

Executive Management Conference for Latin America and the Caribbean

Public and Private Sector Working Cooperatively

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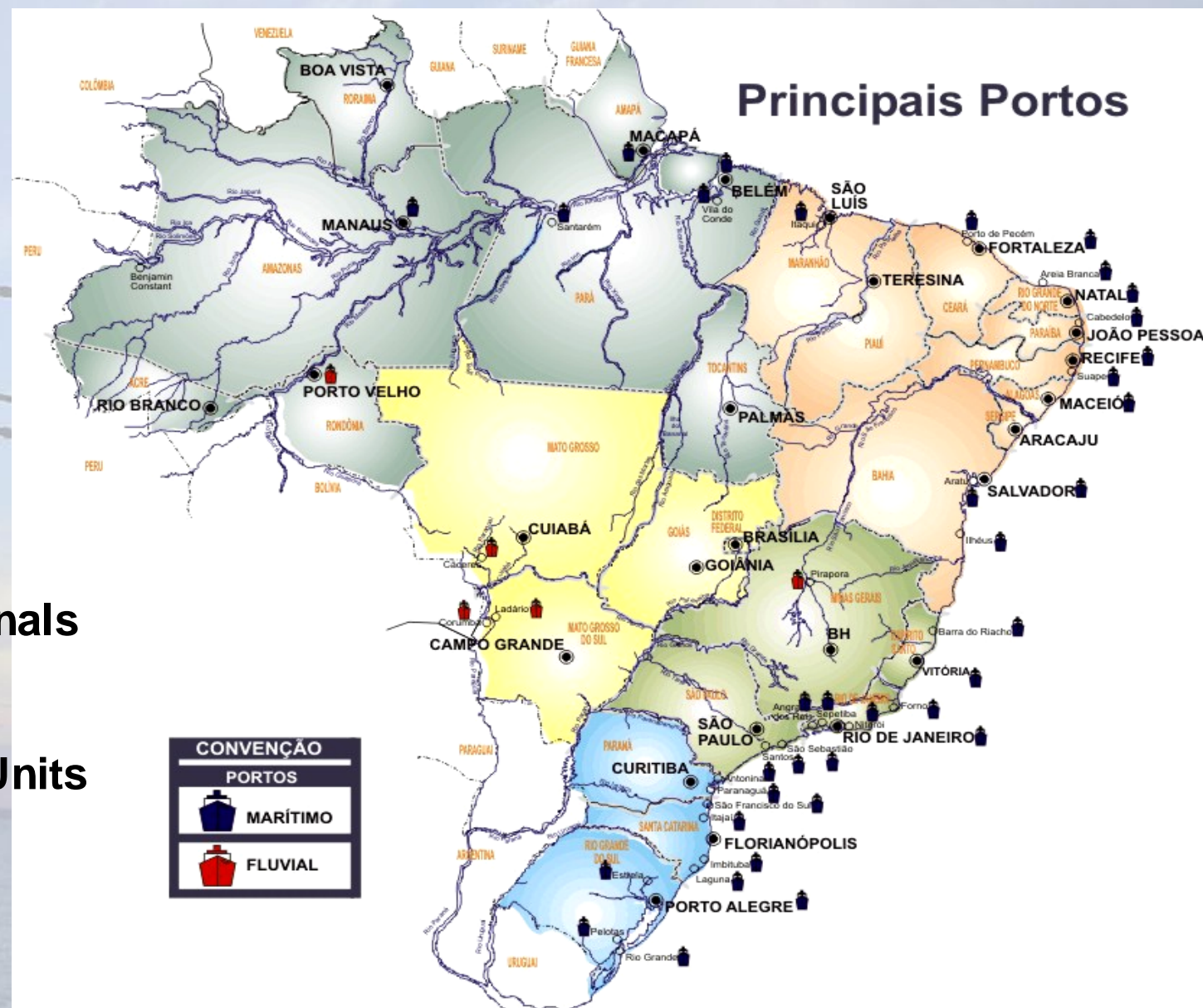
Role of Ports in Brazil's Economic Sector

