



PORT INDUSTRY UPDATE

Summer/Autumn 2007

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The summer and autumn Port Industry Updates have been consolidated into a 6 page issue due to temporary staffing issues in the Dockers' Secretariat.

1. SECTION UPDATE

DATABASE STEPS UP PORTS OF CONVENIENCE

CAMPAIGN: A database focusing on the multinational companies that operate in the ports sector, known as global network terminal operators (GNTs), is set to provide the ITF's ports of convenience campaign with renewed momentum. The initiative, developed jointly by the ITF and its Australian affiliate the Maritime Union of Australia, aims to enable union representatives to gain a better understanding of the world's top GNTs. Launched in September, the database will include information on the ports in which they operate, the terminals they run, stakeholders in those terminals as well as background business information. In its initial stage, the database concentrates on information relating to two of the biggest companies. However, in the medium term, it is expected that it will contain details of the top four GNTs and over time, the top 20. Affiliates' contributions and active participation in the development of the database will be crucial to its success. This practical tool is intended to help dockers' unions to enhance their organising and campaigning work, in turn boosting the ITF's ports of convenience campaign and its organising globally strategy. It will also note the extent of ITF affiliates' engagement with the companies. Paddy Crumlin, Chair of the ITF Dockers' Section and National Secretary of the Maritime Union of Australia, has welcomed the launch of the database as an important resource helping unions to apply the ITF's organising globally model in the ports sector. Due to resource issues, the database is in English only. Access to the database is restricted to ITF affiliates. Please contact james_sharon@itf.org.uk for more information.

DOCKERS CALL FOR INDUSTRIAL ACTION IN

GAMBIAN PORT RESTRUCTURING DISPUTE: The Gambia Dock and Marine Workers' Union, representing workers in the port of Banjul, has announced its intention to take industrial action at the beginning of September as a dispute over the dismissal of workers remains unresolved. The port authority had issued termination notices as part of government proposals to change the administration and management of dock labour in the port of Banjul. The move was prompted by the failure of the Gambia Ports Authority

(GPA) to deliver on promises agreed at a meeting with the union in June. These included a commitment to withdraw termination notices that had been issued to workers earlier in the year to pave the way for dialogue with the union, and to establish a sub-committee on the recruitment of dockers. Other key issues include outstanding payments to workers. The ITF contacted the Managing Director of the GPA and the Gambian President, Alhaji Dr Yahya Abdul-Azziz Jemus Junkung Jammeh, in July in a bid to help resolve the dispute.

PEDRO ZAMORA CAMPAIGN – SECOND MISSION, FEARS FOR STEPQ LEADERS' SAFETY AND SOLIDARITY ACTIONS:

A second ITF and ITUC-led international mission arrived in Guatemala on Monday 23 July to pressure employers and the government to identify the murderers of Pedro Zamora. The group included senior officials, trade unionists and activists from Denmark, the US, and Spain, representatives from the ITF and other international trade union organisations as well as from Guatemalan organisations. The delegation met with STEPQ members in Puerto Quetzal, the General Manager of the port and with local police. Mission members discussed contract negotiations with the union and management, and proposed that the port company enter into immediate talks. At the police station, it emerged that the local police captain has changed since the assassination. During their visit to Guatemala City, the international representatives met with politicians and with the interior ministry, as well as with human rights organisations. They also raised their concerns with banana company, Chiquita. During the mission, representatives from the ILWU, USA delivered a resolution from the City of Los Angeles condemning the failure to find Pedro's killers and presented the City's posthumous award to Pedro Zamora to his son.

