCY OF FOREIGN TRADE.

The President of National Enterprise on Ports (ENAPU), Mr. Mario Arbulú, expressed that the inaugurated works in the Maritime Port of Salaverry, which is located in La Libertad region, with the support of two private enterprises, will help to improve the efficiency of foreign trade which will be developed by the previously mentioned port terminal.

Mr. Arbulú stated that the Salaverry Port has a mobile transport band of concentrated minerals which was implemented with the resources of mining company Gold Fields and will have an average shipment of 600 metric tons per hour.

"Through the band, the production of copper will be mobilized as well as an important participation of gold of the Cerro Corona mine (of Gold Fields) that is located in Cajamarca, of which will be exported across the port terminal of Salaverry".

In addition, it was expressed that the mining company has donated to the port an electronic Computerized Truck Scale, with capacity of 100 metric tons of weight, and modern towers of lighting without any strings attached. The ENAPU president indicated also that the agro industrial company Cartavio, has accomplished the construction of the third tank of storage of ethylic alcohol in port of Salaverry.

Also, he indicated that ENAPU plans to invest 40 million dollars in the purchase and implementation of a ship, known as Drag of Suction and Dragging, which serves to improve the dredging (depth) of the public ports. "This drag will be for ENAPU and will serve for all the Peruvian ports, and it includes an investment that is estimated in around 40 million dollars".



"Salaverry's port (La Libertad) has a permanent problem of accumulation of sand, and because of it, ENAPU is studying the purchase of the drag that will solve this in an integral and definitive way", indicated Mr. Arbulú. He added that the problem of accumulation of sand is the cause of high cost for the company, which annually spends six million new soles, approximately two millions of dollars, to solve this.

He emphasized that in three years Peru would have a Suction Drag and Trailing totally new and of last generation, which will solve in a definitive way the accumulation of sand and which makes it difficult for the vessel draft in ENAPU's public ports. "This equipment is going to move the national ports depending of the need of each one because all the ports need to be dredged to improve its sea depth and, in this form, to allow the vessel trailing develop efficiently and suitably".

Source: Andina (Perú)

24. 120 MILLION DOLLARS IS NEEDED TO IMPROVE THE ACCESS TO THE PORT OF CALLAO.

The extension and improvement of Nestor Gambetta Avenue, is necessary to turn the port of Callao in a Hub (logistic center of interconnection and goods forward) for the region and this will need an investment of 120 million dollars, stated Mrs. Veronica Zavala, Minister of Transport and Communication of Peru. "The Nestor Gambetta, is the principal access road to Callao, which means that it is necessary to make it accessible more competitive, to achieve the goal of turning the port of Callao in a South American hub". In order to achieve complete accessibility of this via, it is necessary to broaden the roads in order to convert this in a mini high-way with three lanes to go and three lanes to return.

This Project competes exclusively the Callao Regional Government, thus, the President of the above mentioned jurisdiction, Mr. Alex Kouri, presented to the Department of Transport and Communications (MTC) the feasible project for this work. Nevertheless, she indicated that the National Port Authority (NPA) will also support this project up to 35 million dollars.

Mr. Kouri indicated that "the work is a part of all those works that he is managing and it will stimulate the improvement of road accesses to the international airport Jorge Chavez, as well as the works presently coordinated by the Ministry of Transport and Communications which is in relation to the construction of the Logistic Activities Zone of the Callao.

At present, there is a big congestion that exists in the port of Callao; the raise of oil price makes the containers transport expensive when arriving or leaving the above mentioned port facilities.

The President of the National Union of Trucks Transporter Owners of Peru (UNT) a branch of Callao, Mr. Victor Marquina indicated that "it is not possible that in the area of the port of Callao, a cargo truck does only one trip every eight hours, two of which pass in the middle of the chaotic traffic of the zone". As an example, he mentioned that in the Gambetta Avenue, a truck crosses slowly six kilometers for every hour, when the normal is that it should cover the above mentioned distance in 20 minutes.