- Foreign Trade (2006): US\$ 228,9 billion*
 - Exports: US\$ 137,5 billion
 - Imports: US\$ 91,4 billion
- 95% of Brazil's Foreign Trade is performed through its ports
- 497 million tons transported through international shipping in 2006
- 3,9 million in containers equivalent to 6,1 million TEU in 2006

* **Fonte:** MINISTÉRIO DA INDÚSTRIA, DESENVOLVIMENTO E COMÉRCIO EXTERIOR-MIDIC, – Secretaria de Comércio Exterior - SECEX

The Brazilian Port System

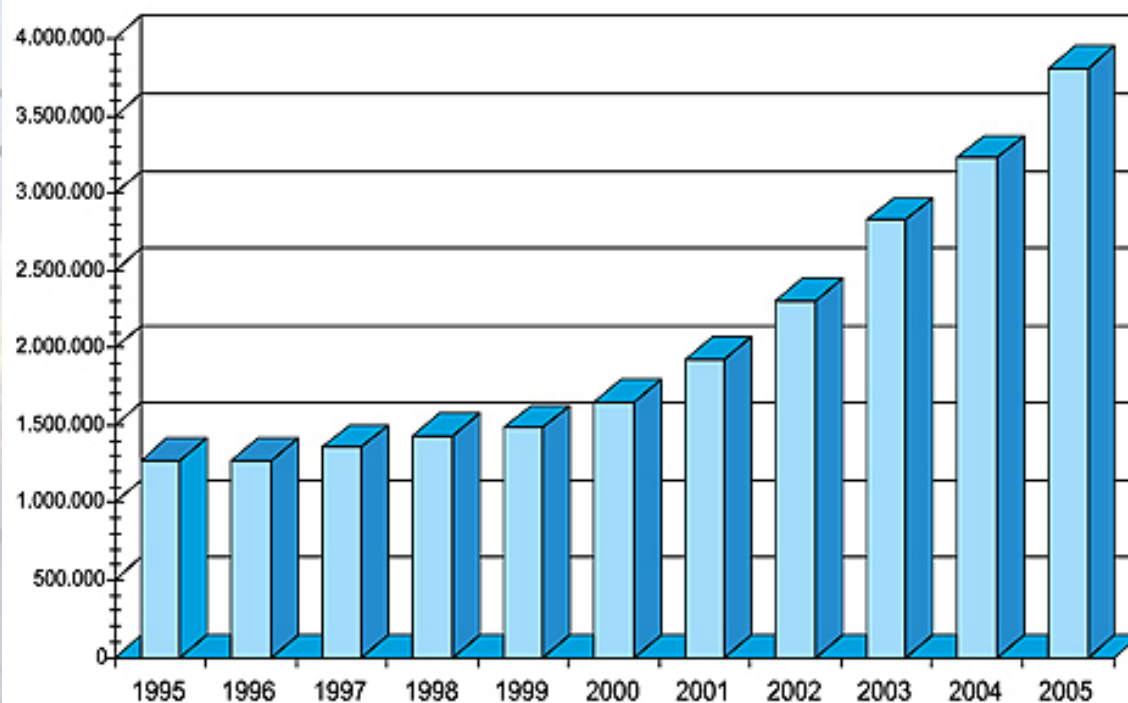
- **Coastline**
8.511 Km
- **Land Area (IBGE)**
8.514.876 Km²
- **Main Public Ports**
34
- **Private Use Terminals**
128
- **Inland Waterway Units**
8



The Last Ten Years

- **Private Investments in Container Terminals**
US\$ 1.2 billion
- **Reduction in Service Cost to User**
75%
- **Increase of Productivity**
625%
- **Growth Rate**
388%
- **Medium Year Growth Rate**
35.27%

QUADRO III
Movimentação de contêineres no Brasil - 1995 a 2005
(Em unidades)
Number of Containers in Terminals



Fonte: Abratec

Public and Private Sector: Measures to Achieve Cooperation



What Must be Done to Achieve Cooperation between the Public and Private Sectors?