Leaders of the STEPQ union are under increasing pressure as fears grow for their safety. General Secretary Lázaro Reyes is being watched by men on motorbikes who wait outside his house, and has police protection. Union leaders also continue to receive death threats. The situation for STEPQ in Puerto Quetzal is increasingly tense for different reasons. Firstly, Guatemala's national elections take place on 9th September. Local observers say this is important because the current administration wants to push through its plans for a new private port terminal before it loses power. These plans are currently the subject of a feasibility study. Secondly, annual collective bargaining has come to a standstill, with port managers refusing to talk to STEPQ, seemingly because of the union's opposition to the port privatisation plans. It is clear that pressure is on STEPQ to renounce its position. The union remains resolute - although it stresses it is not against modernisation via a transparent process. There is strong support for the union's position in the local community. Meanwhile, international attention must be retained - to increase pressure on the investigation to find those responsible for the murder of Pedro Zamora, and to support STEPQ's threatened union leaders.

The ITF has asked affiliates in key countries to visit ships and facilities served by Puerto Quetzal, as part of an information campaign. These affiliates have been provided with data on Guatemalan exports. Ship visits have been carried out on the US East Coast and preparations are underway for vessels to be visited in the Gulf of Mexico. A sugar refinery in Canada has also been approached in the port of Vancouver, ILWU Canada representatives have distributed campaign posters, bulletins and badges to union workers at Rogers Sugar, and have informed managers of their concerns.

WIN FOR IRISH DOCKERS IN SELF-HANDLING

DISPUTE: Irish dockers won a victory in early August after ITF pressure prevented seafarers from unloading a vessel docked in Dublin port, against the instructions of the ship's Irish charterer. Ukrainian crew on board the German-owned and managed MV Aase, on charter to Irish specialist cement producer, Ecocem, were expected to unload a bulk cargo of cement in Dublin port on 3 August. This was despite the fact that the crew were not trained or paid to carry out such work. ITF representatives Norrie McVicar and Ken Fleming went on board the vessel after they were informed that Ecocem was insisting that the crew should carry out the work. They were able to ensure that the cargo-handling clause of the management company's agreement with the ITF was implemented. The ship was subsequently unloaded by dockers represented by the ITF-affiliated Services, Industrial, Professional and Technical Union (SIPTU) and employed by Dublin Cargo Handling, one of the main stevedoring firms in Dublin port. Ecocem appears since to have backed down on the matter after SIPTU dockers were allowed to unload cargo from a second ship chartered by the company on its arrival in Dublin port on 5 August. Nevertheless a court injunction instigated by Ecocem against Siptu was still in place. The union's legal team was dealing with the matter.

CALLS FOR JUSTICE FOLLOWING KNIFE

ATTACK ON RUSSIAN UNION LEADER: Mikhail Chesalin, Chairman of the Dockers' Union of Russia's (DUR) branch in the city of Kaliningrad was beaten and repeatedly stabbed from behind by an unknown number of assailants as he was about to enter the union's office at 10:30 on 7 June 2007. He was left lying unconscious on the ground. On receiving the news, the Dockers' Section called on member unions to back its demands for a proper investigation. The DUR has asked the ITF to help put pressure on the law enforcement agencies to properly investigate the case. Despite an overwhelming response from affiliates and other Global Union Federations, there has been no response and apparently no reaction from the authorities to the calls for justice. Union representatives have informed the secretariat that the freedom of association and collective bargaining are not respected by the authorities. Victimisation of workers who contact the union is also common. The Section is consulting with the DUR on these issues.

ZENKOKU-KOWAN CONTINUES FIGHT TO PROTECT

WORKING CONDITIONS IN AKITA PORT: The National Council of Dockworkers' Unions of Japan has been campaigning to protect job security and working conditions in Akita port in the face of deregulation in the Japanese port industry. The campaign relates to an attempt by trucking company, Noshiro Unyu, to enter the stevedoring business. Dockers fear that a licence for Noshiro, if granted, would threaten their jobs by ushering in a host of new port

businesses. As a result of strong union protests last year, supported by the employers' organisation, the Japan Harbour Transportation Association (JHTA), Noshiro Unyu withdrew its first bid to begin operating at the port. However JHTA changed its position this July and supported Noshiro's reapplication, in which the company undertook to limit the type of cargo it would handle. Zenkoku-Kowan, unconvinced by the company's assurances, renewed its campaign and scheduled a nationwide series of rallies, and raised the possibility of strike action while urging the JHTA to return to negotiations. Strike action was eventually put on hold after the employers' organisation agreed to negotiate. Recently, those talks stalled again temporarily but Zenkoku-Kowan again managed to resolve the matter through negotiation.