Marquina indicated that the congestion exists more than eight months, of which in all this time, a readjustment to the cargo freights owners has not been done, in regards to importing and exporting, but the additional cost was absorbed by the transport companies. He added that the branch of Callao is updating the structure of cargo transport costs in trucks, which shows that just for the increase in the price of the diesel, the freights cost should increase in an 8%, but due to the congestion, the additional cost of the freight could increase in a 30%.

Source: El Comercio (Perú); Radio Nacional del Perú; OSITRAN

25. PROPOSITION TO ASSURE CARGO CONTAINERS IN ASIA-PACIFIC REGION WITHIN THE APEC FRAMEWORK.



The 21 economies of the Asia-Pacific Economic Cooperation (APEC), is studying an offer to assure the cargo containers in imports of goods between the members of the Asia-Pacific Region, informed the President of the transport working group of the APEC, Mrs. Marielena Bautista of the Filipinas. The 31st meeting will be held in Chiclayo, Peru.

"We will take into consideration the maritime transport security, specifically the cargoes movement from origin to the destination. That is because the APEC member economies seek to improve their securities norms within this network, because the cargoes could contain bombs, guns or people inside", She said.

Also, she mentioned that the member economies has particular interests in the transport security modalities since the 9/11 attacks in the Unites States, which allowed to see the weakness in the security measurement for cargoes and the transportation of people. "As part of the security agenda, trade improvement is included which has been proposed by the experience of Singapore, which relates to the imported goods and also based on the APEC economies that could recover their sending delays". In addition, the exchange of information is an important topic, which helps to prevent future attacks or danger that could affect the Asia-Pacific economies.

On the other hand, Mrs. Bautista informed that the APEC members will work in the next months with the Peruvian delegation on the elaboration of the projects which will include the interests of other economies related to transport. "It is in technical assistance in APEC region, where we stumble on to identify the common problems between the member economies and to create strategies and activities in order to help them to face it", she said. She also added that at the beginning the measures that were previously mentioned could be applied only in Peru, which later will be applied in the rest of the economies".

Source: Pueblo en Línea (China)

26. DOMINICAN CUSTOMS WILL BE ABLE TO DETECT RADIOACTIVE MATERIAL IN PORTS.

A modern system to avoid the radioactive material in container trafficking will be ready by the middle of this month in the Caucedo Multimodal Port, as part of a new program of port security and trade, which is being executed at national level by the Custom General Department (CGD).

The portables machines, which were already installed, will be used by CGD technical personnel to supervise the imports and export operations in order to detect radioactive levels in the containers. It will be available 24 hours.

The engineer Heriberto Miyana, CGD sub-director of Technology and Communication, explained that the installation of the equipments are part of security measures executed by Customs, in order to guarantee a secure trade and the effective fulfillment of the international agreements signed by the institution.

Mr. Minaya informed that the portals were installed by the Energy Department of the United States, carrying out part of the agreements signed by CGD, The Department of Customs and Frontier Protection of the United States (CBP) and the Energy Department of the United States, on July 7, 2006.

In addition, it was stated that as part of the project operative system, an information network between the Custom General Department (CGD), the Caucedo Multimodal Port and United States has been created. He added that "this project has been in progress for about two years, because Customs Office has a great interested in creating inspection mechanisms which guarantees the entrance and exit of containers without radioactive material. This is a new system which will allow the detection of radioactive and harmful substances to the environment in cargo containers, in import and export operations.

Source: Primicias (República Dominicana)

**27. NEW PORT AUTHORITY IN PARAGUAY IN ANTI-CORRUPTION FIGHT.**

Mr. Albino González Villalba, was designated as President of the Paraguayan National Administration of Navigation and Ports (NPNA), by the President of that Paraguay, Mr. Fernando Lugo. Mr. Gonzalez was Intendant of Villa Elisa (a city of the Central Department).

The new port authority said that “transparency and honesty” will be the pillars of his administration and he arrives to the institution in order to modernize and to adapt it to the present times, especially the functioning, in order to offer a better service to the country.

“Basically, the institution is in charge of two principal areas: the rendering of services, the topic of the containers dispatches with the customs, and the maintenance of the rivers navigability. What we think to do with port employees is to adapt the institution to the present, to do the necessary modifications and to involve the private sector, just in case the institution will not be able to do so”, it was added.

