

Antwerp

Challenging conditions fail to halt investment at port

Belgium's top port takes a long term approach and continues with expansion plans, writes Helen Hill

ANTWERP is taking a hands-on approach to the recession and pressing on with expansion plans as it prepares for the return of more buoyant times.

The first quarter of 2009 saw a 19.3% decline in overall traffic and a 16.3% fall in teu volume but the dip was in line with port authority expectations, according to chief executive Eddy Bruyninckx. "We foresaw this in our budget for the year," he said.

And while there were some signs that things could be changing for the better, with shipping agents indicating that volumes were finally picking up, the port issued a note of caution. "No one is in a position to really know and we would prefer to stay modest," said Mr Bruyninckx.

The second quarter of 2009 was also looking tough but it had to be remembered that in the second quarter last year Antwerp enjoyed strong figures because of strike action in Le Havre. This year, even without the economic slump, it would have been difficult to make a good comparison, he said.

Even in these tough times there were some bright spots, said Mr Bruyninckx. Liquid bulk performed relatively well, in that it only saw a slight fall thanks to the strength of the Antwerp chemical cluster.

However, port executives were worried



The 7,500 teu *Cosco Seattle* at the Hesse-Noord Natie terminal at the port of Antwerp: the Belgian port saw overall cargo volumes fall 19.3% in the first quarter of this year.

about prospects for conventional cargo. "We are by far the number one there," said Mr Bruyninckx. He added that 2007 had been an absolutely exceptional year with huge demand for steel but these days commodities remained at the terminals for longer. But the downturn had led to this traffic falling dramatically — by around 30%.

On the other hand, he said, Antwerp was in a better position than many others including some in Germany and others in southern Europe which had seen even bigger falls.

One would have to look back to the 1970s to see similar times, he said. "We had got used to these impressive growth figures," said Mr Bruyninckx. "Now we are all in the same position and suffering. One day it has to improve again; people will go on consuming."

Challenging conditions, he felt, were not stopping investment by the port authority or companies in the port.

The development of the Saeftinghe area, representing more than 1,000 hectares, was still under study and if it received the go-

ahead the site would include a new box terminal and logistics cum distribution area.

"We have the space available and we will go on preparing with the studies but we can delay the final decision for six to 12 months without any trouble," he said.

Before the economic slump the port had intended to ask for a political decision in the second half of 2009 but there was no need to push for it in the current market climate.

Underlying thoughts were that new capacity should be available in either 2015 or early 2016. But if it is one year longer it would not be catastrophic, said Mr Bruyninckx. "We will keep our finger on the pulse and decide when it is time to say go," he added.

In the meantime, the port authority and port community was around the table addressing not what they could do about the crisis but how they could prepare for the future when things picked up again. Initiatives to improve efficiency and levels of service to the shipping lines are being discussed.

There had been good news about a second lock and this should be ready by April 2014, and work had started on a tunnel under the river Scheldt which would link the left and right banks of the river.

This would make it possible to run block trains into the hinterland from the Deurganck dock and eventually from the Saeftinghe terminal, due for completion in 2012.

Antwerp Port Authority will also move to new headquarters in 2013/2014.

There were still many uncertainties about the length and depth of the slump but Mr Bruyninckx said the port would attempt to be a solid partner through good and bad times. It would, for instance, take into account through concession fees requests by companies to renovate and modernise terminals. "We want to encourage initiatives that make the port stronger for the future," he said.

URS comes to rescue of 288 m bulker

URS, part of Rotterdam-based Smit, was recently called in to assist a 288 m long coal bulker on its way to Denmark.

The giant anchor handling tug supply vessel, the *President Hubert*, was fixed to tow the 171,191 dwt bulker *Ocean Cosmos* from offshore Lisbon, Portugal, to Ensted.

With a massive bollard pull of 155 tonnes, *President Hubert* had to take over the tow from a Russian tug not powerful enough to tow the bulker, which was laden with 157,000 tonnes of coal.

The Russian vessel was also not approved by the warranty surveyor to tow the vessel through the Bay of Biscay and the English Channel.

When passing the English Channel an additional steering tug, URS' *Union Diamond* — which has a 63 tonne bollard pull — was connected to the stern of the *Ocean Cosmos*.

Bad weather in the North Sea convinced the owner that it was prudent to keep *Union Diamond* connected all the way to Ensted.

Two additional tugs were also ordered for the Great Belt passage. One additional tug connected to the stern of *Ocean Cosmos*, together with *Union Diamond*.

