

ESPO

ANNUAL REPORT 2003



European Sea Ports Organisation



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Foreword by the Chairman



2003 provided us with a mixture of political drama, change and celebrations.

Political drama came with the rejection of the Access to Port Services Directive by Parliament in November following almost three years of intense discussion and negotiation. We now have to fill the vacuum left by the Directive which tackled not only port service provision but also state aids and financial transparency. It is a case of 'back to the drawing board' – but also a new opportunity for the future.

I would like to thank in particular the members of the Executive Committee who patiently assisted in our response to this complex piece of legislation.

Another major policy area has been security. We are still at the beginnings of what will be a significant long term investment for ports in time and resources. Of course we have to provide a safe environment for staff, passengers and cargo but the unstoppable nature of security and its limitless potential are a major concern. We have stressed the vital importance of risk assessment as the basis for action. The very well attended ESPO security conference kindly hosted by the Port of Antwerp last May brought out many of these issues.

These are just two issues picked out from a remarkable list of subjects ESPO has been required to tackle. Each year I am amazed at the length and variety of the list. I am most grateful to the members of the various specialist committees whose skill and knowledge provided so much useful comment and background information throughout the year.

This has also been a year of internal change. The move to new offices has been a great success with a much improved environment for the secretariat and for ESPO meetings. There will be a new meeting structure for 2004 with the first ESPO conference to take place on 17-18 June in Rotterdam, followed by an 'open' AGM in the Autumn in Brussels. The decision was also taken to expand the secretariat with the addition of a stagiaire. All these changes reflect not only the growth of ESPO's membership but also the ever present need to improve the way we inform and consult the membership as a whole. We strongly urge everyone to take advantage of these new opportunities in 2004.

In April we held a special anniversary concert marking our tenth anniversary. It was a great pleasure to meet again some of the people connected with ESPO's setting up and early years. It showed the importance of the ports network which ESPO represents and the basic strengths of our organisation.

Once again we are all highly indebted to the ESPO secretariat of Patrick Verhoeven, Marie-Philippe Coloby and Cécile Overlau who have looked after everything with their usual skill, good humour and dedication.

David Whitehead

Chairman of ESPO



European Sea Port Organisation
10TH ANNIVERSARY
10 APRIL 2003

1. 2003:

A year of celebration and change for ESPO

ESPO celebrated, on 10 April 2003, its **10th anniversary** with a well-attended concert of baroque music in Brussels. The programme, brought by the Flemish Chamber Orchestra “Prima La Musica”, included port- and maritime related masterpieces by Telemann, Vivaldi and Händel. The event was commemorated with the recording of the CD “Water Music”, a project which was kindly sponsored by an important number of ESPO members.

Since its creation in 1993, ESPO has developed to become a mature organisation. The greatest change compared to ten years ago is the sheer pressure from new legislation, which makes increased demands on the organisation. ESPO now covers a much broader spectrum of activity ranging from technical issues to complex transport and environmental themes.

During the Spring General Assembly, decisions were taken on a **new internal structure** with the aim of involving high-level executives from a greater range of ports. A European port conference and an open-style Annual General Meeting (AGM) will be held each year. The first annual conference will take place in Rotterdam on 17 and 18 June 2004.

ESPO has also taken up the challenge of **EU enlargement**. The General Assembly, which met in Riga on 6 and 7 November, formally endorsed the full membership of EU newcomers Latvia, Lithuania, Poland, Malta, Cyprus and Slovenia. All these countries were already present in the organisation as observers, some even since the creation of ESPO. Estonia has also indicated that it will shortly join as full member. Moreover, ESPO is getting ready for the second wave of enlargement in 2007, with Bulgaria and Romania as observer members.

Finally, ESPO decided in 2003 to **move offices**. The secretariat changed from its old premises in the European quarter of Brussels to a sparkling new location within the historical “pentagon” of the city, with Saint Michael and Saint Gudule Cathedral as its new neighbour.

Through these changes, ESPO now benefits from a more flexible and open structure, a broader membership and convenient offices. These improvements will support ESPO in pursuing its mission throughout the next years.



The new ESPO offices at Treurenberg



2. Port and transport policy

Life after the Port Services Directive

On 20 November, the European Parliament rejected the compromise reached earlier by the Conciliation Committee on the **Directive proposal on market access to port services**. Parliament's decision put an end to the legislative process, which had started in February 2001 with the publication of the original proposal of the Commission.

The failure of the Directive did not come as a complete surprise. Electoral elements as well as an intensive and sometimes aggressive campaign by trade unions against "self-handling" all played an important role. Motivations behind the vote of MEPs had, in the end, little to do with the actual substance of the Directive.

The debate on "self-handling", in itself a minor part of the proposal, shifted attention away from the essence of the Directive, which was about clear and transparent relations between port authorities and service providers. The vote against the Directive in Parliament was disappointing for ESPO, as it undid the efforts made over the past two and a half years to transform the original proposal of the Commission into a workable tool for all European ports.

From the start, ESPO supported the development of a legislative framework on market access to port services, covering all port-specific services, provided that such a framework would respect the specificities and diversity of the port sector. ESPO welcomed in general terms the result of the conciliation procedure. The compromise between Parliament and Council reached in September included indeed almost everything ESPO campaigned for.

The failure of the port services' Directive also presents an opportunity for ESPO. At its first Annual Conference, which will be held in Rotterdam on 17 and 18 June 2004, ESPO will start a debate on a positive EU agenda for ports. This will be followed by a new "fact finding" exercise on the main developments in the sector following the enlargement of the EU. Aim is to present a complete picture of the European port sector and its policy agenda by the time the new European Parliament and European Commission will be installed.

Port financing and charging: back to square one

With the failure of the Port Services Directive, momentum in dealing with **financial transparency and State aid** has been temporarily lost. The amendments introduced by the European Parliament instructing the Commission to shed a clearer picture on public financing of seaports and to clarify the rules of the Treaty with regard to State aid met a longstanding request of the European port sector and would have been the first steps towards fair competition between ports.

In order to achieve a level playing field in the port sector, ESPO has always advocated a step-by-step approach: flows of public funds, as well as their use, should first of all be made transparent. A next step would consist of providing clear guidance on public funding of port investments. A charging framework could be envisaged as a final stage provided it would not be theoretical and would not put ports in a disadvantageous competitive position compared to other nodal points and transport modes.

Even if the Commission took some particular initiatives during the previous year, these did not lead to any concrete results.

In May, the Commission launched a survey among Member States to assess to which extent Directive 80/723 on transparency of financial relations between member states and public undertakings was applied to the 25 largest European seaports. This initiative followed the proposal of the European Parliament to extend the provisions of the **Transparency Directive** to all ports covered by the port services' Directive. It is not clear whether the exercise led to any tangible results, nor is it clear what the Commission will do with the information it obtained from national

governments now that the port services' Directive has failed.

Although the Vademecum on "Community rules on State aid and the financing of the construction of seaport infrastructures", which the Commission published in January 2003, contained a number of valuable ideas and set a first step in the direction of more **guidance on State aid**, ESPO found that the document contained a number of important deficiencies as well as an overall lack of clarity. Further work in this field therefore remains a necessity.

Incorporating **external costs in transport charges** was a key objective of the Commission's 2001 Transport White Paper. Given the sensitivity of the subject and the objections from a majority of Member States, the Commission has however given up, for the moment, its idea to come up with specific proposals on charging for the use of infrastructure for all modes of transport.

The current situation regarding transparency, State aid and charging therefore remains as unclear as it was before and there is no indication yet of new initiatives the Commission may take in these areas.

Initiatives to promote short sea shipping should be market-driven and focused

The concept of "**Motorways of the Sea**" was formally introduced in the proposal revising the Trans-European Network-Transport Guidelines, which the Commission published early October on the basis of the High Level Group chaired by Karel Van Miert. Aim is to concentrate flows of freight on a few sea routes in order to establish new viable, regular and frequent short sea links for the transport of goods between Member States. This could contribute to reducing road congestion and improve access to peripheral and island countries.

The trans-European network of motorways of the sea would consist of facilities and infrastructure concerning at least two ports in two different Member States. These would include port facilities, electronic logistics management systems and administrative and customs procedures, as well as infrastructure for direct land and sea access, including winter access, to the ports used by the maritime links envisaged in the network.

ESPO supported the objective of the Commission but warned for artificial development of "Motorways of the Sea" as this would give ports not linked to such motorways a disadvantageous status and lead to distortion of competition. ESPO also advised to approach public financing of such motorways and their facilities and services with great care.

The same cautious approach applies to the **Marco Polo Programme**, for which the first call for proposals was published in October. Projects which will contribute to shifting cargo from road to, notably, sea, will be eligible for funding. € 75 million will be available for the period 2003-2006.

In both cases of TEN-T and Marco Polo funding, clear and objective criteria are necessary and checks and balances must be developed to ensure that EU financing is well-controlled and non-distortive. An interventionist policy to promote maritime transport should be approached with care. The absence of a clear legal framework for public financing to seaports makes this an extra difficult point.

In the field of customs policy, ESPO contributed to the Commission's consultation exercise on **EC Customs rules for Short Sea Shipping**. Aim was to further improve procedures to bring them in line with those applicable for other transport modes (notably road transport). On the basis of industry's input, the Commission published a revised working version of its Guide to Customs Procedures for Short Sea Shipping.

Not all initiatives of the Commission necessarily contribute to the promotion of maritime and intermodal transport. A good example is the Commission's proposal on harmonisation and standardisation of **intermodal loading units** which intends to put forward a new standardized European Intermodal Loading Unit (EILU). ESPO fears that the new EILU would lead to a discrepancy between intra-European and international standards and subsequent loss of efficiency in ports. Together with ECSA and FEPOR specific action was undertaken towards the European Parliament to have this proposal amended and brought in line with international standards. Vote in first reading is expected early 2004.





3. The ship-shore interface

EU port security policy takes shape

Following the consternation caused in Europe by some of the unilateral US measures and following the final agreement on the International Code on Ship and Port Facility Security (ISPS Code), the European Commission started to develop its own programme of security measures.

In order to ensure a rapid and harmonised implementation of the ISPS Code in all Member States, the Commission published first of all a **Regulation proposal on Enhancing Ship and Port Facility Security**, aiming to ensure a harmonised application of the IMO measures in Europe. The Commission introduced a number of modifications to the original ISPS Code, such as the extension of security rules to domestic passenger traffic. Parliament and Council were able to find an agreement on the proposal in one reading and the Regulation will be officially adopted early 2004.

ESPO generally supported the Commission's proposal because it provides an appropriate balance between the need for harmonisation and the recognition of the port sector's diversity. The Regulation acknowledges that a security policy must not result in a proliferation of disproportionate and unreasonably expensive measures, but must be based on a realistic risk analysis instead.

European ports are making substantial efforts to implement the IMO measures in accordance with the deadline of 1 July 2004, but are often suffering from delays in decisions which have to be taken at governmental level. A survey that ESPO undertook showed that, at the end of 2003, assessments had started in most countries and were even completed for certain facilities. In several countries, guidelines, models or "toolkits" have been produced to help port facilities in the assessment process. On the basis of these assessments, facility security plans will be prepared which, in general, will be developed in co-operation with the port authorities and will be integrated with existing plans.

On 22 May, ESPO organised, in cooperation with FEPORT, a **workshop on the impact of international and EU security measures for European port authorities and terminals**. The event was hosted by the Port of Antwerp and the Antwerp Port Federation and was attended by more than 200 participants. One of the conclusions of the workshop was that securing the whole port area would be the most difficult security challenge. The problem of costs also emerged as a main issue.



ESPO/FEPORT workshop on port security, Antwerp, 22 May 2003

The impact of new security measures will indeed put a high financial strain on European port authorities. ESPO believes that a harmonised approach by Member States regarding financing would be preferable in order to avoid distortion of competition. It should be clear however that, even with some degree of public financing, ports and shipping will be faced with increased costs which, in the end, should be passed on to the end-users of ports and port facilities.

The Commission takes the view that that security should not be restricted to measures affecting ships and port facilities, but should also involve measures covering both the entire port area and the hinterland connections to the port. It therefore plans to submit, early 2004, a **Directive proposal on port security**. The proposal will be based on the same philosophy and pattern as the ISPS Code. Idea is that security assessments and plans should be carried out for the whole port area and that a port security committee should be established to assist and advise the port security officer in developing security measures, which will have to be implemented depending on the security level in force (1, 2 or 3).