As well, conversations with the President of the Uruguayan National Ports Administration, Mr. Fernando Puntigliano, who has several years of experience in Germany private ports and who will be the institutions consultant in the process of the institutions modernization.

Furthermore, Mr. Gonzalez said that he pretends to work with all the honest employees, without color distinction, and that he also will seek to do a reengineering to optimize the human resources and achieve efficiency. In addition, it is evident that there is an over population of employees in the port sector, but he does not have the intention to dismiss anybody; however he will do what he has to do.

At the beginning of his management, Mr. Gonzalez has denounced a serious of corruption in the NPNA, of which there are high authorities from the previous administration involved. Official sources indicate the dismantled of the corruption network, which was composed of high authorities from Paraguayan Port Administration, who were receiving approximately 100,000 dollars a month in illegal collections.

The Paraguayan National Administration of Navigation and Ports duplicated its collections, after they demonstrated the institution corruption. The new authorities, with the District attorney's support, discovered the illegal collections that were going on by high port authorities; a practice known by public opinion but had never been proved.

Mr. Gonzalez revealed that since the denouncement by the NPNA has recollected \$610 million per day (approximately \$152 thousand) of 300 millions precedents. Several port managers imputed by the District attorney already are imprisoned, while others are still fugitives.

Source: AFP; WEBPICKING; ANSA; ABC Color (Paraguay)

28. URUGUAY BIDS NEW WHARF AND DREDGING IN THE PORT OF MONTEVIDEO.

The National Port Administration (ANP) of Uruguay in a communication announced the international bidding process to build a multipurpose wharf in the Port of Montevideo and for the dredging areas for maneuvers. The entity has a fixed budget of US\$ 40 millions for the initiation, of which will be financed partially by the IDB. The Bid is open for the pre qualified companies of IDB member states. The successful bidder will be responsible for the final design and the project construction, besides the dredging.

The wharfs' construction comprises of drinkable water networks and sewer system, a systems of water rain drainage, electrical and communications networks, and the dredging of the wharf access area. The works include the installation of a structure that will support the gantry crane, which will be installed during the second stage.

The project includes an environmental management plan, which consists in mitigation measures to minimize the environmental impacts, compensation measures, a monitoring plan of environmental variables, and a communication plan with the community. There must be a



consideration in of solid residues management which should be categorized before the arrival of the final destination. The authorities will inspect the origin of the construction materials used to build the wharf, especially the stone and the sand. The bid winner will have to present a machinery maintenance plan to reduce the acoustic and atmospheric emissions, and a plan to properly store and manage of residues and dangerous substances.

Source: BNAmericas; Administración Nacional de Puertos; WEBPICKING

29. CONCERNS FOR INCREASING TARIFFS IN TERMINAL PORT OF MONTEVIDEO.

Some customers sectors of the port of Montevideo, have expressed their unconformity with Montecon S.A. (an operator of this port) increase of tariffs. Montecon S.A. handles about 45% of the container movement in the port of Montevideo, of where it has been present for more than 20 years. Montecon operates containers in public wharfs though it does not have a specializing terminal. In the last 2 years, it has mobilized 134,700 containers (2006) and 121,982 (2007). The other enterprise Terminal Cuenca del Plata (TCP) operates the unique specializing terminal of the Port of Montevideo sharing with the National Port Administration (NAP).

The president of the Foreign Trade Commission of the Industrial Chamber (CIU), Mr. Juan Carlos de León, said that Montecon has communicated a “very high” increase in its tariffs for import containers storage and lowered from three to two days off (in which it does not charge) for storage. The CIU Director expressed that the change in tariffs (which almost are 4 times more than in the past) “are costs that they have added, which has an affect due to competitiveness” and “are finally reflected in the prices”. For this reason, they have requested to have a meeting with the Minister of Transport and the NAP.

