

# **XX Latin American Congress of Ports**

**LIMA, PERU**

**Shipping Lines: Port Terminal infrastructure  
and Productivity Requirements in Response to  
the Growth of international Trade**

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**JUNE 24, 2011**



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## Latin America:

Vs. World container Trade  
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## In my opinion:

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**Ports**

ESE

MNZ

LCS

PQE

ACJ

BLB

BUN

GYE

PTA

CLA

SAN

**Ports**

MIA

PBT

STT

PCS

LIM

RHD

SJU

BNQ

CGN

MIT

MNU

**CURRENT APL PORT  
CALLS IN  
LATINAMERICA**



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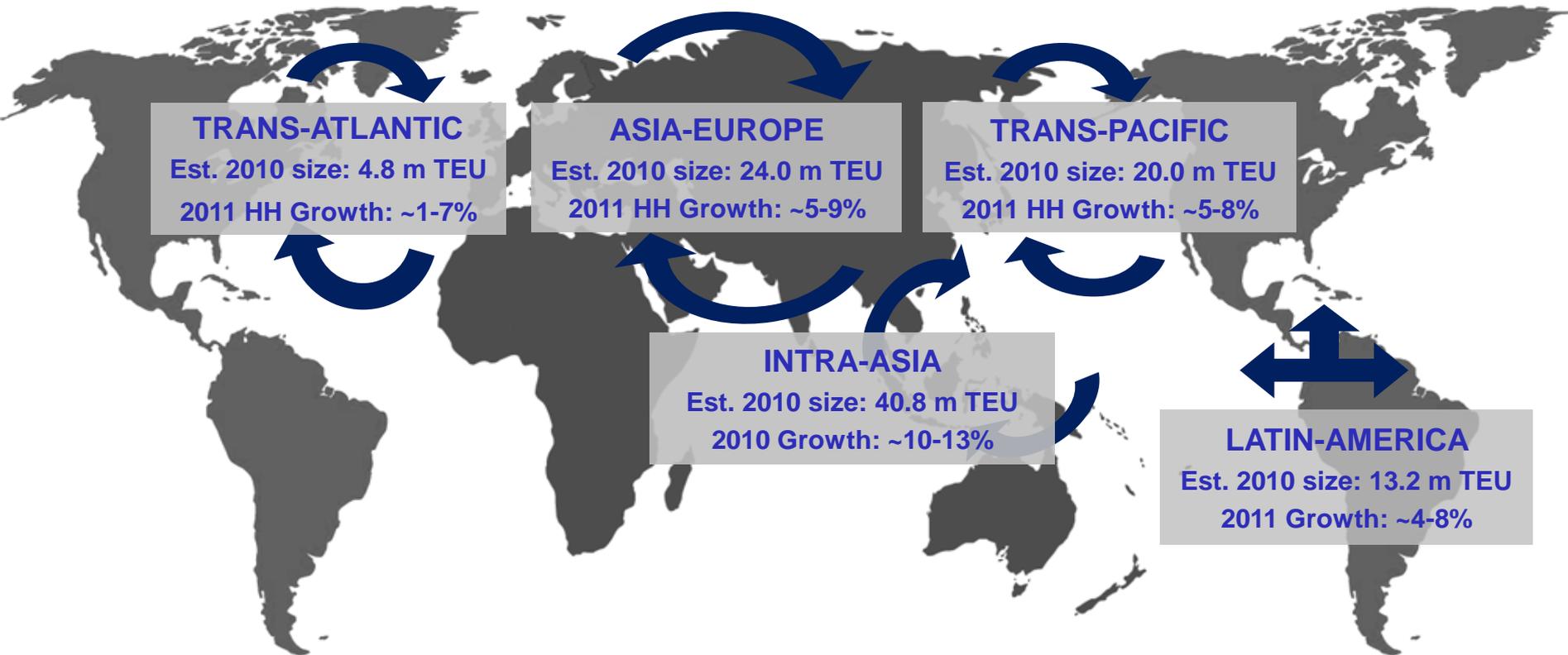
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# Latin America volumes account for ~13% of world containerized trade