The need to have an overall port security Directive is still subject of debate. ESPO in any case believes that security should be part of a wider approach, covering the complete transport chain. Ports are part of a logistic network, in which each party should accept its responsibilities. This would reduce the need for substantial security investments in ports and terminals. ESPO therefore looks forward to participating in the consultation process on **intermodal freight transport security**, which the Commission launched at the end of December in view of a possible legislative proposal.

In general terms, ESPO expressed concerns about the **multitude of individual measures and legislative proposals developed in the field of security**. Apart from the three above-mentioned initiatives at EU level, European ports will - inter alia - have to take account of:

- a proposed EU Regulation on security management of EU external borders which requests advance notification of cargo information, 24 hours prior to arrival;
- the IMO / ILO Code of Practice on Port Security, which is due to be published in July 2004 and will, in complement to the ISPS Code, contain general principles on how to develop and implement a security strategy for the whole port area;
- US initiatives in the field of customs and port security which have an impact on European ports, such as CSI, C-TPAT and the “foreign port assessments” included in the US Maritime Transport Security Act.

European ports essentially need a simple and straightforward set of measures which duly take into account the intermodal dimension. This will avoid costly duplication of investments and enhance transparency of the transport system.



Antwerp, 11 December 2003

Accommodation of ships in distress – the role of port authorities

Following the Prestige disaster in November 2002, the role of ports in the prevention of maritime accidents and pollution has been a major point of discussion at EU and international level. Main driving force in this debate was the European Parliament which took an active role in investigating the cause and consequences of the Prestige accident.

On 23 September 2003, it adopted an own-initiative report, which contained a number of recommendations to improve maritime safety, in particular in relation to the **accommodation of ships in distress**. The report recognised that the decision to give refuge to a ship in distress is a difficult one, which needs to be based on a realistic assessment of the risks involved for the port, its environment, its wider community and its economy as well as for the ship, its crew and its cargo. In addition, Parliament called on Member States to have at their disposal a clear decision-making structure and chain of command for maritime emergencies.

In its report, Parliament also acknowledged that safe havens must be provided with the resources needed to implement emergency plans. A port taking in a ship in distress should notably be assured that the costs of doing so, especially in the event of damage, will be met quickly to help get the port up and running again. It therefore urged the Commission to submit proposals for **financial compensation of safe havens**. It also called on the Commission to look into the question of liability of a port authority which refuses access to a ship in distress. Parliament's Temporary Committee on Maritime Safety, which has been set up in November 2003 to investigate further the causes of the Prestige accident, is likely to come up with further recommendations on accommodation of ships in distress.

In this context, ESPO took the initiative to organise, together with the European Institute of Maritime and Transport Law, a **workshop on the rights and responsibilities of port authorities in relation to the accommodation of ships in distress**. The workshop, which was held in Antwerp on 11 December, underlined that improving maritime safety is a shared responsibility of all actors and authorities. The legislative framework on places of refuge was found to be more or less in place but in need of enforcement. The effectiveness and efficiency of existing compensation instruments for ports needs to be clarified before concrete recommendations can be made on the need for additional funds. Mandatory insurance of ships would in any case mean a significant step forward.

It often occurs that a ship, after having found refuge in a port, is abandoned by its owners in the port. **Abandoned ships** are a great source of concern for EU ports, due to the humanitarian problems that they entail for the crew who is left on board, but also because of the financial burden that they impose on ports, the disruption of operations they can cause and the safety risks they present. This issue concerns the whole shipping industry and ESPO will initiate discussions with EU institutions and relevant stakeholders in view of finding appropriate solutions to this problem.



Workshop on places of refuge organised by ESPO and the European Institute of Maritime and Transport



4. Ports and the environment

Ports are strategic elements of a sustainable transport system

The 2001 White Paper on European Transport Policy acknowledges the major role that ports play in the development of a sustainable transport system in the EU. Ports are not only the natural starting and ending point of every sea voyage, they are also nodal points which interconnect road, rail, inland navigation and maritime transport. Because they facilitate short sea shipping and intermodal transport, ports can contribute to the modal shift envisaged by the White Paper.

Maritime transport is recognised as one of the most environmental friendly transport mode, because of its potential to take cargo off the polluted and congested roads, but also, because, compared to other modes, its external costs are lower. The environmental performance of shipping can be further improved however, notably with respect to SO₂ emissions. The Commission has adopted a **strategy to reduce the harmful effects of ship emissions**, which notably consists of a proposal to reduce the sulphur content of marine fuels. ESPO supported the Commission's objective as this would further enhance the attractive position of maritime transport.

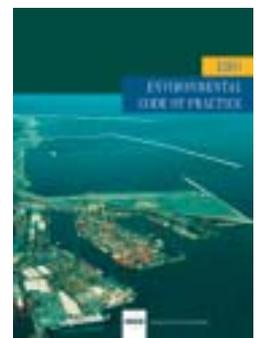
As a complement to its legislative action on ship emissions, the Commission is also considering to introduce market-based incentives, such as differential charging, to promote low-emission shipping. As a first step it has launched a new scheme which aims to reward shipowners, shippers and port authorities which facilitate low-emission shipping. ESPO is participating in this **“Clean Marine Award” scheme**, which allows ports wanting to differentiate their dues and favour environmental friendly vessels to do so on the basis of their own individual circumstances.



ESPO however clearly expressed its resistance against any initiative which would impose differential charging on a European wide basis and remains of the opinion that the Commission should not go any further than a voluntary approach.

Ports invest to optimise their environmental performance

Ten years after the publication of its first **Environmental Code of Practice**, ESPO launched a complete new version of this document in September. The new ESPO Code takes into account the many legislative changes over the last decade and reflects the progress achieved by the port sector in the field of environment.



The interim results of an ESPO environmental survey indeed demonstrate the great efforts that ports have been making towards environmental protection and the clear change of perception about the environment. Ports clearly understand that compliance with environmental rules is a requirement to ensure their competitiveness.

The new Code reflects the collective commitment of EU ports towards the continuous improvement of their environmental performance. It contains a “Ten Commandments” list which sets the objectives that the port sector aims to achieve in the next ten years as well as practical guidance for port managers to integrate environmental concerns into their policies and activities. The Code also encourages the use of environmental management tools which have been developed by the **ECOPORTS project**.

ECOPORTS (2002/2005) is a voluntary project, funded by the European Commission, which involves many members of ESPO and aims to harmonise the environmental management approach of port administrations in Europe, to exchange experiences and to implement best practices in respect of port-related environmental issues.

The first ECOPORTS Conference, which took place in Barcelona on 23 and 24 October, reported on the numerous activities and products of the project and demonstrated the benefits that it can bring in practice to ports. The event confirmed that European ports aim to achieve a level playing field through shared, cost effective solutions.



1st ECOPORTS Conference Barcelona, 23/24 October 2003

One of the main difficulties about environmental management in ports is that the application of environmental rules differs from country to country, or even from one region to another, and may, in some cases, lead to distortions of competition between ports: ECOPORTS is about responding to this challenge.

The new ESPO Environmental Code of Practice and the ECOPORTS project are useful tools for ports to deal with the complex environment they work in. Both initiatives demonstrate that the port sector is making great efforts towards sustainable port management and that it is taking up its role in the implementation and potentially further development of a sustainable European transport network.

Transport versus environmental policy: fundamental choices have to be made

Ports need to develop in order to respond to the objective of the European Common Transport Policy and to accommodate the growing demand in maritime transport. Despite the heavy investments made by ports to optimise their environmental performance, such development remains very much constrained by the rigid application of EU environmental regulations. The implementation of the **Natura 2000 network** has, in particular, entailed great difficulties for the port sector as the designations of protected areas under the Birds and Habitats Directives have, in many cases, hampered the achievement of vital port and port-related projects.

The report of the High Level Group on the Trans-European Transport Networks (TEN-T), chaired by Karel Van Miert, noted that the existence of environmental constraints (notably resulting from Natura 2000 legislation) constitutes one of the most important reasons for delays encountered by existing TEN-T priority projects.

The **Water Framework Directive** is likely to raise similar concerns as the Birds and Habitats Directives. Deadlines for implementing this piece of legislation are getting closer and its impact on ports may be far-reaching, as it may constrain both existing activities and future developments.

ESPO raised awareness, within the industry and among EU institutions, about the potential negative effects of the Directive for ports, navigation and dredging. ESPO is participating, as an observer, to the Commission's Strategic Coordination Group which aims to develop a common implementation strategy for Member States. It also organized a seminar, on 30 October, in cooperation with several other maritime and inland waterways associations (PIANC, EFIP, INE, CEDA, IADC), which contributed to identifying further the concerns for the industry and highlighted the urgency for the port sector to get involved, at national level, in the discussions about the transposition of the Directive.

ESPO believes that, in general terms, there remains a fundamental discrepancy between Europe's transport and environmental policy. On the one hand, Europe tries to achieve a sustainable transport system by promoting maritime and intermodal transport as the environmental-friendly way forward. On the other hand, the application of Europe's environmental legislation, such as Natura 2000 or the Water Framework Directive, is often seriously hampering essential port and port-related development projects. If the EU wants to achieve a true modal shift, it has to make fundamental choices: investments must be made in port infrastructure, maritime access and hinterland connections, even if these may have an effect on the environment.

Annex 1 : Structure of ESPO

GENERAL ASSEMBLY

- sets the overall policy of the organisation
- 3 delegates per member State + 1 per observer country
- meets twice a year
- elects its Chairman and two vice-Chairmen
- appoints Secretary General



General Assembly, Riga, 6/7 November 2003

EXECUTIVE COMMITTEE

- daily policy-making body
- 1 representative per member State + observers
- meets 5 times a year

SECRETARIAT

- overall coordinator, responsible for :
- communication
 - representation
 - administration and finance

TECHNICAL COMMITTEES

- give technical advice on specific subjects which fall within their scope of competence
- four areas : transport, marine, environment and statistics
- make recommendations to the Executive Committee which takes the final decision
- 1 representative per member State + observers



ESPO Secretariat

ESPO officials :

Chairman :	David Whitehead (UK)
Vice-Chairman :	Giuliano Gallanti (I)
Vice-Chairman :	Maria Nygren (S)
Chairmen Technical Committees :	
• Transport :	Stavros Hatzakos (GR)
• Marine :	Guido Van Meel (B)
• Environment :	Herman Journée (NL)
• Statistics :	Miltiadis Arvanitidis (GR)

Secretariat :

Secretary General :	Patrick Verhoeven
Policy Adviser:	Marie-Philippe Coloby
PA & Office Manager :	Cécile Overlau
Accounting :	Jeanette Voosen

Annex 2 : Developments in ESPO member-countries

BELGIUM

Representatives in ESPO :

General Assembly: E. Bruyninckx (Antwerp), P. Kerckaert (Bruges-Zeebrugge), E. Van Craeyvelt (Ghent)

Executive Committee: A. Jacxsens

Technical Committees: Transport: P. Van Cauwenberghe, Marine/Environment: G. Van Meel, Statistics: A. Hurkmans & M. Scheirs

Introduction

Despite the modest GDP growth of 1 % in the European Union and of 0.7 % in Belgium, total sea-borne cargo throughput in the Flemish seaports increased by 2.3 %. Overall, the 4 ports handled some 196.7 million tonnes in 2002 compared to 190 million tonnes in the previous year.

Port Development

In the port of Antwerp, the construction of a new dock, “Deurganckdok”, constituted the main public investment in 2003. This project was subject to great delays, due to a long legal battle between the Antwerp Port Authority and a local action group “Doel 2020” which had challenged the Flemish Parliament’s decree authorising the construction of the dock. On 26 June 2002, the Council of State finally validated this decree, thus enabling the contractors to resume their activities. The first two phases, which are currently under construction, will be completed in 2005. Once the new dock will be fully operational by 2006, it will double the container capacity in the port from 5 million up to more than 10 million TEUs.