ITF TRIBUTE TO OUTGOING US LONGSHORE

WORKERS' PRESIDENT: The ITF has paid a special tribute to the President of the International Longshoremen's Association (ILA), John Bowers, who stepped down at the union's recent convention in the USA. During an address to the ILA convention held in Hollywood from 23-26 July, ITF General Secretary David Cockroft described John Bowers' contribution to the development of the ITF. Bowers had "played a major part in the development of what the ITF has become today, a key player in the global economy in which transportation – and the longshore industry – has become central." Cockroft outlined how, in conjunction with the ITF's Seafarers' Section, Bowers had worked tirelessly to bring different seafarers' and dockworkers' unions together. Bowers steps down following 20 years of service as ILA President, as well as a long stint as ITF Vice President and executive board member and more than ten years as chair of the ITF Dockers' Section. Bowers is to be succeeded by Richard Hughes as ILA President, while Harold Daggett was elected the new Executive Vice President. Paddy Crumlin of the Maritime Union of Australia, who also addressed the convention, replaced Bowers as ITF Dockers' Section Chair at the ITF's Congress in Durban, South Africa, last year.

CROSS-SECTORAL COOPERATION ON CONTAINER

CARGO SAFETY: Dockers and truckers have joined forces to establish an agenda for action following numerous reports of accidents involving unsafe container cargo. Representatives from unions across Europe, America and Asia Pacific raised concerns over improperly secured, overweight and unevenly loaded container cargo at an ITF meeting, hosted by US affiliate the Teamsters, in Oakland, US, on 30 and 31 May. Zenkoku-Kowan, recalled how, with the assistance of the ITF, it had been lobbying the Japanese government to introduce legislation to cover cargo safety. The union was currently in discussion with the ministry of transport. Meanwhile, the Teamsters unveiled several reports from port drivers, which outlined problems caused by overweight container cargo; a spot-check survey conducted in Miami port found that 43 per cent of cargo was overweight. According to the UK-based Transport and General Workers' Union, more than 160 accidents involving overturned cargo trucks took place every year on the UK's roads. The discussion led to a decision to share information on the issue via an interactive website; lobby international organisations and carry out awareness raising programmes during ITF international road transport action week this coming October. The website <http://www.itfglobal.org/road-transport/ContainerSafety.cfm> is in its development stage and comments (send to Clarke_Claire@itf.org.uk) from dockers' affiliates are very welcome.

2. HEALTH AND SAFETY

IMPROVING HEALTH AND SAFETY IN PORTS: Readers will call that the ITF Dockers' Section meeting in Sorrento in March discussed the issue of health and safety, highlighted dockers fatalities in Australia and unanimously passed a resolution that clearly identified the links between productivity, fatigue and fatalities. The Section also resolved to mount a worldwide campaign to ensure that decent occupational health & safety standards for dockworkers are implemented through the adoption of common codes of practice, safety legislation and training to fully promote their protection from death and serious injury. This campaign should be supported through the POC campaign, including in its strategy for Global Network Terminal Operators, the FOC Campaign and its IBF and TCC Agreements. Since then, the section has been alerted to 7 reports of injuries/fatalities in Virginia and Los Angeles/Long Beach in the USA, Barbados, Hong Kong, Italy, Nigeria and India, reinforcing our view that this is a widespread problem.