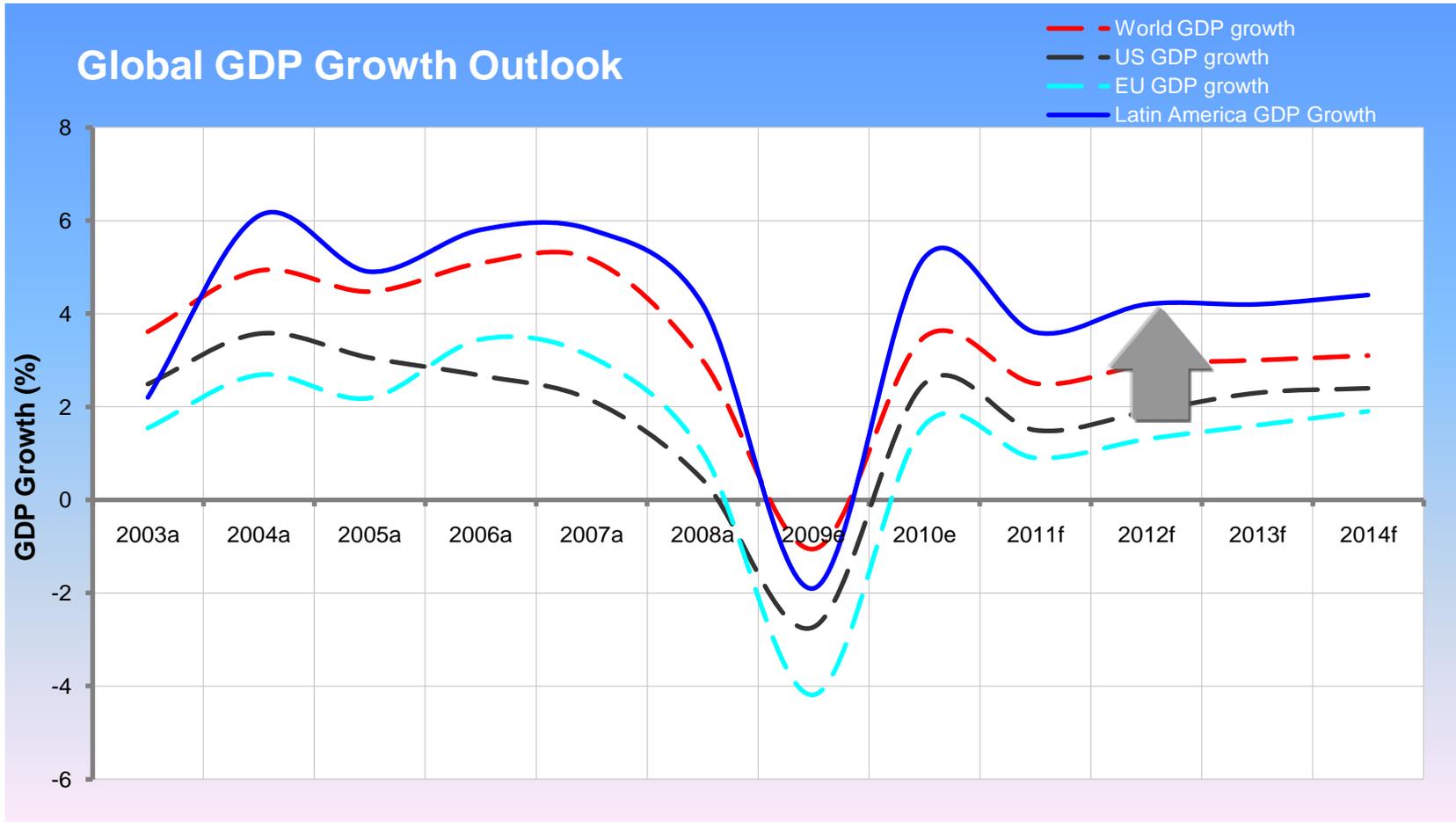


Source: Market size - Various publications: JOC, GI, Drewry, Container Trades Statistics , SLM estimates

Market growth - Various publications: Global Insight, Clarckson, NOL estimates



# Latin America's GDP Growth Trend & Global Comparison



Source: *The Economist* IU November 2010

Latest GDP Estimates = 5.2 US\$ Trillion @ 4.3% growth trend for 2011 (Latin America Monitor June 2011)

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# Terminal Contracting Process

Item	Remark
<b>Provide clear parameters so the Vendor can give us an accurate bid in return.</b>	<ul style="list-style-type: none"><li>•We must tell you about our business.</li><li>• We must give you accurate information about our vessel particulars.</li><li>•Avoid Garbage in / Garbage out.</li></ul>