Sources close to Montecon said that the increase is because of cost elevation and because it seeks “to accelerate the container movement in order to have more space” because there are “overcrowded” in port of Montevideo. In a communication of Montecon’s directed to its costumers in relation to the increase of tariffs, it explained that “in the last years, we have faced a continued increase of the operative costs. The principal {underlining} cause is the growth of the foreign trade with an insufficient port infrastructure. That is why we have established the tariff adjustment and an operational redesign”, it was added.

Before the increase, Montecon had a tariff from the 1st to the 5th day of US\$2, 60 per TEU (a container of 20 feet), from the 6th to 15th day of US\$ 5, 60 per TEU and from 16th in forward of US\$ 11, 20. With the adjustment, from the 1st to the 10th day the tariff was established in US\$10 per TEU and from the 11th forward of US\$15 per TEU. Since 2001, Montecon has designated more than 55 millions dollars to investments and paid for the usage of port infrastructures.

The problem for the industry is that they cannot operate by TCP which is cheaper (three days off and from the 1st to the 5th they charge US\$3, 74 per TEU), because the importers must pick up the container where the ship arrives. “Who chooses the terminal is the ship-owner. Some of them operate with TCP and others with Montecon”, stated Mr. De León.

The port of Montevideo has overcrowding problems, which cause delays in the port activities, such as delays in the entry and exit of trucks and, even, the inability to attend vessel services.

The government support that, to solve the ports overcrowdings, it is necessary to auction the second container terminal, but the major associate in TCP (Katoen Natie who has 80% and ANP the 20%) proclaims it is not necessary. Mr. Victor Rossi, the Minister of Transport, indicated that he will send the President of Uruguay, Mr. Tabaré Vasquez, a law project to call for a second terminal auction. Mr. Tabaré Velasquez has the final say.

Source: EL PAIS DIGITAL (Uruguay); LA REPUBLICA (Uruguay); MONTECON S.A.

**30. CERTIFICATION OF PORTS OF SUCRE IN VENEZUELA HAS BEEN RENEWED.**

With the "PBIP Declaration of Fulfillment" for the 2008-2013 periods, the port of Sucre was re-certified by the National Institute of Aquatic Spaces (INEA).

This process was possible after the evaluation and audition of the management system of protection, claimed Capitan Jesus Teodoro Molina Villegas, President of the port of Sucre, who celebrated his eighth anniversary of management of the regional port institution, which includes the ports of Cumaná, Carúpano, Salinero de Araya and Güiria. Capitan Molina Villegas expressed that he received an institution that was fractured by the previous National Institute of Ports (NIP), which left a big debt with the workers and deficient structures for the port.

He also said that, currently he manages an institution which is at par of the countries economic requirements, and a team who understand that the coordination, professional work and responsibility, throw results as the obtained; the PBIP re-certification that give 5 more years of a secure and reliable port worldwide.

Moreover, the Protection evaluations of the ports of Carúpano and Güiria where approved, and from now on, it will begin investment and elaboration of protection plan in order to assure the certification of this year.

The state of Sucre has four ports: the port of Sucre, in Cumaná, with a capacity to receive vessels up to 175 meters of length, also general cargo as bulk, movement of cabotage and fishing crafts; the port of Carúpano, with 98 meters of wharf destined to cabotage and to fishing crafts; the international fishing port of Güiria with a surface of 60 hectares; and the fishing port of Cumaná, with a surface of 4 hectares.

Source: EL NUEVO DIA (Pto. La Cruz, Venezuela); Gobernación Estado de Sucre

31. CONSTRUCTION OF PUERTO BOLIVAR IN ZULIA AND MODERNIZATION OF PORT OF LA GUARIA HAS BEEN PROJECTED IN VENEZUELA.

The Venezuelan President, Hugo Chavez, approved \$81 millions dollars to beginning the construction of a port in front of Lake Maracaibo in the state of Zulia on the San Carlos Island, which will be called Puerto Bolívar and which will complement the second bridge over the lake. The announcement was given by the President of the National Institute of Aquatic Spaces (INEA) and the manager of Ports of Central Coastline, Major Pedro Miguel Arroyo.

He explained that the previously mentioned bridge construction has already began, the engineering detail, the environmental impact already has been done and in the year 2009 they must begin the construction of the first canal of Gabarra, "this means, the port has already began".