The Section is engaged in activities in a number of areas to address this issue. The Section Secretary, Frank Leys, participates regularly in ILO meetings and is actively promoting the implementation of ILO Convention 152 - the Occupational Safety and Health (Dock Work) Convention - and the Code of Practice on Safety and Health in Ports. The issue of training standards is also being raised in the ILO and in the European social dialogue process as part of the European Commission's consultations on its maritime policy. In addition, the Secretariat has been supporting the Dockers' Section's IBF negotiating team which is attempting to improve health and safety provisions in the IBF agreement. There is also ongoing work with other maritime Sections of the ITF to gain the active support of seafarers and their unions to respect and comply with the right of dockworkers to do all stevedoring work onboard vessels where they have traditionally done so, and to fully adhere to the specific dockworkers' clauses in the standard TCC and IBF Agreements that relate to this issue. As mentioned in the Section Update, the Section has been working with the ITF's Inland Transport Section to promote cross-sectoral cooperation between dockers and truckers on container cargo safety.

The importance of good health and safety standards has also been raised with the major global operator, Dubai Ports World (DP World), in meetings at the global and local levels and Frank Leys will be participating in the company's Global Environment and Safety Awards to be held in October.

HAZARDS ASSOCIATED WITH STACKED FLAT RACKS: Health & Safety expert, Al Le Monnier (ILWU, Canada), who advises the Dockers' Section has drawn our attention to the hazards associated with stacked flat racks. He cites in particular an accident, which happened at the ports of Los Angeles/Long Beach, California on 08.06.07, which left a driver with multiple injuries. This followed the lifting of multiple collapsed flat racks connected to each other with the twistlocks that are semi attached to the flat racks. The units were stowed down below so there was no way to unlock them individually. Le Monnier says that the ILWU policy in such a case is to place the lift on the deck and re-lift the unit with J Hooks or similar suitable loose gear and hook them properly at the bottom corner fittings or alternatively disconnect each unit and lift them individually. In this case, the lift was over the UTR (bomb cart) when it

failed. He notes that flat racks are governed by ISO 3784 and stipulates that when collapsed they are not intended to be lifted from the top with a load. Both the housing and the twistlock inside are there as securing devices only. Pictures of the accident in Los Angeles/Long Beach suggest that it was mainly the housing mechanism that failed. As such, wrapping the units with either strapping or chains does not alleviate the problem of the top unit corner housings being unsuitable for weight bearing. Le Monnier has written about the issue in a recent ILWU Canada publication, 'Waterfront News'. He intends to develop a special bulletin about this particular issue for ILWU locals as they are often faced with issues relating to flat racks.

3. INDUSTRY TRENDS

HUTCHISON INCREASES PROFITS: Hutchison Whampoa, the parent company of Hutchison Port Holdings is reported to have increased its profits as a result of strong growth from its port operations in Europe and China. It posted earnings of \$738 in the first 6 months of 2007, up by 10% compared to its earnings in the same period last year.

MAERSK MANAGEMENT SHAKE-UP, DISTANCE BETWEEN APMT AND MAERSK LINE: AP Moller-Maersk, the parent company of APM Terminals has made significant management changes in its recent internal reorganisation. It is suggested that the shake-up is a result of the loss of profitability following the company's acquisition of P&O Nedlloyd in 2005. Lloyds List also highlighted the separation of APMT from the rest of Maersk's container business and suggested that this was meant to send a clear signal of intent to the global ports industry. Until then, the APM Terminals' chief executive Kim Fejfer had reported to a partner and member of the executive board who also continued to have some responsibilities for Maersk Line. In future, Mr Fejfer will report directly to the new group chief executive. According to the paper, this reshuffle is seen by insiders as a significant strategic move. The suggestion is that APMT is seeking to distance itself from Maersk Line to reassure other big shipping lines that they will not be treated as second class citizens in its terminals.

DUBAI PORTS WORLD LAUNCHES MARINE ACADEMY, CONSIDERS PUBLIC SHARE OFFER : DP World has launched a marine academy to train staff for its global operations. According to Dubai World and DP World Chairman, Sultan Ahmed Bin Sulayem, the management graduates of the academy will be crucial to the company's operations in its 42 terminals spread across 22 countries. Although no decisions have been made, a spokesperson for DP World also confirmed at the end of August to the maritime press that the company is considering offering shares to the public to raise cash. Other options the company is considering is issuing bonds or entering into loans. DP World is reported to aim to spend about \$3.5bn over the next five years on overseas projects worldwide and to double its annual handling capacity to 84m teu by 2016. A listing for Dubai World, the company which owns DP World is not contemplated.