Among the other public investments in Antwerp, the most important ones are the further construction of the “Verrebroeck” dock on the left bank, the building of a cruise-terminal and the finalisation of the renovation project concerning the “America” dock, the “Albert” dock, as well as the second and third Harbour docks. Because the port of Antwerp accommodates many industries on its area, it also attracts substantial private investments.

In the port of Ghent, phase 2 of the new “Kluizen” dock, which involves building a quay wall of 1,850 m, was started, opening up new waterfront sites. Major investments were made by private companies.

In Zeebrugge, the 55’ feet deepening programme has been accomplished. This implies that vessels with a 17 m draught can call at the port of Zeebrugge, regardless of the tide. The deepening of the access channel is a guarantee for the development of the container traffic in Zeebrugge. New investments have been made by private companies. Also, a new short sea service has been started (daily combined ferry service for passengers and cargo from Zeebrugge to Scotland).

In Oostende, the port entrance is being improved in order to facilitate the accessibility to the port (two new dams stretching out into sea will be in place within 3 years). Following the expansion of the Oostende/Ipswich freight line, a third Ro-Ro ramp and berth is presently under construction.

Legislative & administrative developments

To prepare for the implementation of the ISPS code by July 2004, the four Flemish ports have asked a British consultancy to carry out Port Area Security Assessments. These assessments include all relevant port facilities. Furthermore, the four ports have acquired the Dutch security ‘toolkit’, which will be operational as from 20 January 2004, to assist their facilities in the development of their security measures. Finally, a national law is in preparation which will define the installation of federal and local committees to secure port facilities.

The four Flemish ports also worked together regarding their ‘waste management plans’ and are implementing a unified approach to collect ship’s waste as from 1st January 2004.

BULGARIA (Observer)

Representatives in ESPO :

General Assembly: G. Dereliev (Association of the Bulgarian Ports, Port Operators and Concessionaires)

Introduction

The Bulgarian seaport system comprises two commercial port complexes -Varna and Bourgas- with a total handling capacity of more than 40 million tonnes. The seaports of Varna and Bourgas offer a combination of favorable geographical location, strong industrial hinterland and excellent rail and road access – the strategic European gateway on the TRACECA route to and from the Caucasus, Caspian Region and Central Asia.

The total throughput, which passed through Bulgarian ports in 2003, was over 25 million tonnes, of which 21 million tonnes were handled in seaports and 4 million tonnes in inland ports. Traffic increased for the following goods: metals, ores and not-metal minerals, containers.

Port management

Bulgarian sea and inland ports are territorially united in incorporated public liability companies, with 100 % government shareholding. The present port management system is a “tool port system”, which is typical in countries like Bulgaria with a central planned economy.

Following the adoption of the “Law on sea, inland waterways and ports” in 2000 and the establishment of the “Port Administration” as Executive Agency, appropriate conditions were created to ensure a transfer to a more modern port management system. In the new “Land Lord Port” system, the government owns the port infrastructure and concedes it for operation to private businesses under different conditions (concession, joint-venture, contract).

Amendments to the “Law on sea, inland waterways and ports” are currently under preparation, which should determine and implement the “Land Lord Port System”. In 2003 the Law passed in first reading in the Bulgarian Parliament and it is expected to be finally adopted in 2004. This new Law will create opportunities for evolution and reform in the Bulgarian port system.

There are plans for the establishment of a National Company for ports’ management in 4 territorial departments, in the cities of Varna, Bourgas, Rousse and Lom. The National Company will manage public transport in ports of national importance and will manage and organize the ports’ operation.

Services in the ports will be performed by specialized operators. At this stage these are public joint stock companies. Some of the port services (i.e. nautical services – pilotage, tugging, etc.) are fully performed by private companies. The process of concession (privatization) in Bulgarian ports is expected to start during 2004.

Port development

Several main projects are under way in Bulgarian seaports. The Port of Bourgas is implementing an extension, reconstruction and modernization project, which amounts to 450 million Euro (construction of a new eastern breakwater, terminal for bulk and liquid cargoes, container and Ro-Ro terminals, oil harbor).

The Port of Varna is implementing a General Plan for the development of the port, which includes the establishment of 4 new terminals – containers, Ro-Ro, grain and LPG. The investment projects amount to 150 million Euro. Additionally, terminals for soda, coal/coke, liquid chemicals and cement/clinker will be established on the existing infrastructure in the port of Varna in cooperation with world leading companies – Solvay, Oiltanking, Italcemente.

The investment projects in the ports of Varna and Bourgas will be implemented through concession contract, Build-Operate-Transfer and Public Private Partnership.

Legislative developments

The Bulgarian Ministry of Transport and Communication, together with maritime branch associations, is preparing a strategy for the development of maritime transport and ports, as well as a National Action Plan to implement this strategy.

CYPRUS (Observer, full member as from 2004)

Representatives in ESPO :

General Assembly: Y. Kokkinos, C. Assimenos, C. Prentzas (Cyprus Port Authority)

Executive Committee: C. Assimenos

Technical Committees: Transport: C. Assimenos, C. Assimenos, Environment: C. Assimenos, Statistics: A. Kitromilidou-Koutsou

Introduction

The Cyprus Ports Authority is a semi-governmental autonomous organization established by law in 1973 for the administration and exploitation of the ports in Cyprus. It is governed by a Management Board appointed by the Council of Ministers. The budget, tariffs and regulations of the Authority are approved by the Government and by the House of Representatives.

The Cyprus Ports Authority is responsible for the development, maintenance and operation of the ports of Cyprus. Its main functions, besides its regulatory role, include the provision of port infrastructure, equipment and services for the accommodation and facilitation of ships, cargoes and passengers. Loading and unloading of vessels and handling of cargo are, on the contrary, carried out by the private sector. Payments for the services offered by the Authority are included in its tariffs, whereas those related to loading/unloading of vessels are fixed through private agreements between the parties concerned.

The main ports of Limassol and Larnaca are multipurpose ports and serve the Cypriot economy, while specialised oil terminals at Larnaca, Moni and Dhekelia handle petroleum products (mainly imports). The industrial port of Vassiliko handles mostly dry bulk cargo for the needs of the local cement factory. There are also a number of small ports (at Limassol (old port), Paphos, and Latchi) that are currently used for fishing and leisure boat activities.

Port Management

The daily management in the two main ports of Limassol and Larnaca is carried out by the ports' managers, who are directly responsible for making and implementing the policy of the port, as well as for facilitating the smooth operation of all port activities.

Port development

In 2003, the policy of the Cyprus Ports Authority (CPA) was again aiming at providing port services which would enable to meet the requirements of world trade liberalisation and to accommodate the regional traffic, which will increase as a result of Cyprus' accession to the EU.

Efforts have also been pursued to increase cruise traffic in the port of Larnaca: aim is to turn it into a specialized passenger/cruise port. The project will be assigned to the private sector through international tenders. In 2003, three proposals for the development of the port were submitted by international firms, which are currently being examined.

In Limassol port, the CPA has launched an architectural competition for the design of a new passenger terminal; also, the existing passenger terminal has been upgraded to respond to the Schengen requirements. With respect to container traffic, the expansion of the western container terminal's stacking area has been completed, while a heavy duty pavement of 20,000 m² is under construction and another of 40,000 m² is in progress. Finally the CPA, in cooperation with the Ministry of Agriculture, has built specific installations for a stricter sanitary control of agricultural and animal products imported or exported through the port. In the old port of Limassol, which will be turned into a fishing shelter, marine and land works are underway for the reconstruction of the quays. Enlargement and improvement works have started in the port of Latchi, which will accommodate both fishing boats and yachts.

Legislative & administrative developments

New legislation has been introduced in 2003 to implement the provisions of the EU Directives on port reception facilities and on reporting formalities for ships arriving in and/or departing from ports (IMO FAL).

New regulations will be introduced to transpose the Directive establishing harmonised requirements for the safe loading and unloading of bulk carriers and the Directive establishing a community vessel traffic monitoring and information system.

Furthermore, the Cyprus Ports Authority has introduced an advanced system to enhance the level of port security. These measures include, among others, the recruitment of qualified personnel, purchase of new security equipment, identity card system for all persons entering the port, improvement of closed circuit television system (CCTV), improvement of external fence of the port, etc.

DENMARK

Representatives in ESPO :

General Assembly: J. Peter Peters (Associated Danish Ports), B. Mathiesen (Aarhus), H. Berthelsen, T.E. Christensen, substitute (Association of Danish Ports)

Executive Committee: T.E. Christensen

Technical Committees: Transport: G. Nørgaard, H. Munch Jensen, Marine: S. Felix Andersen, Environment: T. Hansen, Statistics: H. Munch Jensen

Introduction

Total tonnage handled in Danish ports increased slightly in 2002. Larger ports constitute the category which grew the most. As for medium-sized ports, it depended on each case. Most small ports did not grow much but remained in a status quo. Overall, the general trend is therefore going towards structural concentration on fewer and larger ports.

Port Management

Danish port authorities intend to operate pilotage services themselves and push for a liberalisation of these services. A lot was expected from the implementation of the Directive on market access to port services in that context. Following the rejection of the Directive proposal by the European Parliament, Danish ports are now faced with more difficulties in the liberalisation process of pilotage services.

Port Development

The Port of Aarhus is carrying out an ongoing development project meant to improve hinterland accesses to the port area.

A new idea for developing a multi-transport port hub adjacent to Copenhagen Airport was launched. The intention is to integrate sea transport, railway, motorway and air transport into one hub and to offer multi-transport services to customers in Northern Europe.

Legislative & administrative developments

A proposal to amend the Harbour Act was published in October 2003. The proposal aims to implement the new provisions of the SOLAS Convention, the ISPS Code and the EU Regulation on ship and port facility security. It also introduces changes to the terms of operation of port services. The proposal finally prepares for the forthcoming draft Directive on port security.

In November and December 2003 port security became an issue for public debate, as the above-mentioned proposal was discussed in the Danish Parliament. The Parliament is expected to adopt formally the proposal in January 2004.

FINLAND

Representatives in ESPO :

General Assembly: M. Aura (Finnish Port Association); M. Sinisalmi (Pori); H. Nissinen (Helsinki)

Executive Committee: M. Aura

Technical Committees: Transport: M. Aura, Marine: E. Kotiranta, K. Tarnanen, Environment: K. Tarnanen, Statistics: K. Tarnanen

Introduction

Finland is heavily dependent on sea transport. 80 % out of foreign trade is transported by sea. The port sector is vitally important for the Finnish economy. The transit traffic to Russia contributes to further growth of the Finnish ports and represents 6 % out of the total volume of traffic in Finnish ports. One of Finland's specificities is that the sea is ice-covered every winter: ports are kept open by the help of ice-breakers.

Port Management

There are some 50 ports in Finland. Most of the public ports are municipal ports. Two municipal ports have the legal structure of a private company, although they are 100 % municipally owned. The Finnish industry owns some private ports and loading places. It is a basic principle in Finnish port policy that all ports are treated equally, irrespective of their owner structure.

Ports do not act as port operators. In every port there are one or more private port operators.

Port Development

The biggest development project in the Finnish port industry is the HelsinkiVuosaari harbour project. Helsinki will move its port activities from the present locations in the heart of the city to the Eastern outskirts of Helsinki, Vuosaari. This project has been heavily discussed both at national and city level. The plan has received final approval both from the parliament and the city council and the construction works have started. The Vuosaari harbour is expected to be operational in 2008.

There was and still is a major environmental opposition towards the Vuosaari harbour. Most of the port development plans in Finland are faced with great criticism from environmentalist groups.

Legislative & administrative developments

The new security measures, resulting from the ISPS code, have been in the centre of legislative actions in Finland. Otherwise, there were great expectations from the port services directive, which would have served as a basis for a major reform in the Finnish port legislation.

FRANCE

Representatives in ESPO :

General Assembly: J.M. Lacave (Le Havre), J. Truau (Marseilles), A. Plaud (UPACCIM)

Executive Committee: A. Plaud

Technical Committees: Transport: M. Bonvalet, Marine: F. Brévault, J. Sublet, Environment: M-Y. Le Garrec, Statistics: J. Braems, J.-M. Pietri

Introduction

French seaports traffic totalled 355 million tonnes in 2002, including 10 million tonnes overseas.

