

## NOTES FROM THE SECRETARIAT

Welcome to the first edition of *ABTO News*. As you know ABTO was established to represent Bulk Terminal Operators and whilst the majority of our members are currently involved in the operation of dry bulk terminals we are also aware of the needs of liquid bulk terminal operators, so please do spread the word and feel free to pass on *ABTO News* to your industry colleagues and let them know how we can also support them.



This month will see the International Maritime Organisation (IMO) hold the third Carriage of Cargoes and Containers Sub-Committee session (CCC3), (5 – 9 September). ABTO will be represented at this meeting and will report on events in the next newsletter.

IMO is a vital part of our industry. It is the industry's opportunity to engage with the legislators and is therefore important that we are present at IMO to ensure that the work progresses, is practical, workable and above all effective. Every delegate would like to improve how things are done and it is our role to support, guide and advise as to how, collectively, we can achieve the aims of the organisation. At IMO, there is an opportunity to engage with Member States and NGOs and we will, on your behalf, take that opportunity to ensure your voice is heard and makes a difference. IMO has over the years come in for some fairly strong criticism. Some of which is justified but if we are not engaged we are also at fault because it is very much an inclusive organisation.

The first ABTO Annual Convention will take place during March 2017 in London. The programme is currently under development and we would really appreciate any suggestions for topics and/or presenters.

Ian Adams, CE, ABTO

## News in brief

### RIO TINTO APPROVES SILVERGRASS

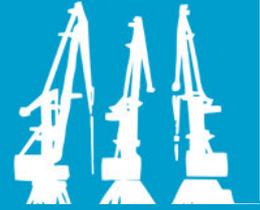
Rio Tinto will invest US\$338 million to complete the development of the Silvergrass mine in its Pilbara iron ore operations in Western Australia.

The brownfield expansion is a key element in maintaining Rio Tinto's premium Pilbara blend.

It is anticipated the Silvergrass investment will add 10 million tonnes of capacity and lower mine operating costs by replacing road haulage with a more efficient conveyor system that links the Silvergrass operations to Rio Tinto's existing processing plant at Nammuldi.

Rio Tinto chief executive J-S Jacques said: "We are committed to disciplined capital allocation and the approval of the final phase of the Silvergrass development, which is one of the most value-accretive projects across the mining industry, delivers high-quality, low-cost growth that will underpin future returns to shareholders."

The final stage of the Silvergrass development is subject to obtaining necessary approvals from the West Australian Government.



## News in Brief

### **RIO TINTO REPORTS STRONG CASH FLOW**

Rio Tinto has generated net cash from operating activities of US\$3.2 billion and reported underlying earnings of \$1.6 billion, against a backdrop of continued volatility and lower commodity prices.

The company said: "Our balance sheet strength and Tier 1 assets provide a stable foundation in these uncertain and volatile markets, which is fundamental in a cyclical and capital-intensive industry. We will generate cash at every opportunity, which we will then allocate in a disciplined way to deliver returns to shareholders, while also investing in compelling growth. "The board announced an interim dividend of 45 US cents per share, consistent with our commitment to no less than 110 US cents per share for the full year."

### **NEW SHIPLoadERS FOR PORT WARATAH**

After loading more than 300 million tonnes of coal over the past 40 years, the shiploaders at Port Waratah Coal Services' Carrington Terminal are being replaced. The terminal expects to resume normal operations at Carrington by the end of the year.

### **TPS SUPPLIES BELGIUM'S TRIMODAL**

Terex Port Solutions (TPS) is supplying a diesel-electric Terex Gottwald Model 2 mobile harbour crane in the G HMK2304 two-rope variant and Terex Stackace E 6-8 empty container handler to the Belgian river port of Liège. The two cargo-handling machines will start commercial operation in September 2016 at the trimodal terminal of situated on the River Meuse.

## ALERT TO HME CARGO REQUIREMENTS

Lloyd's Register has issued a notice alerting shippers to the changes to HME Cargo requirements, explaining that the discharges of 'harmful to the marine environment' cargo residue and cargo hold washing water are no longer permitted. The change follows the expiration on 31 December, 2015, of circular MEPC.1/Circ.810 on Adequate Port Reception Facilities for Cargoes Declared as Harmful to the Marine Environment under MARPOL Annex V.

The circular had provided a temporary measure of permitting HME discharges outside the MARPOL Annex V Special Areas, provided certain conditions were met.

IMO considered a proposal to extend the application of MEPC.1/Circ.810 at its 69th Marine Environment Protection Committee session in April 2016 (MEPC 69), but did not approve it. Governments were invited to report to the IMO any alleged inadequacies of port reception facilities and make submissions to the MEPC to bring the issue to the attention of all parties concerned, as the aim is for more ports/terminals to fulfil their obligation under MARPOL Annex V to provide adequate facilities.