Item	Remark
<b>Seek Accurate Terminal Profiles</b>	<ul style="list-style-type: none"><li>•We often get Power points that are very overstated with capacity. i.e. 10 Hectares, 1 Berth 2 cranes or no cranes and 600k teu's of capacity???</li></ul>

# Berth Commitments

Item	Remark
<b>We need to have accurate berthing commitments.</b>	<b>Berthing capacity is often overstated.</b>

Berth Window Pattern																					
Day	Monday			Tuesday			Wednesday			Thursday			Friday			Saturday			Sunday		
Shift	24-8	8-16	16-24	24-8	8-16	16-24	24-8	8-16	16-24	24-8	8-16	16-24	24-8	8-16	16-24	24-8	8-16	16-24	24-8	8-16	16-24
Berth 1	Line 1 / EB			Line 1 / NB			Line 2 / WB			Line 3 / EB			Line 4 / EB			Line 3 / WB			Line 2 / EB		
Berth 2	Line 3 / EB			Line 1 / SB			Line 4 / WB			Line 7 EB/WB			Line 1 / WB			Line 2 SB			Line 6 EB		

**Berth 1 Utilization = 70/84 segments = 83.3%**

**Berth 2 Utilization = 62/84 segments = 73.8%**

## Notes:

Line must publish regularly scheduled calls in order to seek a berth guarantee.

If line misses window, it goes to next available window



# Terminal Contracting Process

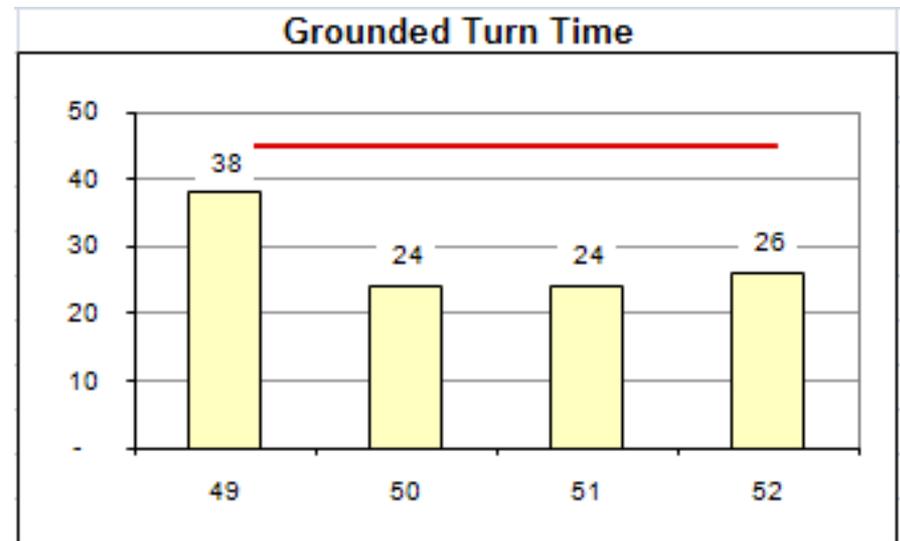
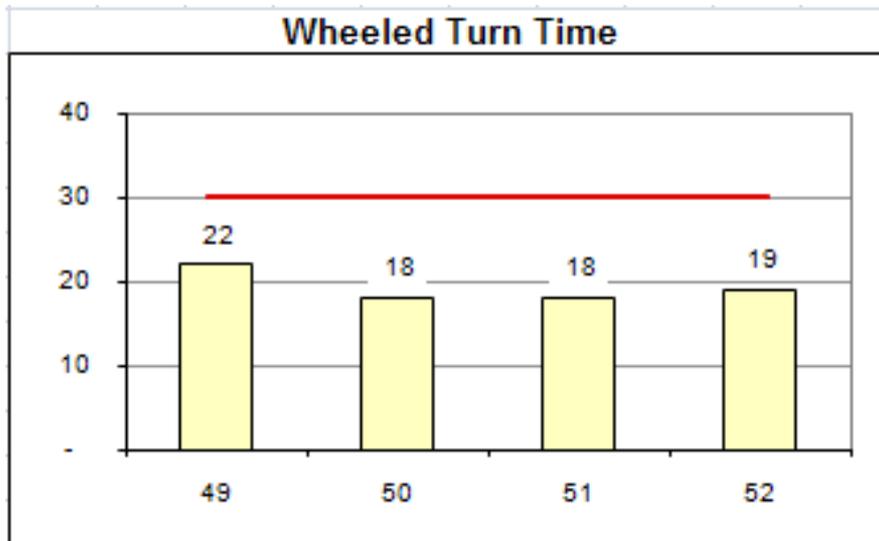
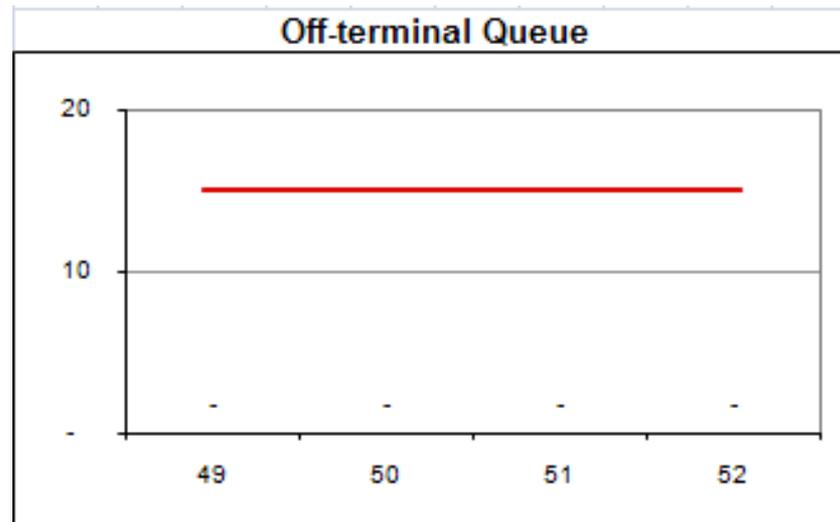
Item	Remark
<b>Crane Guarantees</b>	<p><b>Very important for network assurance.</b></p> <p><b>The industry is moving more and more toward fixed day of week departure and arrivals.</b></p> <p><b>Terminals are filling up, berth windows are golden!</b></p>