The 6 main metropolitan sea ports (Marseilles, Le Havre, Dunkirk, Rouen, Nantes-St-Nazaire, Bordeaux), as well as one overseas port (Guadeloupe), are under autonomous public management, according to a law dating of 1965. With 270 million tonnes in 2002 (+ 0.5 %), they account for 76 % of French seaports freight traffic.

17 metropolitan sea ports of national interest, plus four overseas ports, remain under direct State supervision. Their commercial operation is usually delegated to the Chambers of Commerce and Industry. They account for 22.5 % of total traffic, i.e. 79.7 million tonnes in 2002 (+ 2.7 %). Decentralised ports, which are under the control of 'Départements', account for only 1.5 % of the total national seaports tonnage.

Port management

A renewed framework for the management of French ports could emerge from two main legislative proposals tabled at the end of 2003:

- A law on "local responsibilities" would lead to decentralizing ownership and control of the current ports of national interest, giving competence to the "Régions" for handling commercial seaports and to the "Départements" for handling fishing ports. This proposal would open a new way to renegotiate the management practices with operators in place.
- A more specific law would confirm the autonomous ports as public institutions, while loosening the current tight central control, increasing the recovery of costs from users and more generally aligning their rules of operation with those of private companies.

Such transfers of responsibility from the central government would give official status to significant public financing of seaports investments which will be made by regional and local governments to compensate for the national budget scarcity.

Port development

The rate of growth of container traffic in the French seaports totalled 8.8 % over the last 10 years. French ports are entering the container transshipment market that is thriving on both northern and southern ranges. Investments for extended containers facilities are underway in Le Havre (Port 2000), Dunkirk (Quai de Flandre), and Marseilles (Fos 2XL). They are already inducing high rates of growth, up to more than 10 % per year.

All French ports are now open to private investments in terminals according to a new specific contracting procedure (“Convention d’exploitation de terminal”) between the port management and the private terminal operators. These terminal operations (e.g. containers, dry bulk) are private ventures, requiring that any public capital investment should be restricted to a minority share.

New port projects have been subject to careful environmental assessments. This did not prevent controversial debates with some ecologist associations. The global environmental advantage of developing intra-European maritime transport has not yet been taken into account in the local debate on port extensions.

Legislative & administrative developments

The failure of the “Port services” Directive leaves a clear field to a French decree proposal on the regulation of nautical services in seaports, that had been left pending for two years. According to a new specific legal text, “Pilots stations” will be organized port by port, with a reference to their general interest objectives.

As far as cargo handling is concerned, French port authorities will generally welcome new operators and markets, rather than seek to limit the number of authorized providers. These new operators will take over from the public sector, which was involved in activities and financing because of insufficient economies of scale.

Following a governmental audit on the total financial costs and feasibility of several identified road and rail projects (worth 140 billions euro), a long term program of transport investments is about to be officially finalised. The programme will include port and maritime development projects, which are recognised as credible complements or alternatives to land transport infrastructures.

In 2003, the former subsidy program to the national rail company SNCF, aimed to reduce the price of combined rail transport, has been cancelled and replaced by a program of subsidies to intermodal operators. Modal shifts, to and from maritime transport, have been included in the scope of the new program. It is expected that this measure will reinforce the effect of the 2003-2007 Marco Polo programme which aims to favour Sea motorways as an alternative to congested continental corridors.

GERMANY

Representatives in ESPO :

General Assembly: D. Behrendt (Hamburg), I. Piorkowski (Bremen), K. Gisevius, alternate (Bremen); E. Jagl, alternate (ports of Lower Saxony); J. Eggers, alternate (ports of Schleswig-Holstein); K. Richter, alternate (ports of Mecklenburg-Vorpommern)

Executive Committee: D. Behrendt

Technical Committees: Transport: B. Müller, D. Behrendt; Marine: H. Pape; Environment: C. Lampe; Statistics: K. Gisevius

Introduction

The year 2003 was -again- a very successful one for the German Ports. Especially, traffic handled in the ports of Hamburg and Bremerhaven steeply increased. In Hamburg, 2003 will be the fifth year in a row with a double-digit growth of container traffic. In spite of the difficult overall economic situation the smaller ports could keep their transshipment volume at about the same stage as in the year before. In Rostock, ferry and cruise traffic increased.

Port management

The Hamburg port administration, today spread over two state ministries, is in a process of building one corporate entity. There is no change in port management in the other German ports, which are run as landlord ports. In most cases the port administration is integrated in the administration of a region or a state.

Port development

In Bremerhaven, the additional Container Terminal Ct IIIa became operational. The planning for Container Terminal Ct IV with four deep-water berths for container vessels are making good progress. The necessary steps to further deepen the Weser have been initiated to provide an easy access to Bremerhaven and Bremen. In Bremen, a high-bay warehouse, which holds 150,000 pallets, is in operation as one of the largest logistics hubs.

New intermodal terminals are planned or under construction in the North Sea port of Brunsbüttel and in the Baltic Sea port of Kiel. In the port of Lübeck 2 new terminals became operational: the Container-Terminal Lübeck, which is designed to provide a fast container-transfer between the Baltic Sea region and Hamburg as an international container hub, and the rail terminal on the Skandinavienkai for intermodal transport purposes. The construction of two new piers for ro-ro-transport is expected in the Skandinavienkai port area by 2006.

The Port of Rostock is an important hub for combined transport between Western Europe and the Baltic Sea countries. A new container shuttle train from Rotterdam to Rostock serves as a “landbridge” for the overseas traffic.

In Niedersachsen, the planning for the new deep-water port in Wilhelmshaven, which will be built in close cooperation with Bremen, is making good progress. The first container vessel shall be calling at the port in 2009.

The Port of Hamburg possesses reserves of capacity for expansion which will be appropriate in the future in order to handle the forecasted growth in container traffic. In addition to further expansion of the Container-Terminal Altenwerder, new high-capacity berths will be created at the Eurogate terminal, which will be able to accommodate the giant containerhips of the latest generation. Hamburg is preparing the further deepening of the river Elbe so that it will be able to accommodate these large containerhips without encountering any serious problems caused by ships' draught.

Legislative & administrative developments

The law on port reception facilities for ship-generated waste and cargo residues (transposition of EU directive 2000/59) came into force in 2003.

Furthermore, the discussions on the port services' directive and on maritime security were of crucial importance. Several working groups prepared the measures which will be required by the ISPS-Code after its entry-into-force on 1 July 2004. After the failure of the port services directive the German ports call for other instruments which would guarantee transparency of financial relations.

GREECE

Representatives in ESPO :

General Assembly: S. Theofanis (Piraeus), J. Zavelakis (Thessaloniki), D. Makris, substitute (Thessaloniki), S. Hatzakos, substitute (Piraeus)

Executive Committee: S. Hatzakos

Technical Committees: Transport: S. Hatzakos, Marine: D. Dimitriadis, Environment: C. Kontogiorgi, Statistics: M. Arvanitidis

Introduction

Given their location on the eastern side of Europe, ports in Greece serve as a connection network between Europe, Asia and Africa, through the Adriatic, Egan, Mediterranean and Black seas.

All types of cargo are handled in Greek ports. Main traffic is for containers, RoRo, bulk, liquid, petroleum products etc.

Port management

The Greek port sector has very recently changed its model through the conversion of 12 ports into S.A.s (Corporate Bodies). Ports which are concerned by such changes are the ports of Alexandroupolis, Volos, Heraklion, Igoumenitsa, Kavala, Corfu, Laurion, Patras, Rafina, Eleusis, Piraeus and Thessaloniki.

The two major Greek ports, Thessaloniki and Piraeus, entered the Athens stock exchange.

As a result of the conversion of the other 10 most important ports into S.A.s, the Ministry of Mercantile Marine received specific property and responsibilities for managing their areas.

The following services are provided in Greek ports: ship repair, bunkering, garbage disposal, water provision, banking at pier / terminal, car valet parking, etc. In addition, many different types of facilities are available to serve the vessels and handle different kinds of cargo.

Port development

In view of the Athens 2004 Olympic Games, the Piraeus Port Authority has set out an extensive program of developments in the central passenger port. These projects include:

- New berthing facilities;
- Development of a modern water supply and wastewater collection network (waste according to Marpol Annex IV is included);
- Complete rehabilitation of the cruise terminal;
- Site development in the cruise port, including an innovating security system.

A specific programme is currently implemented, which aims to upgrade the facilities in all Greek ports. The following works are in progress:

Thessaloniki:

- Expansion of the 6th dock;
- Construction of an open depot and warehouse;
- Creation of passenger terminal;
- Creation of commercial centre.

Alexandroupolis:

- Excavation of the channel;
- Plant works;
- Construction of an internal road.

Volos:

- Extension of the central port;
- Construction of a new dock for commercial traffic.

Eleusis:

- Reconstruction of the American base.

Igoumenitsa:

- Construction of a fire station.

Kavala:

- Conversion of the old port into a passenger-cruise port;
- Construction of marinas in the old port.

Corfu:

- Construction of a new passenger cruise terminal (already completed).

Heraklion:

- Fencing of the entire port;
- Conversion of the commercial dock into a cruise dock;
- Creation of a 2nd small domestic passenger terminal.

Legislative & administrative developments

Following the rejection of the Port Services Directive, the most important discussion at the moment in Greece relates to the implementation of the ISPS code. The following authorities are involved in the debate: Ministries of Transport and Merchant Marine, port authorities and communities.

An association gathering the 12 most important ports in Greece (E/AIME) has been created. It will facilitate a better cooperation between the major Greek ports.

In addition, a secretariat for ports has been set up in the Ministry of Mercantile Marine.

ICELAND (Observer)

Representatives in ESPO :

General Assembly: B. Thorleifsson (Reykjavik)

Technical Committees: Transport: B. Thorleifsson, Marine: B. Thorleifsson

Data not received at the time of printing.

IRELAND

Representatives in ESPO :

General Assembly: P. Keenan (Irish Ports Association) E. Connellan (Dublin), B. Keating (Cork)

Executive Committee: P. Keenan

Technical Committees: Transport: P. Keenan, Marine: R. Wiltshire, Environment: P. Farnan, Statistics: V. Malcomson

With a change of legislation, the commercial ports became liable for local authority rates from the 1st January 2003. This new legislation removed any doubts which existed as to the ports liability subsequent to the corporatisation of the ports in 1997.

However the question of liability in the period 1997 to 2003 still remained an issue. In October 2002 the ports appealed against the decision of the Valuation Tribunal, which had decided that ports were liable. In a reserved judgment, the High Court found in favour of the ports.

The decision of the High Court was appealed to the Supreme Court by the Valuation Office and the appeal was heard in July 2003 with five judges sitting. In a reserved judgment the Supreme Court unanimously found in favour of the ports and the matter is finally resolved. The decision of the Supreme Court results in a saving of many millions of euros to the commercial ports for the years 1997 to 2003.

While there is no ambiguity as to the liability of ports for rates going forward, Irish ports do not agree with the method of assessing the valuation of port properties, and particularly the exclusion of any element of depreciation as an allowable expense. Accordingly the ports have appealed the valuation assessments to the Valuation Tribunal in the first instance. The appeal was heard in two sittings in April and May 2003 but to date no decision has been forthcoming.

Consultants were appointed to carry out a high level review of the commercial port companies, the review being jointly funded by the ports and the State Department responsible for the port sector. The consultants report has been studied by the ports and they have responded to the Minister for the Marine on the findings and recommendations of the report. To date the Minister has not published the report or acted on its conclusions.

Port Security was a major concern for the ports in 2003, particularly compliance with the ISPS Code. Acting collectively, the ports appointed a consultant to assist with preparations for compliance. RSOs were appointed for all the ports and by the year end, risk assessments had been completed for all the specified port facilities, and submitted to Government.

Discussions have commenced between a number of port companies with a view to amalgamating interests and this process will continue into 2004.

2003 was a very solid trading year for Irish ports with gains being made on many fronts. There was a big emphasis on Corporate Planning to meet the challenges of the years ahead. Substantial investments continue to be made in all the major ports.

