Port of Antwerp

Port authority organization and land lord model.

Dr. Walter Van Mulders
Antwerp Port Authority
Global Trade Development
Port authority organization and land lord model.

1. Port of Antwerp in a glimpse
2. Landlord model
3. Stakeholders relationships
4. Antwerp Port Authority
5. International services
Port of Antwerp in a glimpse
Europe’s leading integrated maritime and logistics platform

- Nr 1 Breakbulk port
- Largest European oil & chemical cluster
- Extensive value added logistics
- Widely connected
- Worldclass expertise and flexibility
Port of Antwerp in figures

Largest in size
– Total area: 13,057 ha
– Quay length: 151 km
– Railway: 1,061 km
– Roads: 409 km
– Covered warehousing: 556 ha
– Pipelines: 350 km

Economic engine
- 145,000 direct and indirect jobs
- 19,2 billion euros of added value

= 9,5% of Flemish GDP
= 5,4% of Belgian GDP
Cargo handling 2012

2nd European port:
1. Rotterdam
2. Antwerp
3. Hamburg

- Break-bulk: 16 m tonnes
- Containers: 104 m tonnes, 8,7 mio TEU
- Liquid bulk: 45 m tonnes
- Dry bulk: 19 m tonnes
Top 20 world ports
Realising unique synergies

Value added Logistics

Industry

Cargo handling
Industry: Europe’s largest integrated petrochemical cluster
Logistics: value added services and cargo handling perfectly integrated

- 13,057 ha (32,265 acres) port surface
- 680,000 m³ silo storage capacity
- 5.5 mio m² (1366 acres) covered dry storage capacity
- 15 mio TEU container capacity
- 2 mio m³ temperature-controlled storage capacity
- 7 out of the 10 main international chemical companies
- 11 breakbulk terminal operators
- 11 dedicated dry bulk terminal operators
- 11 independent tank storage operators
- 6 steel service centers
- 3 vehicle processing centers
- 5.5 mio m³ tank storage capacity

*Additionally, 1070 ha Saeftinghe Development area
Landlord model
Landlord model: Successful cooperation

**Port Authority (public)**
- Management of **territory**:
  - investments
  - concessions
- Management of **Infrastructure**:
  - docks, quays
  - bridges, locks
  - land
- Trade facilitation
- Vessel traffic management
- Marketing & Branding

**Port companies (private)**
- Management of **superstructure**:
  - terminals
  - cranes
  - equipment
  - warehouses
- Handling of the cargo
Port authority as enabler and facilitator of sustainable growth

New sustainable growth path

Ad hoc, re-active, competitive approach → Integrated, pro-active, collaborative approach

Size

Time

Services & tools port

Landlord port

Pro-active landlord port
3 Stakeholders relationships
Complex collaboration of stakeholders

Sea pilots

River pilots / tugboats

Dock pilots / tugboats

Private port companies (Alfaport / CEPA)

Sea & river management: Gemeenschappelijk Nautische Beheer (verdrag)

Port Management: Antwerp Port Authority

Private port companies (Alfaport / CEPA)
Key players Antwerp port area

- CEPA
- VOKA
- FOD
- NATUURPUNT
- MAATSCHAPPIJ LINKER- SCHELDEOEVER
- HAVENBEDRIJF
- ALFAPORT
- APEC
- ANTWERP HEADQUARTERS
- STAD ANTWERPEN
Public and private stakeholders nautical chain

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**Public**
- MDK (Flemish Government) (BE) (Agentschap Maritieme Dienstverlening en Kust)
- Permanente Commissie (PC)
- Gemeenschappelijke Nautische Autoriteit (GNA)

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**Private**
- Dutch Scheldemondeloodsen (NL)
- Private towage companies (URS/AT)
- Brabo bootmen (concession)

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**Sea and river management**

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**Public**
- Antwerp Port Authority (towage, bootmen, vessel traffic mgt)

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**Private**
- Brabo dock pilots (concession)
Close collaboration private companies : Alfaport

Federation of Port Companies and Logistic Service Providers :

- ABAS: Association of Antwerp master stevedores and port operators
- ASV: The Antwerp Shipping Association
- BRV: The Belgian Shipowners’ association
- VEA: Antwerp freight forwarding and logistics association
- KVBG: Royal association of traffic flow controllers
Close collaboration private companies: CEPA

- Industrial relationships (trade unions)
- Personnel administration
- Professional training
- Prevention and safety
- First aid, medical assistance
- Sports facility
- ...
Labor structure

• The organisation of port labor is based on the law of 8 June 1972 (Law ‘MAJOR’)

"Nobody is allowed in the port area to have jobs performed, by other employees than recognized dockers/port labourers."