ALIGNMENT:

- The objectives of the state (public interests) with the needs of the private sector port service providers (profits)

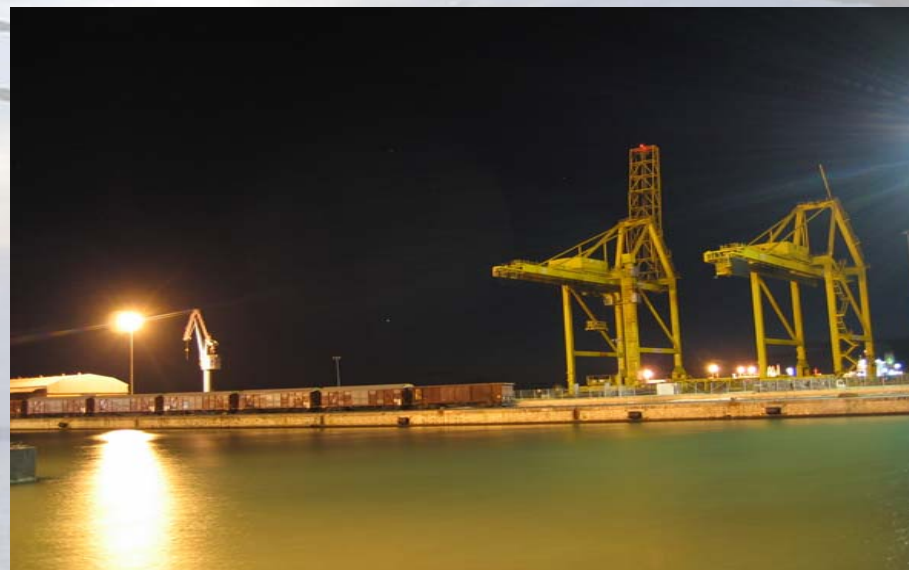
PURPOSE:

- To assist users by responding promptly to their demands, which include: fair price, quality service, efficiency and productivity in the performance of port-related services
- Although the Models of Integration are peculiar to both the Public and Private Sectors, the Public Nature of Port-related Services must be considered.

Pre-Requisites to Integration

- **Establishment of stable rules through the Regulation Act**
- **Inspection, regulation, monitoring and arbitration of conflicts by the State**
- **Mechanisms and rules to attract private investments keeping focus on public interests**
- **Public Policy Planning - short, mid and long-term – for the port sector**
- **Strategic planning for ports development carried out by the public and private sectors together**
- **Professional training for public and private agents in order to enhance development with expertise and efficiency**