ITALY

Representatives in ESPO :

General Assembly: T. Affinita (Assoporti), G. Gallanti (Genoa), L. Robba (Assoporti)

Executive Committee: G. Gallanti

Technical Committees: Transport: L. Robba, Marine: L. Robba, Environment: P. Ferrandino, G. di Luca, Statistics: O. Giannotti, F. Bugliani

Introduction

The main Italian commercial ports are administered by “Port Authorities”, which are non economic public bodies. Port Authorities have the following functions: programming, coordination, promotion and control of the activities carried out in their respective ports and planning the territory within their port areas. Port Authorities are not directly involved in the management of economic activities such as disembarkation and embarkation of passengers, supply of services to cargoes and/or technical-nautical services.

Italian ports are mainly medium size ports and most of them are located within/nearby urban areas. Most of them are multipurpose.

In general, 2003 provisional traffic figures confirm the recent positive trends.

Port management

The “Port Authority” model has not been subject to any modification.

Cooperation between ports is increasing. In some cases, Port Authorities managing ports, which are either located in the same area or which are linked by regular shipping lines, have started to collaborate/exchange information with each other or with foreign ports.

Port development

Port Authorities plan and carry out activities aimed to modernise, adjust or fully realise port works.

Some of these works are related to the improvement of the connections between ports and the land networks or to the promotion of the use of short sea shipping.

Development programs are often hampered or delayed due to complicated bureaucracy procedures and to environmental constraints (authorizations, Environmental Impact Assessment, etc.).

LATVIA (Observer, full member as from 2004)

Representatives in ESPO :

General Assembly: L. Loginovs, A. Pechaks, I. Gorbatikova (Riga)

Executive Committee: L. Loginovs

Technical Committees: Environment: S. Lizuma

Introduction

Latvia accommodates one of the main logistical centres of the Baltic Sea region as it is situated at the crossroad of important shipping routes in the East–West Transit corridor. The ports in Latvia benefit from a large railway and road infrastructure included in the trans-European transport network, which provides good links to most places in Eastern Europe.

It is expected that the cargo traffic will increase when Latvia joins the EU in May 2004.

Port Management

The “Law on Ports”, adopted in 1994 as an umbrella legislation for the port sector, provides that the port authority, as an institution established by the City Council, is under the supervision of the Ministry of Transport.

Ports in Latvia are operating according to the Landlord port model. The port authority acts as infrastructure manager and is responsible for the policing of port operations. The actual provision of port services is under the responsibility of the private sector, which rents sites from the port authority.

Port Development

One of the main priorities of the Freeport of Riga is to align the existing security measures of the port with international standards, thus preparing for the implementation of the ISPS code in July 2004.

Within the past few years the territory of the Freeport of Riga has expanded and now currently occupies 7,337.7 hectares. On the land sites which are still available within the port territory, another priority is to develop projects for the provision of value adding services.

Main development projects in the Freeport of Riga are:

- 1) Construction of a new oil terminal in the Daugavgriva area;
- 2) Construction of a new oily waste water treatment facility;
- 3) Development of the Mangalsala area into a general cargo handling area;
- 4) Implementation of industrial parks in Spilve meadows;
- 5) Reconstruction of the passenger terminal;
- 6) Implementation of the strategy of moving port business away from the centre of the city and transformation of Andrejsala area into city services and industry facilities.

All development projects are being thoroughly examined to ensure their compliance with environmental requirements. Public discussions involving citizens are being held for projects likely to affect residential areas of the city.

Legislative & administrative developments

The new “Maritime Code” and the “Law on maritime administration and maritime safety” have been adopted to comply with international conventions which regulate the legal relations with the Admiralty.

New amendments of the “Law on Ports” have been adopted, which foresee the parity between the State and the Municipality in the decision making process in the major Latvian ports. Aim is to ensure compliance of the port sector's growth with overall state development.

New Port Regulations for the Freeport of Riga are currently being examined by the Ministry of Transport. The new rules have been prepared in accordance with the EU legislation and other international regulations.

As Latvia is going to join the EU in 2004 all the national legislative acts are being harmonised with EU provisions.

LITHUANIA (Observer, full member as from 2004)

Representatives in ESPO :

General Assembly: S. Dobilinskas, V. Lukocevicius, V. Sturys (Klaipeda)

Executive Committee: S. Dobilinskas

Technical Committees: Transport: V. Sturys, Environment: M. Petrauskas

Introduction – background information about the national port sector

Klaipeda port is the only seaport in Lithuania. However, there is another seaport facility -Butinge Oil Terminal owned by JSC Mazeikiu nafta. This terminal consists of a Single Point Mooring Buoy (SPMB) and provides oil storage facilities. In 2003 it handled some 11 million tonnes of crude oil (+127 % compared to 2002).

Klaipeda port handled 21.2 million tonnes in 2003 (+7 % compared to 2002). Traffic mainly increased in the following categories: containers, ro-ro cargoes, grain, sugar, fertilisers, refrigerated cargoes.

Port management

Klaipeda is a landlord port. The Klaipeda State Seaport Authority (KSSA) is a State enterprise and is in charge of the maintenance and development of the port infrastructure, while private port operators own superstructure and provide services. KSSA is responsible for land leasing, port dues collection, safety of navigation in port waters. As a part of the latter responsibility, pilotage is provided by KSSA.

Klaipeda being a landlord port, co-operation between the public and private sector is very important.

Various port related interests are represented in the Development Board of Klaipeda State Seaport. It includes high level representation, and notably representatives from the Ministry of Transport and Communications and other Ministries. In the course of 2003, the Board was expanded to new members in order to represent the widest possible interests in the port.

The Board is an advisory body to the Government.

Port development

KSSA is currently implementing a large Investment Programme, covering the period 2002/2006, which has been agreed by the Lithuanian government. The total cost of the programme is estimated to LTL 382 million (i.e. approximately 107 million Euros).

One main project in the Programme concerns the rehabilitation of the maritime access of Klaipeda port, the major part of which was completed in 2002. Thanks to the extension of breakwaters and to dredging, ships with a 12.5 metre draught can now call at five new quays. Other parts of the project concern dredging of the navigation channel further south and the construction of a confined disposal facility for contaminated dredged material. The project is partly financed by a loan from the International Bank for Reconstruction and Development (35.36 million USD).

Other projects of the Programme include the reconstruction of quays, as well as road and railway access to the port. To finance the Programme, KSSA has subscribed loans, with a State guarantee, from International Financial Institutions (European Investment Bank: 10 million Euros and Nordic Investment Bank: 4.3 million Euros).

About 75 % of the cargo which is handled in Klaipeda port is carried to/from the port by rail. After completion of a feasibility study, a programme for the development of a railway hub was approved. Financial needs for this project are estimated at 363 million Litass (105 million Euros) up to 2015.

As far as road access is concerned, major projects are envisaged to up-grade the connections between motorways and the port, in order to ensure smoother intermodal transport. Construction of roads falls under the responsibility of the Municipality of Klaipeda, with financial support of KSSA, port operators and EU funds (ISPA).

Infrastructure is gradually set up to accommodate the growth in passenger traffic. In May 2003, the first cruise vessel called at the reconstructed quay of the cruise terminal. A feasibility study concerning a cargo-passenger terminal (Ro-Pax) is underway.

In 2002, the Lithuanian government commissioned a study for the development of Klaipeda port to the Japan International Cooperation Agency, which started its work in March 2003 in close cooperation with KSSA. The results of the study, which will include a masterplan for Klaipeda port up to 2025, will be announced in August 2004.

Railway administrations, customs and forwarders in Lithuania, Belarus and Ukraine have developed a combined transport project on the route Klaipeda–Odessa (Ukraine), which was successfully launched in February 2003.

Legislative & administrative developments

No substantial port-related legislation was adopted in 2003. Quite some preparatory work for the implementation of the Port Services Directive had been carried out, which has been interrupted with the failure of the EU legislative process.

In 2003, focus was on the implementation of the International Ship and Port Facility Security Code (ISPS) and on the discussions concerning the draft Regulation on Enhancing Ship and Port Facility Security.

MALTA (Observer, full member as of 2004)

Representatives in ESPO :

General Assembly: C. Schembri (Malta Maritime Authority), C. Abela (Malta Maritime Authority), D. Bugeja (Malta Maritime Authority)

Executive Committee: C. Schembri

Technical Committees: Transport: C. Abela, Marine: D. Bugeja, Environment: C. Schembri, Statistics: C. Abela

Introduction

The ports industry in Malta is regulated by two main government agencies: the Malta Maritime Authority and the Malta Freeport Corporation.

The Malta Maritime Authority was established in order to develop and promote Malta as a maritime centre capable of providing a comprehensive package of maritime services, particularly related to ports, merchant shipping and yachting. The Ports Directorate of the Authority is considered as the port authority for all ports in Malta. It has the regulatory role of ensuring the preservation of good order in the territorial and internal waters of Malta, the control of port work, the provision of various maritime facilities and the prevention and control of pollution. Given its managerial capacity, it is entrusted with the general planning of port development and ensuring the provision of services, which guarantee the efficient and cost-effective operation of local ports.

The Malta Freeport Corporation plc is responsible for the regulation of free zones in Malta and thus its main function is the licensing of companies operating within these (latter) areas. Since its establishment in 1989 it has become a major maritime transshipment logistic centre in the Mediterranean with its three main activities being container handling, oil product facilities and the distripark centre.

During the current year port activity has experienced a substantial growth. Shipping traffic has increased by 6.6 %, passengers increased by over 18 % and cargo throughput registered a growth of 20 %.

Port Management

In its endeavours to continue the process of port reform, started last year with the Ports Consultative Council, this year was characterized with intensive discussions with the various service providers in order to instil further efficiency and flexibility in their operations. Such discussions led to the establishment of contractual arrangements with pilots whereby the administration of pilots has become the responsibility of the Malta Maritime Pilots Co-operative while the Malta Maritime Authority ascertains that the contractual obligations as established by the Maritime Pilotage Regulations 2003 are respected.

Port Development

A major project involves the upgrading of facilities, including the construction of new berths and passenger terminals, to cater for the local inter-island traffic.

Currently works are also in progress for the construction of a Maritime Trade Centre. The Maritime Trade Centre consists of 14,000 square metres of office space for the Malta Maritime Authority, government agencies providing port related services, port users and services providers. Henceforth, this building shall provide a one-stop-shop service for all maritime activities. The development of the cruise and ferry terminals and the rehabilitation of the Valletta waterfront project by a private operator are proceeding according to schedule.

As part of the measures being adopted to come in line with the ISPS Code, security in port areas was enhanced with the construction of new security fencing, thus delineating port areas and segregating restricted port areas from public roads. Facilities for the automation of gates and the establishment of CCTV systems are also included.

Significant private investment was also carried out within the privately operated terminals, particularly in respect of the construction of the cruise and ferry passenger terminals.

Legislative & administrative developments

During this year the Authority has continued to upgrade its capacity and carry out the necessary legislative amendments to transpose and implement the EU legislation in respect of ports, in view of Malta's EU Membership in May 2004. Among others, compliance with Directive 95/64 on the compilation of statistics in respect of cargo and passenger carried by sea and with Directive 2002/6 on reporting formalities for ships arriving or departing from EU ports has been ensured. It has also started the process for the transposition of Directive 2000/59 on port reception facilities and 2002/59 on vessel traffic monitoring.

The Authority has also promulgated the Commercial Vessels Regulations in order to raise the standards of operators, vessels and crew involved in local carriage of goods and passengers.

THE NETHERLANDS

Representatives in ESPO :

General Assembly: H. Gerson (Amsterdam), W.K. Scholten (Rotterdam), A. Van Asch (Zeeland Seaports), H. Journée, substitute (Amsterdam), V. Schoenmakers, substitute (Rotterdam)

Executive Committee: V. Schoenmakers

Technical Committees: Transport: B. Janssen, Marine: P. Mollema, P. Van der Kluit, S. Doves, Environment: H. Journée, R. Dekker, Statistics: H. Fonteijn, L. Monninkhof

Introduction

The 16 seaports represented in the Dutch National Ports Council handled over 435 million tonnes in 2002, which constitutes an increase of 25 % compared to 2001. The liquid bulk volume showed an increase of 3.8 %, i.e. totalling 185 million tonnes, and the containerized cargo volume increased by 5.8 %, i.e. up to 70 million tonnes. In 2001 and 2002, over 147 million tonnes of dry bulk were handled in the Dutch seaports. For more information: www.havenraad.nl.

