



MONTHLY SNAPSHOT

Section 1

Port of Melbourne

VICTORIAN EXPORTS CONTINUE TO GROW	p.2
PANEL APPOINTED FOR CHANNEL DEEPENING PROJECT	p.2
MADDEN DREDGES UP NEW EXPERTS	p.3
PACIFIC NATIONAL FREIGHT NETWORK RETURNS TO PUBLIC HANDS	p.4
CHANNEL DREDGING EXPERT QUERIES REVIEW PANEL	p.4
PLAN FOR DREDGED-UP SILT 'A TOXIC TIME BOMB'	p.6
GREENS MOVE FOR CHANNEL CONSULTATION EXTENSION REJECTED	p.7
TOLL TO PROCEED WITH ASSET SPLIT	p.7
GM CONTRACT WILL MEAN CHINA BACKLOADS	p.8
TOP LAWYER 'QUITS CHANNEL DEEPENING PUBLIC INQUIRY'	p.9
ROWSTHORN WANTS CHANNEL DEEPENING AS SOON AS POSSIBLE	p.9
ASCIANO PLANS TO SPEND \$607.5M ON TERMINALS	p.9
TRUCKS HAULING 61% OF MELBOURNE-BRISBANE FREIGHT: DOTARS	p.10
FUNDING FOR \$45 MILLION MELBOURNE RAIL LINK	p.10

Section 2

Competing and similar ports

PREMIER WELCOMES WORLD LEADING PORT OPERATOR TO BRISBANE	p.11
BRISBANE SELECTS HUTCHISON	p.12
SHIPPING AUSTRALIA WELCOMES STEVEDORING COMPETITION	p.13
BETTER CONNECTIONS FOR A BOOMING PORT	p.13
'STRONG INTEREST' IN FORMER BHP SITE AT NEWCASTLE	p.14
CONTROVERSY OVER ELBE DEEPENING	p.14
THE PORTLAND EXPERIENCE	p.15

This newsletter is compiled by the Victorian Freight & Logistics Council for supporters and promoters of Melbourne's channel deepening project. It will keep you up-to-date, on a monthly basis, on relevant developments in this port, at competing and similar ports in Australia and worldwide, and on international shipping and trade trends that influence, and are affected by, channel depth and port capability. The material has been collated from credible sources worldwide which, for copyright reasons, should be acknowledged in full if possible when/if you use the information in support of our public information program.

Section 3

Shipping, transport and trade trends

The push towards larger, more cost-effective ships is incessant ...	p.16
New containerhips are again being ordered, and the emphasis is on the larger classes ...	p.17
Hamburg Sud, one of Melbourne's biggest users, will continue its push to larger ships ...	p.18
The enlargement of the Panama Canal will unleash further increases in ship size ...	p.18
International trade continues to grow at unprecedented levels, as reflected in container port throughputs ...	p.19
... but putting increasing pressure on ports and facilities that fail to keep pace ...	p.20
How existing infrastructure is being pressured by the 'hidden' growth in the use of high-cube containers ...	p.20
As landside congestion of road and rail grows, focus is shifting to short-sea shipping ...	p.21
Leading ports are equipping now for the ships of the future ...	p.21
Newer, larger ships bring leading-edge technology and environmental safety ...	p.22
Some of the economic rationale for the bigger container ships ...	p.23
How global terminal operators are extending their power and influence over ports and carriers ...	p.23
How port productivity continues to rise, propelled by demands from shipping lines and customers ...	p.24
Further evidence of major ports' role in the economic wellbeing of cities, regions and states ...	p.24
On how port investment attracts business, services and jobs, as well as the newer, better-performing ships.	p.26
Current claims about CO2 pollution from shipping are based on disinformation ...	p.27



Section One

Port of Melbourne

Victorian Government media release 3 April 2007

VICTORIAN EXPORTS CONTINUE TO GROW

The Minister for Industry and State Development, Theo Theophanous, today welcomed the latest ABS statistics which show Victoria's exports of goods reaching \$1,621 million in February 2007, an increase of 23.7 per cent on the seasonal low in January.

"Australia is now part of a fiercely competitive growing economy and if we are to maintain and enhance our standard of living we must continuously improve our export performance," Mr Theophanous said.

"These figures show that Victorian industry is well and truly on the right track.

"Victoria has recorded the third highest growth rate behind Tasmania and Western Australia."

Mr Theophanous said that Victoria's exports in the three months to February 2006 were up 5.9 per cent over the same period in the previous year.

The latest ABS figures also indicated that:

"Victoria's largest export increases included aluminium, meat and pharmaceuticals"? Australian exports rose 2 per cent in February and imports also rose 2 per cent resulting in a seasonally adjusted trade deficit of \$838 million, an increase of \$6 million on the previous month.

Mr Theophanous said the Bracks Government had set a goal of growing the State's exports to \$35 billion annually by 2015 and increasing the number of businesses involved in export markets.

"Bracks Government initiatives including the \$11 million Opening Doors to Export Plan and our broad ranging strategies to develop skills and support the State's industry will help to ensure Victorian companies can build further on their export successes," he said.

Victorian Government media release 4 April 2007

PANEL APPOINTED FOR CHANNEL DEEPENING PROJECT

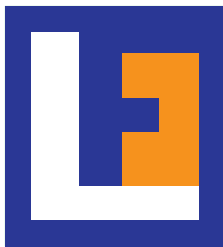
The Minister for Planning, Justin Madden, today announced the members of the Panel that will consider the Supplementary Environment Effects Statement (SEES) for the Port Phillip Bay Channel Deepening Project.

Chancellor of the Australian National University, Dr Allan Hawke, will chair the Panel, and will be joined by Kathryn Mitchell, Chief Panel Member for Planning Panels Victoria, and Dr Mike Lisle-Williams, Managing Director of Flinders Management Group and formerly a senior partner at Deloitte.

The Panel has been appointed by the Minister for Planning under the Environmental Effects Act, and it will advise him on the SEES prepared by the Port of Melbourne Corporation.

The SEES provides an analysis of the potential environmental impacts and proposed ways of managing them.

"The appointment of such an eminent group of people to the Panel is an indication of the commitment of the Government to a rigorous review of the project," Mr Madden said.



"While the Government has signalled a desire for the project to proceed, this is subject to environmental assessment and approvals.

"We won't be giving the project the green light unless we can be sure that adverse environmental impacts are acceptable," he said.

The Panel will provide advice to the Minister for Planning on the suitability and feasibility of the proposed design for the project, the likely environmental effects of the dredging and whether the project can be managed to ensure acceptable environmental outcomes.

Once the Panel has provided its report to the Minister for Planning, the Minister will prepare an Assessment of the environmental effects of the Channel Deepening Project.

The Assessment will be provided to the Commonwealth Minister for Environment and Water Resources, as well as relevant Victorian Government Ministers.

The Minister also released the Terms of Reference, which detail the hearing arrangements.

The Panel hearings, which will include public submissions, will commence in mid to late June 2007. The Panel will provide a report by 1 October 2007.

The Terms of Reference for the Inquiry are available at www.dse.vic.gov.au/planning/ees or obtained by calling Planning Panels Victoria on (03) 9637 9692.

The Age 5 April 2007

MADDEN DREDGES UP NEW EXPERTS

By Royce Millar and Clay Lucas

GREEN groups were stunned yesterday when the State Government appointed an expert panel with little or no marine or environmental expertise to review the 15,000-page environment effects report on the contentious Port Phillip Bay channel deepening.

The panel excludes members of an earlier four-member panel, which found the Port of Melbourne Corporation's original statement was inadequate and had overlooked crucial environmental questions.

Planning Minister Justin Madden announced the new three-person panel, to be chaired by Australian National University chancellor Allan Hawke, to study a supplementary environmental effects statement released last month.

Mr Madden said the appointment of an eminent group of people for the new panel was an "indication of the commitment of the Government to a rigorous review of the project".

But the Greens said the opposite appeared to be the case. "There seems to be no expertise in marine biology or coastal ecology or any sort of ecology. There's none of that expertise ... it is a very big gap," said Greens upper house member Sue Pennicuik.

Panel chair Allan Hawke is a career public servant and former Defence Department secretary. He has a science degree and his PhD was on plague locusts.

The second panel member is Mike Lisle-Williams, a management consultant and corporate restructuring specialist, with no scientific background.

The other panellist is Kathryn Mitchell, chief panel member of Panels Victoria and a full-time public servant.

Jenny Warfe, a spokeswoman for lobby group, the Blue Wedges Coalition, said the panel appeared to have no relevant experience. "The only port expertise of one panel member, Dr Lisle-Williams, appeared to be economic reform of ports," Ms Warfe said.

The appointment of newcomers to the panel also surprised Ms Warfe.

In a letter to Ms Warfe in 2006, a senior government officer said continuity on the panels was desirable



if practicable.

A spokeswoman for Mr Madden said last night that while continuity was considered, the make-up of the panel "reflects people's availability and a mix of expertise".

She said the panel had a "balanced background" and members "possess both scientific and non-scientific credentials".

She said the panel could seek advice from an independent expert group, chaired by Dr Graham Mitchell, chief scientist with the Government's own Department of Sustainability and Environment. Mr Madden promised that the environmental impacts of the project would be fully assessed. "We won't be giving the green light unless we can be sure that adverse environmental impacts are acceptable."

Victorian Government media release 16 April 2007

PACIFIC NATIONAL FREIGHT NETWORK RETURNS TO PUBLIC HANDS

Victoria's regional rail network will return to public ownership next month after an agreement was signed with Pacific National, the Minister for Public Transport, Lynne Kosky announced today.

Ms Kosky said the Bracks Government would buy back the regional rail network lease for \$133.8 million following an election commitment by Premier Bracks in November last year.

"This agreement is a major step towards a better freight network for regional Victoria," Ms Kosky said.

"The original 45-year lease signed by the Kennett government with Freight Australia was fundamentally flawed in that it did not promote competition, allowed parts of the rail network to deteriorate and hindered the government from accessing to track to carry out infrastructure upgrades.

"We have also committed \$25 million to improve the rail freight network and will continue to provide ongoing funding for the passenger rail network.

"The new arrangements will allow the Bracks Government to proceed with investments in major rail projects and upgrades."