Dockers
• 7,444
• on the job training
• Employed by CEPA
• Pool with different groups (A,B)
• Private companies can call dockers upon their needs (minimum number, shifts, fixed wages,…)

Unions
• Permanent social dialogue
• APA only indirectly involved
Antwerp Port Authority
Overview

Antwerp Port Authority (APA):
1. Autonomous public entity
2. Nautical chain & services
3. Financial flows
4. Infrastructure investment policy
5. Marketing & commercial relations
APA: Autonomous public entity
Antwerp Port Authority: autonomous municipal authority

- 1 January 1997:
  - Antwerp Port Authority becomes independant
  - One shareholder: the City of Antwerp (100%)
  - yearly divident to the city

Legal framework: “autonomous municipal authority”
- the Port Authority has its own decision-making powers and a human resources policy separate from the city
- the Port Authority has the power to reach joint ventures with other companies or government departments.

-1.600 employees
1. The Municipality Decree (Flemish legislation):

there are three forms of “municipal externally independent agencies”:
– Autonomous municipal authorities
– Municipal external independent agency in a private law form
– **Autonomous port authorities**

2. The Decree on the policy and management of sea ports (Decree of 2 March 1999; “the Port Decree”):

provisions on the competencies of the sea ports/port authorities, the internal structure, financing, supervision, … of the port authorities, including the autonomous port authorities.
* Port authorities within the meaning of the Port Decree (cfr. APA) = authorities of public law that are in charge of the management and the operation of the port areas and that exercise the port managerial competences within the meaning of the Port Decree.

* The port authorities can choose their legal form amongst the existing legal instruments, including the form of an ‘autonomous port authority’.

* The port authorities are subject to the laws of the commercial companies if not contradictory to the Port Decree or other legal provisions. The by-laws of the port authority define the goal and the tasks of the port authorities in respect of their public service-mission. *

*One of the tasks of the port authority is the commercial management of the port. (full responsibility of the port authority)

* Autonomous Port authorities are established by Order of the municipal council.
Governing bodies

Board of directors (18p):

- 14 representatives municipal council (incl. chairman: Marc Van Peel, Alderman for the Port)
- 2 independent representatives
- 1 managing director
- 1 representative Linkerscheldeoever

Management committee:

- operational management of the Port Authority;

  → Eddy Bruyninckx,
  (Chief Executive Officer)
APA: Nautical chain & services
Nautical chain and services

- Sea pilots
- River pilots / tugboats
- Dock pilots / tugboats
- Private port companies (Alfaport / CEPA)

BE
NL
- Ships arrival is notified by agent.
- Boards by sea.
- Flemish government or Dutch private companies
River pilot services

- Flushing roads: sea pilot is replaced by river pilot.
- Boards by sea
- Flemish government or Dutch Authority
Harbour pilot services

- Antwerp Control Center (ACC): decision of Senior traffic controller
- River pilot docks in the lock or at outer berths (container terminal)
- Harbour pilot takes over (concession from APA to private company BRABO)
Nautical services: Towing

**Towing**

- Sea + river pilots = free market
- Harbour pilots = APA (concession Brabo)
  * towage in the port
  * assistance on fire fighting
  * 19 tugboats
Dredging

- Main maritime access = Flemish Government
- Commercial berths = APA

  * **ensure dock depth** (bucket dredger, cutter suction dredger, dredging crane, TSHD)
  * **removal of floating garbage** in the docks

  * **ecological pilot projects**
  * **landscape dike** (reuse of dredged material)
  * **mechanical processing of dredged material** in order to dewater it
Cranes (floating and shore)
- renting, operating and maintenance of the floating cranes
  - floating derrick: Brabo: 800 tons
  - 2 floating cranes: Portunus en Titan: 45 tons
- 33 cranes of which 15 mobile cranes (shore cranes)
Nautical service: other services