Port management

On 1 January 2004 the Rotterdam Municipal Port Management will be transformed into a private (corporatized) company. The municipality of Rotterdam will be the only shareholder.

Port development

The Dutch ports continue their efforts to increase their quality by investing in infrastructure and services. Over the last few years a number of major projects were planned, started or completed. In brief:

- 1) In Delfzijl the construction of a pipeline system for compressed air and nitrogen in the Chemical Park has begun. The bulk quay in the Eemshaven is extended by another 200 meters.
- 2) Harlingen expanded its industrial port by 65 hectares and a 430 meters long quay. About one third of the new port area has already been sold.
- 3) The construction of a third tidal dock at Ymuiden has been completed. The dock features some 900 meters of quay and 25 hectares of industrial site. In Autumn 2003, work on infrastructure, linking this new port area to the public infrastructure network, was still going on. Ymuiden locks gives access to the ports of Amsterdam, Zaanstad, Beverwijk and Velsen. The complex consists of a large, a medium sized and two small locks. The construction of a second large lock is being considered. A final decision is expected soon.
- 4) In 2003, the new Afrika-harbour was completed in Amsterdam, adding another 275 hectares to the port area.
- 5) The Rotterdam-Maasvlakte port area will be expanded by 500 hectares. With respect to financing, no decisions have been taken yet. According to the current planning this project will be completed by 2010.
- 6) The construction of the Betuwe railway between Rotterdam and Germany is well under way. It will be operational in 2007.
- 7) In Moerdijk business has been booming over the last decade. Extension of the Moerdijk port area is considered.
- 8) The first phase of the new Cobelfret ro/ro terminal (56 hectares) at Flushing has become operative early 2003. The development of a Western Scheldt Container Terminal (WCT) at Flushing is studied.
- 9) The construction of the new Oiltanking liquid bulk terminal at Terneuzen started in 2003. It will have a total capacity of 400,000 m³ and will be operative in 2004. Polarit extends its stainless steel plant on the Axelse Vlakte. On the Ceresstar (Cargill) site near Sas van Gent, an alcohol plant for Nedalco will be constructed.

Legislative & administrative developments

In accordance with their joint strategy, the ports represented in the Dutch National Ports Council are intensifying their collaboration.

Subjects of cooperation include: communication, improving the quality of life along with economic development, information- and communication technology and security.

NORWAY (Observer)

Representatives in ESPO :

General Assembly: W. Krohn-Hansen (Norwegian Ports Association) ; A. S. Hamran (Oslo)

Executive Committee: W. Krohn-Hansen

Technical Committees: Transport: R. Mjøs, Marine: H. Grytbakk, Environment: T. Jørgensen, Statistics: C. T. Svendsen

Introduction

Norway has a coastline of 2,700 km and about 300 communities border to coastal waters. In several regions, public ports join together under a common inter-municipal port administration, thus about 80 communities are organized in approximately 60 port authorities and port administrations. 52 of these port administrations are members of the Norwegian Port Federation.

The use of sea transport has a long tradition in Norway and is of great significance. About 95 % of foreign trade is transported by sea and for domestic transport the figure is 48 %. The main public ports (43) of Norway handled 173 million tonnes in 2002. This figure cannot be compared to former years because there is a change in the collection of data and in the presentation of the public port statistics from 2002. According to the Norwegian Central Bureau of Statistics, another 23 million tonnes from smaller public ports and private ports can be added to the total figure. Of the nearly 200 million tonnes handled in Norwegian ports, about 22 million tonnes are general cargo.

Port management

The administration of Norwegian ports and coastal waters is governed by the 1984 Port and Seaways Act. The port structure in Norway is based on municipal port districts, within which one can find both public and private port sections and quays. Each municipality is in charge of their port district ruled by the Port Act. A municipal port authority shall be organised either as an autonomous municipal enterprise or as an inter-municipal, legally liable, enterprise. The financing of port activities is based on the principle of self-financing. The public ports areas are owned by the respective port authority, according to the landlord model. Private operators and stevedore companies, however, carry out the cargo handling operations. It is presumed that a proposal revising the Port and Seaway Act will be tabled in Parliament in 2004.

Legislative and administrative developments

The Norwegian Government presented in June a Green Paper on a National Transport Plan for the period 2006-2015. The Norwegian Ports Federation has been participating as member of the Main Reference Committee. During this work, it has become evident that there is no good data available on the costs related to the different parts of the transport chain. In this respect, allegations have been made that port fees are of a relatively higher significance in comparison to transport costs than the figures recognised by the ports. The Norwegian Ports Federation has therefore initiated a project to analyse the costs in the transport chain where sea transport is involved. The main objective is to determine the true extent of port fees in relation to the total costs for calling at a port and to the total transport costs.

On the environmental side, the problems with polluted sediments in ports have been the main topic also in 2003. Over the last years the government has funded pilot projects to investigate and develop different types of solutions to deal with contaminated sediments.

Another topic that has been in focus in 2003 is security in ports and the implementation of SOLAS XI-2 and the ISPS Code. The Norwegian Ports Federation has very early emphasized the need to inform ports and the public and also to establish good cooperation with the authorities in this matter. The development of a common approach for all port facilities has been an important task for the Federation. An important tool will be the Guidelines, which have been elaborated by Det Norske Veritas for the Norwegian Authorities. By the end of the year, about 20 ports and independent companies have been approved as Recognised Security Organisations. The completion of port facilities security assessments and port facilities security plans is in good course. A great challenge for the Norwegian port sector resides in its situation with many relatively small ports, which handle international traffic at the same port facility as domestic trade.

The Norwegian Ports Federation participated in the preparatory work for the establishment of a SSS promotion Bureau. In June, the Shortsea Promotion Center – Norway (SPC Norway) was set up. SPC Norway is connected to the European Shortsea Network.

POLAND (Observer, full member as from 2004)

Representatives in ESPO :

General Assembly: A. Kasprzak (Port of Gdansk), A. Montwill (Ports of Szczecin-Swinoujscie), J. Wielinski (Port of Gdynia)

Executive Committee: R. Wocial

Technical Committees: Transport: K. Gromadowski

Introduction

The ports of Gdansk, Gdynia, Szczecin and Swinoujscie handle about 90 % of all Polish maritime traffic. General trends of cargo traffic observed during the year 2003 show good developments in a majority of cargo types and especially in containers and ferry/ro-ro traffic. However, a decreasing trend in coal exports in Polish ports has been noted, due to the limits imposed on coal production resulting from the restructuring process of the Polish coal mining industry. This decreasing trend of coal exports is expected to continue during 2004.

Port Management

The major Polish sea ports of Gdansk, Gdynia and both Szczecin and Swinoujscie are managed respectively by three landlord type port authorities. The port authorities are joint stock companies, of which the State Treasury is a majority shareholder.

According to the Act on Sea Ports and Harbours, port authorities must sell all their shareholdings in the port operational sector by December 2005.

In 2003, the port of Gdynia authority has sold 100 % of the shares of its company operating Baltic Container Terminal to the International Container Terminal Services Inc. of Manila. The authority of Szczecin and Swinoujscie seaports has significantly reduced the percentage of its shares in the companies providing operational services within its ports area. The port of Gdansk authority is analysing various scenarios for restructuring and further privatising its general cargo stevedoring company. Successful privatisation of this company will end the process of privatisation of operational services in the port of Gdansk.

All three port authorities plan to continue the process of privatisation during 2004.

Port Development

The following major projects will improve road access to the port:

- 1) Trasa Kwiatkowskiego - linking directly the port of Gdynia to the Gdansk-Gdynia ring road;
- 2) Trasa Sucharskiego - linking the port of Gdansk to the Gdansk-Gdynia ring road;
Both roads will divert heavy truck traffic from the city centres and provide easy access to the national road system, including access to the planned North-South corridor highway leading to Vienna;
- 3) Modernization of the road no 5 to facilitate road access to the port of Swinoujscie;
- 4) Building of the bridge over Parnica river and the bridge Pionierów Miasta Szczecina to ensure good connection of the port of Szczecin to the national road network.

The following new container facilities will be developed:

- 1) building of the DCT Container Terminal in the port of Gdansk - 500,000 TEU /year;
- 2) building of container facilities in the ports of Szczecin and Swinoujscie.

Legislative & administrative developments

Port authorities have adopted appropriate measures to comply with the provisions of the new Act on port facilities for the reception of ship's wastes and cargo residues which was adopted by the Polish Parliament on 12 September 2002. As a result of this Act for instance, the charges for the specified types of wastes should be included into tonnage dues. It must be noted that during 2003 there was no increase of the tonnage charges.

Moreover, ports are preparing themselves for the implementation of the ISPS code.

PORTUGAL

Representatives in ESPO :

General Assembly: J.H. Marinho (Leixões), J. Oliveira Martins (Lisbon), J. Monteiro Morais (Sines), J. Vieira Conde, substitute, (Lisbon)

Executive Committee: J. H. Marinho

Technical Committees: Transport: A. Santos Gomes, Marine: C. Marques, Environment: J. Brazuna Fontes, Statistics: D. Gil

Introduction

Portuguese ports are grouped, from a geographical standpoint, into Continental and Autonomous Regions (Madeira and Açores) ports.

The main ports on the Continent are, from North to South: Leixões, Aveiro, Lisbon, Setúbal and Sines. They have the status of S.A.s. The secondary ports are managed by the Institute for Ports and Shipping, based in Lisbon, with branches in Viana do Castelo, Pêso da Régua (on the Douro River), Figueira da Foz and Faro. They have the status of Public Institutes.

The ports of Madeira are managed by the Autonomous Region of Madeira Port Authority, S.A. The ports of Açores are divided in 3 groups and managed by the Port Administration for the islands of São Miguel and Santa Maria, the Port Administration for the islands of Terceira and Graciosa and the Port Administration for the Triangle and Western Group. All of them have a S.A. status.

Port Management

In 1998, the main port administrations became S.A.s, wholly owned by the State, thus allowing a more dynamic and flexible management.

The policy of concessions (long term leases), followed by the government, transferred cargo handling activities from the public sector to the private sector. All pertinent ports show a continuing trend towards containerization.

As far as pilotage, towing and mooring are concerned, these services are rendered either by private entities or by the port administrations themselves.

Port Development

The development of electronic handling of manifests and other declarations is led by the ports of Leixões, Lisbon and Sines, in cooperation with the Customs Authorities. The project will be extended to other ports. It will come into force early 2004.

Main development projects have been carried out in the following ports:

- 1) Leixões: Dredging to minus 12 m and increasing the bridge span so as to allow vessels with panamax beam into the inner docks;
- 2) Aveiro: Construction of a rail road connection to the main network;
- 3) Lisbon: Construction of the Alcântara Rail Interchange;
- 4) Setúbal: Expansion of the RoRo terminal;
- 5) Sines: Natural gas and container terminals are now ready; improvements of the rail and road accessibilities are underway.

Legislative & administrative developments

The following main topics have been under political discussion in Portugal:

- 1) Environment and the interface port/surrounding city;
- 2) The International Ship and Port facility Security Code;
- 3) The SafeSeaNet project (which is aimed to develop a European Platform for Maritime Data Exchange between the maritime administrations of member States);
- 4) The Port Services Directive.

SPAIN

Representatives in ESPO :

General Assembly: C. Ibarz (Puertos del Estado), M. Morón (Algeciras), M. Navas (Santander)

Executive Committee: C. Ibarz

Technical Committees: Transport: A. Rodríguez Dapena, Marine: P. Roman, M. Chao, Environment: A. Guerra, F.Torres, Statistics: T. Goiri, J. Maganto, J. Sanchez Segovia

Introduction

In 2002, total port movement was 33646 million tonnes, which represents an increase of 4.8 % compared to the previous year. Traffic trends vary from a region to another:

- Solid bulks: the Northern coast ranks in the first place, followed by Southern and Catalanian ports;
- General cargo: the most outstanding increase was in Eastern ports (+17 %), followed by Catalanian ports (+73 %);
- Containers: this traffic has increased considerably in Eastern ports (+22.7 %) and in Galician ports (+12 %).

Main Spanish ports are: Bahía de Algeciras (55.28 million tonnes in 2002), Valencia (33.05), Barcelona (33), Tarragona (29.74) and Bilbao (26.26).