INVESTMENT FUNDS CONTINUE TO MOVE IN ON PORTS: Private investment funds continue to demonstrate an interest in the port sector with Goldman Sachs expressing its intention to invest in the terminals sector as a longterm strategy. Goldman Sachs Infrastructure Partners has bought

a 49% stake in Carrix, the parent company of US-based terminal operator SSA Marine. Readers will also recall that DP World's terminal portfolio in the US, acquired in its takeover of P&O was eventually sold, following a significant political controversy, to another investment fund, the AIG Global Investment Group. Concern has been expressed over these institutions' lack of understanding of the port business, their primary concern of delivering a profit for their investors, lack of a relationship with employees and what impact such deals would have on employee pension funds. In a recent development, an infrastructure fund, has invested in an Indian terminal. Such funds are mostly intended to provide investors with stable, predictable cash flows to meet pension and other long-term obligations and they generally prefer investments in countries belonging to the Organisation for Economic Co-operation and Development, which are perceived to be economically and legally stable. The fund, backed by Credit Suisse and General Electric has signed an agreement to acquire a 25% stake in the Chennai Container Terminal in southern India. The remainder of the interest in the terminal is held by DP World, which runs it.

SHIP EMISSIONS, ENVIRONMENT AND DOCKERS' HEALTH: The Port of Oakland in the US tested a new cold-ironing system in mid-July and announced that it completely eliminated carbon monoxide and particulate matter emissions from the vessel APL China docked at the port. According to initial estimates, it would cost the port more than \$90m to modify its infrastructure and implement a shore-side power system for plugging ships into an electrical grid. Climate change and the impact of emissions, particularly from the transport sector, on global warming is an increasingly live issue in a variety of international and national debates. However, a very important issue – its impact on the health of dockers who bear the full brunt of emissions in their day-to-day work, and the fact that they and their families often live in close proximity to the port area – is often overlooked. The ILWU in the West Coast of the United States has been campaigning on the issue of emissions and released a report in early 2006. The Dockers' Section is currently liaising with the ITF Seafarers' Section in relation to the impact of ship emissions on health. A discussion document is being prepared by the Seafarers' Section for the first of a number of IMO meetings on the subject. This is all being done at very short notice due to the IMO's decision to set up an Expert Group to discuss and develop recommendations by the end of 2007. We are keen to promote the health of dockers as a primary consideration for the Expert Group.

4. AMERICAS & THE CARIBBEAN

CONTAINER SECURITY – 100% SCANNING OF BOXES BECOMES US LAW: The Implementing Recommendations of the 9/11 Commission Act of 2007 became law in the US in August. Among other things, the law provides that all US-bound containers will be scanned in foreign ports. The legislation sets a deadline of July 2012 for achieving this. The European Union has criticised the legislation and argued that it will disrupt global trade and place a disproportionate cost burden on businesses based in other countries, while casting doubt on the effectiveness of the measures to reduce the threat of terrorism.

PERU TO SELL OFF EARTHQUAKE AFFECTED PORT: The government of Peru is reported to be pressing ahead

with its plans to privatise the Port of Pisco, located in the area hardest hit by the recent earthquake which claimed the lives of at 513 people and left 80,000 people homeless. The port handles metals and agricultural products and liquid natural gas. The port escaped with light damage despite the fact that the city of Pisco was badly affected by the quake. DP World currently runs a pier in another Peruvian port, Callao.

GLOBAL OPERATORS BID FOR VANCOUVER'S EXPANSION PROJECT: All 4 big names are in the running for the Roberts Bank Terminal 2 expansion project. APM Terminals North America Inc./SNC Lavalin Inc.; DP World Investments FZE, Hutchison Ports Development Ltd. and PSA Americas Pte. Ltd have been named as the final list of prospective candidates for the development. Vancouver Port Authority is expected to take 8 months to select a partner for the project, which is anticipated will deliver a terminal with a 2 million teu capacity.