Furthermore, he informed that the INEA will soon begin the modernization process of La Guaira. He has manifested that with the modernization, for which he estimates an investment of approximately \$640 million dollars, it will allow for the improvement of all port activities. This will be concretized after the sign of an agreement with the Government of Portugal which will allow for oil's sales in exchange for technology, services, goods and knowledge.

Mr. Arroyo emphasized, that this modernization will allow the vessel's operations to only spend 4 hours, when currently it takes 12 hours for its operation.

He also states that the project is going to be completed in three phases. The first phase will take 18 months and it will consist of the elimination of big storages and the landfill zones of which are in presently in disuse. The second phase will directly target the extension of the north wharf that is presently halfway in constructed. This construction will take approximately 1 year; in addition the above mentioned wharf will permit the reception of ships of 14 meters of length. Finally, the third phase will include the usage of a part of the Piedra Azul gully, "where



other works can be done parallel with the development of the other constructions". According to Mr. Arroyo, the works will not diminish and will not stop the activities that are carried out in the port of La Guaira.

Source: Agencia Bolivariana de Noticias (ABN); Radio Nacional de Venezuela (RNV)

32. EUROPEAN COMMISSION SEEKS TO IMPROVE THE CONNECTIVITY BETWEEN PORTS AND LOGISTICS ZONES.

The European Commission has approved a text of the Euro-MP Josu Ortundo, who proposes improving the European ports connections with the interior of the countries and to promote their participation in the trans-European network of transportation. In addition, the text supports the inclusion of the maritime sector in the trade regimen of emissions and it requires the approach of tariff policies of any neighbor countries.

The Euro-MPs have positively received the offer of the Commission to create a "European space of maritime transport without barriers" and underline the role of the ports in the regional economy of their terrestrial zones of influence. In order to accomplish this, it is necessary to establish connections between the ports, the logistic land platforms and the dry ports, as well as to improve the connections with the interior of the country through railroad.

The European Parliament assures that European ports "compete with ports of third world countries that often are not subject to the same procedures, and also have to face the discriminatory economic policies developed by neighbor countries of the EU" (as the tariff policies). The text requests the Commission, to elaborate a record of the problems that the European ports suffer in these areas in order to approach them in a specific way.

Other measures that are supported by the report, is to replace the current fuel with diesel by 2020, as well as the possibility of including the maritime sector in the trade regime of emissions of the EU. According to the MPs, the Commission and the member states should support these offers that were presented to the International Maritime Organization. It is also recommend that the maritime companies reduce the number of empty containers transported and to use its full capacity.

In addition, it has been recommended to elaborate a study on the funds provided by the public authorities towards the European commercial ports in order to detect possible distortions of competition. It has been said that the investment of the public authorities for the development of ports should not be considered as state aid when the investment is directly destined to environmental improvements or to the decongestion and disuse of the roads for the transportation of goods.

Source: VEINTEPIES

33. PUBLIC INVESTMENTS IN SPANISH PORTS.

The public investment in the ports of general interest of the Spanish states has every year beaten its record. In 2008, the investment ascended to 1.723 millions Euros. Of these, Barcelona will receive in 2008 the highest investment, 244.66 millions Euros, Gijón will receive 243.9; Valencia will receive 240.5 and Algeciras in the fourth place with 139.3 millions.

At the national level, around 19% of the investment will be designated to shelter work; the areas that will have more invest this year. The following topic such as bulks will receive 15%, the investment for the development sector of containers has 9%, the general goods with 6%, same as the terrestrial accesses; whereas the area to improve the service to passengers and the Logistic Activities Zones each with 5%.

The budget items destined for the Spanish ports have increased in the present year in 33% in comparison to 2007. By the autonomous communities, the Andalusia's ports are those that



receive more. This year, they have received 313.6 millions Euros, 18.6% more than last year. Other communities with the higher index have been Cataluña, with 277; Asturias, with 267; and Valencia with a total of 265.7 millions Euros.