The Spanish port sector handled 52 % of Spanish trade with the European Union and 96 % with Third Countries. 85 % of imports and 70 % of exports passed through the Spanish ports.

Port Management

The State-owned port system in Spain consists of 50 General Interest Ports, managed by 27 port authorities, which are public entities with their own legal status and patrimony, independent from the State. "Puertos del Estado", the specialised agency attached to the Ministry of Transport, is responsible for the coordination and control of the efficiency of the port authorities.

Spanish Law gives to port authorities a management autonomy regime (landlord model). Port authorities are port infrastructure and port land providers and they regulate the use of the public domain. Port services are mainly provided by private operators through authorisations and concessions.

The Spanish port system is legally subject to the principle of self-financing. Private participation is increasing in relation to the provision of services and to investments.

Collaboration between public and private sector in port investments is also becoming more important. It is expected that private investment will represent 45 % of total investments in Spanish ports in the period 2000-2010.

Port Development

The most significant investments in Spanish ports in 2002 have been made in the following ports: Alicante, Bahía de Algeciras, Baleares, Barcelona, Bilbao, Cartagena, Castellón, Ferrol-San Cibrao, Gijón, Las Palmas, Santa Cruz de Tenerife, Sevilla, Tarragona, Valencia and Vigo. The main objective of these projects is to increase the competitive position of the port by extending and improving the port areas.

In 2002, the State-owned port system has maintained the level of investment of the last few years with investments reaching 545.1 million euros. This means an increase of 9.1 % compared to 2001. Investments can be categorised as follows:

- Infrastructure and port capacity: 64 %
- Logistics activities, equipment and facilities: 11 %
- Port-City and the environment: 5 %
- Fishery facilities: 5 %
- Passengers: 3 %

Legislative & administrative developments

A modification of the Spanish Port Law was approved on 6 November 2003. Main points of this text relate to the economic regime and access to the market of port services and aim to increase transparency in the selection of port operators.

SWEDEN

Representatives in ESPO :

General Assembly: L. Karlsson (Copenhagen Malmö Port), E. Nilsson (Port of Göteborg), M. Nygren (Ports of Sweden), C. Hök, substitute (Ports of Sweden)

Executive Committee: M. Nygren

Technical Committees: Transport: C. Hök , Marine: A. Klingström,, Environment: A. Olofsson, Statistics: P. Hanson, C. Hök

Introduction

From a transportation point of view, Sweden is, in effect, an island nation. Situated in a northern corner of Europe, with the longest coastline in Europe and with trading partners far across the sea, Sweden depends heavily on efficient maritime links. Nearly 95 % of the Swedish foreign trade is transported on sea going vessels and the 50 public ports, ranging from small specialised ports to ferry ports and large full service ports, are there to offer service to customers.

The majority of the Swedish ports are municipally owned. In most cases the municipality is also the owner of the port's infrastructure, which it leases to the port on commercial terms. In an international context, Swedish ports are unique, insofar as most of them are organised as integrated companies, due to the merger between the former port authority and the stevedoring company. The aim has been to increase efficiency and reduce costs, which has also been achieved to a great extent.

Port Management

In Sweden, ports' customers are in favour of a system with integrated port companies, since there is only need to negotiate with one party. Mergers have resulted in a more flexible administration and planning and the port has become a partner to count on when finding smart transport solutions.

Another organisational trend in Swedish port business is regional co-operation between stevedoring companies and between integrated port companies.

Port Development

As a rule there is no public money involved in the financing of general port infrastructure in Sweden, except for road and rail access to the port. The central Government is not involved in decisions regarding port investments or the financing of them, since ports are and have always been a matter for local government in the cities.

Legislative & administrative developments

Financing and pricing of Swedish transport infrastructure, including intermodal terminals, is currently being scrutinized by a committee called "Cargo Transport Delegation". It is appointed by the Government and consists of representatives of both government authorities and the business sector. The role of the committee is to increase cooperation between the actors in the cargo transport system and the State and to clarify the role of the government. The objective is to make the cargo transport more efficient, safe and ecologically sustainable taking into account all links and nodes in the transport chain.

In a first report published in 2001, the "Cargo Transport Delegation" concluded that the vast majority of cargo transport within, to and from Sweden takes place in a limited number of goods corridors. These corridors were found to be robust and not likely to be changed to any significant extent in the coming ten years.

Another conclusion was that the principles of "user pays" and infrastructure charges in accordance with social marginal costs should be the leading star of a Swedish cargo transport strategy. One of the current challenges for the Delegation is to evaluate how these principles are being applied in the pricing and financing of the different modes of transport in order to create a better level playing field. The infrastructure in the nodes of the transport chain, i.e. hinterland terminals and ports, are in this context also studied. The end results will hopefully include lower fairway dues related to the maritime access of Swedish ports, as well as consideration for the role of ports as important players in a competitive and international market.

UNITED KINGDOM

Representatives in ESPO :

General Assembly: P. Davey (Felixstowe), J. Dempster (UKMPG), D. Galway (Larne)

Executive Committee: J. Dempster

Technical Committees: Transport: J. Dempster , Marine: N. Pryke, Environment: R. Appleton, Statistics: A. Duffy, A. Jeffrey

Introduction

Although it does not have the largest ports, the UK ports industry is the largest in Europe, both in terms of tonnage handled and number of ports. There are over 120 commercial ports in the UK, and there is no standard pattern of structure of operations.

Many of the largest UK ports are privately owned. Although they have statutory powers and responsibilities they are owned by companies which are accountable to their shareholders. Most of the remainder are trust ports. These are also statutory bodies which operate on a commercial basis, but they have no shareholders and therefore are non profit making. A few ports belong to local authorities.

Some ports offer a complete service to their customers, including cargo handling. In others the port provides the basic infrastructure and leases land to terminal operators who undertake the cargo handling. In others, the port is purely responsible for conservancy and pilotage: the terminals operate on land which they own themselves. In some ports there is a mixture of different types of operation.

Total traffic handled by UK ports in 2002 was 558 million tonnes, which was a reduction of 1 % on the previous year. The reduction was experienced entirely in imported traffic. Exports were the same as in 2001.

Port Management

No major changes took place in the ownership or structure of UK ports during the year.

Clydeport (a privatised company which operates the ports on the River Clyde) was taken over by Peel Holdings Plc, owners of the Manchester Ship Canal, but Clydeport continues as a separately managed company.

Port Development

A number of new facilities have been opened, including a new terminal at Liverpool for Irish Sea traffic, a new terminal at Hull for North Sea ferry services and a new container berth at Tilbury on the River Thames.

A year long public inquiry took place into the proposal to construct a new container terminal at Dibden Bay near Southampton and a slightly shorter inquiry took place into the planned port development at London Gateway on the Thames, on the site of a former oil refinery. Decisions on both these projects are expected early in 2004. The port of Felixstowe also published proposals for construction of additional container handling capacity at Harwich and at Felixstowe.

At the public inquiries into Dibden Bay and London Gateway there was much discussion about the effect of the proposed development on landward transport infrastructure, particularly rail links. The UK railway industry is in considerable financial difficulty and it is uncertain whether funds will be available to finance the additional capacity on the network which the ports would like to see. There was also considerable discussion about the environmental implications of the projects and in both cases generous schemes of compensation have been proposed.

Legislative and administrative developments

The Government made and brought into force new Regulations on port waste management, to implement the European Directive.

The House of Commons Transport Committee has been conducting a long running inquiry into the ports industry. The inquiry started early in 2001 but was interrupted by the General Election. The report was eventually published in November. It recognises the importance of ports to the national economy and it accepts the need for the provision of additional capacity if the country is to retain its competitiveness. It acknowledges that private investment has been successful in the development of the industry and it does not advocate state provision. It says that investors in the industry should expect a "clear and stable" Government policy recognising the importance of the sector. On environmental issues it points out that the UK Government's interpretation of European Directives has been harsher than in other Member States and urges the Government to try to prevent this happening in the future. It also stresses the importance of good landward access to ports and draws attention to the problems which European environmental legislation poses for new infrastructure development.

In 2002 the Government launched an inquiry into procedures for obtaining consents for certain harbour works: the report of this is still awaited.

The industry has been much occupied with the implementation of the International Ship and Port Security Code. The Government themselves are undertaking port facility security assessments, which have to be completed before security plans are drawn up. Progress is slow, and the timetable of having all the new measures in place by July 2004 looks increasingly demanding.

After much discussion a short sea shipping bureau has been established, which will also cover inland waterways. Its title is the Inland Waterway and Short Sea Forum. A chief executive has recently been appointed.

Annex 3 : Statistics

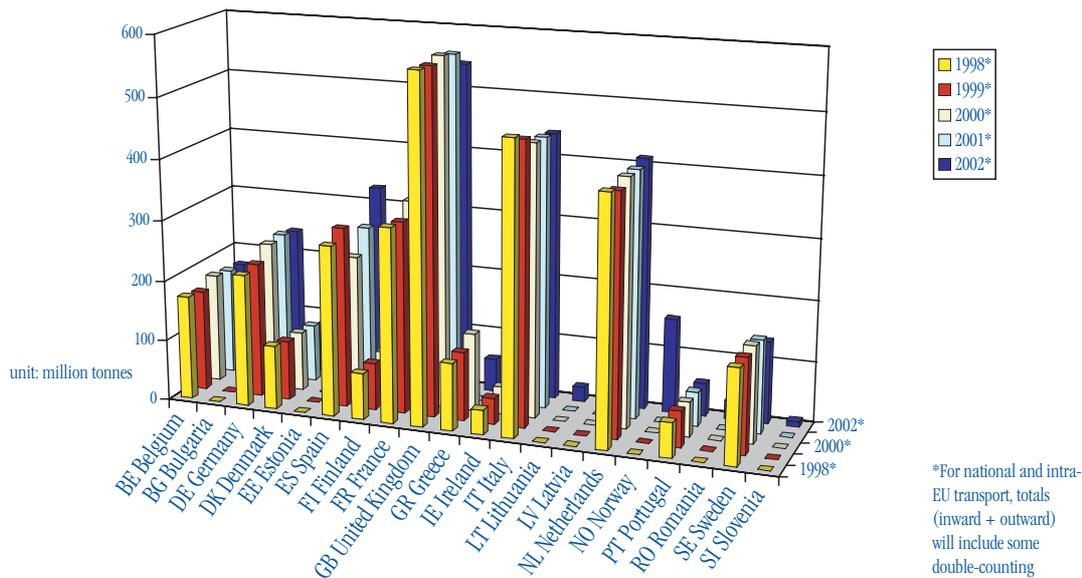
Table 1: Number of ports in Europe in 2002

COUNTRY	NUMBER OF PORTS	PORTS > 1MIO TONNES TRAFFIC
BE BELGIUM	7	4
BG BULGARIA	2	2
DE GERMANY	80	17
DK DENMARK	123	22
EE ESTONIA	5	5
ES SPAIN	27	26
FI FINLAND	55	21
FR FRANCE	56	20
GB UNITED KINGDOM	115	48
GR GREECE*	199	20
IE IRELAND	20	7
IT ITALY*	114	38
LT LITHUANIA	1	1
LV LATVIA	4	4
NL NETHERLANDS	48	10
PT PORTUGAL	13	6
RO ROMANIA	7	4
SE SWEDEN	107	28
SI SLOVENIA	2	2
TOTAL	985	285

* 2001 data

Source: Eurostat, unit D4 - Energy and transport statistics

Figure 1:
Total cargo throughput of European ports (per country)



*For national and intra-EU transport, totals (inward + outward) will include some double-counting