Item	Remark
<b>We seek thru-put charges that give us a good understanding of our costs without a lot of surprises.</b>	<b>Be transparent on what service items are included in the rate.</b>

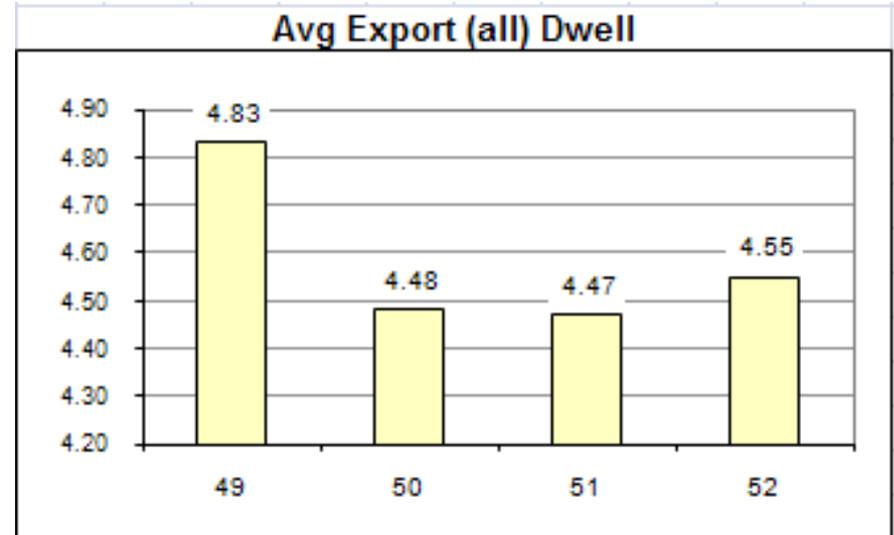
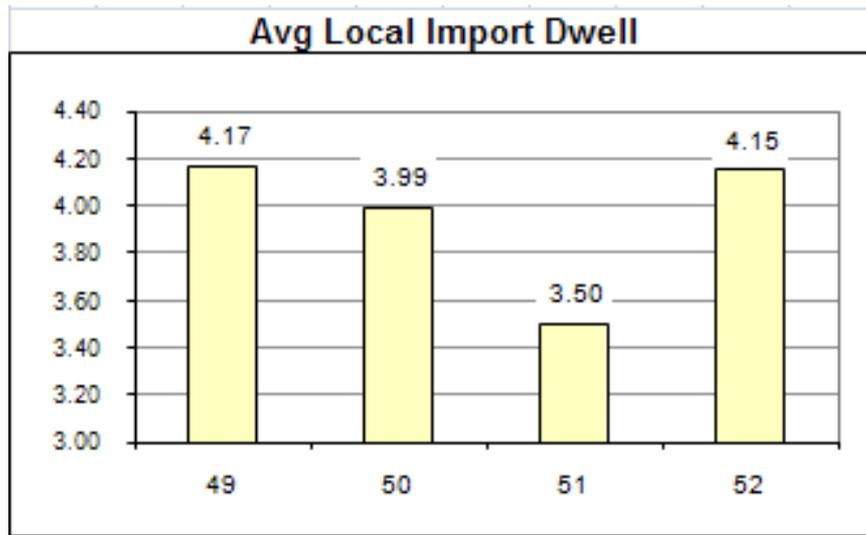
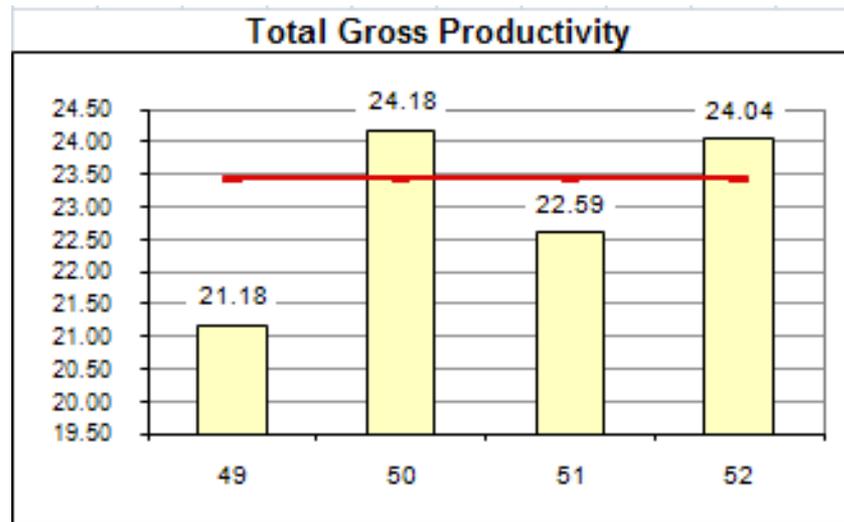
# Terminal Contracting Process

Item	Remark
Terminal Security	Terminals in Latin America not always fully compliant with security standards (Although some are excellent others still lack).
Insurance coverage	US \$20 Mill is standard. Not all terminals are providing this coverage but that is changing with the ongoing privatization of port terminals.
<p>Deep water conditions</p> <p>Ship to land conveyance availability</p> <p>Cooperation amongst Port Authority / Port Terminals and Regulatory Agencies.</p>	<p>Channel, Berth, Turning Basin for larger ships</p> <p>On Dock Rail? Key for increased terminal throughput and vessel productivity</p> <p>While insuring compliance, all of us must be keen on catering to the cargo to insure maximum competitiveness of the markets and products we serve.</p>

# Port Terminal KPIs



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# Opinions: Something to Ponder on...

- **Who is the customer of the Ports and the Port Terminals?**
  - Is it the Shipping Line or is it the Cargo Owner?
- **The Lines and the terminals must partner to service the Cargo.**
  - Time sensitive commodities need to be viewed differently.
- **Given a choice, which terminal will the perishable cargo shipper would want to use?**
  - The one with the cutoff 24 or 48 hrs prior vessel start?
  - Or the one that accepts specific load-listed/documented perishable cargo up to 6 hrs prior to vessel completion?
  - That is a one or two day transit time gain for the product. Even one day makes a big difference.
- **If we are able to partner to do ship to ship transshipments and free flow cargo from the gate to the vessels at terminals on both sides of the Panama Canal, why can't we be more flexible at the ports where the cargo originates from?**

**Thank You for Listening.**

**Questions?**