Projects now on the government's agenda include the upgrade of the Mildura rail line to improve freight efficiency and the Wodonga rail bypass.

"This is a win for the State's farmers, grain industry and regional exporters and demonstrates the Government's commitment to a sustainable rail network for Victoria," Ms Kosky said.

Ms Kosky said the state-owned regional rail operator V/Line will take on responsibility for the regional rail network.

She said the Government's first priority on taking back the tracks would be to conduct a full operational review and safety assessment of the network.

"We look forward to working with industry stakeholders over the next 12 months to improve the rail freight network and provide greater certainty to farmers and regional exporters," Ms Kosky said.

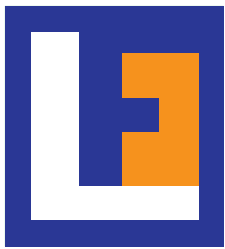
Ms Kosky said the completion of the deal and the formal transfer will take place in early May.

The Age 16 April 2007

CHANNEL DREDGING EXPERT QUERIES REVIEW PANEL

By Royce Millar

A VICTORIAN Government-appointed environment expert has queried the handling of the channel



deepening project, especially the make-up of an independent panel chosen to assess a new 15,000-page environmental report.

Senior planner Rynd Smith chaired the four-person expert group that in 2005 rejected the Port of Melbourne Corporation's original environmental assessment on dredging, highlighting 137 shortcomings, and called for a new study. The State Government raised eyebrows this month when it omitted all four members of Mr Smith's group from a new panel to review the massive supplementary environment effects statement that responded to their work.

This was despite a government promise last year that "if practicable" Mr Smith and/or colleagues would be reappointed.

The Port Phillip Bay dredging project is estimated to cost \$763 million. The environmental effects assessment will cost \$114 million.

Speaking from Britain, where he is the head of policy and practice with the Royal Town Planning Institute in London, Mr Smith said the composition of the new panel raised questions about the process.

"The old panel have an enormous amount of information locked up in their skull," he said.

"Any panel appointed to hear the (supplementary environment effects statement) is going to have to wade through equivalent amounts of material to ensure the supplementary work addresses the issues that we identified.

"I am a little surprised that there wasn't some measure of continuity, if only because of the really hard task that now has to be faced by a panel that wasn't exposed to the issue last time round."

Mr Smith said there was a "question to be aired" about why the knowledge and experience of the earlier panel was not used.

His comments are unusual because Government-appointed panel members rarely comment publicly on their work.

Two weeks ago, Planning Minister Justin Madden announced the new three-person panel, to be chaired by Australian National University chancellor Allan Hawke. Dr Hawke is a career public servant and former Defence Department secretary. He has a science degree and his PhD was on plague locusts.

Another member, Mike Lisle-Williams, is a management consultant and corporate restructuring specialist with no scientific background, while full-time public servant Kathryn Mitchell is the head of Panels Victoria.

Mr Smith queried whether the group had the right mix of experience of running panels, reviewing major projects, and marine engineering. He said he was surprised Ms Mitchell, as the most experienced panel member, had not been appointed chairwoman.

Mr Smith joined former panel colleague Bronwyn Ridgway in confirming he was not invited to help review the supplementary environment effects statement.

The Government has refused to say if any of the original panel members were approached.

Mr Madden would not respond to Mr Smith's comments, but issued this one-line statement: "The Government has appointed a highly qualified panel that will conduct a thorough and independent process."

Trevor Budge, an adviser to the Government on environmental assessment laws, was also surprised by the new panel.

"This is potentially the most controversial environment assessment ever undertaken in Victoria. But from a distance the detailed scientific, environmental credentials of the panellists are not immediately evident," he said.

In a letter last year to anti-dredging campaigners the Blue Wedge Coalition, a senior government officer



said continuity across the two panels was desirable if practicable, indicating that, had they been available, the earlier panel would have been appointed to the new review.

The Age 17 April 2007

PLAN FOR DREDGED-UP SILT 'A TOXIC TIME BOMB'

By Liz Minchin

ALMOST 4 million cubic metres of toxic sediment - more than enough to fill the MCG twice - will be dumped in Port Phillip Bay and left uncovered for at least four months under plans to deepen Melbourne's shipping channels.

Opponents of the \$763 million project have attacked the proposal, saying it risks turning the bay into "a toxic time bomb".

But Dr Jeff Bazelmans, the Port of Melbourne Corporation's general manager of environment, defended the plan to dispose of the toxic silt and clay in the bay.

"The disposal method the Port has put in the Supplementary Environmental Effects Statement is, I believe, world class and to my knowledge has not been used in Australia or Victoria before. We see this as a huge step forward in the management of dredged materials," Dr Bazelmans told The Age.

Assessed as "moderately to highly contaminated", the 3.87 million cubic metres of bulked silt and clay contains heavy metals including arsenic, mercury and lead, as well as the banned pesticide DDT.

After being criticised for not considering alternatives, the Port commissioned research comparing its plan against sending the material to landfills or into Bass Strait.

The consultants backed the Port, saying the material was too toxic to be dumped at sea, where there was no way to cover it, while sending it to landfills also raised environmental concerns because of the dual problem of dealing with the contaminated sediment along with massive volumes of saltwater mixed with it.

Every cubic metre sent to landfill would cost between \$160 and \$250, suggesting a possible cost blow-out of hundreds of millions of dollars.

Pointing to other research commissioned by the Port that found that the risks to water quality were "very low", Dr Bazelmans said he was confident there would be "no adverse effects" on marine life or people fishing or swimming in the bay.

But opponents from the Blue Wedges coalition asked how the Port could give those assurances, given the unprecedented scale of toxic material involved.

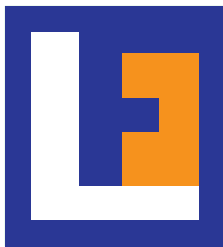
"Marine life in the bay has already been affected by accumulated toxins from human activity, including past dredging. There have been fish kills in years gone by and there are currently health warnings in relation to eating fish and eels from the Yarra," said Blue Wedges spokeswoman Dr Jo Samuel-King.

"If this goes ahead we'll be dredging in some of the most contaminated industrial areas of the bay. So we can't see how it's possible to disturb all this highly toxic material without having serious impacts on the health of the bay and the people using it."

The disposal plans are detailed in a 15,000-page environment effects study commissioned by the Port of Melbourne on its proposal to dredge shipping channels to make way for bigger ships in the future.

The study is available for public comment, with an independent panel due to hear submissions in June. The State Government is expected to make a final decision by late this year.

If the project is approved, the contaminated sediment would be dredged out of "toxic hotspots" around the docks, in the Yarra River and the Williamstown Channel, generating a temporary plume of contaminated silt stretching from the city out into the bay.



It would be shipped to the Port's underwater dump site in the north of the bay, pumped 20 metres under water and left to settle for about 140 days, before it could be covered with a 50-centimetre thick sand cap.

But much longer delays in covering the toxic sediment are possible, with one of the Port's studies noting that "delays of six to 12 months to the capping process are often necessary before the dredged material reaches sufficient strength to place the initial capping layer".

It added that it could take another three to six months before the final layer of sand could be placed.

Dr Bazelmans said while the Port was not expecting any delays, "if there is a delay we would reassess at that point. But we see no reason to be fearful that the contamination status would change."

LLDCN Newswire 18 April 2007

GREENS MOVE FOR CHANNEL CONSULTATION EXTENSION REJECTED

The Victorian Government rejected Greens MLC Sue Pennicuik's request to extend the deadline for public participation on the channel deepening process during question time in Parliament yesterday (Tuesday, April 17).

Ms Pennicuik said 30 days was not enough time for community groups and individual members of the public to read, analyse, meet and discuss and then prepare a detailed response to the 15,000 page report, given the widespread community concern and the "significant costs and risks" associated with channel deepening.

"This is the most significant and controversial proposal in terms of cost and potential environmental impact ever put before the Victorian people," she said.

"The process needs to be fair, and be seen to be fair, and to allow for meaningful public participation."

Ms Pennicuik also questioned the need for the project and the asserted economic benefits for Victoria.

"On reading the SEES, it is difficult to discern just where any economic benefits will come from or go to," she said.

AAP 19 April 2007

TOLL TO PROCEED WITH ASSET SPLIT

By Trevor Chappell

MELBOURNE - Toll Holdings Ltd will split its logistics and infrastructure assets into two separate companies after the Australian competition watchdog gave the green light to the plan.

The Australian Competition and Consumer Commission (ACCC) yesterday agreed to variations of undertakings given by Toll to secure approval for its A\$6 (\$6.81) billion-plus takeover of stevedore Patrick Corp, opening the way for the split.

Toll said the new infrastructure company, which will be listed on the stock exchange, would be called Asciano Ltd and hold assets worth more than A\$8 billion.

The logistics assets will remain under the Toll Holdings banner. Toll NZ, the road rail and shipping operator in New Zealand, remains part of Toll Holdings.

Toll had asked the ACCC to vary the undertakings - given in March 2006 to address competition concerns - in December 2006 when it proposed the plan.

"I am pleased that Toll and the ACCC have agreed on an acceptable set of undertakings that have addressed the commission's competition concerns while allowing Toll to preserve the strategic and financial benefits of the restructure," Toll managing director Paul Little said.



"Toll continues to believe that the restructure plan unlocks significant shareholder value and allows for Toll and Asciano to accelerate growth."

Toll said plans for the restructure were proceeding, with a scheme booklet expected to be sent to all Toll shareholders in late April and a shareholder vote to take place in late May.

Asciano will own Patrick and rail operator Pacific National, which was jointly owned by Toll and Patrick until Toll's takeover of Patrick last year, and is due to be listed in mid-June.

Toll executive director Mark Rowsthorn will become chief executive and Hastings Fund Management Ltd managing director Tim Poole is expected to become chairman.

"The significant scale of Asciano positions it well to venture into overseas markets and to grow its existing high quality transport infrastructure portfolio," Mr Rowsthorn said.

The ACCC said today that it had consented to the variations to Toll's undertakings as long as there was a clean break between the logistics and infrastructure assets into two separate and unrelated companies.

Under the variations, Toll will be relieved of its prior obligation to divest the its vehicle transport business and interest in PrixCar.