Source: Eurostat, unit D4 - Energy and transport statistics

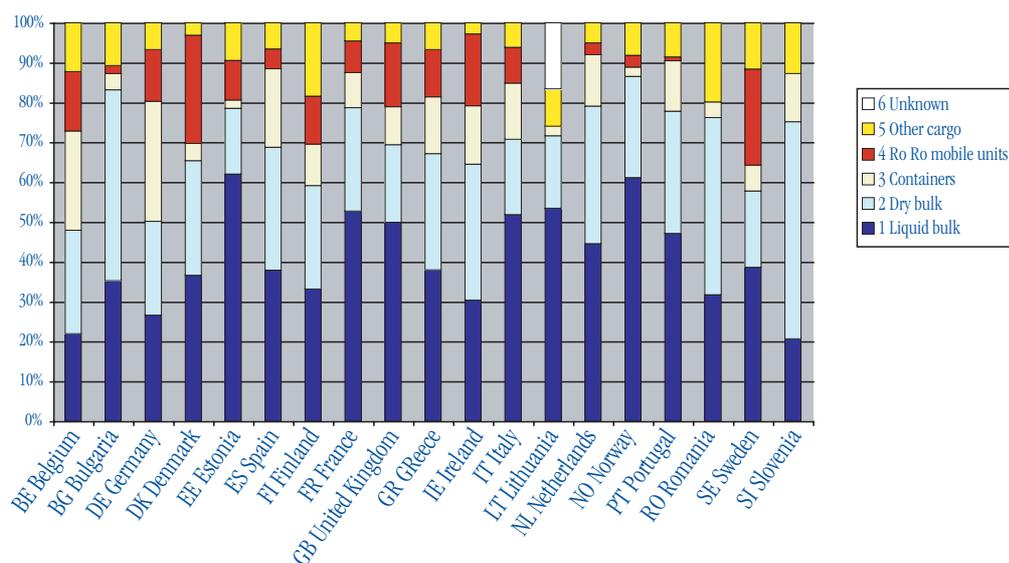
Table 2: Seaborne transport: gross weight of goods handled in all ports -in million tonnes

	1998*		1999*		2000*		2001*		2002*	
	INWARDS	OUTWARDS								
BE BELGIUM	110.9	60.1	102.5	63.1	110.9	68.4	107.0	67.2	102.8	68.4
BG BULGARIA	-	-	-	-	-	-	-	-	11.5	8.8
DE GERMANY	144.9	72.5	143.1	78.5	152.2	90.3	156.5	89.6	149.5	89.4
DK DENMARK	59.2	45.8	54.4	42.8	52.9	43.7	51.7	42.3	40.9	38.7
EE ESTONIA	-	-	-	-	-	-	-	-	3.7	41.0
ES SPAIN	198	82.2	213.0	82.7	171.6	63.3	202.2	69.2	241.0	85.0
FI FINLAND	39	37.5	38.1	39.3	41.1	39.6	50.7	45.4	48.1	44.2
FR FRANCE	234.7	84.3	227.4	87.7	243.9	92.6	231.4	86.1	227.1	83.9
GB UNITED KINGDOM	306.0	262.4	306.9	258.6	316.3	256.7	328.9	237.5	310.9	231.2
GR GREECE	66.2	44.3	67.4	45.2	75.3	52.5	-	-	31.8	23.0
IE IRELAND	28.7	11.3	30.7	12.2	31.7	13.6	32.6	13.2	29.0	11.5
IT ITALY	335.2	140.4	327.8	135.1	315.2	131.5	318.4	126.4	312.1	128.2
LT LITHUANIA	-	-	-	-	-	-	-	-	3.8	20.6
LV LATVIA	-	-	-	-	-	-	-	-	3.3	47.7
NL NETHERLANDS	320.0	85.4	304.2	91.5	315.9	90	317.3	88.5	317.0	94.6
NO NORWAY	-	-	-	-	-	-	-	-	55.6	99.2
PT PORTUGAL	43.4	14.2	45.4	13.4	43.8	12.6	43.8	12.4	41.9	12.4
RO ROMANIA	-	-	-	-	-	-	-	-	13.5	16.8
SE SWEDEN	85.2	70.5	83.4	73.0	86.8	72.5	82.9	69.9	70.4	64.3
SI SLOVENIA	-	-	-	-	-	-	-	-	6.6	2.6

*For national and intra-EU transport, totals (inward + outward) will include some double-counting

Source: Eurostat, unit D4 - Energy and transport statistics

Figure 2:
Share of types of cargo handled (inward and outward) in main ports in 2002



Source: Eurostat, unit D4 - Energy and transport statistics

Table 3: Top 15 ports - on the basis of gross weight of goods handled (in 1,000 tonnes)

	2000		2001		2002	
1	Rotterdam - NL	302,485	Rotterdam - NL	296,620	Rotterdam - NL	302,744
2	Antwerpen - BE	115,988	Antwerpen - BE	114,777	Antwerpen - BE	113,937
3	Marseille - FR	91,279	Marseille - FR	89,518	Marseille - FR	89,244
4	Hamburg - DE	76,950	Hamburg - DE	82,948	Hamburg - DE	86,724
5	Le Havre - FR	63,883	Le Havre - FR	65,356	Bergen - NO*	71,741
6	Grimsby & Immingham - GB	52,501	Grimsby & Immingham - GB	54,831	Le Havre - FR	63,754
7	Tees & Hartlepool - GB	51,472	Tees & Hartlepool - GB	50,842	Grimsby & Immingham - GB	55,723
8	London - GB	47,892	London - GB	50,654	London - GB	51,185
9	Dunkerque - FR	44,318	Amsterdam - NL	48,073	Tees & Hartlepool - GB	50,447
10	Trieste - IT	44,015	Trieste - IT	44,712	Amsterdam - NL	48,460
11	Genova - IT	43,797	Genova - IT	43,134	Genova - IT	44,408
12	Wilhelmshaven - DE	43,402	Dunkerque - FR	41,909	Dunkerque - FR	44,301
13	Amsterdam - NL	42,044	Forth - GB	41,607	Trieste - IT	43,717
14	Forth - GB	41,143	Algeciras - ES	41,134	Algeciras - ES	42,242
15	Bremen/Bremerhaven - DE	39,224	Wilhelmshaven - DE	40,850	Forth - GB	42,202

*: Norway reported for the 1st time in 2002

Source: Eurostat, unit D4 - Energy and transport statistics

Table 4: Container cargo in European ports (per country) in 2002

COUNTRY	TOTAL TEU (FULL AND EMPTY)
BE BELGIUM	5,103,552
BG BULGARIA	103,861
DE GERMANY	8,686,410
DK DENMARK	498,792
EE ESTONIA	84,375
ES SPAIN	7,191,256
FI FINLAND	1,055,410
FR FRANCE	3,376,152
GB UNITED KINGDOM	7,283,475
GR GREECE	814,572
IE IRELAND	787,239
IT ITALY	7,165,179
LV LATVIA	88,604
NL NETHERLANDS	6,599,985
NO NORWAY	473,891
PT PORTUGAL	918,423
SE SWEDEN	857,176
SI SLOVENIA	102,370

Source: Eurostat, unit D4 - Energy and transport statistics/ own adaptation

Table 5: Top 15 container ports

PORT 2002 DATA	TEU
Rotterdam	6,505,232
Hamburg	5,376,059
Antwerpen	4,777,151
Bremerhaven	3,004,436
Gioia Tauro	2,882,663
Felixstowe	2,682,119
Valencia	1,826,248
Le Havre	1,754,146
Algeciras	1,731,527
Genova	1,499,398
Southampton	1,275,448
Barcelona	1,122,336
London	874,702
Marseille	811,384
La Spezia	779,955

Source: Eurostat, unit D4 - Energy and transport statistic/own adaptation

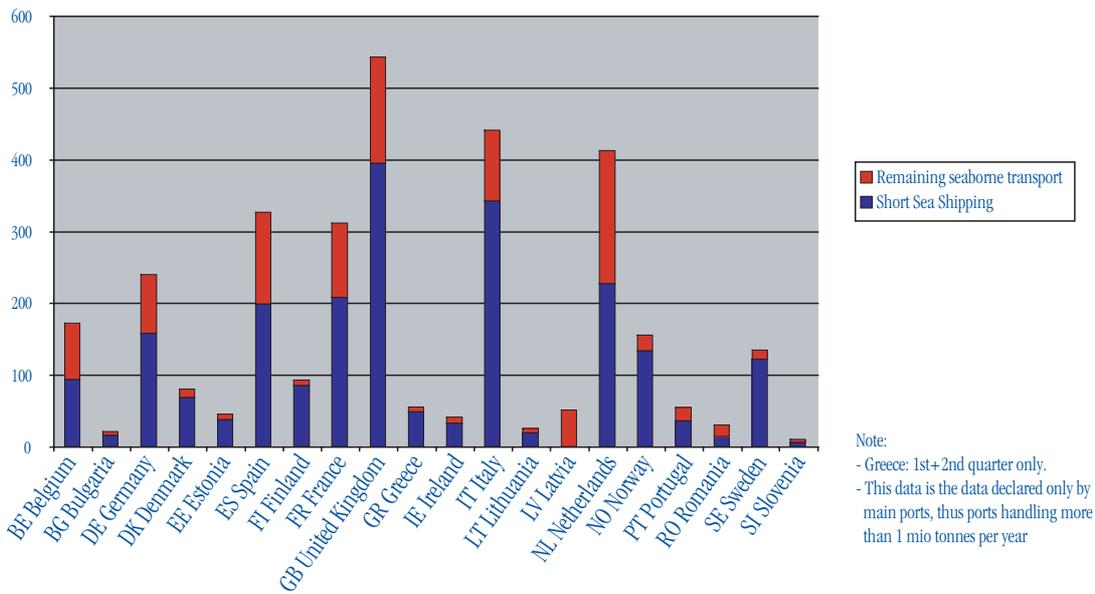
Table 6: Passengers traffic in European ports (per country)

COUNTRY	PASSENGERS TRAFFIC IN 2002
BE BELGIUM	1,124,690
BG BULGARIA	6,057
DE GERMANY	33,221,835
DK DENMARK	48,177,817
EE ESTONIA	5,136,041
ES SPAIN	18,946,533
FI FINLAND	16,576,944
FR FRANCE	29,109,850
GB UNITED KINGDOM	35,622,848
GR GREECE*	50,124,852
IE IRELAND	3,892,788
IT ITALY	82,700,467
LT LITHUANIA	107,182
LV LATVIA	22,629
NL NETHERLANDS	2,201,701
PT PORTUGAL	501,751
RO ROMANIA	0
SE SWEDEN	32,112,315
SI SLOVENIA	42,163

* Greece data for 2001 Source: Eurostat, unit D4 - Energy and transport statistics

Figure 3:

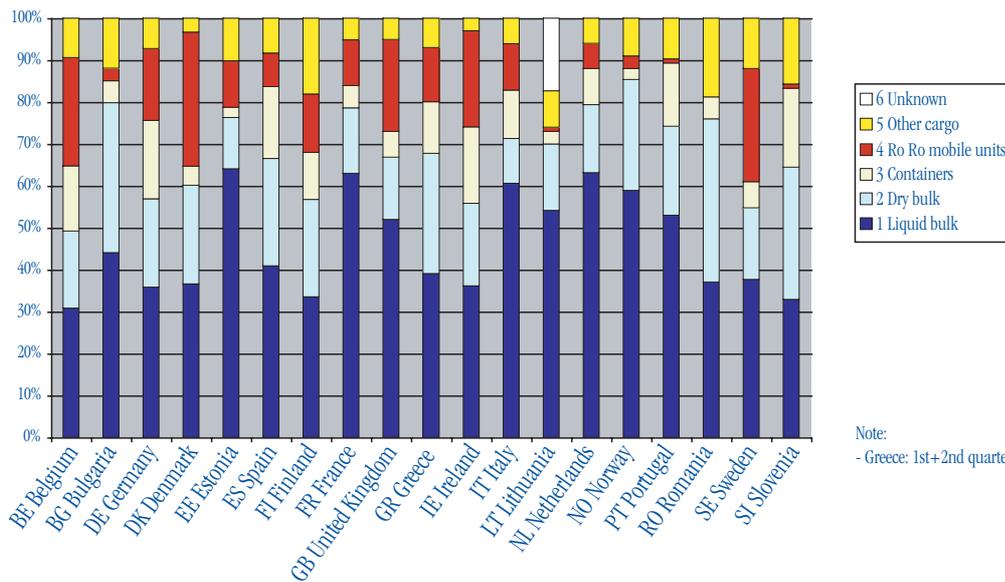
Share of Short Sea Shipping in total annual tonnage turnover in 2002 (in million tonnes)



Source: Eurostat, unit D4 - Energy and transport statistics

Figure 4:

Shares of types of cargo handled (inward and outward) in Short Sea Shipping (in % of total cargo handled) in 2002



Source: Eurostat, unit D4 - Energy and transport statistics





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