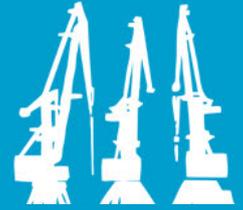
Master Mariners are reminded of the MARPOL Annex V regulations 4.1.3 and 6.1.2 prohibiting HME discharges and are urged to report inadequacies to their flag state using the Format for Reporting Alleged Inadequacies of Port Reception Facilities contained in MEPC.1/Circ.834, Appendix 1.

IMO guidance for port reception facility providers and users MEPC.1/Circ.834, Consolidated Guidance for Port Reception Facility Providers and Users, brings together the Guide to Good Practice for Port Reception Facility Providers and Users (MEPC.1/Circ.671/Rev.1) and four more circulars related to port reception facilities. This consolidated guidance covers all of the MARPOL Annexes in one document.

## ABTO WELCOMES NEW MEMBERS

**T. Parker Host**

**TCGL – Terminal de Carga Geral e de Graneis de Leixões, S.A.**



## ADVICE FROM THE MAP



So what is the Members Advisory Panel? The MAP ostensibly is an advisory body that provides non-binding strategic advice to Maritime AMC, the company appointed to manage the Association of Bulk Terminal Operators

The informal nature of the advisory board gives greater flexibility in structure and management compared to a Board of Directors or Council of Management. Unlike a Board of Directors, the advisory panel does not have authority to vote on corporate matters or bear legal fiduciary responsibilities.

The reason behind the creation of the MAP is to seek expertise outside of the Board of the ABTO Management Company, so that members are provided with independent knowledge, understanding and strategic thinking on all aspects of issues impacting bulk terminal operations and trade.

The Association is currently seeking advisory panel members whose qualities complement the Board and ABTO membership. The anticipated commitment is four one hour teleconferences per annum.

Members of the MAP will recommend the Association's position on various issues under discussion at national and international level; provide input into the ABTO global events programme; and give an industry perspective on the Associations work.

ABTO is currently in the process of recruiting MAP members and the Secretariat is interested to hear from anyone who feels that they can contribute to the invaluable work of the Association. Whilst the initial appointments will be by invitation it is anticipated that the future MAP will be elected by the members.

Please do register your interest by emailing [ce@bulkterminals.org](mailto:ce@bulkterminals.org).

## News in Brief

### NCIG CAPITAL RESTRUCTURE DEFERRED

The Newcastle Coal Infrastructure Group (NCIG) Board has elected to defer a capital restructure initiative to a later date.

The Australian company says that over the past quarter market conditions for resource related financing have been adversely impacted by developments in other resource related credits and transactions.

NCIG intends to monitor market conditions and reconsider the transaction when conditions are more appropriate.

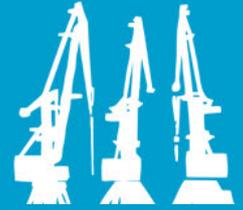
NCIG's business continues to operate in accordance with its business plan, and the deferral will have no adverse impact on its expected operational or financial performance.

### HIAB GEARED UP FOR CHAMPIONSHIPS

HIAB, part of Cargotec, is preparing for the second ever World Crane Championship finals, which will be held at the IAA Exhibition in Hanover, Germany on 25 September.

Qualification rounds are going on to determine best crane operators from 16 different countries. Contestants manoeuvre a HIAB crane equipped with the renowned HiPro steering system through a series of obstacles, trying to arrive at a best possible time.

Finalists get to operate a cutting edge HIAB X-HiPro 232, which is launched during the IAA Exhibition. The winner of the finals takes away a €5,000 travel cheque and €20,000 towards the purchase of a new HIAB crane - and the title of World Crane Champion 2016.



## REGULATORY UPDATE



The 3rd session of the IMO Sub-Committee on Carriage of Cargoes and Containers (CCC) will be held from 5 to 9 September 2016, at the IMO headquarters in London. The subjects under discussion which are relevant to the work of ABTO are summarised below based on the documents submitted by 19 August 2016.

### Agenda item 2 - Decisions of other IMO Bodies

This agenda item provides the Sub-Committee with information about what the Committees and other Sub-Committees have done relevant to CCC. MSC 96 confirmed that the agenda items on the IMSBC and IMDG were for technical aspects of the cargoes only. Operational and administrative requirements were not included in the scope of these items.

### Agenda Item 5 - Amendments to the IMSBC Code

The latest version of the IMSBC Code amendment is amendment 03-15. This was adopted by MSC 95 with entry into force from 1 January 2017 (MSC.393(95)). Discussions are in progress on the next set of amendments to the IMSBC Code (amendment 04-17). Discussion is expected to include the following issues: –

- Introduction of new and revised cargo schedules (Appendix I of the IMSBC Code)
- Prevention of cargo liquefaction proposals
- Development of an IMO circular on the transportability test of New Caledonian nickel ore as the existing methods in the IMSBC Code for determining the flow moisture point (FMP) and the transportable moisture limit (TML) are considered unsuitable for this cargo
- Clarification of the time requirements for tests to determine the TML of cargoes liable to liquefaction (Group A cargoes) and subsequent sampling/testing before the loading and responsible party to carry them out
- Review of the results of the Correspondence Group set up by CCC2 on evaluation of properties of bauxite and coal
- Development of an alternative corrosion to metals assessment method

### Agenda Item 6 - Amendments to the IMDG Code

The latest amendment to the IMDG Code is amendment 38-16. This was adopted by MSC 96 and will enter into force on 1 January 2018.