It will also be relieved of its commitment to divest a 50 per cent interest in Pacific National, which will now be wholly owned by Asciano.

Obligations to make available a "starter's kit" of rail assets on Australia's east-west rail corridor and not to discriminate in the operation of Pacific National or at Patrick's container terminals remain in place, and will be assumed by Asciano under the restructure.

"The ACCC's market inquiries revealed that there are competitive benefits in retaining the obligation to divest the starter's kit and the rail and ports non-discrimination regimes," ACCC chairman Graeme Samuel said.

Mr Samuel said the ACCC's market inquiries indicated that the restructure of Toll's business, compared to enforcement of the original undertakings, would benefit competition.

But he said Toll and Asciano would have to meet new obligations designed to facilitate a complete and clean break between the two.

These obligations prohibited joint ventures, cross shareholdings between Toll and Asciano, and required directors of Toll and Asciano to be independent of the other company.

Messrs Little and Rowsthorn would sell down their existing interests in the other company.

If Toll fails to comply with its obligations to maintain its independence from Asciano, it will have to sell the vehicle transport business and the PrixCar interest.

ci-online 19 April 2007

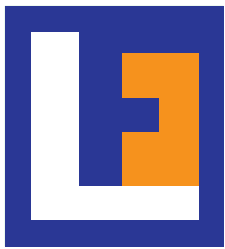
GM CONTRACT WILL MEAN CHINA BACKLOADS

By Dale Crisp

Container trade between Australia and North Asia, which has become increasingly imbalanced as southbound flows have soared, will receive a backload boost from new contracts won by General Motors-Holden.

China's new Buick Park Avenue sedan will be powered by HFV6 engines made in Victoria, while South Korea's GM Daewoo L4X luxury sedan will also use high technology-based powertrains made in Victoria.

Both cars are based on GM's Global Rear Wheel Drive Architecture initially developed in the state and used on locally produced vehicles.



The new contracts will go some way to counteract the gradual outsourcing of parts for the Australian car industry, which has seen thousands of containers of manufacturing inputs shipped from north and east Asia plus, increasingly, India.

Despite steady growth in Australian exports to China, imports have mushroomed so that by some estimates northbound full containers are now as low as 20% of southbound flows.

LLDCN Newswire 23 April 2007

TOP LAWYER `QUITS CHANNEL DEEPENING PUBLIC INQUIRY'

The lawyer representing the Port of Melbourne Corporation (PoMC) on channel deepening at public hearings following release of the supplementary environmental effects statement, has reportedly withdrawn from the inquiry.

A PoMC spokesman referred Lloyd's List DCN to a spokesman for the relevant state minister, planning minister Justin Madden, who was not available to comment on a report in the Age that linked the withdrawal of Chris Canavan QC to government handling of the issue.

The report raised legal disquiet over the banning of cross examination of witnesses during the inquiry.

The newspaper quoted a government spokesman as saying that the inquiry was not a court proceeding and that panel members would be allowed to question witnesses.

However, it also quoted high-profile lawyer and Liberty Victoria president Julian Burnside as saying the ban on cross-examination was a denial of a fact-finding fundamental.

"The first step (in such hearings) is ascertaining the facts correctly and the standard way of doing that is to allow witnesses to be tested in cross examination," Mr Burnside said.

LLDCN Newswire 25 April 2007

ROWSTHORN WANTS CHANNEL DEEPENING AS SOON AS POSSIBLE

Mark Rowsthorn, managing director-designate of Toll spin-off Asciano and boss of Patrick, launched into the Melbourne channel deepening debate yesterday (Monday, April 24) at a conference call with journalists.

Mr Rowsthorn said it had to go forward as soon as possible.

"It's a crying shame it's not up and running already," he said.

"Melbourne needs it, Victoria needs it and, of course, Australia needs it to cater for larger vessels that go around in global trade.

"Melbourne is our most important port, so we have to push very hard for that."

On the extension of the Patrick terminal quay line, he said it was "still on schedule as far as I know" but subject to the channel deepening.

LLDCN Newswire 26 April 2007

ASCIANO PLANS TO SPEND \$607.5M ON TERMINALS

Toll's proposed ports and rail spin-off, Asciano, plans to spend \$607.5m on its container terminals over the next three years, according to a presentation document released today (Thursday, April 26).

"Asciano will have access to a cash advance term facility of \$550m provided for the purpose of funding



future capital expenditure requirements of the Asciano Group," the document stated.

It will also have \$150m in a working capital facility and \$250m in cash, along with debt of \$4.2bn.

Maintenance capital expenditure was put at \$150m a year.

The company expects to spend: \$207m on East Swanson Dock, \$160.7m on Port Botany, \$149m on Fisherman Islands and \$90.8m on Fremantle.

By next financial year, it believes profits between its main revenue streams will be \$341m, or 48%, from ports and \$371m (52%) from rail.

LLDCN Newswire 27 April 2007

TRUCKS HAULING 61% OF MELBOURNE-BRISBANE FREIGHT: DOTARS

Road transport hauls the lion's share of freight between Melbourne and Brisbane, a Department of Transport and Regional Services (DoTaRS) report on Melbourne-Brisbane Corridor Strategy has found.

The dominant mode for transport along the corridor and between Melbourne and Brisbane was road (61%), followed by rail (30%) and shipping (9%), the report found.

More than 1,000 heavy vehicles a day are working on all sections of the route, with heavy trucks making up 20% of the traffic flow for most of the route, and over 30% on many of the inter-town sections.

According to Bureau of Transport and Regional Economics projections, heavy truck traffic is expected to increase by around 50% over the next 20 years and will be an increasing proportion of total traffic.

There is no direct continuous inland rail link between the cities, with end-to-end rail freight moving via Sydney along the AusLink Melbourne-Sydney and Sydney-Brisbane rail corridors.

DoTaRS released the draft AusLink Melbourne-Brisbane Corridor Strategy for comment, ahead of a Council of Australian Governments deadline of June 30.

The study is among 24 corridor strategies being developed under the AusLink land transport network, to provide a basis for the federal, state and territory governments to negotiate project-funding priorities.

Excluding coal, the end-to-end freight task between Melbourne and Brisbane in 2004 was 4.5m tonnes, compared with inter-regional freight in 2004 of 28.5m tonnes.

Volume for each of the modes in 2004 was 2.75m tonnes for road, 1.35m tonnes for rail, 0.41m tonnes by sea and 0.05m tonnes by air.

Road at present dominates the end-to-end freight market between Melbourne and Brisbane, as well as freight within regional sections.

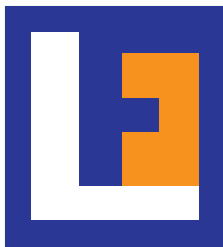
However, this was projected to change, the report found, as rail's mode share and volumes increased strongly over the forecast period as a result of rail upgrades on the coastal route between Sydney and Brisbane.

Although rail capacity will have been substantially upgraded by 2009, there will continue to be deficiencies that impact on railway speed and efficiency, reflecting the long-established track alignment and the need for rail freight to move through the capacity-constrained Sydney network, the report found.

Federal Government media release 30 April 2007

FUNDING FOR \$45 MILLION MELBOURNE RAIL LINK

The \$45 million Tottenham - Dynon rail upgrade project will receive \$45 million in funding from the



Australian Government, the Deputy Prime Minister and Minister for Transport and Regional Services, Mark Vaile announced today.

"This project which will be funded through AusLink will remove one of the most troublesome bottlenecks in Melbourne's rail system serving the Melbourne port area.

"It will significantly enhance capacity and help relieve congestion of the track which is providing key access to Melbourne's Port area and the main rail freight terminal," Mr Vaile said.

Mr Vaile said the Australian Rail Track Corporation Ltd (ARTC) has indicated that work on the project is scheduled to be completed by the end of March 2008.

"The project will cover the rail lines from the port, from Southern Cross Station through the Dynon yards, where the main line splits east to Adelaide and Perth and north to Sydney and Brisbane," Mr Vaile said.

"It will remove the single track bottleneck that has restricted rail access between the Dynon rail freight yards through Tottenham yards to Sunshine-Brooklyn and the East-West and North-South interstate rail networks to Sydney, Brisbane, Adelaide and Perth.

"The construction of the additional standard gauge track, together with associated major signalling works, will see both tracks bi-directional from West Footscray to Simms Street, facilitating more efficient train movements in both directions," he said.

Mr Vaile said presently the Tottenham to West Footscray section (approximately 1.5km) can only handle one train movement at a time with the consequence that other trains have to be stopped and left idling until the first train travels slowly through the section.

"On completion of the project trains will be able to smoothly traverse the section, passing each other at a medium speed without the need to stop, idle and restart again," he said.

"The Government, through AusLink and the ARTC, is spending over \$2.4 billion on rail from 2004-05 to 2008-09, which represents the largest single investment in rail freight in Australian history. It is only due to the strong economic management of the Coalition Government that we are in a position to be able to invest so heavily in our railways and bring them into the 21st century," Mr Vaile said.

Section Two

Competing and similar ports

Queensland Government media release 17 April 2007

PREMIER WELCOMES WORLD LEADING PORT OPERATOR TO BRISBANE

Premier Peter Beattie welcomed Hutchison Port Holdings Limited (HPH) to Brisbane today when he announced the company as preferred operator for the Port of Brisbane's new container berths.

Mr Beattie said HPH was one of the world's leading port investors, developers and operators, operating a total of 257 berths in 45 ports around the world.

"HPH has interests in 23 countries throughout Asia, the Middle East, Africa, Europe and the Americas," Mr Beattie said.

"In percentage terms, the Port of Brisbane is Australia's fastest growing container port and having a global player like HPH on board is a welcome addition during this time of rapid expansion.

"The Government has invested \$300 million in port and related infrastructure at the Port of Brisbane precincts in 2005/06 and 06/07.

"We will invest a further \$200 million over five years in Berths 11 and 12 and associated terminals, which will increase Brisbane's container-handling facility by 25 percent and take the number of dedicated



container wharves at the port to nine.

"Preliminary construction has already begun, with Berth 11 expected to be operational by mid-2012 and Berth 12 in mid-2014.

"Construction is also well underway on Berth 10, which is expected to be operational by July 2008.

"This shows the Port of Brisbane is well ahead of the game in planning for and delivering port infrastructure to meet the demands of South East Queensland's continued growth," he said.