After delivering the *Ocean Cosmos* in Ensted, *President Hubert* and *Union Diamond* continued their voyages to join the crane barge *Hermod*, owned by Heerema Marine Contractors, at the Wintershall location.

The *Union Diamond* then connected to the barge H302 and towed it to Flushing. The *President Hubert* will assist *Hermod* for the next couple of months.

In April, URS' diving support vessel *Union Beaver* left Sluiskil after modification from a four-point to an eight-point mooring vessel.

The *Union Beaver* will be deployed as a cable-laying vessel for a wind farm in the Irish Sea.

URS has a fleet of more than 30 harbour tugs and has been working in the river Scheldt for more than 100 years.

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Stable tonnage tax regime boosts maritime sector

SHIPPING policy, supported by an effective corporate taxation scheme, has led to a resurgence in Belgium's maritime arena.

Peter Verstuyft, the former executive board member of gas tanker company Exmar, who recently took over at the helm of the Royal Belgian Shipowners' Association, said the flag had regained a position that reflected the importance of the Belgian controlled and owned fleet worldwide since the shipping policy was introduced in 2004.

"On the wave of rising European interest for the maritime industry, Belgium created a tonnage tax regime widely recognised as competitive," he said. "A strong point is the stability of the scheme, safeguarded by consultation between different governmental departments, mainly finance and maritime transport and the shipowners' association."

Mr Verstuyft confirmed his belief in the advantages of the Belgian flag, saying it offered a combination of quality, reliability and cost effectiveness. He said the fleet did not appear to have been badly affected by economic turmoil because it had good charter coverage, young and modern vessels.

The association was currently addressing a number of issues as Belgium was determined to take an active stand on the debate on climate change and the role played by the maritime industry, Mr Verstuyft said.

A paper proposing a fine-tuning methodology of the Energy Efficiency Operational

Index had been submitted to the International Maritime Organization's Greenhouse Gas Working Group following a joint study by the owners' association and the Flemish Institute for Technological Research.

The main objective was to contribute to the practical interpretation and implementation of the CO₂ emissions indexing, included in the IMO's interim guidelines.

The association believed the IMO ship recycling convention was a major step forward as it could provide a balance between dismantling capacity and improving conditions in yards. And it was committed to promoting the revised recycling contract Demolishcon, after the adoption of the convention.

"Belgian owners already implement the Green Passport for new vessels and so support the new convention," Mr Verstuyft said.

Belgium, he added, was also tackling the piracy problem off Somalia and was set to contribute to the European Union's Atalanta mission by deploying the frigate *Louise-Marie* to the Gulf of Aden by the end of August.

The owners' association and government were also in talks about making vessel protection detachments available, particularly to more vulnerable vessels including those with slower speeds and/or low freeboards.

In the wake of the hijack of Belgian-flagged *Pompeii*, the Council of Ministers had taken a stand but there had been no agreement as yet on issues including liability and costs.

Manifesto for port heritage

FLANDERS Water Heritage is a new umbrella organisation for shipping, ports and other water-related heritage in Flanders. Its aim is to defend and support all involved in the field of water heritage.

Chaired by Eric Van Hooydonk of the University of Antwerp, the body has launched a political memorandum for the Flemish elections in which it urges the new government to develop a specific water heritage policy.

"One of the main priorities is to fully exploit the incredibly rich tradition and heritage of Antwerp as a world port city," said Professor Van Hooydonk.

Its manifesto was signed by 20 heritage and shipping organisations at a recent seminar. "Among the leading world ports of today, there is no other port with such a long-standing world port city status as Antwerp," said Prof Van Hooydonk.

Geodis and Nova team up

BELGIAN firm Nova Holding and Geodis Logistics are creating a joint venture to provide logistics services in the port of Antwerp under the banner Geodis Nova Logistics.

Nova Natie, which employs 800 people and has a turnover of €125m (\$175m), specialises in added-value logistics services for consumer products, textiles and hi-tech sectors and is one of the main logistics service providers in the port of Antwerp, with nearly 250,000 sq m of warehousing space.

Geodis Nova Logistics will provide services including product control, labelling, assembling, kitting, packaging and co-packing. Rik Geerdyn, chairman of Nova Holding, said: "This joint venture gets together two third party logistics providers and this agreement will give us access to a worldwide market and network, via the port of Antwerp, which will constitute the European Gateway."