Vessel Traffic Management (Antwerp coordination centre)
- assistance of vessel traffic entering or leaving the port or navigating within the port

Berth and dock management
- task: regulating and monitoring (dock supervisors)
- Each vessel has to request a berth (quay wall, jetty, buoy)
+/- 17,000 requests annually

Mooring and unmooring by bootmen
- Execution of lock planning made up by local traffic
- GHA bootmen (Brabo)
Shipping management

Shipping traffic management department
- technical-nautical services
- vessel traffic management and planning
- chief traffic controllers and dockmasters.
- All the operational activities that relate to shipping movements

Harbour master’s office
Role: Security of shipping

Tasks:
- regulating the handling and storage
- regulation of access to the port
- safeguarding the environment, integrity and security of the port area
- Coordination with other authorities (customs, police authority, )
Trade facilitation: maximizing safety & optimising logistics efficiency

- Highest standards in Port Security
- Efficient & effective border inspections

Antwerp, a safe & secure port

Antwerp, Logistic gateway to Europe

Efficient import process
Excellent distribution structures to defer taxes & duties
Automated, 24/7 service

Trade Facilitation, finding the right balance
Maximizing safety and security, minimizing the impact on trade
Through close interaction and communication between all stakeholders
Antwerp Port Community System (APCS)

APCS, an extensive network for the exchange of electronic information between different players in the supply chain.

- Enables standardization and facilitation of information exchange
  - Data transmission rather than data management
  - Limited database function and limited data ownership
  - Uniform front-end function: users will keep on using their own back-end IT systems

www.portofantwerp.com/apcs
Antwerp Port Community system (APCS)

Transparency
- track & tracing

User friendliness
- single window approach
- harmonisation & standardisation of information exchange

Cost reduction
- elimination of errors and redundant tasks

Reliability
- better planning of your transport
Key challenges for today’s supply chains

Business Challenges

- Globalisation
- Customer Expectations
- Cost containment
- Risk management
- Sustainable requirements

Supply Chain KPI’s

- Reliability
- Total cost
- Speed
- Flexibility
- Quality
- Sustainability

To become more Lean, agile, collaborative and innovative.
APA: Financial flows
Financing of the port authority

- **Port dues/revenues** of the exercise of the port management competences and other activities.

- **Investments/financial responsibility of the Flemish Region**: the construction, the maintenance and operation of the maritime gateways and the basis infrastructure of the port (except port internal basis infrastructure, e.g. the docks).

- **Subsidies** by the Flemish Region (specific Executive Orders by the Flemish Government): e.g. for the maintenance of the sea locks, for investments in port internal basis infrastructure and equipment infrastructure (e.g. commercial mooring facilities for transshipment).

If the port managerial competencies are not exercised in conformity with the Port decree, the subsidies can be withdrawn/recovered.
Financial flows

Revenues Antwerp Port Authority (2012): 277 million euro

- Land lease: 46%
- Port dues: 33%
- Other services (towage dues, floating & land cranes, inland barges): 21%
Financial flows: details

Revenues Antwerp Port Authority: 277 million euro

- Land lease: 47%
- Port dues: 33%
- Inland barges: 3%
- Towage dues: 14%
- Grid management: 0%
- Land cranes: 0%
- Floating cranes: 0%
- Miscellaneous: 0%
Concession management

Management of port sites by granting concessions to private companies in the port.

General management of Port Real Estate:

- development and implementation of hinterland policy
- Redevelopment of "Het Eilandje" area in cooperation with city of Antwerp
- Wind turbine project and coordination of energy policy in general
- Use of own administrative buildings by outside parties or other local authority departments
- strategic spatial planning
- Utilities lines and pipelines
- Management of real estate tax
**Concession terms & prices**

**Determination of the term of the concession agreement based on following investment criteria:**

- Planned investment on real estate
- Quality of the project
- Planned lay-out/efficient use of space
- Projected traffic generation
- Minimum tonnage

**The price of the concession depends on:**

- Location of the site: waterbound or not?
- Condition of the surface: paved or unpaved?
- Nature of the planned activities: freight-generating or service-based activity?