Transport Minister Paul Lucas said the Port of Brisbane was Australia's third busiest container port and the fastest growing port in the country.

"The Port of Brisbane has had 13 years of consecutive growth in total tonnage and 21 years of consecutive growth in container trade," Mr Lucas said.

"Throughput for the port for July to December 2006 outperformed that of the corresponding period in the previous financial year, with container trade growing strongly by 9.6 percent, or almost 37,000 containers, compared to the same period in 2005-06."

Group Managing Director of HPH John Meredith said, "We are very pleased to learn that HPH has been chosen as the preferred operator for the development of Berths 11 and 12 in the Port of Brisbane.

"In HPH we recognise that good labour relations are key to any business success. We are committed to collective bargaining and will seek to enter into an enterprise agreement with the Maritime Union of Australia for our Brisbane operations.

"HPH looks forward to working with the Port of Brisbane Corporation to finalise arrangements for the development," he said.

Mr Beattie said the expansion of Port of Brisbane was a clear demonstration of Queensland's commitment to increasing its port facilities to meet rapidly increasing demand.

"With the private sector, Queensland is investing \$2.3 billion in expanding and upgrading Queensland's port coal export capacity to 213 million tonnes per annum by the end of this year - that's a 33 percent increase since 2005," he said.

ci-online 17 April 2007

BRISBANE SELECTS HUTCHISON

By Dale Crisp

The Australian stevedoring and terminal scene is set for a major shake-up after the Queensland Government and the Port of Brisbane Corporation today announced Hutchison Port Holdings as preferred operators of Fisherman Islands berths 11 and 12.

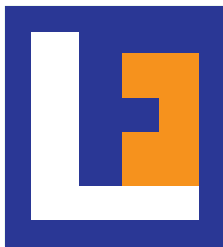
HPH's entry into the Australasian market - following a failed foray at New Zealand's Lyttelton last year, blocked by local opposition - will represent the first major challenge to established duopoly Toll/Patrick and DP World since the latter's takeover of CSX.

It will also raise the stakes for Sydney's third Port Botany terminal, where the New South Wales Government has stated a strong preference for new competition and where expressions of interest will be called later this year.

PBC is spending A\$200 (US\$164) million over five years on berths 11 and 12 and associated terminals, which will increase Brisbane's container-handling capacity by 25% and take the number of dedicated container wharves at the port to nine.

Preliminary construction has already begun, with Berth 11 expected to be operational by mid-2012 and Berth 12 in mid-2014. Construction is also well underway on Toll/Patrick's new Berth 10, which is expected to be operational by July 2008.

Brisbane is Australia's third largest and fastest-growing container port, and Queensland Premier Peter



Beattie said having a global player like HPH on board 'is a welcome addition during this time of rapid expansion'.

HPH group MD John Meredith said the company was pleased to be chosen and looked forward to finalising arrangements for the development. HPH was chosen from a shortlist of seven national and international parties.

Shipping Australia media release 18 April 2007

SHIPPING AUSTRALIA WELCOMES STEVEDORING COMPETITION

"Increased competition as a result of Hutchinson Port Holdings Limited winning the tender for the Queensland new container berths is welcomed by our members" Mr Llew Russell, CEO of Shipping Australia said today.

"Shipping Australia has for many years advocated competition when it is commercially viable to do so in the main container ports in Australia and see the Queensland Government's decision as an important step in that direction," he said.

Mr Russell noted that the new berth 11 is expected to be operational by mid 2012 and berth 12 in mid 2014.

"The objective of our members is to see increased efficiency in terminal operations throughout Australia and welcome the Queensland Government's decision in that respect," Mr Russell added.

"Clearly we will be now discussing with other ports the potential for increased stevedoring competition on the basis that it is commercially viable and will lead to increased stevedoring efficiencies."

Joint Federal and Queensland Governments media release 18 April 2007

BETTER CONNECTIONS FOR A BOOMING PORT

The Preliminary design for an upgrade of the Port of Brisbane Motorway has been made public by the Australian Minister for Local Government, Territories and Roads, Jim Lloyd, and Queensland Minister for Transport and Main Roads, and Member for Lytton, Paul Lucas.

Mr Lloyd said the Port of Brisbane Motorway, as part of the AusLink Transport Network, is an important driver of national and regional economic growth.

"This upgrade is essential to ensuring the existing port road network is able to cope with ever increasing demand on the system.

"It's a world class port and needs a first class road network," he said.

Preliminary upgrade design includes a new connection from the Port of Brisbane Motorway to Murarrie via Link Road, and a local connection to Wynnum by realigning Pritchard Street.

"It is important to ensure traffic congestion does not interfere with the efficient operation of the port now and into the future," Mr Lloyd said.

Mr Lucas said the release of the motorway upgrade's preliminary design was a milestone in addressing the needs of a rapidly expanding port, while also taking pressure off local streets in Hemmant and Wynnum.

"This preliminary design plans for a four lane motorway link between the Gateway Motorway and the Port of Brisbane at FishermanIslands.

"The design is a blueprint for the future.

"It means we can make informed decisions on road upgrades to cater for future traffic demand along the corridor," he said.

Mr Lucas said the preliminary upgrade design is based on planning and consultation carried



out in 2000, and will play a major role in developing appropriate connections for freight movement between the port and key transport routes.

"The Port of Brisbane, as a major driver of the Queensland economy, and the rapid development of adjacent industrial land have placed increasing pressure on the motorway corridor.

"We've had complaints about the 'dog-leg' connection between Pritchard Street and Lytton Road, these plans will fix that," Mr Lucas said.

The preliminary design goes on public display from this Saturday until 12 May 2007 at the Port of Brisbane Visitors Centre, Hemmant Community Hall, Wynnum Plaza Shopping Centre, Wynnum Library and the BP Service Station on Kite Street.

Community feedback on the design will be sought until Monday May 21, 2007.

LLDCN Newswire 25 April 2007

'STRONG INTEREST' IN FORMER BHP SITE AT NEWCASTLE

The group selling off sections of the former BHP steelworks site at Newcastle said that there had been strong interest both from Australia and overseas in using the land.

The Regional Land Management Corporation said that a call for tenders for the 150 ha Intertrade Industrial Park attracted broad interest from port and non-port related businesses.

Submissions closed on April 18.

The corporation's general manager Brad Foot told the ABC that the submissions were in line with the preferred uses for the site.

"We've got proposals that involve direct port uses, also proposals that utilise the freight handling attributes of the site with the rail and also some general industrial uses have been proposed," Mr Foot said.

The New South Wales Government began a renewed push to find a use for the land in January, injecting \$22m of fresh investment into the site which has deepwater access and sits alongside the Carrington Coal Terminal at the port of Newcastle.

Advertising for the site marketed the tenders as a "final opportunity" for potential users to stake their claim to part of the land.

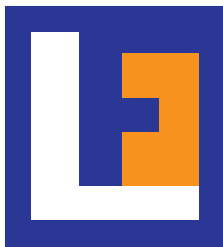
About 35 ha of the land has been set aside for use as a container terminal when Port Botany reaches capacity in 2025.

BHP closed its 84-year-old Newcastle steelworks in 1999, but \$110m of additional remediation work is not expected to be completed until 2012.

Fairplay Daily News 26 April 2007

CONTROVERSY OVER ELBE DEEPENING

HAMBURG 26 April - Residents and environmentalists in north Germany are strengthening their opposition to plans for the deepening of the River Elbe to accommodate the latest generation of container ships. Claims that dredging the Elbe to almost 15m would jeopardise flood control measures have received support from Christian Wulff, state prime minister for Lower Saxony, Hamburg's neighbour state. He suggested that the largest ships ought to deviate to the planned deep sea port at Wilhelmshaven, which is expected to be commissioned in 2010, although the schedule has already



started to slip because of legal concerns. Hamburg's association of port companies reiterated a warning that the port needs further dredging because the 2.7M-teu JadeWeserport at Wilhelmshaven will not be able to take all the large ship calls, hence both projects need to be executed in parallel.

THE PORTLAND EXPERIENCE

As has been chronicled by the VFLC during its campaign in support of Port Phillip channel deepening, the US West Coast port of Portland is a classic example of the consequences of failing to deepen to accommodate larger ships. After losing services, jobs and business when shipping lines quit calling, direct intervention by President Bush finally saw dredging work begin. Since adequate depth has been available, a remarkable turnaround has ensued, emphasized by the following figures:

Dynaliners 27 April 2007

In 2006 the US imported and exported 28.3 million TEU of ocean borne containerised cargoes, up 6% from 2005. Two-third of all boxes were import-related. The largest ports are Los Angeles, Long Beach and New York/New Jersey; Los Angeles and Portland posted the highest growth rates.

Ports	'06/'05	2006	2006	2006	2005
	+/- %	Total	Import	Export	Total
Los Angeles	17	5,736	4,433	1,303	4,915
Long Beach	9	4,796	3,754	1,042	4,413
New York/NJ	7	3,755	2,630	1,125	3,494
Georgia ports	7	1,554	819	735	1,448
Virginia ports	5	1,538	903	635	1,469
South Carolina	5	1,498	873	626	1,425
Oakland	-7	1,393	796	597	1,491
Houston	3	1,331	676	655	1,287
Seattle	-4	1,317	890	426	1,369
Tacoma	-6	1,096	738	358	1,160
Miami	-4	747	430	317	779
Port Everglades	8	654	299	354	605
Jacksonville	-3	644	150	495	661
Delaware River	5	514	356	158	489
Baltimore	7	409	257	152	382
New Orleans	-3	177	70	107	183
Portland Ore.	38	168	87	82	122
Gulfport	5	162	97	64	154
Boston	8	141	80	61	131
Others	8	632	313	319	584
Total	6	28,262	18,651	9,610	26,560

Notes: TEU*1,000 rounded. Figures exclude empties, cabotage, transshipment and domestic feeder cargoes. Analysis based on data sourced from the Journal of Commerce.



Section Three

Shipping, transport and trade trends

The push towards larger, more cost-effective ships is incessant ...

Lloyd's List 20 April 2007

BOX OWNERS CARRY ON TONNAGE QUEST

By Janet Porter

CONTAINERSHIP owners and operators are returning to the shipyards in droves as lines scour the markets for forward deliveries of tonnage.