MEXICO TO INVEST IN INFRASTRUCTURE: The government of Mexico is to modernise transport infrastructure as a key element of its economic development strategy. Mexican trade with the US has increased significantly in the past decade. The new government's strategy is to use improvements in transport infrastructure to give the country a central role in North American supply chains. The infrastructure upgrades would be effected through public and private funding and the idea is to stimulate employment and to make Mexico a more desirable location for foreign investors looking to supply North American markets from Mexico. The government is trying to identify which trade corridors to prioritise to improve the country's competitiveness. The US Trade and Development Agency and Mexico's Ministry of Communications and Transportation have started a year-long study to do this. Mexico's main ports on the Pacific West Coast and in the Gulf of Mexico will be key elements of that infrastructure. The study will also consider the role of inland ports where imported goods are unloaded for distribution within the country and elsewhere by road and rail. These dry ports are already becoming hubs on manufacturers' supply chains, particularly those who assemble components from overseas and distribute them throughout North America.

CARIBBEAN PORTS INVEST FOR CAFTA TRADE: The Central American Free Trade Agreement is seen as a key reason for the growth of trade to the Caribbean region and a number of ports in the region have invested to accommodate this growth. Kingston in Jamaica, Freeport in Bahamas and Caucedo in the Dominican Republic act as major hubs with deep-water facilities for transshipment. APM Terminals runs the major transshipment terminal in Kingston while Hutchison operates the Freeport terminal. DP World is the other key player, running the terminal in Caucedo. Among the Central American ports, Puerto Cortes in Honduras, due to the fact that it was the first port servicing the Caribbean Sea to sign on to the Container Security Initiative, is seen to be increasingly important. World Bank documentation on a number of Central American and Caribbean countries reveal that port and labour restructuring is being contemplated to facilitate CAFTA trade priorities.

5. ASIA PACIFIC

DUBAI WORLD EYES FURTHER INVESTMENTS IN ASIA PACIFIC: The Chairman of Dubai World has visited

the Philippines where he held talks with the President covering the company's interest in exploring investments in ports, free zones, property development and the hospitality sectors. He said that Dubai World sees immense potential for growth in the country and expressed an intention to actively explore the investment opportunities emerging there. The Philippines market was considered an important part of the company's growth strategy for Asia. Sultan Ahmed Bin Sulayem has also said that India and China are two important markets for DP World. He expressed the need to have more coverage in China. Australia is also being considered for investment. Sectors being considered are real estate, hotels and resorts, marinas and cruise terminals and third party logistical support for the ports business.

INDIAN PORT FEDERATIONS DEMAND RESOLUTION OVER RETIREMENT AGE, WAGES AND CONDITIONS:

The five federations representing over 100,000 port and dock workers in the 12 government-owned ports have given the government notice of its members' intentions to take strike action starting 1st September if a dispute over long pending demands to restore the retirement age to 60 years, increase wages and hire more workers is not resolved. However, following a conciliation meeting, the federations have agreed to defer the strike action by 20 days. S R Kulkarni, President of the All India Port and Dock Workers' Federation, hopes that the federations' gesture would enable the parties to arrive at a negotiated settlement of its legitimate demands.

HUTCHISON GETS PAKISTAN DEEPWATER PORT CONCESSION:

Hutchison is reported to have won its bid to build a deepwater container port to the east of the Keamari Groyne on a build-operate-transfer basis. The lease for the Karachi Port Trust project will be for 25 years, with a possible 25 year extension. Nine consortiums were interested in developing the project, demonstrating that interest in ports in the South Asian region remains strong.

BIG PLAYERS SHOW INTEREST IN BOJONEGARA: A planned container port at Bojonegara, Indonesia is apparently drawing the interest of a number of key players in the terminal operating business, among them, some major shipping lines. Maersk Line, PSA, Hutchison, SSA, ICTSI the Philippines based operator and CMA CGM have been reported as registering their interest in the tender. Bojonegara is seen as an alternative to the country's main gateway Tanjung Priok in Jakarta and has been in the planning for a considerable time.