### Agenda item 9 - Mandatory requirements for classification and declaration of solid bulk cargoes as harmful to the marine environment

MEPC 69 approved amendments to MARPOL Annex V that make mandatory the use of certain criteria for the classification of solid bulk cargoes as harmful to the marine environment (HME) and their declaration by the shippers as to whether they are HME or not. For this purpose, the relevant cargo declaration format found in section 4.2.3 of the IMSBC can be used by ships engaged in international voyages while for domestic voyages the means of declaration can be determined by the Flag Administration.

## News in Brief

### GET A GRIP ON BULLDOGS

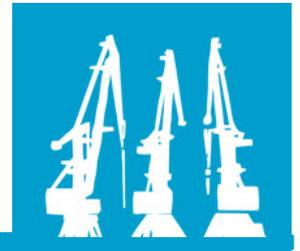
The UK P&I Club has advised its members on the correct application of bulldog grips in order to minimise damage to cargo.

Bulldog grips are commonly used for the securing of project cargo, both under and below deck. They are also used on ships on mast stays and crane wires, although swaged connections are now more common.

However, Tony Watson, Risk Assessor at UK P&I Club, says: "The single most predominant factor associated with the failure of cargo lashings is the incorrect application of bulldog grips. Failed lashings can result in significant damage to cargoes, and can also pose significant risk to the wellbeing of crew members and the safety of the ship."

Among a raft of recommendations, the Club says the distance between the grips is important and should be about six times the rope diameter; that the length of the tail should be greater than five times the rope diameter; and that the tail should be whipped or bound to prevent it unravelling. The number of grips used depends on the diameter of the wire but at least three should be used for wires up to 19mm.

"The correct method of fitting bulldog grips is hardly 'rocket science' but the majority of those seen onboard are, in some way, incorrectly fitted. Proper supervision in the builder's yard should ensure that these are initially fitted correctly. Equally, stevedores/lashing gangs should be supervised and instructed to correct improper lashings."



## THE OPERATOR'S VIEW

**T. Parker Host**  
50 West main Street, Suite  
1600  
Norfolk  
Virginia 23510  
USA  
Tel: +1 757-627-6286  
Web: [www.tparkethost.com](http://www.tparkethost.com)



Since 1923 when T. Parker Host, Senior, a life-long maritime leader in Hampton Roads, Virginia, founded the company, it remains a family concern. Tom and David, sons of T. Parker Host, Jr., assumed leadership roles in 1977 and continued to grow the company, resulting in 1999 with the formation of Host Terminals, Inc. to provide marine terminal operations and stevedoring.

Host Terminals currently operates or manages labour at several U.S. East and Gulf Coast locations, handling 9Mt of dry bulk, 150,000t of breakbulk, heavy lift and project cargoes, 100Mgal of liquid bulk, and 25,000 container moves annually, while continuing its rapid expansion.

Host has significant experience working with unit trains for both dry and liquid bulk cargoes, and is the largest biomass terminal operator in the world, due in part to its work with Enviva Biomass and the Baton Rouge Transit Facility. In addition to many other dry bulk operations, they are the largest dry bulk operator in South Florida, and they run the stevedoring operations at the Perdue Grain Terminal in Chesapeake, VA, which is the largest grain terminal on the East Coast.

### The Host bulk terminals are:

- |                                      |  |
|--------------------------------------|--|
| <b>East Alco Alumina Terminal:</b>   | The terminal has recorded a 34% increase in discharge productivity.  |
| <b>Perdue Grain Elevator:</b>        | The largest grain terminal on the East Coast, averaging 100 vessels annually.  |
| <b>Shirley Plantation:</b>           | Handles in excess of 60,000t of dry bulk annually including aggregates, dredged materials, and bulk commodities.   |
| <b>Enviva Biomass Terminal:</b>      | Operations now include wood pellets and aggregates.  |
| <b>Eco Energy Terminal:</b>          | The location discharges four to six unit trains per month, each holding 57,000 barrels of Ethanol.   |
| <b>Northeast Energy Terminal:</b>    | Supplies fertilizer customers in the Mid-Atlantic Region. The location handles 70,000t of bulk annually.   |
| <b>Dominion Virginia Terminal:</b>   | An E-Crane and spout loader handle dry bulk limestone and gypsum.  |
| <b>Port Everglades:</b>              | This is the largest dry bulk and breakbulk operation in South Florida.   |
| <b>Baton Rouge Transit Facility:</b> | The facility receives biomass pellets from regional manufacturers, stores them onsite, and loads export vessels bound for the United Kingdom.              |
| <b>Port of Corpus Christi:</b>       | As of June 2014, the Port handled a total of 46 million tons of bulk product including break bulk, dry bulk, grain, liquid bulk, petroleum, and chemicals. |