Both familiar and unfamiliar names are investing in new tonnage in anticipation of good long term prospects for container shipping despite some short-term instability.

Germany's Peter Döhle is said to be close to signing a \$640m order with Samsung Heavy Industries for four 12,000 teu ships for 2010 delivery.

Cypriot company Synergy Marine, a relative newcomer to container shipping, has signed for a quartet of 4,300 teu vessels from Samsung.

In recent weeks, fresh orders have also poured in from Seaspan with four 4,300 teu units that will be chartered to CSAV; active Greek owner Danaos with a \$300m five-ship 3,400 teu order said to be earmarked for Hanjin Shipping; and Yang Ming, which is rumoured to be after 4,300 teu tonnage.

Plenty of other deals have also been concluded over the past month or so.

Talks are also going on between owners and yards about more super post-panamax ships, with announcements imminent.

For the past year, many analysts have been berating containership owners and operators for recklessly ordering too many ships and swamping the industry with excess tonnage that would drive down freight and charter rates.

In certain quarters, though, the opposite appears to be the case with anecdotal evidence suggesting that some container lines have mis-judged future volumes and may not have enough ships to meet customer requirements in the years ahead.

That situation could lead to a slight upwards revision of 2008 charter rate expectations for large tonnage, Maersk Broker says in its latest quarterly market report - although the jury is still out as to whether next year will be stronger than 2007.

"Although not confirmed, we expect that a number of operators have had to re-evaluate their future cargo expectations and hence have come to realise that they may become short of the right tonnage in a few years' time," the broker comments.

This echoes warnings from several liner executives in recent weeks, although the likely capacity squeeze will not hit every carrier.

Charter rates have been gaining ground this year with Maersk Broker's index increasing 17% during the course of the first quarter. Nevertheless, it is still below the level seen throughout most of 2006.

The Danish company is anticipating a better charter market in the first half of the year compared with the latter half of 2006, "and hence we see the chance for continued rate improvements during the second quarter for tonnage above 2,000 teu".



Looking ahead to next year, Maersk Broker has amended its forecast for 2008 charter rates which are now expected to be better than first projected.

The prospect of tight market conditions, coupled with the availability of newbuilding slots as some LNG projects slipped, encouraged numerous owners to return to the shipyards.

Although it was panamax or sub-panamax that stole most of the headlines in March, Maersk Broker expects the focus in the near future to be on larger tonnage as more buyers seek to book 2010 completions of 8,000 teu to 12,000 teu tonnage.

Latest Maersk Broker figures show that 2006 was a record year for deliveries, which totalled 366 containerhips of 1.35m teu, or 16.1%.

This year is likely to see further fleet growth of 15.4%, an upward adjustment from the previous projection of 14.6%.

That is expected to be followed by 12.6% nominal slot growth in 2008 and 12.4% in 2009. Orders are now being signed for 2010, which at this early stage is already showing projected fleet expansion of 8.7%.

New containerhips are again being ordered, and the emphasis is once more on the larger classes ...

ASXLiner 2 April 2007

THE LATEST AXS-ALPHALINER FLEET FORECAST SHOWS A RESURGENCE OF ORDERS

A resurgence of orders have been observed in March, bringing the orders recorded during the first three months of 2007 to 86 ships totalling 360,000 teu, half of which in March (During 2006, 401 ships were ordered for 1.6 Mteu). By coincidence, the capacity ordered during the first quarter matches almost exactly

the capacity delivered (102 ships totaling 361,800 teu).

A low level of orders during November-February resulted however in a decreasing of the orderbook from an all time record of 4.85 Mteu on 1st November, representing at the time 51.8% of the existing fleet, to 4.77 Mteu on 1st April (48% of the existing fleet). It is recalled that the orderbook had peaked a first time at 4.6 Mteu in mid-2005 (60% of the existing fleet at the time).

Fleet forecast and annual growth (assuming no scrapping after 1st March 2007) :

- > 1st Jan 2008: 4,442 ships for 11,065,000 teu (+15.5% during 2007)
- > 1st Jan 2009: 4,886 ships for 12,650,000 teu (+14.3%)
- > 1st Jan 2010: 5,210 ships for 14,090,000 teu (+11.4%)

Orders are still rolling for 2009 delivery.

The slightly lower figure for 2007 deliveries, when compared to our start of the year projections, results from a sliding in the Polish yards orderbook, as well as order cancellations (Polish yards are currently under the focus of the EU on subsidies issues, and have also to face financial difficulties, with expected consequences on the current orderbook). Conversely, capacity to be delivered in 2009-2010 has been slightly boosted by the capacity upgrades of several VLCS.

The average growth for the period 1st Jan 2007-1st Jan 2010 (three years) stands at 13.7% per annum in teu terms (12.9% in dwt terms).

A huge gap remains between the growth for large ships and smaller ones. The fleet of ships above 4,000 teu is to grow by 18.3% per annum during the three years to come against only 8.6% for ships under 4,000 teu (the gap however decreases at delivery as large ships are usually ordered ahead of



smaller ships, for comparable delivery dates).

As far as VLCS (ships over 7,500 teu) are concerned, there are now 160 such ships in service and a further 160 on order (they represent 31.8% of the total orderbook in teu terms).

Hamburg Sud, one of Melbourne's biggest users, will continue its push to larger ships ...

TradeWinds Today 26 April 2007

SATISFACTION FROM HAMBURG SUD

By Gary Dixon

German boxship line Hamburg Sud has said its 2006 performance was "satisfactory" against a backdrop of falling rates and higher costs.

Volumes rose to 1.84m teu, up 21% from 1.52m teu in 2005, while turnover was up 5.2% to EUR 3.19bn (\$4.33bn), with freight rates under pressure.

It said: "Alongside powerful organic growth, this rise was aided by the takeover of the cross-trade operations of the Russian shipping company Fesco."

This has boosted its strength in trade lanes between Australia/New Zealand, Asia and the US west coast.

It did not reveal a profit figure, but said the result was below that of 2005 and in line with expectations, due to higher costs.

Slot capacity grew by only 1% to 201,000 teu as a result of service rationalisation, and the number of vessels dropped by two to 88.

Its total fleet reached 139 ships, including 51 bulkers and products carriers at year-end, with 27 owned.

"Tramp services again delivered an extremely pleasing, above-budget contribution to operating income," it added.

Looking ahead, it said the decline in freight rates experienced since mid-2005 had now come to a halt in most of its trades and the owner sees earnings potential in curbing costs.

That is why it continues to order bigger ships to reduce unit expenses. Three new 3,750-teu boxships were delivered between February and April, with three more to come this year.

The enlargement of the Panama Canal will unleash further increases in ship size ...

Lloyd's List 27 April 2007

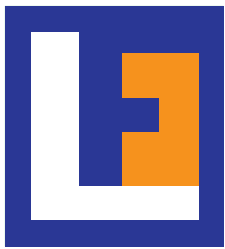
CARRIERS PLAN STRATEGIES IN CASE OF FURTHER HIKES IN PANAMA CANAL TOLLS

By Janet Porter

PANAMA Canal toll increases could force container lines to examine other options rather than face the risk that rises already in the pipeline will be followed by more.

Alternatives could include investment in new North American west coast facilities, intermodal infrastructure improvements, or a shift to Suez Canal routings, International Chamber of Shipping secretary-general Tony Mason warned.

"To avoid undermining confidence, we need a clear statement from the Panama Canal Authority (ACP)



about its intention regarding tolls," Mr Mason told an industry conference.

The ICS has already complained about planned toll increases that, for container lines, amount to 47% over three years.

"This does not represent a fair distribution of costs," Mr Mason complained.

He was responding to a presentation by Rodolfo Sabonge, director of ACP's corporate planning and marketing department, on the planned \$5.25bn expansion of the canal and how the project is to be financed.

For containerships, the enlarged canal will enable vessels of up to 12,600 teu to transit the waterway, more than double the size of existing panamax tonnage.

The new maximum will be restricted very slightly by the decision to use tugs rather than locomotives to tow ships through the locks.

With 8,500 teu ships likely to be the new workhorses for the US trades, the canal authority sees no commercial reason to expand capacity to handle the very latest generation of containerships. Both Maersk and MSC will have ships in their fleet too wide or long to enter the locks.

The number of all-water liner services from Asia to the US east coast via the Panama Canal has increased considerably in recent years because of severe road and rail congestion.

The Suez Canal option is only suitable for cargo coming from southeast Asia or the Indian subcontinent but not for services from northern China.

And despite complaints about Panama Canal charges, shipowners privately say it represents good value for money compared with Suez Canal fees.

But what concerns the lines is the possibility that the already announced front-loaded tariff increases will be followed by more as the construction work on the enlarged canal proceeds.

Addressing Containerisation International's global liner shipping conference, Mr Mason praised the ACP for making "an enormous success" of running the canal and agreed that it was now close to capacity.

Nevertheless, he said container lines were "firmly opposed to the quantum of the proposed increases" that had been announced "with insufficient notice".

But Mr Sabonge delivered a robust defence of ACP's business plan. "We have done our homework," he told the conference. "And we are providing stability by setting prices for three years."

That is extremely rare in shipping, he reminded ACP customers.

International trade continues to grow at unprecedented levels, as reflected in container port throughputs ...

ynaliners 20 April 2007

YEAR 2007 THROUGHPUT - NB CHINA

Nothing less but amazing growth at the majority of ports so far having reported their 2007 first quarter port handlings (import-export, full- empty, including transshipment). A selection:

Ports	growth	2007 TEU	2006 TEU
Antwerp	17.4%	1,950	1,661
Dunkirk	12.0%	55	49
Gothenburg	12.0%	211	188
Hong Kong	2.3%	5,500	5,376
Nansha (Guangzhou)	56.7%	958	611
Ningbo	44.3%	2,060	1,428
Qinhuangdao	45.5%	58	40
Tianjin	27.6%	1,560	1,223
Yinkou	38.1%	348	252



Shanghai	28.0%	5,880	4,594
Shenzhen	8.2%	4,260	3,937

(TEU*1,000, rounded)

... but putting increasing pressure on ports and facilities that fail to keep pace

...