Public and Private Participation in the Brazilian Port Activity



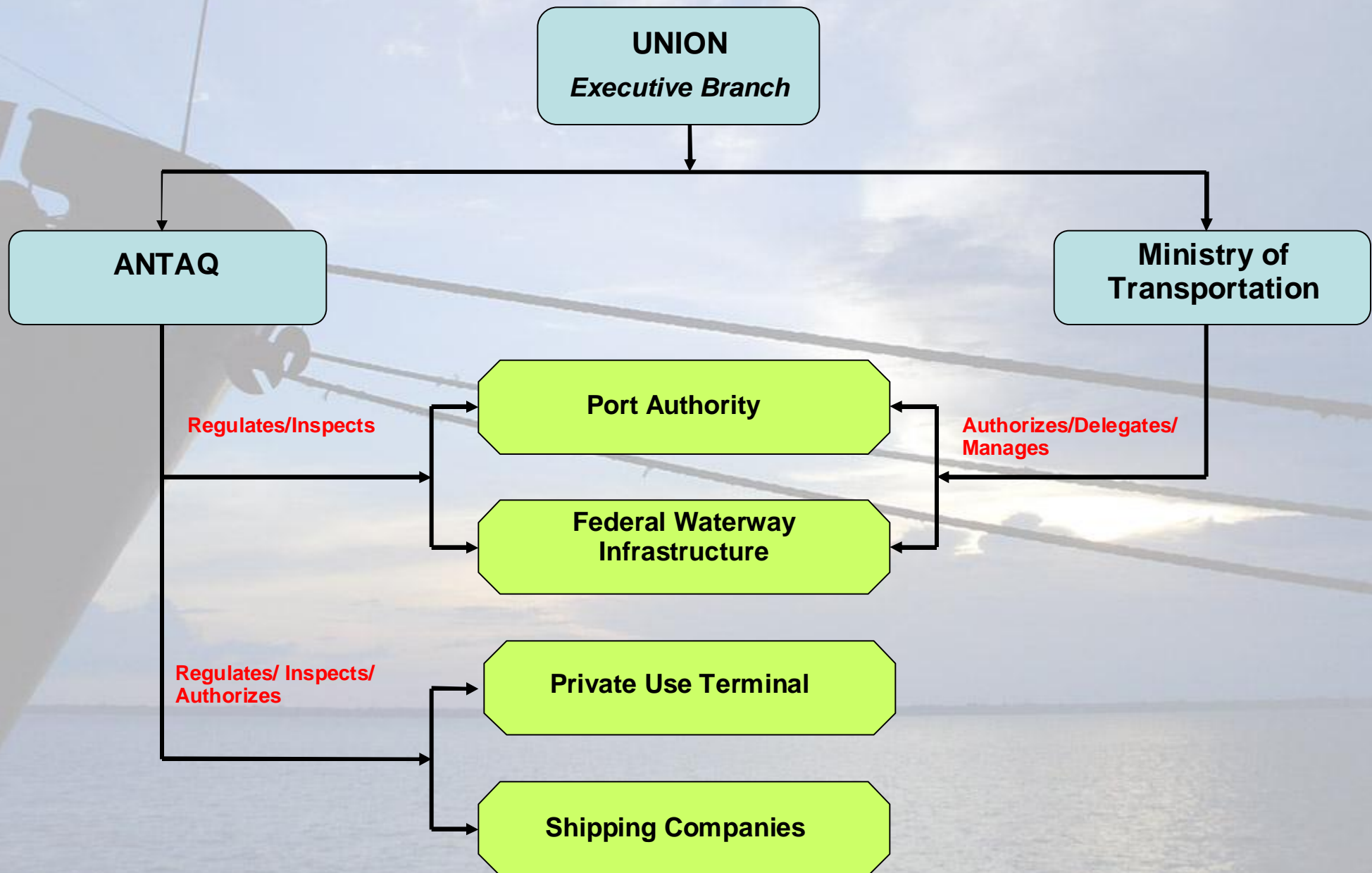
Public and Private Participation in Port-related Activities

- Development of the Port Authorities' Role Model
- Port Community participation in the Sector's Management
- Transfer of Port Operations to the Private Sector
- Lease and Port Facilities
- Direct Investment in Port Services
- Organization of the Port Labor System

Brazil's Port Sector: Regulation



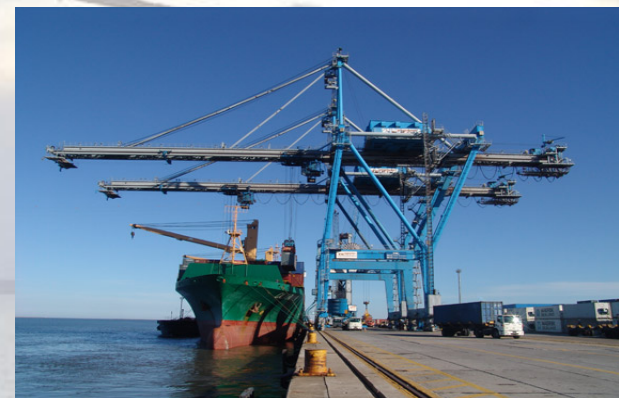
The State- Framework



National Agency for Waterway Transportation - ANTAQ

Institutional Facts

- Established by Act nº 10.233, June 5th 2001
- Start Working February 2002
- Federal Agency linked to the Ministry of Transportation



National Agency for Waterway Transportation - ANTAQ

Range of Action

- Shipping companies for international shipping, cabotage, port and maritime support
- Shipping companies that operate in rivers, lakes and inland waterways
- Public Ports (Landlord Ports)
- Private Use Terminals
- Usage of the Federal Waterway Infrastructure

National Agency for Waterway Transportation - ANTAQ

Responsibilities in Regulation

- Promotion with the management of Grants
- Inspection and Monitoring the Sector
- Establishment of the rules in accordance with the Law
- Information to Study and Plan the sector
- Integration of the Multimodal system

