

CURRENT

An Update from Sydney Ports Corporation

March 2007

SPC Board membership

Sydney Ports Corporation welcomes the appointment of Paul Binsted and Trevor Robertson as Chairman and Director to the Board. The appointments were announced by NSW Treasurer and Sydney Ports primary shareholding Minister The Hon Michael Costa late last year.

The Minister said that “the wealth of experience of both Mr Binsted and Mr Robertson will greatly assist Sydney Ports in the significant expansion of Port Botany.”

“Mr Binsted is the Managing Director and Co-Chief Executive of Lazard and brings major project management and operational experience to the organisation.”

“As a former chairman of State Rail Authority and a former board member of Sydney Ports, Mr Binsted has worked within the demanding environments of essential infrastructure.”

Former naval commander Trevor Robertson is the Managing Director of Tongariro Holdings and has successfully run his own businesses.

“Mr Robertson’s exemplary 18 years of maritime service and extensive business experience will be a welcome addition to Sydney Ports,” Mr Costa said.

“His background in managing major contracts and complex projects will be invaluable in overseeing the crucial Port Botany expansion.”

Managing and Developing Port Facilities

Port Botany Expansion Project

With the shortlisting of two consortia, Leighton-Van Oord joint venture and Baulderstone Hornibrook-Jan de Nul joint venture, for the design and construct contract, the focus for the project has been on the preparation and issue of tender documentation. Tenders are scheduled to be received by July 2007 with a successful tenderer to be selected by the end of the year.

Additional geotechnical testing is currently underway to inform the design of the wharf structure by the two tenderers.

Sydney Ports continued its program of informing and collaborating with stakeholders.

The Community Consultative Committee established by Sydney Ports met for the fourth time in late February.

The process for seeking a stevedoring operator for the expanded area will commence later this year and is expected to be finalised in late 2008.

Bulk Liquids Berth is changing

The bulk liquids trade continues to grow following an increase of 6.5 per cent in 2005/06. With this level of growth, industry participants are forecasting the need for additional berth facilities to satisfy the demand.

Petroleum products are forecast to increase at 2 per cent per annum over the next 20 years according to the 2006 Australian Government's *Greenhouse Report*.

To meet the growing demand for such products, Vopak Terminals is currently constructing additional tank storage and seeking approvals to increase the storage volume for refined products at Port Botany.

The additional tankage operations will drive extra trade volume through the common-user bulk liquids berth (BLB) operated by Sydney Ports.

In order to facilitate this increase in trade, Sydney Ports is enhancing facilities at the current BLB with the provision of another marine loading arm. This will satisfy existing and short term estimated demands for the import and export of bulk liquids in the short term.

Plans to cater for long term demand include the design and construction of a second bulk liquids berth (BLB2) at Port Botany to further improve efficiencies and support industry growth.

Sydney Ports has appointed Vopak as project manager to progress the planning for this new facility.

Glebe Island/White Bay

The proposal by Bailey's Marine to establish a common user marine precinct at White Bay is now being assessed by the Sydney Harbour Foreshore Authority.

The car trade at Glebe Island is on schedule to relocate to Port Kembla in late 2008 and Sydney Ports is working with the car import industry, AAT and Port Kembla Port Corporation to ensure this change is effected with minimum inconvenience.

A Community Liaison Group, established by Sydney Ports for the area has continued to meet regularly, providing a platform for exchange of news and views between the local

community, councils and businesses operating at the port. The last meeting was held in February 2007.

Facilitating Trade

Trade highlights

Total trade through Sydney's ports in the first seven months of the 2006/07 financial year continued to grow, reaching 16.3 million mass tonnes, an increase of 6 per cent on the same period last year.

Containerised trade through the ports climbed to 970,624 TEU's* in the first seven months. This is 11.6 per cent higher than the same period last year.

An increase in export containers of 11.7 per cent contributed to this growth.

Vessel movements in the same period have also increased from 1,922 to 1,993.

Commodities such as chemicals, machinery and manufactures have contributed to an increase in imports, with shipments from China, Indonesia and Vietnam growing substantially.

For more trade information visit www.sydneyports.com.au

* TEU – Twenty foot equivalent unit

Port Security

Maritime Security Identification Card now compulsory

The MSIC was made compulsory in all port areas from 1 January 2007. Sydney Ports played a key role in meeting this deadline issuing approximately 6,500 cards nationally.

The combined efforts of all the parties involved meant that there were no major disruptions to port operations with the changes being implemented successfully.

Sydney Ports is continuing to issue the cards to new and existing clients.

On average a hundred applications are processed every week and the issuing bodies are continually working together to achieve desired security outcomes.

Cruising comes of age in Sydney

Thousands of spectators lined the Harbour and foreshore on Tuesday 20 February 2007, to catch a glimpse of the *Queen Mary 2* on her maiden voyage and the *QE2* on her silver jubilee world cruise.

Preparations for the visit started almost two years ago with emphasis on the safety and security for both spectator and passenger vessels.

Berthed at the Garden Island naval base, the *QM2* is the largest cruise ship to ever visit Sydney. As Garden Island is not equipped with passenger processing facilities, Customs marquees were set up on the wharf to process disembarking passengers who were then transported via buses to the Overseas Passenger Terminal (OPT) to collect their baggage.

There were no disruptions to port operations during the visit with 7 commercial vessel movements on Sydney Harbour in a 24 hour period and 8 commercial vessel movements on Botany Bay in the same time period. Two other cruise vessels, the *Silver Cloud* and the *Van Gogh*, were also in port on the same day.

Sydney Ports applied security measures used for all passenger vessels and also worked closely with the Australian Navy and other law enforcement agencies to ensure the security of all vessels.

Waterside and landside restriction zones were put in place at the respective berths of both vessels.

A water exclusion zone was established and patrolled by Sydney Ports Corporation, NSW Maritime, the Australian Navy and Sydney Water Police during the arrival, departure and berthing of the two vessels in accordance with the agreed security plans.

The beginning of the month welcomed sister passenger vessels the *Saga Rose* and the *Saga Ruby* both arriving on 6 March. This brings a total of 66 cruise vessel visits to Sydney ports since the start of the cruise season in November 2006.

Sydney best turnaround destination

The publication *Dream World Cruise Destinations* has recognised Sydney as the Best Turnaround Destination at their 2007 annual awards. The awards will be presented at a cruise industry function, Seatrade Miami, to be held in mid-March.

Sydney Ports welcomes two new tugs

Adsteam Marine increased its towage capability in Sydney with the launch of two new technologically advanced tug boats.

The welcoming ceremony took place on 31 January 2007 at the Overseas Passenger Terminal at Circular Quay where Ann Corlett, wife of Adsteam Marine Chairman, Bruce Corlett and Clare Martin, wife of Sydney Ports Chief Executive, Greg Martin named the tugs the *Adsteam Warang* and the *Adsteam Warrawee*.

The tugs were blessed by Reverend Ian Porter from the Mission to Seafarers.

The 28-metre standard Damen 2810 tugs have a bollard pull of 60 tonnes and are well suited to the traffic patterns in Port Jackson and Port Botany with container ships, car carriers and tankers.

The ports of Sydney have seen strong growth in the number of ships visiting with nearly 3,000 vessel visits in the 2006/07 financial year.

With an expansion of the container port at Botany under way, the new tugs will assist with making Sydney's ports even more efficient. They have commenced operations following a comprehensive crew training program.

They are the first of five new tugs for Adsteam's Australian fleet this year and will be joined by Adsteam Colac, Adsteam Otway and Adsteam Kiama later in the year.