Fairplay Daily News 29 March 2007

USWC 'must tackle dwell times'

LONG BEACH 29 March - Average dwell times of 4.4 days are adding to West Coast port problems, along with a miserable throughput average of 5,000teu per acre, the annual Peak Season Forecast conference in Long Beach was told this week. Bill Rooney, managing director of Hanjin Shipping Americas, said throughput needs to be at least doubled to avoid a capacity crunch that he predicts will hit in 2010. Dwell times needed to be tackled by everyone in the industry, he said, not just by terminal operators and shippers. A reduction of just one day would probably achieve a 25% increase in terminal efficiency. For Los Angeles and Long Beach, shipping lines' emphasis on post-Panamax vessels means they will attract even more traffic, said economist Paul Bingham of Global Insight. "Worldwide, 76 new post Panamax vessels are in service or in shipyards this year, totalling about 650,000teu," he told Fairplay. "They will head for the hub ports, such as those in Southern California." Rooney brought up a an unwelcome reminder of one of the biggest challenges facing the entire Pacific coast - the rapidly diminishing storage areas, with a total of only 5000 acres available.

Fairplay Daily News 28 March 2007

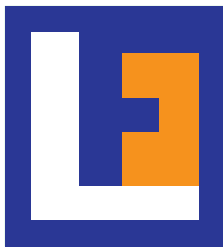
California ports face 2010 crunch

LONG BEACH 28 March - Los Angeles and Long Beach will be able to deal with cargo flows efficiently this year, but supply chain factors are queuing up to cause problems within three years, industry experts told the annual Peak Season Forecast meeting yesterday in Long Beach. Paul Bingham, a senior economist with Global Insight, said there will be "no congestion for the next six months at any of the key US container ports and the industry will keep any terminal and network congestion that develops to a minimum through continued refinement to operations and continued vigilance over performance." Bill Rooney, managing director of Hanjin Shipping (Americas) in the US, said this year will be a "relatively smooth operation with no meltdown" for the two Southern California ports, while Ed DeNike, chief operating officer of SSA Container Terminals, said relations with labour on the West Coast are the best he has known and a repeat of the 2002 lockout is very unlikely. But all three speakers warned of danger ahead, with dismal efficiency at ports, a growing shortage of storage space, political and security factors such as TWIC cards and rail logjams. Rooney's forecast that Long Beach and Los Angeles will reach capacity around 2010 met with general agreement among the 400 participants.

How existing infrastructure is being pressured by the 'hidden' growth in the use of high-cube containers ...

Dynaliners 5 April 2007

As the height of a box in general is not visible in official port statistics (usually based on lengths), the foray of the 40' dry high cube (HC) container into the liner trades largely takes place outside the



limelight. Data provided by the Institute of International Container Lessors show that the share of this box of all 40' equipment developed from 16% in 2000 to 36% in 2005 (+124%). In latter year 75% of all new 40' dry containers on order was HC, but the reverse was true for disposals. In all, Dynamar estimates that by 2010 the share of the 40' HC will have grown to 65% and further to some 85% or more by 2015. The FEFC recently estimated 6% (only) lost slots because of the carriage of high cubes, which may underline the capability of the ships of well over 8,000 TEU capacity in this respect. Feeder operators increasingly phase out vessels not suitable to lift a large portion of high cubes. The High Cube may well cause headaches to outdate inland infrastructure, rail in particular.

As landside congestion of road and rail grows, focus is shifting to short-sea shipping ...

Fairplay Daily News 18 April 2007

SHORT-SEA NEEDED TO TACKLE CONGESTION

ORLANDO 18 April - Chuck Raymond, chairman of Jones Act-carrier Horizon Lines, says short-sea shipping is "a necessary solution" to impending intermodal congestion, but only if regulatory hurdles can be overcome. In a statement to Fairplay reiterating his remarks yesterday to the Journal of Commerce-sponsored Short Sea conference, he urged lawmakers and agencies to address regulatory issues this year to allow that to happen. In the short term, adjustments to the Harbor Maintenance Tax are required immediately to allow companies to start testing the short-sea market. To create a viable industry in the long term, changes will need to be made to Title XI and Capital Construction Fund rules to encourage vessel and infrastructure investment. Noting that US container imports are expected to double to more than 30Mteu over the next decade, he said the throughput will place tremendous pressure on a transport infrastructure that is already under great strain. "It is no longer a question of if our nation's transport infrastructure will start to fail, but when," Raymond said. "Short-sea is not the only answer but an answer we must explore now."

SEA MOTORWAYS TENDERS OPENED

BILBAO 18 April - Tenders have been opened for motorways of the sea services linking Atlantic ports of Spain and France with northern France. Spain is to provide €15M (\$20.3M) subsidy for each service selected, while France has promised a total subsidy of €41M. Both countries will consider bids that improve existing short-sea services and those setting up new shipping lines. The opening of tender comes ahead of the French elections. In a press statement the Spanish government said the winning bids would incorporate ship owners and port operators, involve more than one port, and detail how much trade would be transferred from road to sea. Operators and owners have until 3 September to present bids. Spain and France have pledged to ensure selected bids are later incorporated in the European Commission's Marco Polo II programme.

Leading ports are equipping now for the ships of the future ...

Fairplay Daily News 13 April 2007

PORT OF AMERICAS MOVES AHEAD



PONCE 13 April - The proposed \$250M Port of the Americas at the Puerto Rico port of Ponce is moving ahead and could be operational as soon as next year. Port executive director Ramón Torres Morales delivered the news yesterday to the Council of American Master Mariners' annual meeting. He said dredging of the Ponce channel to 50ft (15.24m) has already been completed and construction of the first quays finished. The facility could be operational at a 250,000-teu a year level by next February, with growth to 800,000teu achievable within a few years. Bids will soon be open to potential operators; four major carrier-customers and terminal operators have already shown serious interest in the project. Ultimately the facility is being built to accommodate Emma Maersk class and even Malacca-max vessels, Torres commented, although he admitted it will be years before such vessels are expected in Caribbean waters. The port also hopes to capitalise on trans-Suez traffic bound for North America. Asked by Fairplay about sceptics' concerns that transshipment costs would be unduly increased by use of Jones Act carriers to move boxes from Puerto Rico to the US mainland, he said, "We have been talking with Evergreen on this and they have a way to make it work."

Hong Kong Shipping Gazette 14 April 2007

WILMINGTON PORT STARTS USING NEW SHANGHAI GANTRY CRANES

FOUR Shanghai-made gantry cranes, which arrived at the port of Wilmington, North Carolina, in early February, have swung into operation with the loading and unloading of 1,200 containers.

The first vessel to test the new equipment was the YM Shanghai, which docked at the facility for an 18-hour port call, reported The Wilmington Morning Star.

The new cranes, built by the Shanghai's Zhenhua Port Machinery Co. arrived at after a two-month journey, but were slightly damaged in a collision with a dredger in the Cape Fear River but were soon fixed and operational on schedule.

The cranes, part of a five-year, US\$143 million container-terminal expansion at Wilmington, can load 18 containers across a ship, compared with 13 for the port's four existing container cranes. Of the \$33.2 million purchase price for the cranes, \$14.1 million was funded by appropriations from the North Carolina legislature.

Thomas Eagar, chief executive officer of the North Carolina State Ports Authority, said Wilmington's expansion programme will nearly triple the port's capacity.

A series of changes at the port made the cranes' use possible. They included upgrades to the port's two container berths, as well as installation of a new power-distribution system for the cranes.

"These infrastructure improvements, which took more than a year to complete, will be able to accommodate these four 100-foot gauge cranes, capable of handling the largest ships that can navigate the Cape Fear River's 42-foot channel," Mr Eagar said.

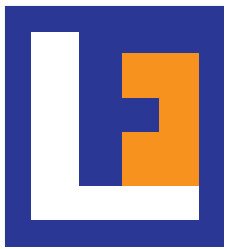
The newer, larger ships bring new standards of leading-edge technology and environmental safety ...

Hong Kong Shipping Gazette 14 April 2007

LLOYD'S LIST NAMES 11,000-TEU EMMA MAERSK SHIP OF THE YEAR

MAERSK Line's 11,000-TEU Emma Maersk has been named "Ship of the Year" in the Lloyd's List awards this year.

As the world's largest containership when she first entered the shipping line's Asia-Europe service in



2006, the vessel took the honour for setting new standards in innovation, environment and safety for both Maersk Line and the shipping industry as a whole.

The Emma Maersk called at the ports of Hong Kong and Shenzhen's Yantian in October last year during her maiden voyage, and is scheduled to make stops in Xiamen and Ningbo in late April. The increasing number of Chinese ports reflects the great importance the company attaches to serving the southern China market, it said in a statement.

The Emma Maersk's environmentally-friendly features include an advanced energy efficiency system, waste heat recovery system and an electronically controlled engine, which combine to release fewer polluting emissions by reducing total fuel consumption by up to 10 per cent.

In addition, the vessel's hull is painted with a biocide-free, silicone-based anti-fouling paint. This is designed to reduce the impact on the marine environment and is expected to lower fuel consumption by 1,200 tonnes per year. The ship is also equipped with inboard-protected fuel tanks to lower the likelihood of oil spills.

Some of the economic rationale for the bigger container ships ...

Dynaliners 30 March 2007

FUEL - DEADWEIGHT - TEU CAPACITY

The (11,000 declared) estimated 14,000 nominal TEU, 170,000 dwt "Emma Maersk" operates on a 56 day, 22,000 nautical miles Europe-Far East roundtrip during which she will burn around 380 tons a day of fuel when at sea. As bunkers are cheapest in Rotterdam, that is where the carrier would want to take in for the full roundtrip. This of course affects the deadweight, but ships from North Europe to the Far East are not full anyway. Taking into account a 48% imbalance, 6,700 TEU of empties will have to be loaded, leaving space for 7,300 full eastbound TEU of an average payload of 13 tons, higher than the Rotterdam average of 11.3 tons per export TEU to Asia. With half the bunkers used, the ship will have 134,000 tons deadweight available for all her 14,000 slots westbound to Europe: maximum 7.6 tons per TEU after deduction of tare. The average payload per import TEU from Asia discharged in Rotterdam is 7.3 Tons. In other words, and although it may be a bit tight westbound: this 14,000 TEU leviathan could actually occupy all her assumed nominal slots in both directions, considering 48% empty containers to be re-positioned eastbound.