Ports– Responsibilities

- Propose general planning, strategic to investments
- Propose rules and standards for investment in port infrastructure
- Grant permission to private use terminals
- Inspect port administration units
- Secure protection of users' rights
- Approve revision and changes on port tariffs
- Define the total area and boundaries of the port
- Appoint directors for the Port Authority Council (CAP)

Challenges and Plans for the Future

- Work with other governmental institutions envisioning greater network
- Efforts to strengthen integration of the waterway transport with other modals
- Data collection and access to information on the Waterway Sector available at www.antaq.gov.br (including annual statistics)
- [Perpetuate](#) integration of the port community (Port Authority Council)

Challenges and Plans for the Future

- Act more effectively in inspection procedures
- [Evaluate](#) the environmental management system in ports
- Plan strategies to improve the sector
- Follow-up, supervise and ensure the establishment of port security measures (ISPS Code)
- To hamper market actions that are damaging to competition or violation of economic order
- Arbitration of conflicts

The background of the slide is a photograph showing the white hull and rigging of a ship on the left side, with the sun setting over a calm body of water in the distance. The sky is filled with soft, white clouds.

**“We do Not Have Problems,
just Challenges and
Opportunities.”**



The image shows a large, modern building with a light-colored, textured facade. A tall, narrow glass window is visible on the left side. The ANTAQ logo is prominently displayed on the right side of the building. The logo consists of a stylized blue 'A' followed by the word 'ANTAQ' in blue capital letters. Below this, the text 'Agência Nacional de Transportes Aquaviários' is written in a smaller, blue, sans-serif font.

ANTAQ
Agência Nacional de Transportes Aquaviários

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Shifting Port Services to the Private Sector

Models of Port Authority	Partnership Categories		
	Infrastructure	Higher Level Structure	Port Operation
<i>Service Port</i>	Public		
<i>Tool Port</i>	Public		Private
<i>Landlord Port</i>	Public	Private	

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Participation of the Port Community in the Management

Port Authority Council (CAP)

Top level branch of the public administration that acts in joint commission and makes decisions on issues related to the public landlord port.

Comprised of:

- Public Sector
- Port Technical Operators
- Port Worker's Class
- Port Service Users' Branch and similar units

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Transfer of Port Operational Activities to the Private Sector

Port Operator:

Enterprise that uses services including loading, unloading, hauling and storage of goods in the landlord port area. Those activities are handled by specific categories of port personnel.

- Pre-qualified by the Port Authority
- Must be in accordance with the rules established by the Port Authority Council (CAP)

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Transfer of Port Operational Activities to the Private Sector

Port Lease:

Leasing of areas within the limits of the public landlord port granted to the private initiative with the goal to promote investments and infrastructure improvement for the port facility.

- Based on the Plan for Development and Zoning - PDZ
- Called upon public bids

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Direct Input of the Private Sector in Port Activities

Private Use Terminal- TUP

- Private participation in port activities
- Non-integrating public facility of the port, built by a private company or a public entity for hauling and storage of cargo provenient from or destined to waterway transportation

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Port's Labor Structure

Labor Management Sector (OGMO):

A not-for-profit public entity, comprised by port workers in each landlord port of the country. The fundamental role of the OGMO is to carry on labor-related services in the ports.

Port's Working Class- Categories

- Dock and ship personnel
- Cargo counting procedure
- Cargo repair
- Vessel Inspection
- Cleaning Personnel

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Port Authority Council (CAP)

- CAP's Legal Foundation
- The CAP as reference to port's modernization
- Institutional Organization
- Legal Duties
- Main Role
- Range of Action- Shortcomings
- CAP Project – Content, Basic Profile and Training for the Directors



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Evaluation of Environmental Management in Ports

Objective

- To be informed on the environmental management's procedure
- Propose strategies for improvement

Expected Results

- To be up-to-date with the environmental conditions and possible changes
- Analysis of the pressing issues that curb the implementation of an adequate environmental management
- To put forward measures to reduce or eliminate eventual problems
- Encourage partnerships among organs and entities involved in the environmental management of the ports

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