Fees for maritime activities vary between 3 and 5,5 EUR / m²/year

**Duration**

Duration* between 10 and 40 years

Renewable* for 1 to 5 years

* Depending on the investment (investment/m²)
Harbour dues

→ all seagoing vessels calling Antwerp

Tonnage dues

• On the GT of the vessel
• Rate depends on type of vessel

Berthing dues

• On the cargo (both in & out)
• Rate depending on type cargo

rebate

Regular calls

• 1 call every 30 days
• granted after a 3-month trial period

Frequency

deepsea

53-100 = 10%
151-200 = 20%
>200 = 30%

shortsea

27-52 = 25%
>53 = 50%

*Tankers: limited to 4500 BT
APA: Infrastructure investment policy
Infrastructure

Maritime infrastructure
- 6 (+ 1) locks
- docks with quay walls
- 27 bridges (different types)
- Jetties
- traffic light installations

Land infrastructure
- Roads and land management
- Maintenance and renovation of roads, sewage and quay surfaces
Infrastructure services

Operation and management inspection programme
maintenance programme
Renovation and newbuildings

- Policy
- Planning, design and follow up of the tendering procedures and the carrying out of large infrastructure works, e.g. Deurganckdock lock

- …
The port of Antwerp, leader in sustainability

Winner
Environmental World Ports Award 2013

* Economic growth in balance with people & planet
* Joint efforts with the port community
* Ambition for a leading role within the Hamburg – Le Havre range
Infrastructure investment policy

• No national planning

• The regional governments:
  - creating organisational framework and environmental and territorial legislation.
  - expansion of existing ports
  - contours of the port are being determined by the ‘Spatial Execution Plan’
    (in concordance with Flemish government)

• Existing ports:
  - port authority is solely responsible for planning within the port area (Master plan)
APA: Marketing en Commercial relations
Marketing, Promotion and commercial relations

Role
- Attraction of cargo flows
- Customer relationship management
- Brand awareness

Business Development Management
- Development of commercial strategy
- Strategic account management
- Lead generation + lead follow up
- Facilitation of commercial relations

Collaboration and information sharing

Marketing Management
- Development of marketing strategy
- Analyses (regional, sector)
- Marketing communication tools
### Branding & customers relations

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**Port of Antwerp**
International services
Port of Antwerp International (PAI)

Subsidiary of the Antwerp Port Authority

Port of Antwerp
wants to create stronger commercial links with maritime regions in growth countries worldwide

Overseas ports
want to improve their management and infrastructure or increase their efficiency and throughput

Overseas partners can benefit from the know-how and expertise of the Port of Antwerp

For more information: www.portofantwerp/pai - pai@portofantwerp.com - tel. +32 3 229 73 73
Development of activities in strategic growth regions (PAI)

Development of activities beyond Europe in strategic growth regions

**Brazil**
Survey of Brazilian market

**SS Africa**
- DR Congo: Port of Matadi (since 2003)
- Ivory Coast: Port of San Pedro

**India**
- Gujarat region:
  - Essar Ports 625 mio share
  - Strategic Alliance agreement
  - Steering Committee / Actions
  - Port of Hazira

**Middle-East**
- Oman:
  - New greenfield port in Duqm (March 2010)
  - RAP+PAI - CAP (Consortium Antwerp Port)
  - PDC (Port of Duqm Company)
  - Tender process for harbor equipment started

For more information: www.portofantwerp/pai - pai@portofantwerp.com - tel. +32 3 229 73 73
Antwerp/Flanders Port Training Center (APEC)

Facts

Scholarships
• Flemish government – Department mobility & public works (MOW)
• Flemish government – Department International Flanders
• Province of Antwerp
• Antwerp Port Authority
• Federal government (DGOS / BTC)

Collaboration
• Antwerp Port Authority
• Alfaport Antwerp
• CEPA
• Flemish government (MOW)
• Federal administrations (customs, national railways,…)
• Port authorities (Antwerp, Ghent, Zeebruges, Ostend, Liège)
• City of Antwerp (police, firebrigade,…)
• Province of Antwerp
• European Commission
• Trade unions

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