How global terminal operators are extending their power and influence over ports and carriers ...

Dynaliners 5 April 2007

GLOBAL TERMINAL OPERATORS

APM Terminals handled 28.4 million TEU at the facilities it is involved in, calculated on an equity share basis; 17.8% more than the 24.1 million TEU of 2005.

The DP World-operated terminals, including those of former P&O Ports for the full year, and also the end last year sold-off USA facilities, shifted 42 million TEU in 2006 - it was, on the same basis, an estimated 36.5 million TEU in 2005, representing a 15% year-on-year growth.

The terminals worldwide in which Hutchison Whampoa subsidiary Hutchison Port Holdings is involved moved 59.3 million TEU in 2006, 14.4% more than 2005's 51.8 million.

Whereas A.P. Møller-Maersk's APM Terminals reports its handlings on an equity basis, i.e. taking only



30% of a terminal's throughput when its equity share is 30% (such as Port Tanjung Pelepas), both DP World and Hutchison (and others) report the full throughput of the facilities in which they are involved, irrespective of their equity shares and even if the terminal is co-owned with an other stevedore. Consequently, substantial double counting takes place. It would be good if a common modus would be followed, also outlining how to do with financial shareholders only and stakes held by another operator.

How port productivity continues to rise, propelled by demands from shipping lines and customers ...

Dynaliners 20 April 2007

Shifting 3,077 boxes from/to a 4,700 TEU Hyundai ship in just under nine hours, Chiwan Container Terminal (CCT) of Shenzhen claims having achieved a new world showcase handling record of 347 moves per hour. One of the ship-to-shore container gantries even reached a production of more than 57 moves per hour (almost one a minute!). It is yet unknown whether this crane was fitted with the recently installed triple-lift trolley.

Further evidence of major ports' role in the economic wellbeing of cities, regions and states ...

Georgia Ports Authority media release 30 March 2007

GEORGIA'S DEEPWATER PORTS RESPONSIBLE FOR 7 % OF GEORGIA'S TOTAL EMPLOYMENT

(Savannah, GA) - At the recent Georgia Ports Authority (GPA) Board Meeting held in Savannah, the GPA reported double-digit container growth for the first eight months of Fiscal-Year 2007

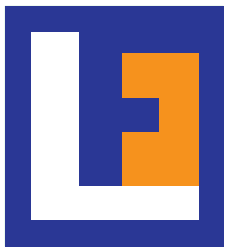
"These positive results for the year thus far go straight to the heart of a new study released by the University of Georgia this week," said Doug J. Marchand, GPA's Executive Director. "Port of Savannah's increased container volumes and expanding share of regional and national waterborne cargo traffic directly translate into economic activity that ripples throughout our economy."

The study, titled "The Economic Impact of Georgia's Deepwater Ports on Georgia's Economy in FY 2006," reveals, among other things, that one out of every fourteen jobs in Georgia is in some way dependant on the ports.

"Additional containers mean additional jobs and, in the very near future, an even greater percentage of port-related jobs will be coming to Georgia," said Marchand.

During Monday's Board Meeting Marchand noted that export volumes through Savannah have surged in recent weeks, outpacing imports. "The lifting of the ban on U.S. poultry in both China as well as Mediterranean countries has proven to be the main driver," said Marchand. "Cotton exports to Turkey as well as forest products and kaolin clay to the Mediterranean and Asian markets have created additional opportunities for Georgia and U.S. exporters."

Also during Monday's Board Meeting, Curtis J. Foltz, GPA's Chief Operating Officer, provided year-to-date results showing that Port of Savannah handled 1,489,605 Twenty foot Equivalent Unit containers (TEUs) between the months of July and February, a 10.9 percent increase over the same period last year. "I would like to thank the dedicated men and women of the Georgia Ports Authority for their accomplishments thus far this year," said Foltz. "Productivity and service levels in recent months have remained strong and are truly world class."



Foltz added that the Port of Savannah handled 189,057 TEUs in the month of February 2007, a 17.6 percent increase over the same period last year.

Georgia's deepwater ports and inland barge terminals support more than 286,476 jobs throughout the state annually and contribute \$14.9 billion in income, \$55.8 billion in revenue and some \$2.8 billion in state and local taxes to Georgia's bustling economy.

SeaPorts Review 21 March 2007

PHILADELPHIA PORT DEVELOPMENT PLAN CAN BRING 100,000 NEW JOBS TO AREA

(Philadelphia, PA) - A plan is underway to develop the Port of Philadelphia into a major best-in-class East Coast container facility with the potential of employing some 175,000 people and handling more than 3.5 million containers annually.

Two major American terminal operators and an investment firm have already expressed interest in developing and operating container handling facilities under the new port development plan. However, the entire development is being jeopardized by the proposed relocation of a 1,100-employee Food Distribution Center (FDC) on prime waterfront real estate.

Maritime and port interests are lobbying politicians and the Philadelphia Regional Port Authority to relocate the FDC away from the area. The FDC, which does not require waterfront access, would ultimately block the port's access to the three Class One railroads that convene near the site—a major and unique advantage for the port.

During recent hearings Pennsylvania Governor Ed Rendell aides indicated he would reconsider the FDC relocation if legitimate operators showed interest in the Southport project. The Philadelphia Regional Port Authority commissioners indicated at their meeting on Friday, March 2, that they would work with port stakeholders before rendering a final decision.

Pennsylvania State Rep. William F. Keller, a former longshoreman, has called the commercial port development "a dream for Philadelphia we have been anticipating for 30 years. When words get around about the potential for this proposal, the offers will be coming in by the truckload. This is a boon for our region." He added: "More jobs for America in industry is what we need."

"With the congestion at West Coast ports, the ship size restrictions of the Panama Canal and the growing importance of the Suez Canal because of its ability to accommodate the giant ships coming on line, Philadelphia has the potential of being a major player in globalization," said Uwe Schulz, President of the Ports of the Delaware River Marine Trade Association (PMTA) which represents waterfront employers.

"The Southport location, which encompasses the Philadelphia Navy Yard, provides great hope of bringing jobs back to a shrinking employment market here and allow our region to take a significant role in the world trade arena," said Mr. Schulz. He noted that Philadelphia is already the largest breakbulk handling harbor in the East Coast.

"Philadelphia is the only United States port with direct access to three Class One railroads and destroying that unique benefit would be a tragedy. In addition, access to the interstate highway network is another direct advantage," said Dennis Rochford, President of the Maritime Exchange of the Delaware River and Bay, which represents nearly 300 maritime businesses.

The PMTA and Maritime Exchange are among a group of associations representing diverse interests in the Port of Philadelphia who have united on this issue. The others are the International Longshoreman's Association and a cadre of trade associations and related private enterprises, known as The Maritime Stakeholder Group.

"With the CSX, Norfolk Southern and the Canadian Pacific rail lines calling within yards of the new terminal locations, cargo moving through our port can be swiftly transported to final destination—including



to Canada," said Rochford. Access to these rail heads would be blocked by a proposed four-lane elevated highway needed to access the FDC.

Said Boise Butler, President of Local 1291, the largest ILA local in Pennsylvania: "We are hoping that the genuine interest of two operators will allow those that are supporting the FDC to realize what a major harbor development can mean in terms of the local economy and increasing potential employment."

The port is caught in a web of issues that can either diminish its role in world trade or make it the East Coast's destination of the future. Casino development to the north of the proposed Southport development is underway and will choke access and viability of waterfront property there. The FDC relocation as presently proposed will utilize pivotal property and block the unique rail access. The next generation of container vessels will also have greater air draft requirements thus making transit under bridges more difficult or impossible. The Southport location, south of the Walt Whitman Bridge that joins Philadelphia to South Jersey would eliminate this obstacle.

The coalition hired the renowned consultancy of Paul F. Richardson Associates Inc. to produce an economic and commercial impact study. According to Edward M. A. Zimny of the Richardson group, dramatic growth is a reality as long as the southward expansion can incorporate the proposed FDC site at the Navy Yard, which would have to be relocated. The port today handles some 544,000 20-foot containerized units of cargo each year. This can grow to 3.5 million TEU by 2016.

Today, the port employs some 45,000 longshoremen and port-related workers. This could easily increase to 175,000 as well, Mr. Zimny's report concluded. US container growth will double by 2020, said Mr. Zimny and "the existing transportation infrastructure, especially ports, is forecast not to be able to meet the demand." West Coast capacity constraints are forcing big box retailers, such as Wal-Mart, Home Depot and Target, among others, to change routing patterns from Asia through the Panama Canal to the East Coast. In addition, the number of post-Panamax ships coming into service will mandate use of the Suez Canal. "Philadelphia will have the potential to directly participate in this market re-allocation," said the report.

The Bureau of Labor Statistics shows that Philadelphia employment within city limits is 664,000 now from a previous high of 777,000 in 1998. Many residents commute to jobs in the suburbs that could be located right in the city, notes Mr. Schulz. In addition, Philadelphia's taxes are among the highest in the country but could decline with appropriate commercial growth.

The port of Philadelphia is already the largest breakbulk-handling facility on the East Coast. The proposed plans would greatly enhance container traffic growth, utilizing the opportunities and available real estate for the growing world-class logistics location with immediate intermodal access to virtually every market. Philadelphia is also one of just 12 designated military ports in the U.S.

On how port investment attracts business, services and jobs, as well as the newer, better-performing ships ...

Port of Wilmington media release 30 March 2007

PORT OF WILMINGTON GAINS THIRD CONTAINER SERVICE

(WILMINGTON, NC) - The Port of Wilmington's longtime container-shipping partner, the CKYH Alliance, announced March 29 that it will add a second container service at the Port as part of an upgrade and reconfiguration of its East Coast services. The existing CKYH service is adding larger ships to the rotation, increasing capacity significantly.

Beginning in June, the Port will receive Hanjin Shipping Co. vessels on the Alliance's new AWE North Loop, serving Qingdao, Ningbo and Shanghai in China and Busan, Korea.



In announcing the new service, the CKYH Alliance said, "The launch of direct links from Qingdao, Ningbo and Shanghai to Wilmington offers service variation as well as shorter transit time and schedule reliability."