CHINESE WORKERS STRIKE TO WIN PAY DEAL:

Against the odds, workers in major southern Chinese ports have gone on strike to reach deals over pay disputes. Information is limited but in April several hundred workers – crane operators – at the Yantian International Container Terminal stopped work from a Friday evening to the early hours of Saturday. According to one Hong Kong newspaper, more than 300 workers went on strike. Citing anonymous sources, it reported that the management agreed to raise wages by 3%. Some reports suggest that the workers also won the right to organise a union. China does not allow workers to organise independently and all such activities are carried out under the oversight of the All-China Federation of Trade Unions. A second group of workers went on strike in early May at the Chiwan Container Terminal. The dispute

was also over pay. The workers agreed to resume their duties after the management promised salary increases.

6. AFRICA AND ARAB WORLD

APM TERMINALS WINS ANGOLA CONCESSION:

APM Terminals, which is a major player in West Africa and has terminal operations in Lagos and Onne in Nigeria, Doula in Cameroun, Abidjan in Ivory Coast and Tema in Ghana has added Luanda in Angola to its portfolio by securing a 20-year operating concession there. APMT is working in partnership with a local investment and pension fund company Gestao de Fundos. A new company called Sogester will run the terminal. APMT has a 51% stake in the operation.

MAPUTO ATTRACTS INVESTMENT: Fairplay has reported that despite the fact that Maputo in Mozambique is being discussed as a viable alternative to Durban, the managing director of MIPS Container Terminal and head of DP World in Southern Africa cautions that Maputo should never be seen as competition to Durban or other South African ports. He is quoted as saying that for one thing, Maputo has limitations, the container terminal has a capacity for 100,000teu and that Maputo should be seen as complementing Durban. The South African company Grindrod acquired 95% ownership of Matola coal terminal last year and recently purchased a 12% shareholding on the Maputo Docks Development Co for \$80m. The capacity of the terminal is expected to double to 2m tonnes in a few years. Grindrod is also building a modern car terminal at Maputo to attract vehicle imports and exports from the Guateng region in South Africa. According to the report, an initial annual capacity of 63,000 vehicles is anticipated, which can be increased to 250,000 vehicles when required.

JAPANESE BANK SUPPORT SOUGHT FOR SECOND

MOMBASA TERMINAL: The Kenya Ports Authority (KPA) has signed a negotiations agreement with a Japanese Bank for international cooperation for a container expansion project in the port of Mombasa. The agreement sets conditions to be met before a loan is approved. Apparently, the expansion is meant to ease the container-handling crisis due to imports exceeding the current terminal's capacity.

APMT OPENS TANGIERS TERMINAL:

APM Terminals' Tangier container terminal has been officially opened. Tangier is expected to become a major regional transshipment hub with the ability to eventually handle 8m teu per annum. This is the first concession in the new port. A second concession has been made to a consortium comprising Eurogate-Contship Italia, Comanav, MSC and CMA CGM. Concern has been expressed about potential overcapacity of port infrastructure in the Straits of Gibraltar as a result of the Tangier Two project.

TWO NEW HUTCHISON CONTAINER TERMINALS IN

EGYPT: Alexandria International Container Terminals, Hutchison Port Holdings' company in Egypt, recently celebrated the opening of two new container terminals, one at Alexandria Port and the other El Dekheila Port strengthening the company's presence in the region, in which APM Terminals and DP World are major players.