In the case of the port of Algeciras, most of these investments are been used by Bahía de Algeciras Port Authority (APBA) for the development of Isla Verde and Isla Verde Exterior. Up to 84 millions Euros will be invested in these zones. Other infrastructures that are been developed at the moment with this amount, are the PIF locations (Place of Frontier Inspection), the zone of shipyard Camp, and the tariff port, among others.

Source: Europasur.es

34. OEA-CIP, LE HAVRE & SOGET SIGNS COOPERATION AGREEMENT

On September 29, 2008 at the Organization of American States (OAS) in Washington, DC, the General Secretariat of the OAS through the Inter-American Committee on Ports (CIP) signed a Cooperation Agreement with the Autonomous Port of Le Havre (Principal Port for the trafficking of containers) and SOGET S.A. (an affiliate of the port that provides assistance to port authorities on logistic technology).

The agreement is the result of stretched relations in which all parties have been assisting each other in different activities that have been beneficial for all. Le Havre and SOGET delegates have participated at CIP meetings and have presented on areas such as Logistics and Competitiveness in Salvador, Brazil and Lima, Peru in 2007, as well as on Port Security in Punta Cana, Dominican Republic in 2008. The CIP has promoted Le Havre and SOGET's projects on logistics throughout the region.

The main objective of this agreement is to assure the establishment of "a regulatory framework to enhance the development of technical cooperation programs for the execution of projects and activities that would allow the exchange of information such as best practices for the improvements and consolidation for port development".

The signing took place in the Guerrero Room with welcome remarks from Mr. Carlos Gallegos, Secretary of the CIP/OAS, followed by a presentation by the delegates of Le Havre, Mr. Jean-Pierre Lecomte, Director of the Port of Le Havre and Christian Leroux, Vice-president of the Port as well as Mr. Jacques Ritt, Executive Director of SOGET S.A.. The Ambassador Albert Ramdin, Assistant Secretary General of the OAS ended the session. Following the presentation, the signing of the agreement took place at the Hall of Heroes where the Secretary General, Mr. Jose Miguel Insulza, Jean Pierre Lecomte Jean-Pierre Lecomte, Director of the Port of Le Havre and Mr. Jacques Ritt, Executive Director of SOGET S.A signed and gave a valuable comments. Final remarks were given by the Secretary General Insulza and the Ambassador from France towards the OAS, Ms. Marie-France Pagnier.

35. NEW PORT AUTHORITIES.

Agatha Dublín, General Manager, Port Authority of Antigua and Barbuda.

Albino González, President, Administración Nacional de Navegación y Puertos (ANNP)

Franklin Núñez, President, Consejo de Administración, Autoridad Portuaria Dominicana (APORDOM)

Sigfrido Pared Pérez, Executive Director, Autoridad Portuaria Dominicana (APORDOM)

Miguel A. Álvarez H., Director, Cuerpo Especializado de Seguridad Portuaria (CESEP)

Pedro M. Arroyo M, President, Instituto Nacional de los Espacios Acuáticos e Insulares (INEA)



Should additional information be required please click on following webpage:
<http://www.oas.org/cip/esp/autoridades.htm>

36. PORT ACTIVITIES.

- Caribbean Shipping Association (CSA) General Assembly, to be held from October 13 to 15, 2008 in Port Spain, Trinidad and Tobago. <http://www.caribbeanshipping.org/archway/horizon/08-08-Agenda-agm.htm>

- Seminar on Management of Maritime Terminals of the AAPA, to be held from October 20 to 24, 2008, in Baltimore, Maryland. <http://www.aapa-ports.org/Espanol/seminario.cfm?itemnumber=3624>

- Fellowships for the Latin-PPM Certificate Program, the deadline to receive the applications of those interested through the AAPA, are on October 31, 2008. <http://www.oas.org/cip/Becas/PPM%20Latino.pdf>

- The 23th Congress of the Ibero-American Institute of Maritime Law, to be held from November 10 - 13, 2008, in Montevideo, Uruguay. <http://www.iidmaritimo.org/#/congresos/>

- X International Congress on Coasts, Marine Structures and Breakwaters, to be held from September 16 to 18, 2009, in Edinburg, Scotland. <http://www.ice-breakwaters.com/>