

Privatisation moves ahead

PROGRESS on privatisation is evident in the port of **Angola's** capital Luanda, where it looks as if licences will go to regional specialist Nile Dutch for the general cargo operation and a consortium including APM Terminals for the container terminal concession.

And down the coast in **South Africa**, the Coego project to build a new 500,000TEU terminal, located about 20km from Port Elizabeth, is now gathering momentum.

There, it looks as if P&O Nedlloyd, together with the specialist African port project incubator TCI Infrastructure, has secured preferred bidder status.

These two companies are also part of the core consortium for the new Ile de Boule terminal development promoted by the Port of Abidjan, **Ivory Coast**.

The Vridi container terminal concession there is also under the review spotlight and is attracting attention given its importance as a port and regional transhipment hub.

In **Cameroon**, it looks as if the container terminal concession in Douala is likely to go to a consortium including Bolloré and APM Terminals. ●

Africa awaits



Douala acts as an important gateway to West and Central Africa

Will African ports at long last respond to the challenges of globalisation that will provide the impetus for Africa's national economies to grow? *Fairplay's West Africa Correspondent* was at last month's third IAPH conference in Douala, Cameroon, to find out

WORLD manufacturing is streaming towards China. And international companies are increasingly establishing service centres on the Indian Subcontinent. But why isn't Africa benefiting much from the impact of economic globalisation?

It should, says Peter Struijs, vice chairman and executive director of the Port of Rotterdam, who chaired

THE LAST SEVEN DAYS

2 JANUARY

Closed tanker port in Alaska reopens
THE tanker port in Valdez, Alaska reopened after a 48-hour shutdown ordered by the US Coast Guard. It ordered three tankers to leave the area, citing security measures



2 JANUARY

Rotterdam pushes at its boundaries
GROWTH in container throughput at the port of Rotterdam is being hindered by lack of space, Rotterdam Port Management MD Willem Scholten stressed

5 JANUARY

New president for NYK of Japan
NIPPON Yusen Kaisha (NYK has announced the appointment of Koji Miyahara, 58, as president. Former president Takao Kusakari will continue as chairman

MORE

oil impetus

the International Association of Ports and Harbours (IAPH) conference. He is confident that enhanced information networks resulting in production processes shifting to areas of low labour costs will benefit Africa. Africa has rich natural resources as well as competitive labour, remarked Struijs, suggesting that this tasty cocktail should also generate benefits for the continent's port community.

"But African ports cannot be simply heaped together in the same manner as, for example, the ports in northwest Europe, as Africa is a diverse continent with different regional trading patterns," said Struijs.

"It is both rich and poor, and barren and fertile, and African ports are just as diverse. Some ports are able to invest and expand; others are struggling to maintain their functions. There is no such thing as 'the African port,' he declared, adding:

"Depending on the regional economy, political stability, hinterland access and financial resources, each and every port in Africa will have to take up its own challenges."

Cameroon transport minister John Begheni considered that Douala was doing just that. Speaking at the opening of the conference, he said that the port of Douala acts as an important gateway to West and Central Africa and in particular landlocked Chad and the Central African Republic.

Douala's port president Colonel Edouard Etonde Ekoto reminded

delegates that African ports would have to cater for fast-growing populations. Yet port managers must remember their responsibility for safety and the environment in these security-conscious times, he maintained.

In Douala for the week's proceedings, African ports' specialist Steve Cameron of Cameron Maritime Resources noted that African ports had made significant gains in progress and performance during the past 10 years. This was demonstrated, he said, by the technical development at ports across the continent.

These developments include port community networks in Casablanca and Dakar, Namibia's focus on improved customs clearance for inland cargo corridors, and improved cargo tracking for intermodal movements from Dar es Salaam and Mombasa through Tanzania and Kenya to Rwanda, Uganda and Democratic Republic of Congo.

"Africa is now being heralded as the last frontier for port privatisation," noted Cameron. "Globally, port privatisation has reached more than 80% [of main ports], yet in Africa the process is only just gathering momentum. In this huge continent ... there are 54 African countries, of which 39 have direct access to the sea," he noted.

While such progress should help African ports to improve performance and stimulate the economy, the changes are also raising some concerns. The smaller shipping lines,

Struijs: "African ports cannot be simply heaped together in the same manner as, for example, the ports in northwest Europe"



Photo: Steve Cameron

African port delegates at the IAPH conference faced difficult challenges

generally the regional specialists, are concerned at the conflict of interest that arises where terminal operations and liner companies fall under the same ownership, as is the case with Bolloré (which owns Delmas and OTAL) and APM terminals. Although a number of smaller operators have stevedoring licences, they are worried about being squeezed out by pressure from the larger container concessionaires.

This issue is certainly taxing the minds of pan-African specialist Messina Lines' managing director Dr Cerruti, who was in Douala during the conference to seek government assurances for Messina to continue its own stevedoring operations at the port. A choice of service providers will drive improvements in

service levels for shippers, he maintained.

What is clear for African ports is that the huge investments by the oil industry along the Atlantic coast from Morocco all the way down to Angola will help stimulate growth.

Equatorial Guinea, adjacent to Cameroon, has gained from oil investment, growing at a staggering 65% yearly. The plant there is one of the two largest American investments ever made in a sub-Saharan country, a pipeline running through Cameroon being the other.

But will the challenges of globalisation and privatisation bring lasting improvements, particularly to hinterland corridors, boosting trade in a freer market environment? Only time will tell ●

Africa's vital shipping statistics

- Africa has about 90 main ports, of which 52 handle containers.
- About 6% of worldwide waterborne cargo traffic and 3% of box traffic is handled at African ports,
- yet Africa accounts for 13% of the world population
- In 2002, Africa improved its box throughput by 8% – from 7.5M TEU to 8.1M TEU