Expanded container service at the Port of Wilmington is a key part of economic-development projects in progress that would create thousands of high-paying, high-quality jobs in assembly, manufacturing and distribution facilities statewide, especially in the state's eastern third and far-western regions where they are most needed.

"These projects result directly from the choice by Governor Easley and the leaders of the General Assembly to invest in the Ports," said Carl J. Stewart Jr., Chairman of the Board of Directors of the N.C. State Ports Authority. "The new service, and the capabilities of the container terminal and our four new cranes, give us a giant step forward in our mission to enhance North Carolina's economy and create jobs."

The Ports have received \$20.5 million in appropriations for Ports expansion programs since Gov. Mike Easley began including capital appropriations in his budget requests in 2003. Those requests were translated into appropriations by the strong support of the Ports' delegation leaders in the General Assembly.

Of that amount, \$16.5 million has gone toward Wilmington's \$143-million container-terminal expansion, which includes \$33.2 million for four new 100-foot gauge container cranes that will go into service next week.

"This news confirms that the demand for our expanded container terminal is strong," said Ports Authority CEO Thomas J. Eagar. "We based our decision to proceed with the expansion on careful analysis of market demands, especially the needs of many North Carolina businesses who have been using other ports."

The CKYH Alliance includes COSCO Container Lines of China, "K" Line of Japan, Yang Ming Marine Transport Corp. of Taiwan, and Hanjin Shipping Co. Ltd. of Korea.

"We've been sharing the news about the increased capacity and improved service Wilmington offers now, with customers and steamship lines all over the world," said Glenn Carlson, the Authority's vice president for Business and Economic Development. "It's beginning to pay off now."

Beginning this week, Yang Ming adds larger vessels to the Alliance's AW3 service, which currently calls the Port of Wilmington and foreign ports of Hong Kong, Yantian, Kaohsiung and Busan.

The 965-foot YM Los Angeles, arriving March 30 on its maiden voyage, is the same size as the Italia Marittima/Evergreen Marine ship Ital Laguna, which had been the largest container vessel to call at Wilmington. These vessels are the largest class of ships able to transit the Panama Canal. In December, the Ital Laguna joined the weekly AUX service between Wilmington and north China ports operated by Evergreen Marine and their vessel operating partner, Zim Integrated Shipping Company.

The YM Los Angeles' sister ship, the YM New Jersey, joins the rotation in May. The two brand-new vessels can carry 5,000 TEUs (20-foot equivalent units, the industry standard measurement of container traffic) each, significantly larger than the 3,725-TEU capacity of the ships they replace.

"Fiscal 2007 was already looking like a winner in the Port's Container Department, with tonnage for the first eight months of the year up 32 percent and container moves up 14 percent," said Chief Operations Officer Jeff Miles. "Service expansion by the CKYH Alliance will help boost the rest of this year and definitely increase our forecast for next year."

Current claims about CO2 pollution from shipping are based on disinformation

...

Lloyd's List 27 April 2007



MARITIME INDUSTRY FEELS THE HEAT ON GLOBAL WARMING

By Neville Smith

But more shipping, not less could be the answer to managing CO2 emissions, writes Neville Smith

TIME to take a deep breath. Shipping has been grappling with the subject of ship-source airborne pollutants since before Marpol Annex VI was ratified, but a combination of public scrutiny and industry argument has moved the argument to new territory.

Air emissions have hardly been off the agenda of late and competing arguments over how best to tackle SOx, NOx and particulate matter have bled into the wider public sphere.

But the watershed was International Maritime Organization Secretary-General Efthimios Mitropoulos' address to the BLG sub-committee last week.

The question of combating CO 2 emissions has climbed the political agenda so fast that answers were beginning to be bandied about before the questions had been properly asked. One thing was clear from Mr Mitropoulos' intervention. The debate that would shape the revision to Annex VI could not take place in a vacuum. CO 2 would have to added to the discussions, even if a solution was enacted separately.

The expert panel he has charged with looking at air emissions "in a holistic manner" could report as early as year-end in order to keep the Annex VI review on track and pave the way for a long-term solution to CO 2 .

The argument which has swept back and forth on SOx, NOx and particulate matter has at times been a metaphor for the shipping industry: on one hand innovative, on the other riven by factional disagreements.

But while the debate has thrown up a number of potential solutions, the interested parties agree that CO 2 is quite different. SOx, NOx and particulate matter are by-products of combustion that can be captured and treated. CO 2 is a function of a chemical reaction which results from burning fossil fuels. It cannot be abated, only prevented.

NOx is also a greenhouse gas and there is little point abating SOx and particulate matter if significantly more CO 2 is generated in the process.

For residents of Los Angeles Long Beach or the Baltic shore, SOx and NOx might at times be an issue of local politics. CO 2 is a global concern. So much so that issue has wandered into the path of the mainstream media.

The results have made for ugly reading, with misinformation and bloody-minded reporting resulting in at least one headline suggesting that "CO 2 output from shipping [is] twice as much as airlines".

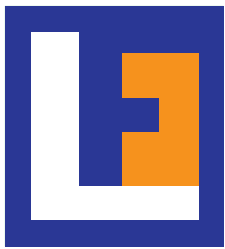
This despite the base assertion being demonstrably untrue and the story more a product of poor PR than responsible reporting. But mud sticks and the tide seems to have turned shipping from CO 2 good guy into carbon villain.

Lloyd's List readers will not need reminding of the Stern Report's conclusion that of transport's 14% share of CO2 emissions, shipping and rail combined account for 1.75%.

To Chamber of Shipping director-general Mark Brownrigg, that is a message that has to be got across without a hint of complacency. "There is a heck of a lot of misinformation out there. It's true we need some new data but in all objective studies, shipping is a small polluter".

That means that any reduction in shipping's CO 2 emissions will mean a small overall reduction "but that does not mean we shirk our responsibility". The UK is already working on a greenhouse gas (GHG) inventory and Mr Brownrigg says since the enactment of the Kyoto Protocol, international shipping's contribution to CO 2 has fallen by 11%.

Just as it is impossible to ignore the net benefit of shipping to the world economy, there can be no comparison to airfreight's share of pollution. Just under 2% of global CO 2 emissions seems a fair ratio



for moving 90% of world trade. For many commodities there is no alternative but seaborne trade.

There are dissenting voices still of course. With caveats, Hong Kong Shipowners' Association managing director Arthur Bowring reiterates his body's stance on SOx and NOx: that a switch to cleaner distillate fuels would assist in the development of more efficient engines.

This might not lead to major CO 2 reductions but he is concerned that a web is being spun around the issue that a switch to distillates means more CO 2 generated by refineries.

"I don't recall this argument being used by refiners to argue against the use of very low sulphur fuel for land transport. In any event we also have to consider the amount of CO 2 that will be produced manufacturing and operating scrubbers as well as the fact that refiners are in a much better position to handle excess CO 2 than the shipping industry."

One of the most vociferous critics of shipping's environmental record is Friends of the Earth but in Eelco Leemans it has a spokesman regularly heard talking sense from the conference platform.

He is happy to admit that shipping is 'very energy efficient' but that this should not exempt it from having to lower emissions. "Like any source, emissions across the whole range have to go down, and it would be very good if the industry set short- and long-term goals for this," he says.

He sees the IMO's holistic approach as an attempt to slow down the process of change but says "fortunately there are several organisations and individual companies running in the front".

Friends of the Earth's submission to MEPC 56 will call for the development and finalisation of a GHG indexing system and seek the application of all possible technological improvements from routeing to engine efficiency as well as recommendations on technical and operational standards for new and existing vessels.

Despite the desire for a workable long-term solution, it is clear that the CO 2 question will require more than one answer. So what are the options?

Mr Brownrigg is not alone in viewing emissions trading as "a partial solution" that might have a role in the transition to a cleaner environment and encourage reduction in pollution in line with the IMO's apparent preference for phased targets. Neither is the simple carbon offsetting considered viable, despite the green glow it might bestow on frequent flyers to know they are planting trees.

Wallenius Wilhelmsen vice-president of environmental and fleet performance Lena Blomqvist describes offsetting as "only a temporary measure. All attempts should first be made to reduce fuel consumption".

Achievable solutions, she says, centre around efficiency improvements and a reduction in fuel consumed, something which can be achieved by technical measures of ship design, propeller polishing, service speed and better scheduling. Re-using waste heat must also be studied.

The industry must not be complacent however. BIMCO's Niels Bjorn Mortensen points out that "if bodies outside the IMO get the upper hand it could result in measures which may have a negative effect on world trade".

The EU and local authorities in the US and elsewhere are reportedly 'itching' to introduce new unilateral air pollution regulations.

So should shipping prepare for an uphill battle with regulators and the media? It need not be so and in fact the industry has a strong hand to play.

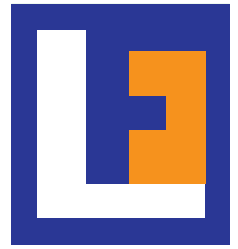
As Mr Bowring puts it; "Shipping is a necessity while air transport is a luxury and I am not sure the world economy would collapse if air transport was restricted".

It might not be popular to remove cheap airfares but he says: "We should look at the amount of CO 2 emissions we could reduce if we moved as many goods as possible by ship. Shipping is part of the solution, not the problem and we have to get that message across."

This concerted modal shift from road and rail to water should be encouraged and Mr Brownrigg thinks that even the absolute increase in shipping might lead to an decrease in CO 2 if enough truck traffic is replaced with ocean and short-sea shipping.

BOOMTOWN OR BACKWATER BULLETIN

Information Newsletter No. 6
April 2007



That is a message that NGOs would welcome says Mr Leemans. "If the maritime industry would show a genuine interest in sustainable development and come up with constructive proposals for real changes that would help a lot."

Early days these may be, but the evidence gathered so far suggests the industry is better able than it once was to confront the issue.

BIMCO's Carsten Melchior thinks the lesson to be learned from the Annex VI review process is that "we need to talk a lot more about this and about handling the media attention.

"All the stakeholders will want to see improvements".



BOOMTOWN OR BACKWATER BULLETIN

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Contact:
VFLC Secretariat
Level 49, 80 Collins St
Melbourne 3000
Tel +61 3 9655 6457
Mob 0418 306 900
email: vflc@doi.vic.gov.au