7. EUROPE

ETF ENSURES THAT EUROPEAN DOCKERS HAVE THEIR SAY ON THE FUTURE OF EUROPEAN PORT POLICY:

Affiliates will be aware that over the past few years, hard campaigning by the European Transport Federation, ITF and European dockers' affiliates has been instrumental in defeating the European Commission's attempts to open up access to the port services market through successive 'packages' of European legislation. While the 'Ports Packages' have been defeated, the discussion on the future of the port sector in Europe still continues. As part of this process, in mid-July, the ETF submitted its contribution to the European Commission's consultation round on a future Port Policy for the European Union. The ETF submission voices European dockers' concerns over a number of issues:

- **Policy Process.** The ETF highlights the importance of port labour to the success of the sector. European dockers refuse to be labelled as "bottlenecks", a term that has been used in Commission documentation in relation to port labour relations. The ETF also warns of the need for an integrated set of measures that take due account of national and regional port systems' specificities rather than a one size fits all approach;
- **Policy Context.** The ETF draws attention to stakeholders' contradictions emerging around globalisation and liberalisation, market competition and transport sustainability, and states that port differences across Europe and the involvement of sectoral Social Partners at the local and national level should pivot around an EU Policy for the port sector.

The ETF welcomes the considerable progress that has been made towards the establishment of a Sectoral Social Dialogue Committee for Ports at the EU level, which would be the most appropriate venue for discussion and policy development in areas such as training and professional qualifications, health and safety, and other employment-related issues.

- **Community Action.** The ETF argues that market access should be clarified through the establishment of clear guidelines to provide competition 'for' the market and incorporating more transparency. The market investor and subsidiarity principles, along with the consideration of regional specificities, should be key elements of the future policy.

At the same time, sustainable development and a strategy to improve health and safety at workplace should be mainstreamed across all policy areas.

The ETF supports the simplification of the administrative procedures and the establishment of a "Common European Maritime Space".

The public image of ports should also be promoted by Community action.

- **Short Sea Shipping (SSS) and Local Action.** As debates over SSS and Motorways of the Sea (MoS) closely involve labour-related issues, the ETF highlights that employment arrangements are specific to each port, as they reflect agreements reached by the Social Partners through a democratic process of dialogue and collective bargaining. Any type of labour organisation unilaterally imposed through Community action will be rejected by European dockers.

Finally, the ETF would like to see the conclusions of the consultation round channelled into the outcomes of the wider debate launched by the European Commission's Green Paper on the future Maritime Policy for the European Union.

The full contribution of the ETF is available at: <http://www.itfglobal.org/files/seealsodocs/4714/FINAL%20TF%20port%20policy%20July%202007.pdf>

EUROPEAN SEA AND INLAND PORTS TO COOPERATE:

Fairplay reported in May that the European Sea Ports Organisation and the European Federation of Inland Ports have established a Platform of European Sea and Inland Ports. Its aim is to strengthen cooperation between the two organisations and their collective influence on the European Commission. Each organisation will keep its identity but will adopt common positions where appropriate.

BALTIC PORTS SET FOR MAJOR GROWTH: The Baltic Ports Organisation has forecast that container traffic in the Baltic Sea region will grow by 222% until 2015 according to Lloyds List. Ports in Poland, Finland, the Baltic States and Russia (which is expected to see the highest increase), is growing impressively. A total of 7.1m teu is now forecast for 2010 and by 2015, this figure is expected to rise to 11.6m teu. There is the prospect that more container terminals will be established along the Baltic Sea coast in coming years.

CUXHAVEN – ONE TO WATCH: According to Fairplay, Cuxhaven on Germany's North Sea coast is reported to be planning an ambitious expansion programme. Construction of a new berth is underway, with a further three to follow assuming planning permission is obtained. The new berth will handle ro-ro and non-containerised general cargoes. However, the second phase is intended provide deep-sea container services. The terminal operator behind the extension of the port's capacity, Rhenus CuxPort, is confident that it will handle 1m teu in 10 years' time. The port is expected to attract cargo overspill from Hamburg. Rhenus CuxPort apparently does not see the Cuxhaven expansion as intensifying competition between established terminals but that Hamburg, Bremerhaven and Wilhelmshaven will be its partners in an effort to overcome capacity problems. Cuxhaven expects to handle 85,000teu this year and it planned entry into the deepsea container market is supported by the Hamburg terminal operator HHLA, which holds a 25.1% share in Cuxport. The German ports-to-logistics group Rhenus controls 74.9%.

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